



## Consent to avail Margin Trading Facility

To,  
ISS ENTERPRISE LTD.  
5<sup>TH</sup> FLOOR, INTL INFOTECH PARK TOWER NO.3 & 7  
VASHI RLY STN COMPLEX, SECTOR-30  
VASHI  
**NAVI MUMBAI 400 703**

Date:

Dear Sirs,

### Sub : Consent to avail Margin Trading Facility – NSE & BSE

I / We am / are registered client with you and having Client code ..... & DEMAT A/c. No.....willing to avail margin Trading Facility (MTF) offered by you in NSE & BSE. I / We hereby confirm that I / we had read and understood & agree with the rights and obligations as prescribed by NSE & BSE. Also I / We had received hard copy of Rights & Obligations as prescribed by NSE & BSE separately from you. The same is also available on the company website [www.isesec.com](http://www.isesec.com) from where we can see and download the same in future if any changes are carried out.

Further, I / We undertake, authorize, confirm and agree to the terms & Conditions prescribed by ISS for Margin Trading Facility as per the enclosure, which is duly accepted and signed by me / us.

Thanking you,

Yours faithfully,

<<Client Signature>>

<<Client Name>>

<<Client Code>>

## **ISS ENTERPRISE LTD.**

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### **TERMS AND CONDITIONS FOR AVAILING MARGIN TRADING FACILITY (MTF)**

The terms and conditions prescribed hereunder form part of account opening form, 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.

#### **A) The Client undertakes, authorizes, confirms and agrees to/that:**

- 1) Avail MTF in accordance with the terms and conditions of MTF offered by ISS Enterprise Limited (ISS).
- 2) Give consent to the Terms and Conditions herein through email / SMS from client's designated email id / mobile number registered with ISS or by physical mode.
- 3) ISS at all times shall have the liberty to exercise its right in its sole discretion to determine the extent to which the MTF to be made to the Client, but not more than 60 trading days.
- 4) Pay interest at the rate of upto 14% p.a. on the amount funded by ISS and / or modified and communicated from time to time by ISS to the client.
- 5) If the transaction is entered under MTF, there will not be any further confirmation that it is margin trading transaction other than contract note.
- 6) Transaction/s to be considered for exposure to MTF shall be informed to ISS in writing or in any other irrefutable mode of communication not later than T+1 day, else the same shall be considered under normal trading facility. Additional exposure over debit balance (arising out of trade executed under normal trading facility), beyond fifth trading day reckoned from pay-in date, may be granted under MTF to the extent the Client is eligible and subject to availability of required margin. In such event, ISS in its discretion may identify the eligible/excess securities available with the client and mark as collateral towards MTF. All credit arising out of sale transaction under MTF shall be first adjusted towards the debit under normal trading facility, if any and subject to adequate margin being maintained for the outstanding MTF debit.
- 7) ISS shall not be bound to grant MTF to the Client (which decision shall be at the sole and exclusive discretion of ISS) and ISS shall not be required to provide any reasons thereof nor shall ISS be liable for any damages (whether direct or consequential or whether financial or non-financial) to the Client by reason of ISS refusal to grant MTF to the Client.
- 8) Client includes Individual, Company, Partnership firm, Trust, Hindu Undivided Family, Association of Person and Body of Individuals etc.
- 9) The dues, wherever mentioned herein, includes but not limited to outstanding balances, interest, statutory taxes, duties, charges, penalties etc. in respect of MTF availed by the Client.

- 10) The terms / conditions / Obligations of the Client as amended from time to time shall be irrevocable and shall not be revoked by the death/dissolution/ winding up of the Client.
- 11) Accept all types of communications including order / trade confirmation, revision in margin, margin calls / decision to liquidate the position / security / collateral, Margin statements, margin policies on haircuts / VAR margin, Risk management policies, Rights & obligations, allowable exposure, specific stock exposure etc. through the Client's E-mail / SMS at the email id / mobile number of the Client registered with ISS or physical mode, based on client's preference.
- 12) The MTF shall be provided only in respect of Shares permitted by the SEBI/ Exchanges / ISS from time to time.
- 13) ISS to retain and / or pledge the securities and its corporate benefits, if any, with ISS utilized for availing MTF till the amount due in respect of the said transaction including the dues to ISS is paid in full by the Client.
- 14) ISS to hold and / or to appropriate the credit lying in the Client account and/or any unutilized/unpledged shares/ securities lying in demat account along with all other demat accounts / Mutual Funds / IPO account of the Client towards the repayment of the outstanding dues thereof under MTF.
- 15) Treat the securities available in demat account/s linked to the trading account of the Client as margin towards the MTF availed.
- 16) Ensure required margin is maintained for MTF at all point of time as specified by SEBI / Exchanges / ISS from time to time.
- 17) ISS at its sole and absolute discretion may increase / revise the limit of initial margin and maintenance margin, minimum transaction amount from time to time, subject to SEBI / Exchange / ISS requirements in this respect. The Client shall abide by such revision, and where there is an upward revision of such margin amount, the client agrees to make up the revised margin immediately, not later than 5 working days from the day of margin call, failing which ISS may exercise its discretion / right to liquidate the security / collateral and / or close out the position immediately.
- 18) Make good deficient margin / margin call by placing the further margin immediately, failing which ISS may exercise its discretion / right to liquidate the security / collateral and / or close out the position immediately depending upon the market conditions and / or the volatility.
- 19) Notwithstanding anything contained in clauses 17 and 18 above, ISS may, in its sole discretion, determine the time of sell / securities to be liquidated, and / or which contract(s) is / are to be closed.
- 20) All losses and financial charges on account of such liquidation/closing out shall be charged to and borne by the client.
- 21) ISS may immediately without any notice liquidate the security / collateral and or close out the position in the happening of the following events:
  - i if any instrument for payment of Margin Money / Monies is / are dishonoured;

