

Policy for NISM Series VII Certification (SORM)

1. Objective

The objective of this policy is to ensure that all persons associated with Elite Wealth Ltd, who are involved in critical operational functions as defined under SEBI's Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010, possess the requisite knowledge, skills, and certification to effectively manage securities operations and mitigate operational risks.

2. Regulatory Reference

This policy is formulated in accordance with **SEBI Notification No. LAD-NRO/GN/2010-11/21/29390 dated December 10, 2010**, which mandates that:

“Persons associated with a registered stock broker/ trading member/ clearing member in recognized stock exchanges, who are involved in or deal with, any of the following, namely:
(a) assets or funds of investors or clients,
(b) redressal of investor grievances,
(c) internal control or risk management, and
(d) activities having a bearing on operational risk,
shall be required to have a valid certification by passing the NISM-Series-VII: Securities Operations and Risk Management (SORM) Examination.”

3. Scope and Applicability

This policy shall apply to all departments, personnel, and associated entities of **Elite Wealth Ltd** involved in securities operations and risk management functions. It covers all employees, contractual staff, and temporary personnel who engage in or oversee processes relating to client funds, securities settlement, risk monitoring, compliance, or grievance handling.

4. Mandatory Certification Requirement

As per SEBI's directive, the following categories of personnel shall be **mandatorily required** to obtain and maintain a valid **NISM Series VII – SORM Certification**:

- 1. Persons handling or having access to client funds or securities**, including back-office and accounts personnel.
- 2. Personnel involved in investor grievance redressal.**
- 3. Members of the Risk Management System (RMS) and internal control teams.**
- 4. Any person involved in processes that have a bearing on operational risk**, such as clearing, settlement, and surveillance functions.
- 5. Front-office dealing desk personnel**, as their functions directly impact client orders and risk exposure.
- 6. Compliance officer and his/her deputies**, responsible for oversight of regulatory and operational compliance.

7. **Department heads** of critical operational functions, including clearing and settlement, compliance, RMS, and back-office operations.

5. Certification Validity and Renewal

- The SORM certification shall remain valid for the period specified by NISM and must be **renewed before expiry** to ensure uninterrupted compliance.
- Employees must initiate the renewal process **at least three months prior** to the certificate's expiration date.
- HR and Compliance departments shall jointly maintain a **Certification Register** to track validity, expiry, and renewal status of all SORM-certified personnel.

6. Recruitment and Induction Compliance

- Any person newly recruited to a role covered under this policy must obtain the NISM SORM certification **within six months of joining**.
- Preference shall be given to candidates already holding a valid certification at the time of recruitment.
- Until certification is obtained, such employees shall work under the **supervision of a certified person**.

7. Internal Monitoring and Record Maintenance

- The **Compliance Department** shall maintain an updated list of all certified employees and their respective certification details.
- Quarterly verification shall be conducted to ensure compliance with the certification requirement.
- Non-compliance shall be reported to senior management and rectified within 30 days. Persistent non-compliance may result in disciplinary action or reassignment.

8. Training and Awareness

- The company shall organize periodic **training programs** and **awareness sessions** to help employees prepare for the SORM examination and stay updated with regulatory developments.
- Learning materials, mock tests, and guidance sessions will be made available through the **Compliance and HR Departments**.

9. Deviation and Exceptions

The earlier internal policy of Elite Wealth Ltd, which required SORM certification only for:

- (i) Heads of Clearing and Settlement Department,
- (ii) RMS Team,
- (iii) Front Dealing Desk, and
- (iv) Compliance Officer,

is **hereby revised** to align with SEBI's broader definition. Accordingly, all personnel involved in or dealing with **assets/funds of clients, investor grievance redressal**,

internal control, risk management, or operational risk-related activities shall now fall under the purview of this certification requirement.

10. Review and Amendments

- This policy shall be **reviewed annually** or as and when SEBI/NISM issues updated guidelines or circulars.
- The Compliance Officer shall be responsible for ensuring the policy remains consistent with current regulations.

- **Approved By:**
- **Board of Directors**
- **Elite Wealth Ltd**
- **Last Review Date-25.07.2025**
- **Next Review Due:**24.07.2026
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