

MARGIN TRADING FACILITY POLICY

TERMS AND CONDITIONS

The Client hereby agrees and undertakes to abide by the following Terms and Conditions (T&C) for availing Margin Trading Facility ("MTF") from ****KIFS TRADE CAPITAL PRIVATE LIMITED****.

Background:

**** KIFS TRADE CAPITAL PRIVATE LIMITED **** shall permit the MTF in accordance with Securities and Exchange Board of India ("SEBI") and SEBI recognized exchanges (hereinafter referred to as "the Stock Exchanges") guidelines and only in respect of securities as specified in SEBI and/or Stock Exchange circulars issued from time to time. (here inafter referred to as "**Approved Securities**").

With a view to secure the outstanding balance of the MTF facility, the Client shall be required to furnish margin in the form of cash, cash equivalent and/ or the Approved Securities with appropriate hair cut as specified in SEBI Master circular no. SEBI/HO/MRD/DP/CIR/P/2016/135 dated December 16, 2016 as collateral by marking pledge in favour of ****KIFS TRADE CAPITAL PRIVATE LIMITED**** for availing the MTF Facility (such pledged Approved Securities as collateral are hereinafter referred to as "Non-cash Collateral").

By nature, this is a leverage product and the client needs to maintain adequate margin at all point in time against his / her outstanding obligation.

For Usage of MTF facility, the client needs to subscribe DDPI (Demat Debit and Pledge Instruction).

MTF positions can be allowed for maximum 90 days subject to margin norms. However Prudent Corporate Advisory Services Limited will have the right to change their policy of liquidating any positions after giving due notice.

Limit:

No Client would be funded beyond Rs. 10,00,000 for one stock, and Rs. 25,00,000 in total. At our sole discretion, we may extend this limit up to exchange prescribed limits.

Leverage and margins:

Under this product, buy trades are allowed in product type 'MTF' with the leverage percent as defined on a daily basis as per internal risk approved list. Leverage will not exceed (but can be more stringent) than SEBI defined criteria which is currently VAR + 3x ELM for stocks in derivatives and VAR + 5x ELM for non-derivatives stocks for Group I securities as per SEBI norms. However, Maximum leverage will be 3 times on base margin. E.g. If a client has ₹ 1,00,000 margin he / she can avail an exposure of ₹ 3,00,000.

Eligible stock will be decided by ****KIFS TRADE CAPITAL PRIVATE LIMITED****, but it will be within the Group 1 securities as defined by Exchanges/regulators and minimum margin requirement would be at the same or higher threshold than the requirement as defined by regulators / exchanges.

Margin can be in the form of cash and / or non-cash collateral (stocks which can be considered as collateral will be as per internal risk policy) with applicable haircut. Quantum of leverage may change on a daily basis and ****KIFS TRADE CAPITAL PRIVATE LIMITED**** will have the sole discretion to decide the same. The Client shall maintain or cause to maintain with ****KIFS TRADE CAPITAL PRIVATE LIMITED****, at all times margin of such amount/percentage as prescribed by SEBI and/or

the Stock Exchanges or such amount/percentage as decided and computed by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** from time to time, whichever is higher.

Upon margin falling to the level as defined in the MTF risk policy , ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall be entitled to immediately and without any reference or intimation to the Client liquidate all or any of the Securities and forthwith transfer/appropriate the proceeds towards the repayment of the MTF facility and the Client shall be solely responsible for any loss, damages, costs etc arising thereto.

Any notification in the Mobile App or Web login specifying the margin shortfall amount shall be a notice/communication of margin call. The Client shall deposit/pay the margin shortfall amount as specified in the Mobile APP or Web login immediately on receipt of such notification.

