

MARGIN TRADING FACILITY (MTF)

MTF Term Sheet:

Some Important Points while using Margin Trading Facility (MTF)

Sr. No.	Particulars	Details
1	Consent Letter	A Consent Letter from the client before MTF Trade.
2	Brokerage	Currently, there are no separate brokerage charges for MTF trades
3	Interest	The interest rate for MTF is 18%p.a.
4	Script for MTF	<ul style="list-style-type: none"> Only 'Group - I' stocks are approved for MTF trading. Only 'Group-1' stocks are approved as underlying collateral for availing MTF Facility
5	Segment	MTF is exclusively applicable to Cash Segment only
6	Square-Off -80% And SMS/email confirmation	<ul style="list-style-type: none"> GEPL will initiate a Margin Call when <u>MTM Loss reaches 60%</u>. Clients will receive SMS and email notifications to top up the margin until if it reaches <u>75% MTM Loss</u> of the total deposited value. If MTM loss exceeds 80%, GEPL shall square off the position(s). Settlement of accounts will be on T+1 day and Square-off charges will be Rs. 50/-. If Funded Script shift from Group-1 to another Group then, Position will be squared off. If any Var margin increased beyond 25% on the funded stock then the said stock will be squared off or as per consent of client will shift from MTF to NRML category as per the payment terms.
7	Client Limit	The maximum limit per client has been reviewed as below: <ol style="list-style-type: none"> Max Limit per client is Rs. 5,00,000/-. However, this limit may be subject to review and approval by the management.
8	Fund Transfer and Journal voucher	For settling any outstanding amounts: <ul style="list-style-type: none"> Funds existing in the regular ledger will be shifted to their MTF ledger through a Journal Voucher (JV), contingent upon the availability of funds. For an additional deficit, the client will be responsible for payment of deficit amount.
9	Pledging	Clients must pledge the shares bought under MTF before 9:00 p.m. on the same day to continue holding the position in MTF.
10	Pledge Charge	A charge of Rs. 50 + GST will be levied for pledging/un-pledging MTF shares
11	Margin Required	<p>Securities as Collateral:</p> <ul style="list-style-type: none"> 'Group-1' Scripts are the only accepted collateral for MTF trades, requiring a minimum 100% Margin after Hair Cut. For example, to execute an MTF buy order for HDFC Bank Shares worth Rs. 5 Lakh, you must provide 'Group-1' stock, like Reliance Stock, as collateral with an equivalent value of Rs. 5 Lakh. If 'Group-1' Script shifts to other category, then funded stock will be squared off or client are required to make it good with another Group – 1 stock. If there's a shortage in your MTF Ledger, the shortfall amount will be moved from the Regular Ledger using a Journal Voucher. Alternatively, you can also settle the MTF Ledger by paying the difference amount for the script for which the funding was utilized.
12	OTP Confirmation	After a successful MTF trade, clients must follow the OTP confirmation process; <ul style="list-style-type: none"> Clicking on the CDSL link received via email/SMS. In the Email/SMS to get redirected to CDSL's website Enter PAN/Demat Account Details Select Stocks to Pledge Generate OTP Enter the received OTP to Authorize and complete the process

Please be aware that your signature will signify your consent to "GEPL" for the potential square-off of positions if losses exceed 80%, based on the prevailing market rate.

Client Signature: _____

Benefits of Margin Trading

Sr. No.	Normal Trading Account	MTF Trading Account
1	No sufficient Balance, No opportunity to tap the short term price movement	No Sufficient Balance, Margin trading is ideal for investors who are looking for the opportunity of short term price movement.
2	Shares are ideal lying in Demat Account, No leverage from this ideal stock.	If shares are lying idle in your demat account, the margin trading facility is a good way of utilizing or leveraging stocks available in your demat account. These shares can be offered as collateral margins to take MTF positions in the equity market.
3	In case of Debit balance, the interest rate is 21% Interest.	It is only 18% Interest, resulting in 3% ROI.
4	In case of outstanding Position, it need to square off in T+5 days	Position can be carried forward up to Quarter (3 month)
5	100% Cash Component	Group-1 scripts as a collateral lying in your DP account (Min of 100% Margin after HC). <i>For example: if you're buying HDFC Bank Shares for Rs. 5 Lakh, your collateral, like Reliance Stock, should also be valued at Rs. 5 Lakh.</i>
6	Immediately Squaring off the position.	GEPL will initiate a Margin Call when MTM Loss reaches 60%., Clients will receive SMS and email notifications to top up the margin until if it reaches 70% MTM Loss of the total deposited value. Only If MTM loss exceeds 70%, GEPL shall square off the position(s).

