

To,

Matalia Stock Broking Pvt. Ltd.

Matalia House , 21 New Jagnath Plot ,

Nr. Jain Bhuvan, Rajkot 360001.

Date : / /

Dear sir,

My/our Trading Account code is _____ with you. I/We have read and understood all terms & conditions , policy & procedures , rights & obligations prescribed by broker and concerned authority in regards to margin trading facility. So, you are requested to activate Margin Trading Facility in my/our above client code.

My/our mobile number is _____ and

My/our E mail ID is _____.

I hereby consent to receive information / conformation through SMS /Email on the above registered number / email address.

Client's Signature _____

Margin Trading Facility Declaration

Terms & Conditions:

1. **Matalia Stock Broking Pvt. Ltd.** is eligible to provide Margin Trading Facility (MTF) in accordance with SEBI & Exchange Guidelines as specified from time to time
2. Matalia Stock Broking Pvt. Ltd is desirous of extending MTF to their Clients and has obtained prior permission of BSE and NSE for providing MTF to the Clients. The Exchanges have the right to withdraw the permission at anytime for sufficient reasons.
3. Matalia Stock Broking Pvt. Ltd. is permitted to extend MTF to the Clients on such terms and conditions as specified by the Stock Exchanges / SEBI from time to time and as mutually agreed by and between Matalia Stock Broking Pvt. Ltd. and the Clients. This Rights and Obligation comprises the terms and conditions applicable to MTF and Matalia Stock Broking Pvt. Ltd. and Clients shall abide by the same and any other requirements of the margin trading framework, including other rights and obligations, if any, prescribed by the Stock Exchange/ SEBI/ Matalia Stock Broking Pvt. Ltd. from time to time. Any modifications to the terms and conditions, other than those prescribed by SEBI/Stock Exchanges, shall be intimated to the Clients giving 15 days notice in advance.

4. **Equity Shares that are classified as ‘Group I Security’ by SEBI only shall be eligible for MTF. Matalia Stock Broking Pvt. Ltd., at its discretion, may not provide funding under MTF to certain equity shares though classified to be “Group I Security” by SEBI. Equity shares shortlisted by Matalia Stock Broking Pvt. Ltd. for funding (Approved List) shall be as displayed on Matalia Stock Broking Pvt. Ltd. website www.matalia.co.in from time to time.**
5. Initial margin, increased margin, margin shortage, margin calls, maximum allowable exposure, maximum stock specific exposure, trade confirmation, square off intimation and such other information in relation to MTF shall be communicated electronically through one or many or all of the following modes, viz email, SMS, WhatsApp, mobile notifications, and additionally through telephone calls.
6. **In order to avail of margin facility, the minimum initial margin required to be provided by the Clients, as prescribed by SEBI/Stock Exchanges, is as under: VaR + 3 times of applicable ELM in case of F & O Stocks (i.e., stocks available for trading in the F&O Segment. VaR + 5 times of applicable ELM in case of stocks other than F & O Stocks. VaR and ELM shall mean VaR and ELM as applicable to respective stocks in the cash segment.**
7. Client shall be required to provide the minimum initial margin as applicable for a particular stock to buy that stock under MTF. The margin shall never be lower than that prescribed by the Stock Exchange/SEBI. However, Matalia Stock Broking Pvt. Ltd. shall have the right to demand a higher initial margin than the margin prescribed by SEBI/Stock Exchanges.
8. Subject to the initial margin as aforesaid, Matalia Stock Broking Pvt. Ltd. may, at its sole and absolute discretion, revise and increase from time to time the margin required for any stock permitted to be traded under MTF. Where Client has exposure in the stock in respect of which margin has been revised but does not already have sufficient credit in the account to meet increase in margin, **Client** shall pay margin found short within the time prescribed for making margin payment.
9. Applicable minimum initial margin, increased margin, margin shortfall, if any, can be paid in the form of cash, cash equivalent, or Group I equity shares with appropriate hair cut as specified in **SEBI Master Circular No. SEBI/HO/MRD/DP/CIR/P/2016/135, DTD. 16/12/2016**. 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.
10. Margin requirement on shares purchased under MTF shall be computed by grossing applicable margin i.e., minimum initial margin plus increased margin, if any, on each stock and shortage computed accordingly by deducting available margin from gross margin. Collateral shares and shares purchased under MTF (Funded Shares) shall be marked to market daily for the purpose of computing the margin/shortage of margin.
11. Applicable minimum initial margin and increased margin, if any, shall be kept supplied at all times by the Clients in respect of the stocks purchased under the MTF. Client shall pay any shortage in the required margin immediately on receiving demand (margin call) and in any case not later than 09.30 A.M on the trade day following the day of making the margin call (prescribed time) failing which Matalia Stock Broking Pvt. Ltd. shall be at liberty to liquidate the funded shares and/or collateral shares to recover the dues outstanding in the account of the Clients. In case of extreme volatility in the market, Matalia Stock Broking Pvt. Ltd. may demand payment of margin forthwith and prescribed time for making margin payment shall be construed accordingly. Decision of Matalia Stock Broking Pvt. Ltd. in relation to market volatility shall be final and binding without Matalia Stock Broking Pvt. Ltd. having to provide any reason for the decision to the Client.
12. If required margin is not provided within the prescribed time, Client shall be treated as Client in margin default. Matalia Stock Broking Pvt. Ltd. shall not be obliged to notify the Client in margin default of the liquidation of shares, ahead of liquidation. Matalia Stock Broking Pvt. Ltd. shall not be obliged to liquidate shares proportionate to the shortage in margin.

