

POLICY FOR PERSONAL DEALING AND INSIDER TRADING FOR RESEARCH STAFF

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Introduction

K.M.Jain Stock Brokers Pvt Ltd (hereinafter referred to as the 'COMPANY') a body corporate, registered under the provisions of the Companies Act 1956, is a SEBI registered Research Analyst.

Policy for personal dealing and insider trading for research staff

A policy for personal dealing and insider trading for research staff, often based on SEBI Regulations (like Regulation 16), prohibits research staff from trading company securities while in possession of Unpublished Price Sensitive Information (UPSI), and restricts their trading through Trading Window closure periods. Such policies typically involve pre-clearance for trades, strict adherence to a "Conflict of Interest Policy," and restrictions on sharing UPSI with anyone outside the company's legitimate business needs.

Key Provisions of a Personal Dealing/Insider Trading Policy for Research Staff

Prohibition on Trading with UPSI:

- Research staff who possess UPSI cannot directly or indirectly trade in the company's securities.
- They also cannot trade in securities of other companies while in possession of UPSI related to those companies.

Trading Window and Pre-Clearance:

- Trades are restricted to periods when the "Trading Window" is open, meaning it's not closed for financial results or other sensitive information.
- Trades may require formal approval from a Compliance Officer before execution.

Handling UPSI:

- Research staff must not disclose UPSI, in any form, to anyone outside the company unless it's for a legitimate business purpose and is immediately made public.
- There's a strict prohibition against providing trading advice concerning other companies.

Conflict of Interest:

- All research analysts must adhere to the company's Conflict of Interest Policy.
- The policy for research staff can be detailed in an internal document for brevity, but it should be understood and complied with alongside the overarching policy.

Monitoring and Reporting:

- Personal trading activities of research staff will be monitored and recorded.
- Any violations of the policy can result in disciplinary actions, up to and including termination.

Trading Plans:

- An insider may formulate a Trading Plan for future trades in company securities to be approved by the Compliance Officer.
- This plan helps ensure that trades are executed in accordance with the regulations and do not involve trading while in possession of UPSI