Particulars	With MTF	Without MTF
Funding	5,00,000	NIL
Benefit of DP Holding Share (G-1)	100%	NIL
Trade Value	5,00,000	Square-off or pay 100%
Interest (p.m.)	7,500 (18%)	8,750 (21%)
O/s Position	90 days	5 days
Collateral	100% Securities as Collateral	Only Cash Component
Squaring off the position	Only after 70% MTM Loss	Immediately

FREQUENTLY ASK QUESTIONS (FAQ)

What is MTF?

Margin Trading Facility (MTF) is a financial service provided by GEPL that enables clients to purchase stocks with the Group 1 holding. The remaining funds necessary for the transaction can be borrowed from GEPL at an interest rate of 18% per annum, allowing clients to leverage their investments and potentially enhance their returns

How do I activate MTF?

Activating MTF by logging in to your GEPL Trading Platform or GEPL webpage – Self-care.

Do I need to activate MTF every time I use it?

No, activating MTF is a one-time process.

Why is OTP authorization required to activate MTF?

OTP authorization is necessary to confirm your acceptance of the terms and conditions associated with using MTF on GEPL's platform.

Are there any charges for MTF?

Yes, MTF is chargeable per day until you exit the MTF position or repay the borrowed amount

- **Interest:** 18% Interest p.a.
- **Brokerage:** as applicable as per Trading account.
- **CDSL Charges:** as applicable as per the Tariff sheet of GEPL DP.

Stocks bought with MTF are pledged with CDSL to safeguard the broker's interest. CDSL charges ₹50 (plus tax) as pledging charges for each MTF buy transaction and ₹50 (plus tax) as un-pledging charges for each MTF sell transaction.

Why should I authorize my MTF trade with CDSL, and are there any charges involved?

SEBI guidelines require the authorization of MTF positions on the CDSL website.

This is necessary because when a broker provides funding through MTF, the MTF shares need to be pledged with CDSL to protect the broker's interest in case the

The borrowed amount cannot be repaid. CDSL charges a one-time fee of Rs.50 (+tax) for this authorization. When you exit the MTF position, the shares are unpledged, and CDSL will charge Rs.50 (+tax) again.

What is the maximum limit for MTF?

Currently, the total amount availed from MTF should not exceed ₹5,00,000 at any given time. However, such limitation shall be revised and communicated as per the GEPL terms and conditions.

How do I repay the borrowed amount for MTF?

To repay the borrowed amount, you need to sell the stocks bought with MTF. It is important to exit your MTF positions within 90 days of the purchase.

How do I buy an MTF position?

Once MTF is activated, buying stocks using MTF is easy through the GEPL Trading Platform. Under the tap 'MTF'.

MTF facility is for Equity Delivery Stock or F&O segment or both

MTF is available only for Equity Delivery orders and not applicable to F&O and any other segment as per SEBI Guidelines.

Why need to Authorise the MTF Trade

Authorization is a mandatory step from CDSL. If you fail to authorize your MTF trades before 9:00 PM on the same day, GEPL will convert your MTF trade to a Delivery Holdings trade. If you do not have sufficient funds after the conversion, GEPL will recover the amount by selling your converted holdings on T+1 days.

How do I sell an MTF Position?

The process to sell MTF Positions is the same as selling your Demat Holdings on GEPL.

