KASAT SECURITIES PVT LTD

Policy on Client Code Modifications:

- The modification to the client code is to be done only in exceptional cases and not as a routine one.

- The reason for modification has to be ascertained and analysed and genuineness is to be established and also its impact on the clients should be studied before the modification. If voice recording is in practice, the same should be studied.

- Normally as a principle, other than for punching errors, no modification to the client codes is allowed.

- Therefore it is imperative that the issue should be reported to the compliance officer / partner and only with his 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.

- Hence the facility to modify the client codes should be available only at the Corporate Manager level and should not be given to the branches/franchise/sub-brokers.

- Details about Genuine error
  The following trades that can be modified / allowed to modify, shall be treated as genuine errorand transferred to Error Account.

- Punching error / typing error of client codes due to any genuine error or mistake in orderentry, while punching the order, by any of dealer.
- Trade entered for wrong client due to any miscommunication from the client /authorizedrepresentative of the client.
- Client code/name and modified client code/name are similar to each other but suchModifications are not repetitive.
- Family Code (spouse, dependent parents, dependent children and HUF)

- Training program should be conducted to all the Dealers and they should be explained how code modifications can be misused and what steps should be taken to avoid the same. It also should be explained that code modifications should not be encouraged to the clients except for cases like 'punching errors'/'typing errors'.

- A register is to be maintained for recording all the code modifications with details like error code, correct code, scrip name quantity, client name, the name of the dealer who punched the code, the explanation of the dealer/Branch Manager, the 'analysis /study' of the compliance officer and his approval/disapproval for modification.

- Also a separate error account is to be opened named as **'KASAT SECURITIES PVT LTD – ERROR A/C'** to transfer the trades in dispute and square them off later on.