

## MARGIN TRADING FACILITY (MTF)

### Rights & obligations / Terms & Conditions to avail MTF

YES Securities (India) Limited (hereinafter referred to as YSL), member of National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) is eligible to provide Margin Trading Facility (MTF) in NSE and BSE to its clients in accordance with prescribed guidelines, rules and circulars issued by SEBI / Stock Exchanges from time to time. The Rights & Obligations / Terms & Conditions for MTF prescribed hereunder form a 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, SEBI Circular No. CIR/MRD/DP/54/2017 Dated June 13, 2017 and the Rules, Regulations, Bye laws, Rights and Obligations, Guidelines, circulars issued by respective Stock Exchanges from time to time. By accepting the same, the client hereby acknowledges that he/she is aware and will abide the rights and obligations, rules, regulations and guidelines relating to Margin Trading Facility as specified by the regulators and mentioned below which is indicative and not the exhaustive list.

**A. The Client undertakes, authorizes, confirms and agrees to that:**

1. Self-attested copy of PAN card is mandatory for all clients.
2. Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.
3. If any proof of identity or address is in a foreign language, then translation into English is required.
4. Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
5. If correspondence & permanent address are different, then proofs for both have to be submitted.
6. Sole proprietor must make the application in his individual name & capacity.
7. For non-residents and foreign nationals, (allowed to trade subject to RBI and FEMA guidelines), copy of passport / PIO Card / OCI Card and overseas address proof is mandatory.
8. For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given
9. In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted
10. YSL 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.
11. Treat the securities available in demat account/s linked to the trading account of the Client as margin towards the MTF availed.
12. YSL shall provide MTF only in respect of such shares, as may be permitted by Stock Exchange/ SEBI.
13. The margin trading arrangement between the YSL and the client shall be terminated; if the Stock Exchange, for any reason, withdraws the margin trading facility provided to YSL or YSL surrenders the facility or the YSL ceases to be a member of the stock exchange.
14. The MTF facility may be withdrawn by YSL, in the event of client committing any breach of any terms or conditions therein or at anytime after due intimation to client allowing such time to liquidate the MTF position as per the agreed liquidation terms without assigning any reason. Similarly, client may opt to terminate the margin trading facility in the event of YSL committing any breach of any terms or conditions therein or for any other reason.
15. In the event of termination of this arrangement, the client shall forthwith settle the dues of the YSL. YSL shall be entitled to immediately adjust the Margin Amount against the dues of the client, and the client hereby authorizes the YSL to make such adjustment.
16. After such adjustment, if any further amount is due from the client to the YSL, the client shall settle the same forthwith. Upon full settlement of all the dues of the client to YSL, YSL shall release the balance amount to the client.
17. If the client opts to terminate the margin trading facility, YSL shall forthwith return to the client all the collaterals provided and funded securities retained on payment of all the dues by clients.
18. YSL will not use the funds of one client to provide MTF to another client, even if the same is authorized by the first client.
19. Any disputes arising between the client and YSL in connection with the margin trading facility shall have the same treatment as normal trades and

should be covered under the investor grievance redressal mechanism, arbitration mechanism of the stock exchange. However, any losses suffered in connection with the margin trading facility availed by the client from YSL shall not be covered under IPF.

20. Client agrees to pay Interest at the rate as applicable. (plus taxes, if any applicable) on debit arising out of the exposure availed by the client (i.e. the amount financed by YSL), compounded daily and any changes as mutually agreed from time to time. GST will be levied on interest for Margin Trading Facility, if applicable as per prevalent regulatory norms.
21. Eligible Securities & Margin Required for MTF:  
Securities specified under "MTF Approved Category List" by YSL from time to time which must be a part of 'Group I security' as per Exchanges /SEBI shall be eligible for MTF. YSL reserves the right to include or exclude any Securities from its "MTF Approved Category List" as per the Risk Management policy.

The client shall deposit the following initial margin, in order to avail MTF:

Category of Stock	Applicable Margin
Group 1 Stocks available for trading in the F&O Segment	VaR +3 times of applicable ELM or YSL MTF VaR (whichever is higher)
Group 1 Stocks other than F&O Stocks	VaR +5 times of applicable ELM or YSL MTF VaR (whichever is higher)

**22. Rights of the Client**

- a. Client shall receive all communications in a mode mutually agreed between YSL and the client regarding confirmation of orders/trades, margin calls, decision to liquidate the position / security.
- b. Free to take the delivery of the securities at any time from its MTF account to normal trading account by repaying the amount that was paid by YSL to the Exchange towards securities after paying all dues.
- c. May change the securities collateral offered for MTF at any time so long as the securities so offered are approved for MTF by YSL.
- d. Client may close / terminate the Margin Trading Account at any time after paying the dues

**23. Obligations of the Client**

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

**24. Rights of YSL**

- a. YSL and client may agree between themselves the terms and condition including commercial terms if any before commencement of MTF.
- b. YSL may set up its own risk management policy that will be applicable to the transactions done under the MTF. YSL may make amendments there to at any time but give effect to such policy after the amendments are duly communicated to the clients registered under the MTF.
- c. YSL has a right to retain and/or pledge the securities provided as collateral or the securities bought by the client under the MTF.
- d. YSL may liquidate the securities if the client fails to meet the margin call made by YSL as mutually agreed of liquidation terms but not exceeding 5 working days from the day of margin call. However, YSL,

as per its Policies and Procedures, as agreed between YSL and the client at the time of account opening and any subsequent changes thereof (which are updated on the website from time to time), has the right to sell client's securities or close client's position, without giving any notice to the client in case when market is volatile and/or there are losses in the client's which are not paid by the client with immediate effect. YSL being a web based broker, disseminates all risk related information real time & online and all clients are bound to log in to their trading account and keep themselves updated about their positions and margin requirements made available on real time basis

**25. Obligations of YSL**

- a. Any transaction to be considered for exposure to MTF shall be determined as per the policy of YSL provided that such determination shall happen not later than T + 1 day. In case the determination happens after the issuance of contract, YSL shall issue appropriate records to communicate to 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.
- b. Margin Trading Accounts where there were no transactions for 90 days shall be settled immediately.
- c. If securities are liquidated due to 'margin call', 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.

- d. The stocks deposited as collateral with YSL for availing margin trading facility (Collaterals) and the stocks purchased under the margin trading facility (Funded stocks) shall be identifiable separately and there shall not be any commingling for the purpose of computing funding amount.

**26. Mode of Communication**

- a. Accept all types communications including consent to the Terms and Conditions, order / trade confirmation, revision in margin, margin calls / decision to liquidate the position / security / collateral, Margin statements, margin policies on hair-cuts / VAR margin, Risk management policies, Rights & obligations, allowable exposure, specific Security exposure etc herein through email / SMS from/to his email id / mobile number registered with YSL or by online mode by logging-in on the website of YSL in a secured manner or by physical mode, based on client's preference.
- b. Any communication done with any of the aforesaid means shall be deemed to have been received by the client. I have read and understood the above terms and hereby give my consent to abide the same and to enable the Margin Trading Facility in my trading account.