



Northeast Broking
Services Limited

OUTSOURCING POLICY

1. The Company presently does not outsource any activities of its operations. If the company intends to outsource its activity in future, The company will ensure that:

Only those activities which will, if outsourced, would not impair the supervisory authority's right to assess, or its ability to supervise the business of the Company shall be outsourced.

The Company shall mandate a regular review of outsourced activities. It shall also have overall responsibility for ensuring that all ongoing outsourcing decisions taken by the Company and the activities undertaken by the third-party, are in keeping with its outsourcing policy.

2. The Company shall establish a comprehensive outsourcing risk management programme to address the outsourced activities and the relationship with the third party.

The Company shall make an assessment of outsourcing risk which depends on several factors, including the scope and materiality of the outsourced activity, etc.

Necessary disclosures in this regard will be made as part of the contractual agreement. Risk management practices expected to be adopted by the Company while outsourcing to a related party or an associate would be identical to those followed while outsourcing to an unrelated party.

The records relating to all activities outsourced shall be preserved centrally so that the same is readily accessible for review by the Company and / or its senior management, as and when needed.

The Company shall review the financial and operational capabilities of the third party in order to assess its ability to continue to meet its outsourcing obligations.

3. The Company shall ensure that outsourcing arrangements neither diminish its ability to fulfill its obligations to customers and regulators, nor impede effective supervision by the regulators. The Company shall be fully liable and accountable for the activities that are being outsourced to the same extent as if the service were provided in-house.

Outsourcing arrangements does not affect the rights of an investor or client against the Company in any manner. The Company would be liable to the investors for the loss incurred by them due to the failure of the third party and also be responsible for redressal of the grievances received from investors arising out of activities rendered by the third party.

Outsourcing arrangements does not impair the ability of SEBI/SRO or auditors to exercise its regulatory responsibilities such as supervision/inspection of the intermediary.



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4. The Company shall conduct appropriate due diligence in selecting the third party and in monitoring of its performance.

5. Outsourcing relationships shall be governed by written contracts / agreements /terms and conditions (as deemed appropriate) that clearly describe all material aspects of the outsourcing arrangement, including the rights, responsibilities and expectations of the parties to the contract, client confidentiality issues, termination procedures, etc.

Outsourcing arrangements shall be governed by a clearly defined and legally binding written contract between the Company and each of the third parties

6. The Company and its third parties shall establish and maintain contingency plans, including a plan for disaster recovery and periodic testing of backup facilities.

7. The Company shall take appropriate steps to require that third parties protect confidential information of both the Company and its customers from intentional or inadvertent disclosure to unauthorised persons.

The Company shall take appropriate steps to protect its proprietary and confidential customer information and ensure that it is not misused or misappropriated.

The Company shall prevail upon the third party to ensure that the employees of the third party have limited access to the data handled and only on a “need to know” basis and the third party have adequate checks and balances to ensure the same.

In cases where the third party is providing similar services to multiple entities, the Company shall ensure that adequate care is taken by the third party to build safeguards for data security and confidentiality.

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