

CONTINENTAL SECURITIES LIMITED

MODEL LETTER OF APPOINTMENT OF INDEPENDENT DIRECTORS

CONTINENTAL SECURITIES LIMITED

< Date >

To,
Independent Director

Subject: Appointment as an Independent Director of M/s CONTINENTAL SECURITIES LIMITED) ("the Company")

Ref.: Companies Act, 2013 ("the Act") read with the relevant Rules made thereunder, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR") and Reserve Bank of India ("RBI") Directions, as may be amended from time to time.

Dear <Independent Director>

I am pleased to inform you that the members of the Company, have approved your appointment effective as a Non-Executive Independent Director of the Company ("Independent Director") under the Companies Act, 2013. This letter sets out the main terms of your appointment. It is agreed that this is a contract for services and is not a contract of employment.

1. Term of Appointment

Your appointment will be for a period of five consecutive years effective. You will serve as an "Independent Director" on the Board of the Company as defined under Companies Act, 2013. Your appointment is also subject to the maximum permissible directorships that one can hold in accordance with the provisions of the Companies Act, 2013 and Reserve Bank of India's guidelines.

2. Committees

2.1 As advised by the Board, during the tenure of office, you may be required to serve on one or more of the Committees of the Board constituted by the Board. Upon your appointment to any one or more Committees, you will be provided with the appropriate Committee charter which sets out the functions of that Committee.

2.2 Currently, the Board has Three (3) Board committees: Audit Committee, Risk Management Committee, Nomination and Remuneration Committee, The Chairperson of the Board, in consultation with the Chairperson of the Committee and the Company Secretary, determines the frequency and duration of the Committee Meetings. Recommendations of the Committees are submitted to the Board for approval. The quorum for committee meetings is set out in the respective charter of the committee as may be stipulated by the Companies Act, 2013 and Reserve Bank of India's guidelines.

3. Roles and Functions

As an Independent Director Following shall be your role:

- Help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, risk management, resources, key appointments and standards of conduct;
- Bring an objective view in the evaluation of the performance of board and management;
- Provide the Board with the effective guidance in relation to the Company's strategic aims, ensure that the necessary financial and human resources are in place for the company to meet its objectives and review performance and risk management
- Scrutinize the performance of management in meeting agreed goals and objectives and monitor the reporting of performance;
- Satisfy themselves on the integrity of financial information and that financial controls and the systems of risk management are robust and defensible;
- Safeguard the interests of all stakeholders, particularly the minority shareholders;
- Balance the conflicting interest of the stakeholders;
- Determine appropriate levels of remuneration of executive directors, key managerial personnel and senior management and have a prime role in appointing and where necessary recommend removal of executive directors, key managerial personnel and senior management;
- Moderate and arbitrate in the interest of the company as a whole, in situations of conflict between management and shareholder's interest.
- shall provide professional expertise for informed and balanced decision-making whilst upholding ethical standards of integrity and probity and assist the Company in implementing the best corporate governance practices.

4. Duties and Responsibilities

You will have particular regard to the general functions, duties and responsibilities of directors as set out in the Companies Act, 2013 and the Rules there under, the RBI Regulations, Memorandum and Articles of Association of the Company and the following Codes adopted by the Board of Directors, a copy of which have been submitted to you:

- Company's Code of Conduct for directors and the 'Code for Independent Directors' as outlined in Section 149(8) of the Companies Act, 2013 (the Act) read with Schedule IV to the Act and;
- Code of Conduct for Prevention of Insider Trading in Shares of the Company.

As a Non-Executive Director of the Company, you will contribute to ensuring that the Board has the mixture of skill and experience which it requires.

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5. Fees

- You shall be paid sitting fees for attending Board and its Committee meetings, as approved by the Board of Directors from time to time, and within the limits laid down by the Companies Act, 2013 based on the performance evaluation done by the entire Board of Directors which will, inter alia, include their participation in the Board and Committee Meetings.
- you will also be entitled to reimbursement of out-of-pocket expenses that may be incurred in travelling to the place for attending Board and its Committee meetings and General Meetings of the Company.
- On termination of the appointment you shall only be entitled to such fees as may have accrued to the date of termination, together with reimbursement in the normal way of any expenses properly incurred prior to that date.

6. Performance Evaluation Mechanism

The performance evaluation of Independent Director shall be done by the entire Board of Directors (excluding the Independent Director being evaluated) as required under Clause VIII of Schedule IV (Code for Independent Directors) to the Act. On the basis of the report of performance evaluation, it shall be determined whether to extend or continue the term of appointment of the independent director.

7. Separate Meetings:

The Independent Director shall periodically hold exclusive meetings at least 1 (one) in a Financial Year without the attendance of Non-Independent Directors and Members of the Management and they shall strive to be present at such Meetings. The Independent Director at such meeting shall:

- review the performance of non-independent directors and the Board as a whole;
- review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

8. Insurance

The Company had taken Corporate Guard- Directors' & Officers' Liability Insurance Policy and intends to maintain such cover for the full term of his appointment.

9. Termination/Resignation

The Independent Director may resign from the directorship of the Company by giving notice in writing to the Company stating the reasons for resignation.

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10. Confidentiality

· You acknowledge that all information acquired during your appointment is confidential to the Company and should not be released, communicated, nor disclosed either during your appointment or following termination (by whatever means), to third parties without my prior clearance. This restriction shall cease to apply to any confidential information which may (other than by reason of your breach) become available to the public generally.

· You acknowledge the need to hold and retain company information (in whatever format you may receive it) under appropriately secure conditions.

It is a pleasure to have you on board. I am confident that your association, expertise and advice will immensely benefit the Company and the Board.

Thanking you,
Yours sincerely,
FOR CONTINENTAL SECURITIES LIMITED