

This document contains important information on trading in all segments; Prospective constituents should read this document before trading. In the light of the risks involved, you should undertake transactions only if you understand the nature of the relationship into which you are entering and the extent of your exposure to risk.

- A day trader is provided with more exposure for indulging in day trading activities. This may vary from time to time in accordance with the market conditions. The positions taken for intra-day should be cleared before 15 Mins of market closing in all segments by the constituents else same will be closed out by RMS.
- The exposure set in Capital Market segment, Futures & options segment and Currency Derivatives is different. In capital market the client is allowed to take the exposure on multiplier basis which can be anywhere more exposure limit of initial deposit. Whereas, in all derivatives, Futures & options segment, where exchanges have stipulated fixed initial margins and exposure margin, it is compulsory to keep 100% margin for NSE Futures & Option either in the form of clear fund balance or as collateral securities.
- Surveillance will reduce the positions if the MTM loss incurred on a day is more than 40% of the actual margin requirement. In order to retain the position in such cases is possible only if Funds are transferred from the client's bank account either through ATOM or Fund Transfer.
- Once the MTM loss for the open positions reach as per the exchange rule of the margin available, the positions should be cleared from the branch concerned, failing which the positions taken will be cleared off from surveillance dept.
- You should carefully consider whether such trading is suitable for you in the light of your financial condition. In case of any market Volatility/adverse consequences or loss, you shall be solely responsible for the same and Alice Blue shall not be responsible,
- In any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned stock broker.
- The constituent shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders.
- Outstation cheques are not entertained. All the cheques collected against trading positions should carry a valid MICR number.
- All the cheque dishonor cases are viewed seriously and if position taken based on the bounced cheque same will be cleared from surveillance dept. The normal rule for 5 days debit (EQ Segment only) will not be applicable while selling the shares in cheque dishonor case.
- In all segments, the exchanges stipulate that every position should be taken based on the available initial margin. Apart from the initial margin, exchanges have introduced exposure (Special margin also applicable in some cases) margin in order to meet the market volatility and risk associated.
- In case at any point of time, if the client ledger arrived to debit due to whatever market volatile or higher position values in Less margin or dishonor of Pay in. Client will be responsible to pay the Dues to clear the outstanding in his/her ledger.
- In any Circumstances client fails to pay the due amount, Company will switch to Legal activities to recover such amount from client.
- Uncleared Funds: Every payment from clients should be in the form of cheque and the same will be considered for margin only after clearance of the instrument. There will not be any exposure provided to clients based on the uncleared funds. (Branch Consent can be considered to exposure only).
- However, based on the client's previous track record and the value of collaterals available with Alice Blue, exposure can be provided to clients based on uncleared funds. All such exposure will be provided on receipt of Exposure request in the predefined format signed by the Branch in charge concerned with an undertaking of responsibility or the guarantee that the cheque will be cleared.

- Shares in Member Beneficiary & constituent DP Account (If POA given) will be considered for intra-day exposure in Capital Market segment subject to haircut value. Exposure for delivery will be based only on the clear fund balance. Similarly, as mentioned earlier, no F&O exposure will be provided against shares lying in Member Beneficiary & constituent DP Account (If POA given).

Restrictions/Prohibition to take further position or closing existing position: Under any of the circumstances, such as, client's failure to meet pay-in or margin obligations or clearance of outstanding balance with broker before permissible time limit or beyond such period as may be allowed by broker, the Client may not be permitted to take any fresh or further position until the full clearance of earlier dues, obligation, outstanding etc. Even, broker can firstly set-off or adjust the same shall not allow the client to take further / fresh position.

Further, it would be the duty of the client to monitor his/her/its position with the Broker from time to time. In case of any delay or failure in meeting any obligation, margin requirements etc. from client side, broker might close the existing position or open position WITHOUT ANY FURTHER INTIMATION to the client. Such Circumstances may include (but not limited to):

- * Failure to meet pay-in obligation on Pay In day,
- * Delay in meeting the pay-in or margin requirement,
- * Delay or failure in clearance of outstanding or dues to the broker,
- * Returning or frequent returning of cheques of the client,
- * Unnecessary / Unwarranted dispute from client without any substantial cause / reason,
- * Client's attitude of not coming to the amicable settlement for any dispute that can be settled without involvement of Exchange and /or SEBI,
- * As per prevalent RMS policy of the Broker,
- * Any direction from SEBI/Exchange or such other authorities,
- * Under such other circumstances as the Broker might think just and proper on case to case basis.

Points to be noted

1. Deviations from the standard policy, if any, should get approval from the Head of Operations.
2. Debits beyond Five days should be cleared and no leniency is to be given under any circumstances.
3. Margin Shortage in F&O is to be cleared on the day of incurring shortage. MTM loss up to 25 % can be retained on a condition that funds are to be replenished on T+1 date failing which the positions will be reduced on the T+1 day.
4. Extreme care is taken while drafting the exposure policy. Even then, the chances for losses may arise in clients' accounts due to the high variation in security prices on reaching DPR levels. The chances are there that once a client initiates a short position in a security and the share may get the upper DPR level and the client could not close out the short position. In such case the chances of incurring auction loss is higher and chances for incurring such instances is existing in the market. Similarly a client goes on a Long position in a security and the chances that the shares price reaches the lower DPR on T day and coming days are there in the market. In these instances, the losses are inevitable and the recovery of funds depends on the relationship of the branch team and the client concerned.

I/We read and understood the above points and hereby request you to provide multiple exposures to my client id _____.

Name of the client:

Signature:

Date :

Name and Signature of the Branch Manager