RIGHTS AND OBLIGATIONS RELATING TO MARGIN TRADING FACILITY [BSE]

A) As prescribed by BSE as per Circular No. 20170619-26 dated 19 Jun 2017)

1. Stock Broker/ Trading Member is eligible to provide Margin Trading Facility (MTF) in accordance with SEBI & Exchange Guidelines as specified from time to time.
2. Stock Broker/ Trading Members desirous of extending MTF to their clients are required to obtain the prior permission of BSE. Stock Broker/ Trading Member may note that BSE has the right to withdraw the permission at any time.
3. Stock Broker/ Trading Member shall extend the MTF to the client, on such terms and conditions as specified by the Stock Exchange / SEBI from time to time. Stock Broker/ Trading Member and the client shall abide by the requirements of the margin trading framework, including rights and obligations, as prescribed by Stock Exchange/ SEBI/ Stock Broker/ Trading Member.
4. Stock Broker/ Trading Member shall intimate all the terms and conditions, including maximum allowable exposure, specific stock exposures etc., as well as the rights and obligations to the client desirous of availing MTF.
5. Stock Broker/ Trading Member may, at its sole and absolute discretion, increase the limit of initial and/or maintenance margin, from time to time. The Client shall abide by such revision, and where there is an upward revision of such margin amount, he agrees to make up the shortfall within such time as the Stock Broker/ Trading Member may permit. It may, however, be noted that the initial/ maintenance margins shall never be lower than that prescribed by Stock Exchange/ SEBI.
6. Stock Broker/ Trading Member shall provide MTF only in respect of such shares, as may be permitted by Stock Exchange/ SEBI.
7. Stock Broker/ Trading Member shall liquidate the securities and other collateral if the client fails to meet the margin call to comply with the margin requirement as specified by Stock Exchange/ SEBI/ Stock Broker/ Trading Member. In this regard, Stock Broker/ Trading Member shall also list down situations/ conditions in which the securities may be liquidated (Stock Broker/ Trading Member list down situations/ conditions):
8. Stock Broker/ Trading Member shall not use the funds of one client to provide MTF to another client, even if the same is authorized by the first client.
9. The stocks deposited as collateral with the Stock Broker/ Trading Member for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identified separately and no comingling shall be permitted for the purpose of computing funding amount
10. IPF shall not be available for transactions done on the Stock Exchange, through MTF, in case of any losses suffered in connection with the MTF availed by the client.

The rights and obligations prescribed hereinabove shall be read in conjunction with the rights and obligations as prescribed under SEBI circular no. CIR/ MIRSD/ 16/ 2011 dated August 22, 2011.

Client Signature: _____

RIGHTS AND OBLIGATIONS RELATING TO MARGIN TRADING FACILITY [NSE]

B) As prescribed by NSE Circular No. NSE/COMP/35260 dated June 30, 2017 Ref No. 340/2017

CLIENT RIGHTS

1. Client shall receive all communications in a mode mutually agreed between the Stock broker and the client regarding confirmation of orders/trades, margin calls, and the decision to liquidate the position/security.
2. Client shall be free to take the delivery of the securities at any time by repaying the amounts that were paid by the Stock Broker to the Exchange towards securities after paying all dues.
3. Client has a right to change the securities collateral offered for Margin Trading Facility at any time so long as the securities so offered are approved for the margin trading facility.
4. Client may close/terminate the Margin Trading Account at any time after paying the dues.

CLIENT OBLIGATIONS

1. Client shall, in writing in his own hand or in any irrefutable electronic method, agree to avail of Margin Trading Facility in accordance with the terms and conditions of Margin Trading Facility offered by the Stock Broker, method of communication for confirmation of orders /trades, margin calls and calls for liquidation of collateral/ security/position.
2. Client shall inform the broker of its intent to shift the identified transaction under Margin Trading Facility within the timelines specified by the broker failing which the transaction will be treated under the normal trading facility
3. Client shall place the margin amounts as the Stock Broker may specify to the client from time to time.
4. On receipt of 'margin call', the client shall make good such deficiency in the amount of margin placed with the Stock Broker within such time as the Stock Broker may specify.
5. By agreeing to avail Margin Trading Facility with the broker, the client is deemed to have authorized the broker to retain and/or pledge the securities provided as collateral or purchased under the Margin Trading Facility till the amount due in respect of the said transaction including the dues to the broker is paid in full by the client.
6. Client shall lodge a protest or disagreement with any transaction done under the margin trading facility within the timelines as may be agreed between the client and broker.

