

## TERMS AND CONDITIONS

### Religare Commodities Limited

**Note:** An individual client having active commodity trading account can apply for Option Trading using online mode/request.

Religare Commodities Ltd. (RCL) maintains [www.religareonline.com](http://www.religareonline.com) (hereinafter referred to as the "Website") and/or owns or has the license to use or otherwise has the right to use, free of any pending or threatened liens, all content, graphics, HTML and CGI or other scripts displayed and used on the Website.

THE USE OF THE WEBSITE AND ACCEPTANCE BY CLIENT FOR ACTIVATING OPTION TRADING (hereinafter referred to as the "Service") IN CLIENT BY THE CUSTOMER SHALL MEAN THAT HE/SHE AGREES WITH THE FOLLOWING TERMS OF USE.

1. The offering of the Service is subject to the requisite permissions, approvals, licenses and any other clearance from the appropriate regulatory authorities viz. National Commodities Derivatives Exchange of India (NCDEX) and Multi Commodities Exchange of India (MCX) and any other relevant authority that may be the regulatory authority of the Service.
2. The Service offered by RCL envisages a Customer opening a Trading account.
3. This Service is purely optional and client can use Skip button to avoid enrolling/registering for Trading in Option in Commodities.
4. By opting for this Service, client agrees that he/she has understood the associated Risks, Rights and Obligations of Client and member while trading in Commodity Options.
- 5. By Opting for this Service, client agrees to trade in Commodity Options using either online or offline dealing facility being provided to client and agreed to pay off default brokerage of Rs. 250 Per Lot on Option Trades plus applicable taxes and exchange or other statutory charges.**
6. This Service on the Website does not constitute an offer to sell or a solicitation to any person in any jurisdiction where it is unlawful to make such an offer or solicitation. This Service is not intended to be any form of an investment advertisement, investment advice or investment information and has not been registered under any law of any foreign jurisdiction and is only for the information of any person in any jurisdiction where it may be lawful to provide such information, otherwise the same shall not be considered an information. The distribution of this Service or content in other jurisdictions may be restricted by law and the persons who access the Service should inform themselves about, and observe, any such restrictions.
7. This Service is provided on an "As Is" basis. RCL and its Affiliates disclaim any warranty of any kind, imputed by the laws of any jurisdiction, whether express or implied, as to any matter whatsoever relating to the Service, including without limitation the implied warranties of merchantability, fitness for a particular purpose,

and non-infringement. RCL and the Service and the Offer are subject to the jurisdiction only of the courts of the Republic of India at Delhi.

8. Use of the Service is at any persons, including a Customer's own risk. The data and information provided on the Website is not advice, professional or otherwise, and should not be relied upon as such. Neither the information, nor any opinion contained in this Website constitutes a solicitation or offer by RCL to buy or sell any of the commodities, futures, options or provide any investment advice or service. RCL or their employees have or may have an outstanding buy or sell position or holding in the commodities, options on commodities or other related investments of issuers and companies mentioned herein. The investments discussed or recommended in the market analysis, research reports, etc. may not be suitable for all investors. Investors must make their own investment decisions based on their specific investment objectives and financial position and using such independent advisors as they believe necessary. Information herein is believed to be reliable but RCL does not warrant its completeness or accuracy. The content of the articles and the interpretation of data are solely the personal views of the contributors and do not in any way reflect the views of RCL. Users are advised to peruse the articles and other data in the Website only as information and to rely on their own judgment when making investment decisions.
9. RCL along with its directors, employees, associates or other representatives and its Affiliates along with its directors, employees, associates or other representatives shall not be liable for damages or injury arising out of or in connection with the use of the Website or its non-use including non-availability, compensatory, direct, indirect or consequential damages, loss of data, income or profit, loss of or damage to property (including without limitation loss of profits, loss or corruption of data, loss of goodwill, work stoppage, computer failure or malfunction, or interruption of business; under any contract, negligence, strict liability or other theory arising out of or relating in any way to the Website, site-related services, or any products or services and claims of third parties damages or injury caused by any performance, failure of performance, error, omission, interruption, deletion, defect, delay in operation or transmission, computer virus, communications line failure, theft or destruction or unauthorized access to, alteration of, or use of information, whether resulting, in whole or in part, from or relating to any of the services offered or displayed by RCL on the Website.
10. RCL makes no guarantees or representations as to, and shall have no liability for, any electronic content delivered by any third party, including, without limitation, the accuracy, subject matter, quality or timeliness of any electronic content on the Website. RCL shall not be responsible for the contents of any linked site or any link contained in a linked site, or any changes or updates to such sites. The links being provided to the Customer are only for convenience, and the inclusion of any link does not imply endorsement by RCL of the site, or its content or the sponsoring organization. By providing access to other websites, RCL is not recommending the purchase or sale of the commodities issued by it nor is it an endorsement of services provided by its sponsoring organization.
11. RCL shall not be liable for any misrepresentation, falsification, and deception or for any lack of availability of services through the Website, even if the same are advertised for on the Website.

# Risks of Options Trading

## **Risk of Option holders:**

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires, to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
2. The Exchanges may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

## **Risks of Option Writers:**

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.