

Date: 18<sup>th</sup> October 2013



Dear Client,

**Sub: Amendment in point no. (e) to the existing Policies & Procedures.**

With reference to Securities and Exchange Board of India ("SEBI") and various recognised stock exchanges' circulars issued regarding general guidelines, as requisite of these circulars, following amendment has been made in point no. (e) of our Policies and procedures.

**Amended Point No. (e)** *The right to sell client's securities or close clients' positions, **with** giving notice to the client, on account of non-payment of client's dues:*

Without prejudice to the stock brokers other right (Including the right to refer the matter to arbitration), the stock broker shall be entitled to liquidate/close out all or any of the client's position / securities / stock / collaterals etc. **with** giving notice to the client for non-payment of margins or other amounts including the pay in obligation, outstanding debts etc and adjust the proceeds of such liquidation/close out, if any, against the clients liabilities/obligations.

The client shall ensure timely availability of funds/securities in form and manner at designated time and in designated bank and depository account(s), for meeting his/her/its pay in obligation of funds and securities. Any and all losses and financial charges on account of such liquidations/ closing out shall be charged to & born by the client. In cases of securities lying in margin account/client beneficiary account and having corporate actions like Bonus, Stock split, Right issue etc, for margin or other purpose the benefit of shares due to received under Bonus, Stock split, Right issue etc will be given when the shares is actually received in the stock broker designated demat account.

In case the payment of the margin / security is made by the client through a bank instrument, the stock broker shall be at liberty to give the benefit / credit for the same only on the realization of the funds from the said bank instrument etc, at the absolute discretion of the stock broker. Where the margin / security is made available by way of securities or any other property, the stock broker is empowered to decline its acceptance as margin / security &/or to accept it at such reduced value as the stock broker may deem fit by applying haircuts or by valuing it by marking it to market or by any other method as the stock broker may deem fit in its absolute discretion.

The stock broker has the right but not the obligation, to cancel all pending orders and to sell/close/ liquidate all open positions/securities/shares at the pre-defined square off time or when Mark to Market (M-T-M) percentage reaches or crosses stipulated margin percentage, whichever is earlier. The stock broker will have sole discretion to decide referred stipulated margin percentage depending upon the market condition. In the event of such square off, the client agrees to bear all the losses based on actual executed prices, the client shall also be solely liable for all and any penalties and charges levied by the exchange(s).

This amendment to the existing Policies and Procedures will therefore have no effect on your existing relationship with Matalia Stock Broking Pvt. Ltd., and the same will continue to be in full force and effect.

Assuring our best in class services

Thanking You.

Yours faithfully,

For, Matalia Stock Broking Pvt. Ltd.

Director / Authorised Signatory

Matalia House, 21-New Jagnath Plot, Near Jain Bhuvan, Rajkot – 360001.