

NAME OF THE STOCKBROKER

**CODE OF CONDUCT - POLICY ON
UNAUTHENTICATED NEWS**

POLICY CONTROL

Version: 1.0

Version Date: _____ (Date of Passing Board Resolution)

Approved by: Board of Directors

Department in Charge:

Frequency of Review: Yearly or as and when any update comes change in the Relevant Regulation comes or any change in the Company's internal control or Structure whichever is earlier.

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CODE OF CONDUCT - POLICY ON UNAUTHENTICATED NEWS

I. INTRODUCTION:

SEBI vide its Circular No. Cir/ISD/1/2011 dated 23rd March 2011 and Addendum to the above the Circular No. Cir/ISD/2/2011 dated 24th March 2011 has ordered restriction on transmitting 'Unauthenticated News' by All SEBI Registered Intermediaries on blogs, chats forums, messenger sites to prevent stock manipulation through news and rumors.

Unauthenticated market-related news or rumors circulated by making use of various modes like chat forums/messenger, emails, etc. can cause considerable damage to and affect the normal functioning of the capital market and distort price discovery mechanisms.

As per code of conduct for Stockbroker in SEBI (Stockbrokers) Regulations, 1992 as amended from time to time and SEBI circular Cir/ISD/1/2011 dated March 23, 2011 and SEBI Circular Cir/ISD/2/2011 dated March 24, 2011, all SEBI registered market intermediaries are required to have proper internal code of conduct to govern the conduct of its Employees.

In view of same, _____ (Name of the Stockbroker), implements code of conduct for communicating through various modes of communication.

II. UNAUTHENTICATED MARKET-RELATED NEWS OR RUMORS:

Unauthenticated market-related news or rumors means "*any information or news or talk or opinion widely disseminated with no discernible source or a statement or report without known authority for its truth*".

Opinions or views expressed by Employees as part of their day-to-day rating activities would not be considered as Unauthenticated News provided that the opinion or view has a demonstrable and rational basis and clearly states as the opinion or view of the author.

Market-related news from a reputable news agency or media is not Unauthenticated News.

III. CODE OF CONDUCT FOR EMPLOYEES:

- a) Employees are prohibited from circulation of unauthenticated news related to various scrips in blogs/chat forums/e-mail/What's app/face book etc.
- b) Employees of the company especially those who have access to market information viz. Sales Team, Dealers, Research analyst, Equity/ Portfolio Advisors etc. shall not encourage or circulate rumors or unverified information obtained from client, industry, any trade or any other source without verification.

- c) Employees shall circulate only that information which is received from reliable and authenticated sources only. If the source of the information is not verifiable, then such information may be used only after its use is approved by the Compliance Officer of the company.
- d) Employee of the company is obliged to promptly furnish any market related news/information received by him in their official mail/personal mail/blog or in any other manner from an unverified source /communication channel to the HOD/ Compliance Officer of the company and shall forward the same only after the same has been approved by their HOD (1st level) and by the Compliance Officer (2nd level).
- e) Access to blogs/ Chat forums sites has been restricted by us and the same is not allowed except to relevant people based on approval from HOD/ Management. The access of Internet to all sites is restricted to the employees except basic websites and internet rights to the specific sites are allowed only on the basis of approval received from the Head of Department concerned. Employees are given access only to the sites which are required by the employees as per their key responsible areas and if required specific rights are further extended by our IT team on the basis of HOD's approval.
- f) Access to messengers shall be blocked to all employees except the dealing and Institution desk. It has been decided that the dealing and institution desk shall be given access to the messenger only for order management purposes. However, proper documentation to be preserved for order placement by the clients.
- g) If an employee fails to do so, he/she shall be deemed to have violated the various provisions contained in SEBI Act/Rules/Regulations etc. and shall be liable for disciplinary actions.

IV. CLARIFICATION/INFORMATION:

In case of any clarification/information required on the implementation of the Policy, please contact the Compliance Officer on Email - _____, Tel No. _____.

V. REVIEW:

The said policy shall be reviewed by the Board of the Directors on a yearly basis or as and when any update comes change in the Relevant Regulation/Circular comes or any change in the (Name of the Stock Broker)'s internal control or Structure. The Compliance officer has the authority to give direction to undertake additions, changes, and modifications, etc. to this Policy, and the same shall be effective per the authority of the Compliance Officer and thereafter be ratified by the Board of the Directors at its next review.

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ANNEXURE - I

I have read and understand the aforesaid policy and agree with the same.

(Name of Dealer / Relationship Manager / Team Leader)

Employee Code:

Signature

Copy of PAN and Aadhaar Card is enclosed herewith.