13. Client in margin default shall continue to be in margin default, until the required margin is furnished in full to eliminate the shortage. Partial payment of margin or a change in the required margin shall not extend the time stipulated for making margin payment which will run from the time of making margin call to the Client.
14. In case margin is reduced by an amount equal to applicable ELM component of the total margin due to market volatility within a trading day (i.e. available margin becomes equal to or less than applicable VAR margin), Matalia Stock Broking Pvt. Ltd. reserves the right to liquidate the collaterals and/or funded shares forthwith without prior notice to the Client.
- 15. MTF Clients purchasing shares not specified in Matalia Stock Broking Pvt. Ltd. Approved List of Group 1 securities shall be required to 100% margin upfront for such purchases.**
16. If any shares are delisted from Matalia Stock Broking Pvt. Ltd. Approved List, Client shall be required to make payment of full purchase consideration against such shares on receiving margin call within the prescribed time, failing which Matalia Stock Broking Pvt. Ltd. shall be at liberty sell such shares without further notice to the Client.
17. If a Client is debarred by orders of lawful authority from trading in the securities market, Matalia Stock Broking Pvt. Ltd. shall liquidate collateral and funded shares of the Client to recover its dues to the full extent forthwith.
18. In case of death of a Client, Matalia Stock Broking Pvt. Ltd. shall be entitled to liquidate the collateral and funded shares under MTF and recover the unpaid outstanding due.
19. Any loss arising from liquidation of the shares shall be charged to the account of Client. Client shall forthwith pay Matalia Stock Broking Pvt. Ltd. any unpaid dues outstanding in the account after liquidation of the shares.
20. Matalia Stock Broking Pvt. Ltd. reserves the right to withdraw MTF with respect to any Client without assigning any reason after giving a reasonable notice to the Client in which case dues if any outstanding in the account of the Client shall become payable immediately. Failure to make payment of the outstanding dues shall result in liquidation of collateral and/or funded shares held in Client's account.
21. Client may terminate the MTF account after paying all dues in the MTF account.
22. Matalia Stock Broking Pvt. Ltd. shall not use the funds and securities of one Client to provide MTF to another Client, even on the authority of the Client.
23. The stocks deposited as margin collateral and funded stock shall be identifiable separately and no comingling shall be permitted for the purpose of computing funding amount.
24. Matalia Stock Broking Pvt. Ltd. may at its option allow Client to buy further shares under MTF on the basis of increase in the value of collateral shares, subject to applicable hair cut. Further purchase shall not be permitted on the basis of increase in the market value of funded shares.
25. 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.
26. Matalia Stock Broking Pvt. Ltd. shall restrict the maximum gross exposure as well as individual stock-wise exposure of a client under the MTF at any point in time according to its internal policies and market views without assigning any reasons to the client. Furnishing applicable margin shall not by itself entitle the Client to seek exposure beyond the limit restricted by Matalia Stock Broking Pvt. Ltd..
27. Admitting Clients for MTF shall be at the discretion of the Stock Broker/Trading Member. Clients request for admission to MTF may be disallowed without assigning any reason.
28. By agreeing to avail of MTF, the Client shall be deemed to have authorized Matalia Stock Broking Pvt. Ltd. to retain and/or pledge the shares purchased under MTF (funded shares) and collateral shares provided as margin till the amount due in respect of the purchase and all other dues are paid in full by the Client.
29. Matalia Stock Broking Pvt. Ltd. shall maintain separate ledgers for funds and securities of the Client availing of MTF.