STOCK BROKER RIGHTS

1. Stock Broker and the client may agree between themselves on the terms and conditions including commercial terms if any before commencement of MTF.
2. Stockbroker may set up its own risk management policy that will be applicable to the transactions done under the Margin Trading Facility. Stockbrokers may make amendments thereto at any time but give effect to such policy after the amendments are duly communicated to the clients registered under the Margin Trading Facility.
3. The broker has a right to retain and/or pledge the securities provided as collateral or the securities bought by the client under the Margin Trading Facility.
4. The broker may liquidate the securities if the client fails to meet the margin call made by the broker as mutually agreed on liquidation terms but not exceeding 5 working days from the day of the margin call.

STOCK BROKER OBLIGATIONS

1. Stock broker shall agree with the client to the terms and conditions before extending Margin Trading Facility to such client. However, for clients who already have an existing trading relationship and want to avail of the Margin Trading Facility, the stockbroker may take consent in writing in his own hand or in any irrefutable electronic method after the stock broker has communicated the terms and conditions of the Margin Trading Facility to such existing clients.
2. The terms and conditions of the Margin Trading Facility shall be identified separately, in a distinct section if given as a part of the account opening agreement.
3. The mode of communication of order confirmation, margin calls or liquidation of position/security shall be as agreed between the broker and the client and shall be in writing in his own hand or in any irrefutable electronic method. The stock broker shall prescribe and communicate its margin policies on haircuts/ VAR margins subject to minimum requirements specified by SEBI and exchanges from time to time.
4. The Stock Broker shall monitor and review on a continuous basis the client's positions with regard to MTF. It is desirable that an appropriate alert mechanism is set up through which clients are alerted on possible breaches of margin requirements.
5. Any transaction to be considered for exposure to MTF shall be determined as per the policy of the broker provided that such determination shall happen not later than T + 1 day.
6. If the transaction is entered under a margin trading account, there will not be any further confirmation that it is a margin trading transaction other than a contract note.
7. In case the determination happens after the issuance of the contract, the broker shall issue appropriate records to communicate to the Client the change in status of the transaction from Normal to Margin trading and should include information like the original contract number and the margin statement and the changed data.
8. The Stock Broker shall make a 'margin call' requiring the client to place such margin; any such call shall clearly indicate the additional/deficient margin to be made good.
9. Time period for liquidation of position/ security shall be in accordance declared policy of the broker as applicable to all MTF clients consistently. However, the same should not be later than 5 workings (trading) days from the day of the 'margin call'. If securities are liquidated, the contract note issued for such margin call-related transactions shall carry an asterisk or identifier that the transaction has arisen out of margin call.
10. The daily margin statements sent by the broker to the client shall identify the margin/collateral for Margin Trading separately.
11. Margin Trading Accounts where there were no transactions for 90 days shall be settled immediately.
12. The stocks deposited as collateral with the stock broker for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identified separately and there shall not be any comingling for the purpose of computing funding amount;
13. Stock Broker shall close/terminate the account of the client forthwith upon receipt of such request from the client subject to the condition that the client has paid dues under Margin Trading Facility.

TERMINATION OF RELATIONSHIP

1. The margin trading arrangement between the stockbroker and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading facility provided to the Stock Broker or the Stock Broker surrenders the facility or the Stock Broker ceases to be a member of the stock exchange.
2. The MTF facility may be withdrawn by the broker, in the event of a client committing any breach of any terms or conditions therein or at any time after due intimation to the client allowing such time to liquidate the MTF position as per the agreed liquidation terms without assigning any reason. Similarly, the client may opt to terminate the margin trading facility in the event of the broker committing any breach of any terms or conditions therein or for any other reason.
3. In the event of termination of this arrangement, the client shall forthwith settle the dues of the Stock Broker. The Stock Broker shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes the Stock Broker to make such adjustments.
4. After such adjustment, if any further amount is due from the client to the Stock Broker, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to the Stock Broker, the Stock Broker shall release the balance amount to the client.
5. If the client opts to terminate the margin trading facility, the broker shall forthwith return to the client all the collaterals provided and funded securities retained on payment of all the dues by clients.

