

MSE FINANCIAL SERVICES LTD.
NO.25 ABHIRAMAPURAM 3RD STREET
CHENNAI 600 018

Setting of exposure limits & Conditions under which client may not be allowed to take further positions or broker may close the existing position of client:

Cash Segment

Margin based limits will be given to the clients for doing trades in Cash Segment.

Limits will be given on the basis of credit balance and / or collateral / securities of the client available with MSEFSL valued after hair cut.

Margin based limit may be given to the client in certain multiples (multiples times may be decided by MSEFSL at its sole discretion from time to time) on the available credit balance and / or on the collateral / securities of the client available with MSEFSL valued after hair cut. However, on case to case basis the excess limits may be allowed.

Margin based limit may be given to the client on the applicable VaR as may be decided by MSEFSL from time to time on the available credit balance and / or on the collateral / securities of the client available with MSEFSL valued after hair cut. However on case to case basis the excess limits may be allowed.

Securities shall be valued after appropriate hair cut based on the type of scrips, nature of scrip, liquidity, volatility of scrip, etc. from time to time.

MSEFSL may at its sole and absolute discretion allow clean margin limit up to certain amount to the client without insisting for any credit balance and / or margin. The quantum of clean margin limit shall be decided by MSEFSL. On a case-to- case basis MSEFSL may, at its sole and absolute discretion, give higher clean margin limits to certain set of the clients. MSEFSL reserves the right to withdraw clean margin limit granted to the client at any point of time at its sole and absolute discretion. The client cannot and shall not raise any concern/dispute for the same and under no circumstances.

Derivatives Segment - Equity, Currency & Commodities

Margin based limits will be given to the clients for doing trades in Derivatives Segment. Limits in Derivatives Segment will be given on the basis of free credit balance and / or collateral/ securities of the client available with MSEFSL valued after hair cut.

Securities shall be valued after appropriate hair cut based on the type of scrips, nature of scrip, liquidity and volatility of scrip, etc. from time to time.

A client will be normally allowed limits till the client has free credit balance and/ or collateral/ securities valued after haircut. In case of excess limit is availed, the same will be regularized by the end of trading session / day.

MSEFSL may from time to time depending on market conditions, profile and history of client, type and nature of scrip, etc., may at its sole discretion change the rate of haircut applicable on the securities / collaterals, number of times the limits to be given in Cash and / or Derivatives segments and take such steps as MSEFSL may deem necessary

The trading limits for the clients may vary/reduced or impose new limits on the basis of the risk perception of the Company. MSEFSL shall not be responsible for such variation / reduction in limits / inability to route any order through the system on account of any such variation / reduction/imposition of limits.

The losses incurred if any by the clients due to the setting of limits by the Company due to risk perception, shall be borne exclusively by the client alone.