****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall have right to call from the Client additional margin and the Client shall make up the difference either by payment of requisite amount to ****KIFS TRADE CAPITAL PRIVATE LIMITED**** or by causing the delivery of additional Approved Securities, acceptable to ****KIFS TRADE CAPITAL PRIVATE LIMITED**** as collateral. In case the Client fails to do so, then the Client shall be deemed to be in breach of these T&C and it shall be considered as an Event of Default and ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall have right to immediately without any notice to the Client liquidate all or any of the Non-cash Collateral and / or Funded Securities (herein after collectively referred to as "Securities" and individually as "Security") on the Stock Exchange and forthwith transfer/ appropriate the proceeds from such sale towards the payment of the MTF Facility. ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall not be held liable / responsible for any losses / damages arising due to such liquidation / square off by ****KIFS TRADE CAPITAL PRIVATE LIMITED****.

MTM Liquidation:

****KIFS TRADE CAPITAL PRIVATE LIMITED**** has the right to liquidate pledged shares if the Client fails to meet the minimum margin requirement within T+ 3 days of such shortfall.

Pledge:

As per the regulatory requirement for entering into an MTF position, Clients are required to create a future pledge with CDSL in favour of 'Prudent Corporate Advisory Services Limited – Client securities Margin Funding Account'. Clients would be required to confirm such pledge by 12 pm on the next day to continue the MTF position. Non-acceptance of the pledge request would lead to converting the MTF position to a CNC order. Such a position may be squared off any time after the settlement day but before the regulatory or exchange requirements.

The stocks deposited as collateral with ****KIFS TRADE CAPITAL PRIVATE LIMITED**** for availing MTF and the stocks purchased via MTF (funded stocks) shall be identifiable separately, and no comingling shall be permitted to compute the funding amount.

Interest, Default Interest:

****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall charge interest on the outstanding MTF balance at the end of each day at 0.05% per day, calculated on daily outstanding MTF balance, and payable monthly (hereinafter referred to as "Interest"). On default of payment of Interest as stated above, ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall be entitled to debit the same to the MTF account of the Client with ****KIFS TRADE CAPITAL PRIVATE LIMITED**** and add to the Funded Amount and ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall charge Interest thereon as if such amount was an additional amount funded by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** to the Client

either at same interest rate or such other rate of interest as may be decided and communicated by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** to the Client from time to time.

In case if the Client defaults to pay the outstanding MTF balance (or part thereof), the Client shall be liable to pay default interest (by way of liquidated damages) at the rate of 18 % p.a. (over and above the applicable rate of Interest) calculated on overdue amount (hereinafter referred to as "Default Interest"). The Default Interest shall be in addition to the Interest stipulated as above and shall be compounded with monthly rests.

The Client further agrees that the MTF Facility is a commercial transaction and specifically waives any defence under usury or other laws relating to restricting interest.

****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall, at its sole discretion, be entitled to alter at any time and from time to time the rate of Interest, Default Interest and/or periodicity of charging Interest by sending communication to the Client informing its decision to alter the rates of Interest, Default Interest and/or periodicity of charging Interest. The Client agrees and undertakes to pay Interest/Default Interest thereafter at such altered rates and/or within such altered periodicity from the date of completion of the period as mentioned in the communication sent by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** or such other future date as may be specified by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** in its communication.

Stamp Duty and Other Dues:

The Client shall be solely liable to pay all expenses and charges including without limitation to stamp duty, other government charges and statutory charges as may be applicable for availing and in connection with the MTF.

General:

****KIFS TRADE CAPITAL PRIVATE LIMITED**** reserves the right to not provide the Margin Trading Facility to any Client, with or without assigning any reason whatsoever. ****KIFS TRADE CAPITAL PRIVATE LIMITED**** reserves the right to withdraw the Margin Trading Facility at any time, without prior notice to any Client. On withdrawal of the facility, the Client would be required to settle their positions and clear out any pending dues.

The Client understands that the service provided hereunder is using online infrastructure. In case of any technical failure, subject to applicable regulations, ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall not be responsible for any loss suffered by the Client.

****KIFS TRADE CAPITAL PRIVATE LIMITED**** may, at its sole discretion, move any of Securities from the approved to the non-approved category and shall be entitled to review the same from time to time. When any Approved Securities provided as Non-cash Collateral are moved from the approved to the non-approved category, the Client shall forthwith make good the shortfall, either by paying the funds/and or by providing the Approved Securities to the extent acceptable to ****KIFS TRADE CAPITAL PRIVATE LIMITED****.

