

POLICY FOR ENGAGEMENT OF REMISIER

(Non-Registered / Not an Authorized Person)

1. Preamble

This Policy governs the engagement, supervision, control, and monitoring of Remisiers who are **not registered as Authorized Persons with any Stock Exchange** and who perform only limited referral and marketing functions.

2. Regulatory Framework

This Policy is framed in accordance with:

- SEBI (Stock Brokers) Regulations, 1992
 - SEBI circulars/guidelines issued from time to time
 - NSE and BSE Rules, Bye-laws & Regulations
 - Prevention of Money Laundering Act (PMLA), 2002
 - SEBI AML Guidelines
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3. Scope of Permitted Activities

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The Unregistered Remisier may:

1. Introduce prospective clients to the Trading Member.
2. Conduct generic marketing.
3. Forward client contact details to the Trading Member.
4. Assist in coordinating meetings between clients and the Trading Member.

4. Strictly Prohibited Activities

The Unregistered Remisier shall NOT:

- Solicit or execute trades.
- Accept client orders (written, oral, electronic, or otherwise).
- Collect funds, securities, or cash from clients.
- Handle client KYC documentation independently.
- Issue contract notes or trade confirmations.
- Operate client accounts.
- Use the Trading Member's terminal or access trading systems.
- Represent themselves as an Authorized Person or registered intermediary.
- Provide investment advice or research advice.
- Advertise themselves as a branch, sub-broker, or office of the Trading Member.

Any violation shall lead to immediate termination.

5. Eligibility Criteria

Before engagement, the Trading Member shall ensure:

- The person/entity has not been debarred by SEBI or any Exchange.
- No criminal conviction involving fraud, dishonesty, or moral turpitude.

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6. Compensation Structure

- Compensation shall be referral-based only.
 - Payment shall be through banking channels.
 - Structure must comply with SEBI and Exchange norms.
 - No compensation structure shall incentivize excessive trading (churning).
 - No payment shall be linked to unauthorized activities.
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7. Supervision & Monitoring

The Trading Member shall:

- Maintain a register of all Unregistered Remisiers.
 - Monitor client complaints linked to such Remisiers.
 - Periodically review referral patterns.
 - Ensure no unauthorized representation occurs.
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8. Investor Protection Safeguards

- All client onboarding shall be done directly by the Trading Member.
 - All communications (contract notes, margin statements, etc.) shall be issued only by the Trading Member.
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9. Record Maintenance

The Trading Member shall maintain:

- Copy of Remisier Agreement if any
- Due diligence documents if any
- Compensation records
- Complaint register

Records shall be preserved as per regulatory requirements.

10. Termination

The engagement may be terminated:

- For regulatory violation
- For misrepresentation
- For client complaints
- Upon SEBI/Exchange direction
- Upon mutual consent

Immediate termination shall occur if the Remisier undertakes any activity requiring Exchange registration.

Declaration

This Policy is approved by the Board/Partners/Proprietor of the Trading Member and is effective from April 1, 2025.

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