Abnormal Trading Policy

SAMCO SECURITIES LIMITED

ABNORMAL TRADING, SURVEILLANCE & RISK MITIGATION POLICY

Objective

The objective of this Policy is to identify, monitor, review, and mitigate risks arising from abnormal, suspicious, excessive, manipulative, or high-risk trading activities undertaken by clients. This Policy enables Samco Securities Limited ("Samco") to protect the interests of clients, the Company, Stock Exchanges, Clearing Corporations, Depositories, and the securities market.

Samco reserves the right to undertake surveillance reviews and implement appropriate risk mitigation measures whenever trading activity is considered abnormal, suspicious, inconsistent with the client's declared profile, or where regulatory, operational, financial, or market integrity concerns arise.

Identification of Abnormal Trading Activity

A surveillance review may be initiated based on, but not limited to, the following circumstances:

Client Trading Behaviour

* Sudden increase in trading turnover, volume, or exposure.
* Trading activity inconsistent with historical trading patterns.
* Excessive intraday or leveraged trading activity.
* Frequent creation of large positions without adequate financial backing.
* Concentrated trading in a particular security, sector, or contract.
* Significant increase in trading frequency over a short period.

Financial Profile Mismatch

* Trading turnover, exposure, funding pattern, or transaction activity appearing disproportionate to the client's declared income, occupation, net worth, source of funds, or financial profile available on record.

* Trading activity that does not reasonably align with the client's documented financial capacity.

Dormant or Inactive Accounts

* Dormant, inactive, or low-activity accounts suddenly exhibiting substantial trading activity, turnover, exposure, or high-risk trading behaviour.

Market Surveillance Concerns

* Trading in securities under ASM, GSM, Trade-to-Trade, or other surveillance frameworks.
* Trading in illiquid or low-volume securities.
* Trading contributes significantly to market volume or price movement.
* Suspected circular trading, synchronized trading, wash trades, cross trades, spoofing, layering, pump-and-dump activities, front-running, or any activity that may create artificial market volume or price movement.

Exchange, Regulatory & Compliance Alerts

* Any alert, observation, inquiry, communication, direction, or investigation initiated by Stock Exchanges, Clearing Corporations, Depositories, SEBI, FIU-IND, or any other regulatory, statutory, or enforcement authority.
* Internal surveillance alerts generated by Samco's risk management, compliance, surveillance, or anti-money laundering systems.
* Non-submission of KYC documents, income proof, source of funds proof, or any information sought by Samco.
* Any activity suspected to involve market abuse, regulatory violations, insider trading, money laundering, fraud, or misuse of trading facilities.

Surveillance Review Process

Upon identification of any of the above events, Samco may initiate a review of the client's account and trading activities.

The client may be required to submit:

* Updated KYC documents.
* Income proof.
* Bank statements.
* Net worth certificates.
* Source of funds declarations.
* Demat account statements.
* Trade rationale and supporting explanations.
* Any additional information or documentation deemed necessary by Samco.

Failure to provide satisfactory clarification or documentation within the prescribed timeline may result in restrictions being imposed on the account.

Surveillance Review & Risk Mitigation Measures

Based on its risk assessment, ongoing surveillance review, exchange-generated alert, regulatory inquiry, or any other risk concern, Samco may, at its sole discretion, implement one or more of the following measures. The implementation of any measure shall depend on the nature, severity, and risk associated with the activity under review and shall not necessarily be applied in every case.

Trading Restrictions

* Restrict fresh position creation.
* Restrict trading in specific securities, products, or segments.
* Reduce or withdraw leverage, margin, or funding facilities.
* Disable intraday trading facilities.
* Restrict derivative trading activities.
* Limit order quantities, turnover, or exposure limits.
* Place the account under enhanced surveillance monitoring.

Account Restrictions

* Suspend or restrict trading access partially or completely.
* Suspend KYC status for further trading activity until clarification is received.
* Freeze the account temporarily pending review.

Fund & Securities Restrictions

* Block available credit balances.
* Retain collateral or margin balances.
* Temporarily withhold, defer, cancel, or block fund pay-outs and withdrawal requests.
* Cancel any pending pay-out request not yet processed.
* Retain funds and securities towards potential obligations, regulatory requirements, penalties, investigations, or risk management purposes.

Such restrictions may continue until the surveillance review is concluded, regulatory requirements are fulfilled, outstanding liabilities are cleared, and satisfactory clarification is received.

Square-Off of Open Positions

Where Samco determines that an account presents financial, operational, compliance, regulatory, margin, settlement, or market risk, Samco may place the account under RMS Square-Off Mode.

Under such circumstances:

* Open positions may be squared off at the best available market price.
* Such square-off may be executed without prior notice, consent, communication, or further intimation to the client.
* The timing and execution of such square-off shall be solely at Samco's discretion.
* Any profit or loss arising from such square-off shall be borne entirely by the client.
* Samco shall not be liable for any direct, indirect, incidental, consequential, opportunity, or market loss arising from such action.

Recovery of Outstanding Obligations

Following square-off, surveillance action, or account restrictions:

* Any debit balance arising in the client's account shall become immediately payable.
* The client shall clear all outstanding obligations without delay.
* Samco may recover dues from available funds, collateral, pledged securities, receivables, or any other assets held with Samco.
* Interest, delayed payment charges, exchange levies, statutory charges, and recovery expenses shall be borne by the client.

Penalty, Regulatory Charges & Recovery

Any penalty, charge, levy, settlement obligation, regulatory cost, exchange charge, investigation expense, recovery cost, or financial liability imposed upon Samco directly or indirectly due to the client's trading activity, actions, omissions, regulatory violations, suspicious transactions, or non-compliance may be recovered from the client.

Samco reserves the right to recover such amounts from available credit balances, collateral, pledged securities, receivables, or any other assets available with Samco in accordance with applicable laws and regulations.

Right to Act Without Prior Notice

In situations involving abnormal trading activity, exchange-generated alerts, regulatory directions, suspected market abuse, financial risk, operational risk, margin shortfall risk, settlement risk, fraud prevention, or any circumstance requiring immediate intervention, Samco may take preventive, restrictive, surveillance, square-off, fund retention, or account control measures without prior notice to the client.

Wherever practicable, Samco may subsequently communicate the reasons for such actions; however, failure to provide prior notice shall not invalidate any action taken in the interest of risk management, regulatory compliance, or market integrity.

Reporting to Regulatory Authorities

Where required, Samco may report, disclose, or share client information, account details, trading records, fund movement details, and surveillance findings with Stock Exchanges, Clearing Corporations, Depositories, SEBI, FIU-IND, law enforcement agencies, or any competent authority.

Account Reactivation

Reactivation of any suspended, restricted, or frozen account shall be subject to:

* Submission of all requested documents.
* Satisfactory explanation of the trading activity under review.
* Clearance of all outstanding obligations.
* Approval by Samco's Risk Management, Compliance, and Surveillance teams.

Account reactivation shall remain solely at Samco's discretion and shall not be construed as a matter of right.

Disclaimer

Samco reserves the absolute right to review, restrict, suspend, freeze, square off, modify, withdraw, or terminate any trading facility, exposure, leverage, pay-out, account access, or trading activity based on its internal risk assessment, surveillance findings, exchange alerts, regulatory requirements, compliance obligations, or any other reason deemed necessary for risk management and protection of market integrity.

The decision of Samco's Risk Management, Compliance, and Surveillance Departments shall be final and binding in all matters relating to abnormal trading activities and surveillance reviews.