



R.L.P. Securities Private Limited.

Corporate Member – NSE, BSE, MCX, NCDEX. DP - CDSL.
SEBI Regn. NO: INZ000166638. DP : IN-DP-224-2016.



Internal Policy in respect of passing of NISM-Series –VII: Securities Operation and Risk Management Certification Examination

POLICY :

The main objective of this policy is to strengthen the Internal controls by creating awareness and enhancing the knowledge amongst the Associate Persons while dealing with our Clients on the basis of the Indian securities market, the different products traded and the various market participants and the respective roles they play in the Indian securities market. Understanding the regulatory framework and the role of SEBI. Having update on various functions of the Front Office, Middle Office and Back Office activities. Understanding the trade life cycle, the steps and participants involved in the trade life cycle and the role of the back office in a securities broking firm.

Understand how the risks are managed in a securities broking firm, the clearing and settlement process And Understanding the process of investor grievances redressal.

In order to be conversant with the above and to be in compliance with the SEBI & Exchange Regulations, RLP Securities Pvt Ltd had mandated the certification of NISM Series VII – Securities Operation & Risk Management (SORM) from National Institute of Securities Market(NISM) for all our Associate Persons.

Background:

1. SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 published in the Gazette
2. of India on December 10, 2010
3. NSE Circular no. NSE/INSP/16536 December 15, 2010
4. NSE Circular no. NSE/INSP/27495 September 02, 2014
5. BSE Notice no.20101215-19 dated December 15,2010
6. BSE Notice no. 20140902-8 dated September 02,2014

Brief:

In order to be compliant with SEBI Notification no. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010 and various circulars issued by the Exchanges all the associated persons involved in, or deal with any of the following:

- a. Assets or Funds of investors or clients
- b. Redressal of Investor Grievances
- c. Internal control or risk management
- d. Activities having a bearing on operational risk

Shall obtain the certification within two years from the date of said notification. Simultaneously whenever the company employs any associated person specified as mentioned above, the said associated person shall obtain valid certification of NISM Series VII – Securities Operation and Risk Management (SORM) within one year from the date of his /her employment

“Associated Person” means a principal or employee of an intermediary or an agent or distributor or other natural person engaged in the securities business and includes an employee of a foreign institutional investor or a foreign venture capital investor working in India.

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Exemption

However Associated persons handling the basic clerical / elementary functions in the aforesaid specified areas shall be exempted from obtaining the certification of NISM Series VII - Securities Operation and Risk Management (SORM). For this purpose, the company considers following activities as basic elementary level / clerical level:

Internal Control or Risk Management

1. Inwarding or collateral's / Cheques
2. Person performing market entries
3. Maker entry in the database
4. Photocopying, printouts, scanning of documents
5. Preparing of MIS
6. Sending of letters / reports to clients, Exchanges, SEBI
7. Attending Calls, etc.

Redressal of Investor Grievances

1. Inwarding of complaints
2. Seeking documents from clients
3. Person performing maker entries
4. Maker entry in the database
5. Photocopying, printouts, scanning of documents
6. Preparing of MIS
7. Sending of letters / reports to clients, Exchanges, SEBI updation, data entry, uploading on SCORES
8. Attending calls, etc

However, any of the works (as stated herein above) being performed by such persons, obtaining, NISM-SORM Certification shall be optional provided that they are supervised by his / her supervisor who shall have to obtain / continue to have NISM – SORM Certification or such other prescribed certification at all times.

Based on the above guidelines the policy exempts the requirement of passing of NISM VII series certification for Authorised persons (AP) & Employees or staff of Member APs & Associates provided they are strictly involved in aforesaid exempted activities.

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REVIEW OF POLICY

The policy may be reviewed from time to time as and when any changes introduced by SEBI or Stock exchanges or depending on the business needs of the Company.

The policy may be reviewed by the Managing Director or Compliance Officer and place the changes in policy before the Board of Directors.

Approval Authority:

This policy is as approved by the Board of Directors on **27/08/2021**.