30. All outstanding dues under MTF shall carry interest 18% p.a + applicable taxes, compounded at fortnightly rest.
31. Outstanding dues shall not be carried in the books beyond 90 days from the date of accrual and in case Client fails to pay up the dues within the said 90 days, collateral and/or funded shares shall be sold to liquidate the dues, even though applicable margin is available in the MTF account of the Client. For this purpose, 90 days shall be computed with respect to each debit entry in respect of purchases under MTF separately and liquidation shall be carried out accordingly. Matalia Stock Broking Pvt. Ltd. shall have discretion to sell any stock/stocks to liquidate the outstanding dues older than 90 days.
32. Client shall be free to take delivery of the shares purchased under MTF anytime, but not later than 90 days, from the date of funding by making full payment of the outstanding dues in relation to the shares purchased.
33. Until full payment of the outstanding dues in the MTF A/c is made by the Client, collateral shares and funded shares, as far as may be required, shall be retained in the Demat A/c of Matalia Stock Broking Pvt. Ltd., separately identified as collateral shares and funded shares.
34. Daily margin statement sent to the MTF Clients shall identify margin/collateral for MTF transaction separately.
35. MTF account where there is no transaction under MTF for more than 90 days shall be settled immediately on expiry of said 90 days provided there are no dues outstanding in the MTF account. Dues if any outstanding in the normal trading account shall be first adjusted against the settlement amount and the remainder shall be paid to the Client.
36. Client admitted to MTF shall be deemed to have opted to treat unpaid shares held in Client's account with Matalia Stock Broking Pvt. Ltd. as shares purchased in terms of the MTF and corresponding accrued outstanding dues shall be treated accordingly. In this case, Client shall furnish additional collateral shares, cash and/or cash equivalent required to bring up available margin to the level of initial minimum margin required under MTF, within the prescribed time after receiving margin call. Option to treat accrued outstanding dues as funding made under MTF shall be available only where the outstanding due is less than 90 days old.
37. In case Client does not opt for MTF, all dues on account of purchase of shares, accrued /accruing, shall be payable immediately/on or before T+7 failing which Matalia Stock Broking Pvt. Ltd. shall sell the shares to liquidate /reduce the dues and remaining unpaid dues, if any, shall become payable forthwith.
38. Matalia Stock Broking Pvt. Ltd. shall declare and communicate to the Client risk management policies that it will follow with respect to MTF transactions. Matalia Stock Broking Pvt. Ltd. may amend the policies from time to time according to its risk perceptions and inform the Clients of the amendments made.
39. Any disputes arising between the client and Matalia Stock Broking Pvt. Ltd. in connection with the margin trading facility shall be resolved through the investor grievance redressal mechanism and/or arbitration mechanism of the stock exchanges as in the case of normal trades.
40. **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, SEBI Circular No. CIR/MRD/DP/54/2017 Dtd. June 13, 2017, the Circulars relating to MTF issued by the respective Stock Exchanges, any modifications thereto from time to time and the Policies and Procedures prescribed by Matalia Stock Broking Pvt. Ltd. and the terms and conditions of client's agreement with Matalia Stock Broking Pvt. Ltd.. In case of any inconsistencies between the Rights and Obligations herein and the provisions in the aforesaid SEBI and/or Stock Exchange Circulars, the later shall prevail to the extent of such inconsistencies.**

* End of document ***

Client's Signature _____