

Ref: 07-08/ISS/1216/JS
July 11, 2007

- ☐ Hand Delivery
- ☐ Fax
- ☐ Courier
- ☐ Post
- ☐ E-mail

All Registered Intermediaries of ISS
Administrators/ Executive Director of Participating Exchanges, Co-ordination Officers at
Participating Exchanges/ Regional Administrative Offices

Dear Sir / Madam,

Sub: Internal auction close-out policy for the trading done w.e.f. July 11, 2007

In deference to the requests received from our Registered Intermediaries, ISS shall be restoring the earlier Internal Auction Close-out Policy prevailing prior to the circular ref. no. 07-08/ISS/894/JS dated June 14, 2007.

ISS shall continue to follow the earlier Auction Close-out Policy, the same is reproduced here.

In case the selling client / sub-broker defaults in delivering the shares in the normal settlement by T+2 morning, ISS shall be raising the provisional debit by T+2 evening.

In case the scrip is not delivered by the selling client / sub-broker and hence the shares fall short vis-à-vis Exchange pay-in, the particular Exchange's auction procedures will be applicable. In case it is an internal shortage (i.e. shortage within ISS), then the internal auction close-out procedure as stated herein shall apply.

If the scrip is internally short, then ISS will consider the highest traded price for the said scrip from the trading day to the auction day for internal close-out and accordingly, debit and credit the defaulting seller and the buyer respectively.

The provisions of this circular shall come into effect from the trading done on July 11, 2007.

Thanking you,

Yours faithfully,
For ISE SECURITIES & SERVICES LTD.,

Jagdish Sonawalkar
Head – Customer Relations
& Business Development