Client Signature: _____

INTERNAL RISK ASSESSMENT POLICY AND TERMS & CONDITIONS OF GEPL FOR TRADING UNDER MARGIN TRADING FACILITY (“MTF”)

The Risk Policy and terms & conditions prescribed hereunder form part of the account opening form and shall be read in conjunction with the rights and obligations as prescribed under SEBI circular no. CIR/MIRSD/16/2011 dated August 22, 2011, and the Rules, Regulations, Bye Laws, Rights and Obligation, Guidelines, Circulars issued by SEBI and exchanges from time to time and these terms and conditions, unless indicated otherwise and the client confirms having read and understood these words and phrases:

1. DEFINITIONS:

- “Alerts” means a customized SMS or Email Communication sent to clients on their registered E-mail Address or Mobile Number.
- “Additional Margin” shall mean the incremental margin required to safeguard Margin Trading positions from being squared off.
- “Client” means a constituent of GEPL who has in his own hand or in any irrefutably electronic mode, agreed to have availed the Facility of Margin Trading and executed Power of Attorney in favour of GEPL and has an existing and valid account with GEPL. Client shall include Individual, Company, Partnership firm, Trust, Hindu Undivided Family, Association of Persons and Body of Individuals etc.
- “Communication in electronic mode” means alerts send to clients’ registered E-mail Addresses or Mobile numbers.
- “GEPL Capital Pvt. Ltd. (hereinafter referred to as ‘GEPL’)” means Stock Broker of National Stock Exchange of India Limited (TM Code: 09939) and BSE Limited (Clg No: 0724) having obtained prior permission from respective exchange to provide Margin Trading Funding to its clients.
- “Margin Trading Funding” is the product being offered by GEPL to Clients under the framework of rules, and regulations issued by Exchanges/SEBI from time to time. It is a facility under which an investor can buy shares by paying 50% or as mutually agreed upon from his available funds and the remaining amount is funded by the GEPL. The margin can be given in the form of cash or shares as collateral depending upon the availability of the respective investor
- “Securities” means all funded and collateral stocks that are a permissible set of securities as provided by NSE and BSE from time to time under the margin trading Facility.

2. AVAILING OF MARGIN TRADING FACILITY:

GEPL Capital Pvt. Ltd. (GEPL) has obtained the prior permission of BSE and NSE for providing MTF to the clients and is eligible to provide a Margin Trading Facility (MTF) in accordance with SEBI & Exchange Guidelines as specified from time to time. To avail of the Margin Trading Facility, the client is required to meet the minimum margin requirement, which is either 50% of the purchase value or VAR + 3/5 times ELM, whichever is higher. The client must pay this 50% margin in cash.

If the end-of-day (EOD) margin requirement set by the exchange is higher than the MTF margin requirement, the client must fulfil the additional margin requirement. Failure to meet the margin requirement may lead to a shortfall and subsequent penalties. It's important to note that the margin must be in the form of cash, and the Margin Trading Facility does not accept collateral.

Please note that the Margin Trading Facility is applicable only to the Cash Segment and does not extend to F&O and Currency Derivatives.

3. MTF DECLARATION:

If the client is currently utilizing Margin Trading Facility (MTF) with other brokers, informing GEPL before availing of the MTF facility is necessary. Failure to provide this information will be interpreted as the client not availing MTF facility from any other financial intermediary.

4. MODE OF COMMUNICATION:

The client consents to receive all forms of communication, including but not limited to consent to the Terms and Conditions, order/trade confirmation, margin revisions, margin calls, decisions regarding position liquidation, security/collateral information, margin statements, margin policies on haircuts /VAR margin, risk management policies, rights and obligations, allowable exposure, specific security exposure, etc.

This communication will be conducted via email, SMS, and WhatsApp to the client's registered email address or mobile number with GEPL, or through online platforms accessible by logging in to the secure front-end software provided by GEPL.

Additionally, GEPL may utilize physical means of communication or relay information through employees or authorized persons. Communications may also be published or displayed on GEPL's website or made available for download from the website. If the client prefers to receive communication in physical form, they must explicitly request so in writing to GEPL.