- ii. if the Client violates/breach any provision of this Arrangement or provides any incorrect or misleading information;
  - iii. if the Client has voluntarily or compulsorily become the subject of any proceedings under any bankruptcy or insolvency law or winding up or liquidation proceedings or has a receiver or liquidator appointed in respect of itself or its assets or makes an application or refers itself to any authority for being declared as a "sick company", relief undertaking, bankrupt or insolvent or seeking financial reconstruction or any other like scheme (by whatever name called) or is dissolved or there is a change in the constitution whether on account of the admission of a new partner or the retirement, death or insolvency of any partner or otherwise;
  - iv. the death, lunacy or other disability of the Client;
  - v. if there is reasonable apprehension that the Client is unable to pay its outstanding dues or has admitted its inability to pay its dues, as they become payable;
  - vi. if the Client is convicted under any criminal law in force;
  - vii. if any Asset or any Security is seized or made subject to any distress, execution, attachment, injunction or other process order or proceeding or is detained or taken into custody for any reason;
  - viii. default under any other arrangement or facility with any Stock Broker is made by the Client.
  - ix. there exists any other circumstance, which in the sole opinion of ISS, is prejudicial to the interests of ISS;
  - x. Order passed by any regulatory, courts, statutory bodies etc.
- 22) The MTF facility may be withdrawn by ISS, in the event of client committing any breach of any terms or conditions herein or at any time after due intimation to the client allowing such time to liquidate the MTF position as agreed herein, without assigning any reason.
- 23) In the event of termination of this arrangement, the client shall forthwith settle the dues of ISS. ISS shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes ISS to make such adjustment. After such adjustment, if any further amount is due from the client to ISS, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to ISS, ISS shall release the balance amount to the client.
- 24) ISS may release/ unpledged / transfer the securities utilized for MTF within 5 working days from the date of clearing the dues to ISS.
- 25) Lodge protest or disagreement with any transaction done under MTF within 24 hours from the date of receipt of such document / statements / contract notes/ any other communications.
- 26) Close / terminate the MTF at any time after clearing the dues of ISS.

- 27) Any dispute arising between the client and ISS in connection with the MTF, shall be referred to the investor grievance redressal mechanism, arbitration mechanism of the respective stock exchange"
- 28) In case the securities to be deposited and / or purchased for availing MTF belong to the promoter / promoter group, the client shall intimate ISS before such deposit and or purchase, else the same shall be treated as non-promoter holding."
- 29) The terms and conditions and amendments made by ISS from time to time is available on company's website [www.ISS.com](http://www.ISS.com)

**B) ISS undertakes, authorizes, confirms and agrees to/that:**

- 1) Client shall be free to take the delivery of the securities at any time by repaying the amounts that was paid by ISS to the Exchange towards securities after paying all dues.
- 2) Client has a right to change the securities collateral offered for MTF at any time so long as the securities so offered are approved for margin trading facility.
- 3) ISS shall monitor and review on a continuous basis the client's positions with regard to MTF.
- 4) Additional exposure over debit balance (arising out of trade executed under normal trading facility), beyond fifth trading day reckoned from pay-in date, may be granted under MTF to the extent the Client is eligible and subject to availability of required margin. In such event, ISS in its discretion may identify the eligible/excess securities available with the client and mark as collateral towards MTF. All credit arising out of sale transaction under MTF shall be first adjusted towards the debit under normal trading facility, if any and subject to adequate margin being maintained for the outstanding MTF debit.
- 5) In case the client determines to convert a normal trade into MTF after the issuance of contract note, ISS shall issue appropriate records to communicate to the Client, the change in status of transaction from Normal to Margin trading and should include information like the original contract number and the margin statement and the changed data.
- 6) ISS when makes a 'margin call' to the client, shall clearly indicate the additional / deficient margin to be made good.
- 7) Whenever securities are liquidated by ISS, 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.
- 8) The daily margin statements sent by ISS to the client shall identify the margin/collateral for Margin Trading separately.
- 9) Margin Trading Account where there is no transaction for 90 days and no dues outstanding from the client shall be settled immediately.
- 10) The stocks deposited as collateral with ISS for availing MTF (Collaterals) and the stocks purchased under the MTF (Funded stocks) shall be identifiable separately and there shall not be any commingling for the purpose of computing funding amount.

- 11) ISS shall close/terminate the account of the client forthwith upon receipt of request from the client subject to the condition that the client has paid the dues under MTF.
- 12) The margin trading arrangement between ISS and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the MTF provided to ISS or ISS surrenders the facility or ISS ceases to be a member of the stock exchange.
- 13) The Client may opt to terminate the MTF in the event of ISS committing any breach of any terms or conditions herein or for any other reason.
- 14) If the client opts to terminate the MTF, ISS shall return to the client all the collaterals provided and funded securities retained forthwith, but not later than 5 working days from the date of termination, on payment of all the dues by the client.
- 15) ISS shall not use the funds of one client to provide MTF to another client, even if the same is authorized by the first client.
- 16) Investor Protection Fund (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.

