

Margin Trading Funding Terms and Conditions

Introduction:

MTF is a facility offered to an Investor in buying of shares and securities from the available resources by allowing the investor to pay a percentage / portion of the total transaction value called Initial/upfront Margin. The margin can be given in the form of Cash or Shares/Securities as collateral depending upon the availability with the Investor. In this case, the Broker will do the Funding for the remaining amount.

1. The Leveraged position can be carry-forward up to 365 days.
2. The Initial Margin amount can be only in the form of Cash.

Collection of Margin:

The initial margin payable by the client to ABFSPL shall be in the form of cash, cash equivalent or Group I equity shares, with appropriate haircut. Such Margin can be changed from time to time as may be decided by the Management of ABFSPL. Such Margin prescribed by ABFSPL may be higher than the quantum prescribed by regulatory provisions. The client shall pay applicable initial margins or such other margins as are considered necessary by the stock broker or as may be directed by SEBI / Exchange(s) from time to time as applicable to Margin Trading segment in which the client trades.

Setting of Exposure:

Trading is allowed only against available margin in client's MTF account. For this purpose, margin should be available at the time of entering trade in the cash segment of NSE in the form of credit balance either cash or pledged securities value in the MTF segment of the client's trading account.

Exposure for Approved Securities Buying under Product MTF:

The facility will be applicable only for approved securities. List of approved securities details are updated in our website www.aliceblueonline.com download page naming "**Approved Securities List**".

At the time of order placing, always select the product code as "**MTF**" and place orders using the exe or mobile application provided for trading. Approved Securities List will be reviewed on monthly basis and the changes can be taken place with addition / removal of stocks.

Share Unpledged/transfer from MTF funding account to client Beneficiary/Normal Margin Pledge

If the Client has funded/Clear the Debit in MTF Ledger and have to make separate request by sending mail to cet@aliceblueindia.com or **Create Ticket** to transfer/un-pledge the shares from their MTF Funding account. Further, if there is debit in normal ledger (non-MTF), excess margin amounts available in the MTF margin account, the same will be adjusted with the debit in the normal ledger automatically.

Interest Charges for MTF:

Interest will be levied 0.049% per day for MTF Funded value after adjusting the Cash Margin available in the client's MTF margin ledger. In case, if the client provided securities through pledge as noncash component towards margin*, the same will not be considered towards interest

calculation and interest will be charged for entire funded value. Interest Charges will be calculated on a daily running balance and debited to the client ledger by end of the **DAY**. While calculating interest, the credit lying in Normal Ledger will not be considered and hence, please make the fund transfer request as explained above. Increasing the interest rates will be done by the company with the prior intimation notice to the clients.

Liquidation of the position under MTF:

If the client is not made good the Mark to Market (M2M) losses or margin short fall within 2 working days from the date of margin call, position will be squared off by invoking the Stock from Margin Funding account to the extent of the M2M losses or margin call with the discretion of the Alice blue.

If the securities are moved out of approved securities list by Alice blue and or Group 1 securities list provided by exchange / SEBI, client is expected to clear the debit and take delivery to his demat account immediately. Otherwise, position will be squared off by Alice blue without further any intimation.

In case if the client is not fulfilled the Mark to Market (M2M) losses and or Margin shortfall and the same reaches 80% and the client is not made on the Mark to Market losses and or margin shortfall, MTF Funded stock will be squared off immediately off by invoking the Stock from Margin Funding account. Even after the square off the funded stock, there is shortfall in margin or debit in the trading account, collateral securities pledged towards margin also will be squared off and set off the losses occurred on the trading account of the client.

If the securities are purchased in the market and the said securities are not received from the exchange or due to internal matching and the auction / Closed Out rates are provided by the exchange or as per policy.

If the securities are purchased in the market and the said securities are not received from the exchange or due to internal matching and the auction / Closed Out rates are provided by the exchange or as per policy, if debit arises then the said MTF position will be liquidated and the necessary credits are passed on the client account.

Terms and Conditions:

- a. Alice Blue reserves the absolute right to either allow or refuse the aforesaid facility without giving any reasons to the clients and I agree that I shall not dispute the result in any manner whatsoever.
- b. All Transactions in my account shall be subject to Margin Trading Facility rules and regulations of the exchange / SEBI.
- c. The Maximum credit limit for a client will not exceed **10%** of the net worth of the company computed as per SEBI Guidelines. However, Alice Blue reserves the right to reduce the maximum credit limit at any time without any prior intimation or assigning any reasons thereof.
- d. The maximum single scrip funding limit for a client will not exceed **Rs 50 Lakhs** and the total funding for a single client will not exceed **Rs.1.5 Cr.**

- e. In order to avail margin trading, initial margin and maintenance margin required at all times shall be as prescribed by SEBI which is as under.