5. ELIGIBLE SECURITIES UNDER MTF:

The Margin Trading Facility applies to **Group I** scrips with appropriate hair cut as specified in SEBI Master Circular No. SEBI/HO/MRD/DP/CIR/P/2016/135, dated: 16/12/2016 or as specified by SEBI/Stock Exchange(s) periodically. However, GEPL retains the discretion to permit margin trading facility for specific scrips as specified. Furthermore, GEPL reserves the right to include or exclude any securities from its **"MTF Approved Category List"** at the discretion of the Risk Management Committee without prior notification. However, the client shall have the right to change collateral securities provided under the MTF with other collateral securities provided that such other collateral securities are approved and sufficient to meet the margin required.

6. INITIAL MARGIN:

The initial margin payable by the client shall be in the form of cash, cash equivalent or 'Group I' Equity shares subject to appropriate haircuts. Currently, the Initial margin prescribed by the regulator is as follows

Category of Stock	Applicable margin
Group I stocks available for trading in the F & O Segment	VaR + 3 times of applicable ELM*
Group I stocks other than F&O stocks	VaR + 5 times of applicable ELM*
*For the aforesaid purpose the applicable VaR and ELM shall be as in the cash segment for a particular stock.	

7. MARGIN ACCEPTANCE:

GEPL reserves the right to decline the acceptance of certain securities as margin collateral, or to accept them at a reduced value determined by applying appropriate haircuts or valuation methods. This decision is made at the absolute discretion of GEPL.

8. LEVERAGE & EXPOSURE:

GEPL will provide exposure to clients based on the exposure limits prescribed by SEBI/Exchange(s) and may adjust these limits based on market conditions and risk perception. Exposure limits will be determined considering available collaterals, which may include ledger balance and stocks with suitable margin haircuts.

a. Client Wise limit:

Exposure to any single client at any point in time will not exceed 10% of the borrowed funds by GEPL and 50% of GEPL's "net worth" or any other such rule as defined under the MTF by the Exchange or SEBI.

b. Exposure to the increased value of Collaterals:

In case of an increase in the value of Collateral, GEPL may at its sole discretion have the option of granting further exposure to the client subject to applicable haircuts. However, no such exposure shall be permitted on the increased value of funded stocks.

Depending on market conditions, the limits may be set based on a multiplier of the available collateral, actual VAR margin, or GEPL MTF VaR. In exceptional situations, GEPL may exercise its discretion to provide limits and make changes for a client based on market conditions. If the overall position in a specific scrip or across all scrips reaches a particular limit, further positions may not be allowed for the client.

9. MARGIN TRADING FACILITIES TRADES:

- a) By providing consent for availing the margin trading facility, the client grants authorization to GEPL to consider all trades executed by them in Group I securities as trades availed under the margin trading facility. These trades will be reported to the Exchanges, subject to the availability of margin, as per the prescribed format and instructions communicated by GEPL from time to time.
- b) If a transaction is executed under a margin trading account, there will not be any separate confirmation indicating that it is a margin trading transaction, apart from the contract note provided.
- c) The client has the freedom to take delivery of the securities at any time by repaying the amounts, paid by GEPL to the Exchange, for the securities purchased under the margin trading facility, after settling all outstanding dues.
- d) GEPL will continuously monitor and review the client's position concerning the margin trading facility. This includes assessing the adequacy of the margin, monitoring changes in positions, and reviewing any margin shortages that may arise.
- e) The client's Margin Trading position will be consistently on marked to market basis. GEPL will initiate a Margin Call when the open position's MTM Loss reaches 60%. Subsequently, an SMS and email confirmation will be sent, requesting the client to top up the margin amount and the same process shall be repeated till it reaches 75% of the total value deposited for MTF.
- f) If, at any point in time, the client's MTM loss exceeds 80% of the value deposited for the open MTF position(s), GEPL reserves the right to square off the client's position(s) at the prevailing market rate. In such cases, the shares associated with the client's position will be confiscated without prior intimation, and the final settlement will occur on T+1 day. It is essential for the client to diligently monitor their MTF portfolio and ensure prompt compliance with margin requirements as communicated or when they reach the specified levels.
- g) The margin requirement for shares purchased under the margin trading facility will be calculated by aggregating the applicable minimum initial margin and any increased margin, if

applicable, for each stock. The shortage in the margin will be determined by deducting the available margin from the gross margin. The collateral shares and shares purchased under the margin trading facility (Funded Shares) will be marked to market daily for the purpose of calculating the margin and identifying any margin shortfall.

