

## TRADE MODIFICATION & ERROR POLICY

### **Objective:**

To frame the guidelines for modification to client codes post trade execution / Online trade modification / Client code modification and reporting of such Client Code Modifications.

### **Brief about Client Code Modification:**

Client Code Modification means modification / change of the client codes after execution of trades. Commodity Exchanges provide a facility to modify any client code after the trade has been executed to rectify any error or wrong data entry done by the dealers at the time of punching orders. However, such Client Code modification is subject to certain guidelines as to the time limit within which the client code modification is to be carried out, terminal / system on which such modifications can be done etc. The facility is mainly to provide a system for modification of client codes in case genuine errors in punching / placing the orders. It is to be used as an exception and not a routine. To prevent misuse of the facility Commodity Exchanges levy penalty / fine for all non-institutional client code modifications.

### **Scope of the Policy:**

This policy covers all the Client Code Modifications carried out / to be carried out in any of the client accounts controlled by Director, subject to the guidelines issued by the SEBI / Commodity Exchanges from time to time, in any segment of any exchange for which **RSBL** is a member broker.

“**Error Trades**” means the trades which will be modified / to be modified / allowed, to be modified subject to guidelines of the SEBI / Commodity Exchanges and this policy. For the purpose of this Policy, only the following types of trades shall be modified / allowed to be modified:

#### **• In Case of MCX:**

- i. Punching error / typing error of client codes due to any genuine error or mistake in order entry, while punching the order, by any of dealer.
- ii. Trade entered for wrong client due to any miscommunication from the client / authorized representative of the client.

#### **• General Conditions:**

- (i) The facility for Client Code Modification can be used only in case of Error Trade.
- (ii) The Client Code Modification shall be carried out only on the designated system and / or as per the process as may be prescribed by SEBI / Commodity Exchange.

#### **• Place for Client Code Modification:**

Any Client Code Modification shall, subject to compliance of this policy, be carried out by RMS at HO of all the Error Trades happened in Currency Derivatives Segment of Exchanges.

#### **• Penalty**

The penalty or fine, if any, levied on **RSBL** for any wrong trade occurred due to any miscommunication from the client / authorized representative of the client shall be borne by the client.

The key officials entrusted for the same in surveillance / Trading desk are **Mahendra Bafna**

## **Error Policy to handle Client Modification**

No trade modification shall be permitted for trade done in any segment of the market, except under the following circumstances.

Ø There is a genuine error either on the part of client, dealer or the broker.

Ø Error due to communication and /or punching or typing such that the original client code / Name and the modified client code / name are similar to each other.

Ø Modification within relatives (Relatives for this purpose would mean relatives as defined under the companies Act, 1956). All errors of the dealer broker shall be shifted to Error Account.

All the above types of trade modifications shall be done after due diligence and after recording the reasons and maintaining a proper audit trail. Penalties if any levied for such client code modification shall be borne by the client except punching errors by the dealer

By Order of Management

Authorised Signatory