

## **Client Code Modification and error Code Policy**

Client Code Modification is a massive problem of the organization. The main objective of the company is to frame a policy for modification of client code for post trade execution and take the report on such modification of client codes. Further to educate the dealers and create awareness among them about this policy.

### **Brief criteria about Client code Modification:**

Client code modification means modification of client code after the execution of trade. The stock exchange provides a facility to modify the client code to rectify an error. Further only the genuine errors will be modified and after being transferred to 'Error Account'. The modification should be done within the Stock Exchange guidelines. The modification of client code is to be done only in exceptional cases and not in routine case.

*In case of NSE* (NOTE: no consistent pattern in such modifications):

- i. client code/name and modified client code/name are similar to each other but such modifications are not repetitive.
- ii. Family Code (spouse, dependent parents, dependent children and HUF)

*In Case of BSE:*

- 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.
- iii. Modification within family members
- iv. Institutional trades modified to broker error/pro account.

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 / Stock Exchange.

*The Board and Management have approved under mention policy in this regard and instruct all the office bearers to follow it strictly.*

- I)
  - A) To control the punching error, it has been decided that client code mapping will be restricted in trading terminals.
  - B) To create a separate error account in the name of “AIONION” as per the exchange circular.
  - C) To maintain Client Modification registers with immediate effect for recording the errors.
  - D) To review periodically list of inactive clients for marking in CTCL Surveillance System.
- II) Dealers are advised to hear patiently the client code /scrip name and reconfirm the same to their best possible efforts before placing order into the system.
- III) Department head/ compliance officer advice to analyze the mistake and to take /implement corrective measures to their best possible efforts to minimize.
- IV) Department Head/ Compliance officer advice the Board /management to update the report to on the implementation of the said policy periodically.

## **Reporting System**

Client code modification issues should be reported to the Key Personnel's and can be done only after getting approval, knowing it is genuine as per exchange directives.

Any client code modification shall be subjected to this policy be carried at Head Office of the company.

The company review every day the Error Account file send by the Exchange.

A separate register is to be maintained by the company for above purpose where full details will be recorded.