

Share India Securities Limited

Policy for Actual Settlement of funds and securities

As per various circulars, guidelines and directives issued by Stock / Commodity Exchanges all the clients except those who have provided Running Account Authorisation to the Stock Broker shall be settled on Bill-to-Bill basis.

This policy has been prepared by the Company to inform all the clients and other stakeholders about the policy and procedures of the Company w.r.t. actual settlement of such clients who have provided it with a Running Account Authorization.

To whom shall this policy apply?

This policy shall be applicable in respect of all such clients who have provided the company with a Running Account Authorisation.

Periodicity of Settlement

The maximum time gap between two consecutive periodical settlements shall not exceed 30/90 days depending upon relevant clients' authorization, subject to the following:

- In case of clients having regular transactions, the period of 30/90 days shall start w.e.f. the date immediately following the date of last settlement;
- In case of new clients and clients having irregular transactions (i.e. the clients who have nil financial credit balance during last 30 calendar days), the period of 30/90 days shall start w.e.f. the date on which fresh clear funds are first credited to clients' trading account;
- Further, all such clients who have neither traded nor held any derivatives' open positions in last 30 calendar days shall also be compulsorily settled within next 3 working days notwithstanding their last settlement date and/or periodicity of settlement chosen by them.

The other operational guidelines prescribed in this regard by Stock / Commodity Exchanges or SEBI shall also be strictly adhered to without fail.

Which balances shall be considered for the purpose of settlement?

While carrying out the settlement of funds, End of the Day (EOD) clear balance of funds across all segments of all the Exchanges, as on the date of settlement, shall be considered.

However, values of Bank Guarantees and/or Fixed Deposit Receipts received from the clients, if any, shall not be considered for the purpose settlement.

Value of clear funds that may be retained at the time of settlement:

At the time of settlement, we shall retain following fund balances of clients:-

- i. entire pay-in obligation of funds outstanding at the end of day as on the date of settlement; and
- ii. Excess of 225% of clients' total margins liability (excluding the margin on consolidated crystallized obligation/ MTM) for the settlement day (previous trading day in case of settlement on a trading holiday) over value of securities pledged by the client as on the date of settlement, if any

Note: For the purpose of securities valuation as per Clause II above, the closing rate for the trade date prior to the settlement date (T-1 day) shall be considered after appropriate hair-cut viz. VaR margin rate applicable for the security in the Capital Market segment.

Mode of payment to clients for settlement purposes:

For the purpose of settlement of funds, the mode of transfer of funds shall be by way of electronic funds transfer viz., through National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc.

The payment through a physical payment instrument (cheque or demand draft) shall be made only in such cases where electronic payment instructions have failed or have been rejected by the bank.

Documents to be sent at the time of settlement

Following documents shall be sent to clients after settlement:

- i. Statement of retention in the format prescribed by the Stock /Commodity Exchanges / SEBI
- ii. Statement of account for funds
