GOODFLOW SECURITIES PRIVATE LIMITED

RISK DISCLOSURE DOCUMENT

SEBI Registration No.: INZ000303634
NSE Membership No.: 90255
BSE Membership No.: 6830
MCX Membership No.: 57425

Registered Office:

6th Floor, Office 612/613, Hive 67, ICON, Poisor Gymkhana Road, Lokmanya Tilak Nagar, Poisor, Near Raghuleela Mall, Kandivali West, Mumbai – 400067.

This document should be read carefully by every prospective client before entering into transactions in the securities market.

The client should carefully consider whether trading in securities is suitable for the client in light of the client's investment objectives, financial position, level of experience and understanding of the risks involved.

Investment in securities market is subject to market risks. There is no assurance or guarantee that the objectives of any investment or trading activity will be achieved.

The client should understand the nature and extent of the risks involved before undertaking transactions through Goodflow Securities Private Limited ("Goodflow" / "Stock Broker").

1. Market Risk

Prices of securities can fluctuate significantly due to various factors, including changes in economic conditions, market sentiment, company-specific developments, government policies, interest rates, exchange rates and other domestic and international factors.

The value of securities may increase or decrease and the client may incur losses on the investments or transactions undertaken.

2. Volatility Risk

The prices of securities may be highly volatile and may move rapidly and substantially in either direction.

Such price movements may result in significant gains or losses within a short period of time.

3. Liquidity Risk

There may be insufficient buyers or sellers in a particular security at the time the client wishes to buy or sell.

The client may therefore experience difficulty in executing an order or may have to transact at an unfavourable price.

4. Risk of Lower Liquidity

Securities that have a lower trading volume may be difficult to buy or sell.

In such circumstances, the client may not be able to exit a position at the desired price or within the desired time.

5. Risk of Wider Bid-Ask Spreads

The difference between the buying price and selling price of a security may increase depending upon market conditions and liquidity.

The client may therefore incur a higher transaction cost when entering into or exiting from a position.

6. Execution Risk

There may be circumstances in which an order placed by the client is not executed, is partially executed, or is executed at a price different from the price expected by the client.

The client should not assume that an order will necessarily be executed merely because it has been placed with the Stock Broker.

7. System and Technology Risk

Electronic trading involves risks associated with computer systems, telecommunications networks, internet connectivity, software, hardware and other technology.

Technical failures, connectivity issues, system interruptions, delays, cyber incidents or other technological problems may result in delay or failure in transmission or execution of orders.

The client acknowledges that such risks cannot be completely eliminated.

8. Risk of Incorrect or Delayed Communication

There may be delays or errors in the transmission or receipt of information, orders, confirmations, statements or other communications due to technical or communication failures.

The client should verify order status and transaction details through the available records and statements.

9. Regulatory and Legal Risk

Changes in applicable laws, rules, regulations, circulars, policies or trading conditions may affect the value of securities or the ability of the client to undertake or close transactions.

Trading may also be subject to restrictions, suspension or other regulatory measures.

10. Risk of Corporate and Economic Events

The price of a security may be affected by events relating to the issuer, industry, economy or financial markets, including corporate actions, mergers, acquisitions, restructuring, changes in management, financial performance, defaults and other developments.

Past performance of a security or market is not indicative of future performance.

11. Risk of Rumours and Market Information

Prices of securities may be affected by rumours, news, market expectations or other information, whether accurate or inaccurate.

The client should not rely solely on rumours, unsolicited information or unverified information while making investment or trading decisions.

12. No Assurance of Returns

Trading or investment in securities does not provide any guaranteed or assured return.

The client may lose part or all of the amount invested or may incur losses exceeding the amount initially anticipated, depending upon the nature of the transaction.

13. Derivatives Risk

Transactions in derivatives, including futures and options, involve a high degree of risk and may result in substantial losses.

Derivatives are leveraged instruments and relatively small movements in the underlying asset may result in proportionately larger gains or losses.

Clients should undertake derivatives transactions only after understanding the nature of the product, the risks involved and their ability to bear potential losses.

14. Leverage Risk

Where a transaction involves leverage, the amount of capital required to establish a position may be substantially lower than the value of the underlying transaction.

While leverage can magnify profits, it can equally magnify losses.

A relatively small adverse movement in the market may result in a substantial loss.

15. Margin Risk

Where applicable, the client may be required to provide margins within the stipulated time.

Market movements may result in additional margin requirements.

Failure to provide required margins within the stipulated time may result in liquidation or close-out of positions, and the client may be liable for the resulting losses and charges.

16. Risk of Forced Liquidation

In accordance with applicable rules, regulations and the terms agreed with the Stock Broker, positions may be closed or liquidated where required, including in circumstances involving non-payment or shortfall of margins or other dues.

Such liquidation may take place at an unfavourable market price and may result in losses to the client.

17. Suspension / Circuit Limits / Market Restrictions

Trading in a security or contract may be suspended or subject to price bands, circuit limits, position limits or other restrictions imposed by the relevant regulatory authority, exchange or clearing corporation.

Such restrictions may affect the client’s ability to enter into, modify or close a position.

18. Counterparty / Settlement Risk

Transactions may be subject to settlement and counterparty-related risks.

Although the applicable clearing and settlement mechanisms provide safeguards, the client should understand that risks associated with settlement, default or other unforeseen circumstances may arise.

19. Investment Decision Risk

The client is responsible for his/her/its own investment and trading decisions.

The client should independently evaluate the suitability of any transaction and should not undertake a transaction unless the client understands the nature and risks associated with it.

20. No Guarantee by Goodflow

Goodflow does not guarantee or assure any profit, return or preservation of capital in respect of any investment or trading transaction.

The client acknowledges that market losses are possible and that the client is responsible for the consequences of the client's investment and trading decisions, subject to the applicable laws and regulations.

21. General Caution

The risks described in this document are not exhaustive.

There may be additional risks associated with particular securities, products, market segments, trading strategies or transactions.

The client should obtain appropriate professional advice, where necessary, and ensure that the client fully understands the risks before entering into any transaction.

CLIENT ACKNOWLEDGEMENT

I/We acknowledge that I/we have read and understood the Risk Disclosure Document and have been made aware of the risks involved in dealing/trading in securities and securities market transactions.

I/We understand that investment and trading in securities are subject to market risks and that there is no assurance or guarantee of returns.

I/We further understand that I/we shall be responsible for my/our investment and trading decisions and shall undertake transactions only after understanding the nature and extent of the risks involved.

Name of Client: ______________________________

Client Code: _________________________________

Date: _______________________________________

Signature of Client / Authorised Signatory: ______________________________

IMPORTANT NOTE

This Risk Disclosure Document is to be read together with the applicable:

1. Rights & Obligations of Stock Broker and Client;
2. Guidance Note – Do's and Don'ts for Trading on Exchanges;
3. Most Important Terms and Conditions (MITC);
4. Tariff Sheet / applicable charges;
5. Additional Risk Disclosure Document for Options Trading, wherever applicable; and

6. Other applicable documents forming part of the client registration/account opening process.

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