

## Policy of VNS Finance & Capital Services Ltd. (VNS) for EquiMax funding to clients

Pursuant to NSE circular no. NSE/INSP/29662 dated 8<sup>th</sup> May 2015, VNS has decided to launch the product EquiMax which allows funding facility to its clients for taking delivery of securities approved by VNS for this purpose in cash segment. The amount of margin may vary from 25% to 50% depending upon the security purchased. The securities bought by the client shall be applied with hair cut @ VaR or stipulated margin whichever is higher. Such value of securities is to be compared with the combined ledger of the client. In case the value of securities goes down below the stipulated margin due to MTM losses or for any other reason, VNS may dispose off the securities so kept in the margin without giving any notice. VNS may decide which share/security to sell out of the total basket of shres so given by the client. The client shall pay the delayed payment charges at the stipulated rate on the debit balance of combined ledger, from the date of buy transaction - to the date of sale transaction or receipt of funds in VNS account. The minimum and maximum funding amount will be fixed by VNS at its sole discretion. Maximum funding in one scrip will also be limited as per discretion of VNS. Client agrees to pay annual subscription charges of Rs 1000 to enable this service. The subscription will be on auto renewal annually unless the client specifically directs not to continue with MTF.

Securities shall be kept in company's client beneficiary account even if the client has intermittent credit balance. The company shall have lien on such securities. In addition, the client should have BO account with VNS depository with power of attorney to sell the shares or place the same for margin or pledge. The company can transfer/ pledge these securities to bank/ clearing member/ exchange for margin or for getting finance or for any other reason from such entities. Notwithstanding what is stated above, In the event of extreme volatility or some forthcoming major market sensitive event happening as per discretion and judgement of VNS, VNS may demand higher margin or even full payment of the value of specific or all securities failing which VNS may sell the Shares retained

in the margin trading. and for this purpose, the Client do hereby expressly authorize such sale. Detailed procedure is given on the website [www.tradesmartonline.in](http://www.tradesmartonline.in)

VNS has a right to vary the list of approved securities, the period the funding, haircut, delayed payment charges etc. EquiMax funding facility can be discontinued by VNS at any time, selectively for few scrips or full scheme without giving any notice, whereupon the clients will have to make the payment of margin funding and the securities will be transferred to their BO accounts. In case the payment for debit is not received from the client, the securities will be sold at market. All provisions of SEBI/ exchanges including monthly/ quarterly settlement will be applicable and the client is supposed to make the account nil periodically.

In the case of announcement of rights issue the clients are supposed to pay the balance margin and ask for transfer of respective securities to their BO account, if they want to apply against rights entitlement. Clients whose shares are left in VNS BO account will be deemed to have not opted for rights and their rights entitlement will lapse.