Securities declared by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** to be unacceptable/non-approved shall nevertheless continue to remain pledged with ****KIFS TRADE CAPITAL PRIVATE LIMITED**** as a security unless ****KIFS TRADE CAPITAL PRIVATE LIMITED**** releases the same. At any time during the currency of the MTF Facility availed by the Client, ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall, without any notice to the Client, have the right and authority to sell/dispose of such Securities or any part thereof in any manner as it deems fit either by sale on the

Stock Exchanges or otherwise in any manner whatsoever and to apply the net proceeds of such sale in satisfaction so far as the same will extend towards liquidation of the MTF Facility balance. The Client shall not challenge any action taken by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** in this regard.

****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall be entitled at its sole discretion to apply haircut to reduce the value of the Securities for the purpose of determining the level of margin or otherwise, which shall be final and binding on the Client. Where due to application of haircut the margin falls below the agreed limit, the Client undertakes that before the start of the trading session of the Stock Exchange on the succeeding day from the date of the statements or within such time as ****KIFS TRADE CAPITAL PRIVATE LIMITED**** may permit, to make up the difference either by payment in cash to ****KIFS TRADE CAPITAL PRIVATE LIMITED**** or by causing the delivery of additional collateral, acceptable to ****KIFS TRADE CAPITAL PRIVATE LIMITED****, of the value necessary to make up the difference. The choice of the securities and the extent of the limits shall be determined by ****KIFS TRADE CAPITAL PRIVATE LIMITED**** at its sole discretion from time to time and the Client shall abide by the same.

In case of lunacy, death, insolvency, dissolution, winding up of the Client as the case may be, any action to liquidate the Securities shall be binding upon the heirs, successors, representatives of the Client.

The aforesaid T&C shall be in addition to and to be read with the Securities Exchange Board of India (SEBI) Circular CIR/MID/DP/54/2017 dated 13.06.2017, the Rights and Obligations specified by the Stock Exchanges pursuant to the said SEBI circular and any other circular, guidelines, regulation as may be issued by SEBI and the Stock Exchanges from time to time with regards to the MTF Facility and the Risk Policy of ****KIFS TRADE CAPITAL PRIVATE LIMITED**** for the MTF Facility.

The Client shall lodge grievance or disagreement with any transaction done under the Margin Trading Facility within 24 hours after receipt of the contract note by writing at compliance@prudencorporate.com

Any dispute between the parties in connection with the Margin Trading Facility should first be resolved amicably. In case no amicable resolution is arrived at, parties can approach the investor grievance redressal mechanism or arbitration mechanism of the Stock Exchanges or the Online Dispute Resolution (ODR) mechanism

Any provision of this T&C which is prohibited, unenforceable or is declared or found to be illegal, invalid, unenforceable, or void shall be ineffective only to the extent of such prohibition or unenforceability without invalidating the remainder of such provision or the remaining provisions of this T&C.

Undertakings:

The Client understands that ****KIFS TRADE CAPITAL PRIVATE LIMITED**** shall report to the stock exchanges, on a daily basis, the details of the Client's funded position/collaterals position and such other details as may be required.

The Client understands that ****KIFS TRADE CAPITAL PRIVATE LIMITED**** reserves the right to modify any of the terms in relation to the Margin Trading Facility.

The Client understands that from the date of acceptance of this document, if there are any regulatory/operational changes in the functioning of the Margin Trading Facility, such changes shall apply upon due intimation to the Client via display on the website and/or app. It shall be the

responsibility of the Client to review any intimation from ****KIFS TRADE CAPITAL PRIVATE LIMITED**** to appraise themselves of changes.

The Client agrees to indemnify and hold harmless ****KIFS TRADE CAPITAL PRIVATE LIMITED****, its affiliates, directors, employees, and agents, from and against any liability, any other loss and costs that may occur, arising from or relating to a breach of any of the clauses of this Terms and Conditions or applicable law by the Client.