Category of Stock	Initial margin & maintenance margin as prescribed by SEBI	Initial margin and maintenance margin as set-in trading platform
Group I stock available for trading in the F&O Segment	The applicable margin would be VAR + 3 times of applicable ELM*	VAR + 4 times applicable ELM
Group I stock other than F&O stocks.	The applicable margin would be VAR + 5 times of applicable ELM*	VAR + 6 times ELM

- f. Mark to Market (MTM) loss if any on the funded stocks should be paid immediately under this funding facility
- g. Margin call will be initiated by Alice Blue at any time if the client fails to meet the daily mark to market. Margin calls to the client shall be made in the form of email to the registered email id or SMS to the registered mobile number or both by the company.
- h. Upon receipt of the margin call, I agree to bring additional margin amount within the specified time to cover the margin short fall and make good of such deficiency in the amount of margin placed with the company. Margin shortfall can be replenished by way of online fund transfer / by transferring the funds from the normal trading account(non-MTF) to the MTF Account.
- i. Margin Trading Facility allowed under this facility can be continued for a long period till it is terminated by you or Alice Blue.
- j. Alice Blue at its discretion, may liquidate, close out / sell shares, a part of or whole position if fail to meet the margin call made by the company within the specified time, without prior intimation to me.
- k. If there are no transaction for 90/30 days in the MTF Account and where MTF Account is in credit, then the same would be settled as per the running account settlement process.

I/ We shall loge / protest any disagreement with any transactions done under the MTF facility within 2 days from the receipt of the contract note.

The stock valuation of fully paid securities in the Collateral account will be determined by Alice Blue after applying the necessary haircuts from time to time.

- l. Alice blue reserves the absolute right to withdraw this aforesaid facility at any time without giving any reasons thereof, and I shall not protest or take a stand against them

- m. The stock valuation of fully paid securities in the Collateral account will be determined by Alice Blue after applying the necessary haircuts from time to time.
- n. The brokerages and other regulatory charges etc. are applicable for each trade that is executed through the Margin funding account.
- o. By signing and agreeing to the terms and conditions of MTF, I\We give my\our explicit permission to move the MTF trades to my MTF account daily basis.
- p. Alice Blue will have a discretion to alter / change any of the information / parameter defined in the policy on the basis of prevailing market conditions with or without intimation to the clients and can use their discretion to grant any kind of exemption / permission in case they deem fit on case-to-case basis.
- q. I/we hereby confirm that I/we will continuously monitor the positions and the Margin Calls issued to me/us by Alice Blue, and I/we will top up the Margin immediately. I/we hereby confirm that I/we am/are aware that the Policy is tends to be changed depending on the market scenario and we will update myself/ourselves by reading the Policy from at regular intervals.

In addition to what the client has agreed to the terms and conditions governing the trading and broking services, ABFSPL may terminate a client with immediate effect, but not limited to the following reasons:

- the death, lunacy or other disability of the Client.
- if any instrument for payment of Margin Money / Monies is / are dishonoured.
- if the Client violates/breach any provision of MTF facility or provides any incorrect or misleading information
- If the client is debarred by SEBI or any other regulatory authority.
- As a part of surveillance measure, if a client appears to be indulging in manipulative practices.
- Under the circumstances when there is a reasonable ground to believe that the client is unable to clear its dues or has admitted its inability to pay its debt.
- If the Client is convicted under any criminal law in force.
- Default under any other arrangement or facility with any Stock Broker is made by the Client.
- If any Asset or any collateral is seized or made subject to any distress, execution, attachment, injunction or other process order or proceeding or is detained or taken into custody for any reason.
- There exists any other circumstance, which in the sole opinion of ABFSPL, is prejudicial to the interests of ABFSPL or any of its group companies.
- Order passed by any regulatory, courts, statutory bodies etc.
- Client agrees to pay Interest at the agreed rate (plus taxes, if any applicable) on debit arising out of the exposure availed by the client (i.e. the amount financed by ABFSPL), compounded **Daily** and any changes as mutually agreed from time to time.

Any disputes arising between the client and ABFSPL in connection with the margin trading facility shall have the same treatment as normal trades and will be covered under the investor grievance redressal mechanism, arbitration mechanism of the stock exchange.