


GDB SHARE & STOCK BROKING SERVICES LTD.

Modification of client codes of Non-institutional Trades policy pursuant to SEBI's Circular No. CIR.DNPD/6/2011 dated 05/07/2011 and NSE Circular No. NSE/INVG/2011/642 dated 05/07/2011 and Circular No. NSE/INVG/2011/670 dated 26/08/2011.

- 1.The modification of client code is to be done, only in exceptional cases and not as a routine one.
- 2.The reason for modification has to to be ascertained and analysed and genuineness is to be established and also its impact on the clients should be studied before the modification. The 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.
3. Normally as a principle, other than for punching errors and relatives ('Relative' as defined under the companies Act,1956) accounts, no modification of client codes will be allowed.
- 4.Therefore, it is imperative that the issue should be reported to the Compliance officer/Director and only with his/her approval, the modification should be carried after being satisfied that it is genuine, the same is required to be done to protect the interests of the client.
- 5.Hence the facility to modify the client codes should be available only at the Head Office level and should not be given to the branches/franchise/sub brokers.
- 6.A register is to be maintained for recording all the code modifications with details like errors client code, correct code, scrip name, quantity, client name, the name of the terminal ID where the order is punched, the explanation of the Dealer/Branch Manager, the 'analysis/ study' of the Compliance officer/Director for modification.
- 7.Shifting of any trade to the error account of the trading member shall not be treated as modification of client code provided the position arising out of trades in error account are subsequently liquated / closed out in the market and not shifted to some other client code.
- 8.The client code to be disclosed which are classified as "Error Accounts" to the exchange at the time of UCC upload.
- 9.A penalty of 2% of the trade value of the trades for which the client codes are modified, shall be charged to the client in whose favour the clints code has been modified on the trade date itself.

For GDB SHARE & STOCK BROKING SERVICES LTD.



Director