10. FEES, INTEREST, CHARGES AND PENALTY:

- 1) Brokerage and other charges as mutually agreed will be charged and statutory charges shall be as per the rules and regulations of the authority and will be applicable in the client's existing trading account.
- 2) The outstanding dues under MTF will be subject to daily interest accrual at a rate of up to 18% per annum unless mutually agreed otherwise.
- 3) **Rs. 50 + GST** will be charged for **Pledging / Un pledging MTF Shares**. These charges are applicable on a per-ISIN basis in each instruction
- 4) The term "dues" mentioned herein includes outstanding balances, interest, statutory taxes, duties, charges, penalties, etc., related to the MTF availed by the client.
- 5) Square-off Charges shall be Rs.50/- be levied for every position so squared off.

11. CONFIRMATION OF MTF TRADE AFTER TRADE:

In accordance with the regulatory guidelines for Margin Trading, GEPL emphasize the importance of timely compliance from our MTF clients. It is imperative for all clients to comply with the following procedures for confirming MTF trades.

- a) **Pledge Creation:** It is a mandatory process introduced by SEBI. When a client buys shares under Margin Trading Facility (MTF), the client has to pledge those shares on the same day before 7 pm to continue holding the position.
- b) Once a trade is successfully executed under MTF client shall need to;
 - Check email/SMS for communications related to the MTF Pledge Request Initiation
 - Click the CDSL link in the Email/SMS to get redirected to CDSL's website
 - Enter PAN/Demat Account Details
 - Select Stocks to Pledge
 - Generate OTP
 - Enter the received OTP to Authorize and complete the process
- c) **OTP Initiation & Timely Confirmation:** It is crucial that clients ensure the completion of the OTP process and pledge confirmation no later than 7.00 p.m. on the trading day of the MTF. The OTP generation is limited to one occurrence during the trading day of the MTF.
- d) Failure to adhere to the stipulated timelines for pledge confirmation will result in the automatic conversion of the MTF position to a normal position on the same trading day (T day). Consequently, the client will be obligated to fulfill the entire payment obligation for the transaction, in accordance with the standard settlement terms.
- e) The Company shall not be held liable for any losses, damages, or penalties incurred due to the client's failure to comply with the confirmation process outlined in this policy.

12. Journal Voucher/Fund transfer from Normal Trading to MTF Trading

- a) In order to meet any obligations or dues arising from the Margin Trading Facility (MTF), the client's funds from their normal ledger will be transferred to their MTF ledger, subject to the availability of sufficient funds in the normal ledger. This transfer of funds will be executed through a Journal Voucher (JV).
- b) However, in cases where the necessary funds are not available in the client's normal ledger, the client must provide a separate 50% margin and cover any Mark-to-Market (MTM) losses incurred.
- c) It is essential for the client to acknowledge and fully understand their responsibility to settle all outstanding dues owed to GEPL. These dues may encompass not only the funded amount and associated charges but may also include statutory charges, taxes, and any other relevant fees.

By participating in the Margin Trading Facility, the client expressly consents to the aforementioned fund transfers, understands the implications of the non-availability of funds, and agrees to fulfil all financial obligations in a timely manner.

13. TECHNICAL FAILURE:

The client acknowledges that the services rendered herein rely on software systems. In the event of any technical failure, it is expressly understood that GEPL and the exchange shall not be held liable for any losses incurred by the client. The client assumes full responsibility for the risks associated with potential technical disruptions and agrees to indemnify GEPL and the exchange from any such claims or damages arising from such failures.

14. QUARTERLY SETTLEMENT:

Margin Trading Accounts where there were no transactions for 90 days shall be settled immediately.

