

Policy for Actual Settlement of Funds & Securities

We have a defined policy to settle Clients funds & securities. In our KYC-form we have obtained running account authorization from the clients who wishes to retain their funds & securities with IASPL for further exposure in trading with us. We settle Clients Funds & Securities on monthly or quarterly basis as per client's preference defined in KYC. We consider EOD balance of funds and securities across all segments of the Exchange while settling the client accounts.

As per Exchange Circular NSE/INSP/13606 Dated: 03/12/2009 for the clients having outstanding obligations on the settlement date, we retain requisite funds & securities towards such obligations and also retain funds expected to be required to meet margin obligations for next 5 trading days.

Accordingly the following funds/securities are retained by us at the time of settlement:

- Entire Pay-In obligation of Funds & Securities outstanding at the end of day on date of settlement.
- Funds / Securities to the extent of value of transactions executed on the day of such settlement in the capital market.
- In Derivative Segment apart from margin liability as on the date of settlement, additional margins (maximum upto 225% of margin requirement on the day of settlement.)
- For clients having running debits balance the account is considered as deemed to be settled and even if credit balance appears in the ledger for few days, the same is retained for the margin obligation & value of trades of the client on that particular date.
- EOD Balance on the date of settlement would be considered for Settling the Client Account.

We send to Clients 'Statement of Accounts' containing an extract from the client ledger for funds, an extract from the register of securities displaying all receipts & deliveries of securities and a statement explaining the retention of funds and / or securities at the time of settlement.

We also obtain authorization for retention of Rs.10000/- & it contains a clause that client may revoke authorization at any time.

As per Company Policy we consider active clients who has done at least one trade in last three months. In case of inactive clients which is more than six months old & not traded since last three months. If account is dormant for more than three months then we insist for upfront payment facility and authenticity of client before doing trades. We freeze Clients from doing trades in front office if client has not traded since last 3 months.

In addition we also do quarterly settlement on Client to Client basis with high turnover in Cash Segment & margin in F&O Segment. Settlement date may not be only quarter end date, but it may be any date, but within period of 30/90Days as opted by the client preference.

We consider such accounts deemed settled for clients having debit balance in ledger & securities as holding will be adjusted against bills across all segment. Value of trades in Cash Segment & margin in F&O Segment is considered while calculating the said account as deemed to be settled.

We have forwarded requirement for upgradation of software, so that retention statement can be generated for deemed settled clients as per format. At present we are sending Funds Ledger, Securities Ledger & Collateral Ledger on quarterly basis to all clients. Retention statement not generated as per guidelines, we shall fulfill requirement & send proofs of retention statement at earliest.

Date : 17/01/2018

Place : Mumbai.

For India Advantage Securities Pvt.Ltd.

Director / Authorized Signatory.