15. MARGIN CALL:

- f) If the client is notified about a margin shortage through any mutually agreed mode of communication, the client must rectify the deficiency in the margin amount placed with GEPL within 3-5 days of such communication. Failure to do so may result in GEPL exercising its discretion/right to liquidate collaterals and/or funded securities immediately.
- g) The client will continue to be in margin default until the required margin is fully furnished to eliminate the shortage. Partial payment or a change in the required margin will not extend the stipulated time for making the margin payment, which will run from the time of the margin call.
- h) Until full payment of outstanding dues in the MTF Account is made by the client, collateral shares and funded shares, as required, will be retained in GEPL's Demat Account, separately identified as collateral shares and funded shares.
- i) If the total funded value minus the market realization value of stocks exceeds **80%** of the collateral value after the haircut on any given day, the stocks may be liquidated without prior intimation to the client.
- j) When placing an order, please ensure to select the product type as "MTF" in the Trading platform. Additionally, you can review the Margin Trading positions taken today under the "Net Position Positions" section.

- k) After the transaction is executed, the client will receive communications regarding the confirmation of orders/trades, margin calls, and other relevant information on their registered email/mobile number.

16. RESOLUTION OF COMPLAINTS:

- l) If the client has any protest or disagreement regarding any transaction carried out under the margin trading facility, they should notify GEPL within 24 hours from the date of receiving the relevant documents, statements, contract notes, or any other communications.
- m) Any disputes arising between the client and GEPL in relation to the margin trading facility will be resolved through the investor grievance Redressal mechanism and/or Arbitration mechanism provided by the stock exchanges, similar to the resolution process for normal trades.
- n) It is important to note that the Investor Protection Fund (IPF) will not cover any losses incurred by the client in connection with the margin trading facility availed through MTF on the stock exchange.
- o) The client shall lodge a protest or disagreement with any transaction done under the margin trading Funding within 24 hours from the date of receipt of such document/statements/contract notes/any other communications to GEPL.

17. SECURITIES SQUARE-OFF:

MTF Collaterals/Funded Securities of clients may be immediately liquidated/squared off without further notice or intimation in the following situations/conditions and all losses and financial charges resulting from such liquidation will be charged to and borne by the client:

- p) Failure to meet the margin call and ongoing margin shortage for 3-5 trading days from the day of the margin call.
- q) Dishonour of any instrument for payment of Margin Amount.
- r) Violation/breach of any provision of this arrangement or provision of incorrect or misleading information.
- s) Initiation of bankruptcy or insolvency proceedings, winding up or liquidation proceedings, the appointment of a receiver or liquidator, application for a declaration as a "sick company" or seeking financial reconstruction or similar schemes.
- t) Reasonable apprehension of the client's inability to pay outstanding dues or admission of such inability.
- u) Seizure, distress, execution, attachment, injunction, detention, or custody of any asset or security.
- v) Default under any other arrangement or facility with any stockbroker or adverse actions by stock exchanges, SEBI, or government authorities.
- w) Total exposure across all stocks of all clients of GEPL exceeding the SEBI/Stock Exchange prescribed maximum allowable exposure limit.
- x) Exceeding or being on the verge of exceeding the maximum allowable exposure for a single client.
- y) Removal of stock from the list of eligible stocks under MTF, rendering it ineligible for offering under MTF.
- z) Other circumstances arising from regulatory requirements change or risk management processes due to market conditions.

- aa) Death, insolvency, or incapability of the client to receive/pay for or deliver/transfer ordered securities.
- bb) Closure of existing positions to release margin from the exchange, based on market conditions and risk perception.
- cc) Reduction of margin by an amount equal to the applicable ELM component of the total margin due to market volatility within a trading day, resulting in available margin being equal to or less than the applicable VAR margin.
- dd) In case the client does not wish to opt for MTF, all dues on account of share purchases shall be payable immediately or on or before T+5. Failure to pay within this period may result in the sale of shares to liquidate/reduce the dues, with any remaining unpaid dues becoming payable immediately.

18. NOTICES & COMMUNICATIONS

All notices or other communications related to this Term & Conditions, shall be provided in writing and will be considered duly served under the following methods:

- a) Communication to GEPL Head Office or any of the registered branch address
- b) Email Id: support@geplcapital.com
- c) Tel. No.: 022-66182445
- d) Communication to the client on its register email id and Address as per Consent letter and KYC forms.

Client Signature: _____