

Policy on Settlement of Funds & Securities

SEBI has issued circular wherein specified quarterly/ monthly settlement of Running accounts of clients with a new set of compliances for stock brokers to instill greater transparency and discipline in the dealings between the clients and the stock brokers.

Accordingly, the actual settlement of funds and securities shall be done by the member at least once in a calendar quarter or month, depending on the mandate of the client and the gap of between two running account settlements should not exceed 90 or 30 calendar days respectively.

Trustline has obtained "Running Account Authorisation letter" wherein client specifically agrees to maintain his account on a running account basis i.e. monthly or quarterly settlement basis. Thereby, Trustline has an obligation to done Actual settlement of fund & securities on their preference i.e. monthly or quarterly basis.

Trustline conducts its business to ensure the obligations of actual fund & securities, as per SEBI, due to its client's in routine course of business in a timely manner. The Policy laid down appropriate procedures to settle the obligation of funds and securities of the client on a timely basis as mandated by the client to establish highest standards of ethical and market practice.

Process of Actual Settlement of Funds & Securities

Settlement of Funds:-

Settlement of funds is done keeping in view the following points:-

- In case of debit on the date of settlement, payout will not be given to the client;
- In case of credit balance on the date of settlement with no future debit/credit balances in client's ledger, net credit amount on the date of settlement will be transferred to client;
- Date of settlement, we consider ledger balance of client on T-1 day and accordingly, margin obligation of T-1 day for purpose of settlement of the client accounts then net credit balance (after adjusting retainable margin) will be transferred to client.
- If the credit amount is not substantial enough to cover future debit then payout will not be released.
- Trustline will retain an amount of upto Rs. 10,000/- in Equity and Rs. 50,000 in Commodity (net amount across segment and across stock exchanges) only after taking written consent of the client.
- For operational convenience circular states that accounts with balances less than Rs 10,000 (Rs 50,000 for commodities) are considered settled without having to transfer funds back to the client:

In the above settlement Trustline will settle the fund considering across the segments and across the stock exchange for its clients.

Settlement of Securities:-

Settlement of securities is done keeping in view of the following points:-

- Securities due for pay-in obligation are retained;
- On date of settlement, we consider value of securities client on T-1 day and accordingly, margin obligation of T-1 day for purpose of settlement of the client accounts.
- In respect of Derivative Market transactions, apart from the margin liability as on the date of settlement, we may retain additional margin requirement of maximum upto 125% of margin requirement on the day of settlement to take care of any margin obligation arising in next 5 days.
- In case of clear ledger balances, the stock shall be transferred to the client.

In the above settlement Trustline will settle the securities considering across the segments and across stock exchange for its clients.

Trustline will send settlement of accounts for funds & securities along with mentioning retention of funds & securities to the clients just after doing actual quarterly settlement of account.

In case a client has not traded during the quarter / month and the trading member does not hold any funds or securities for the client at any point of time during the quarter / month for which settlement needs to be done, then the member may not issue statement of account to the client.

No inter client adjustment can be done for the purpose of settling client accounts.

For Trustline Group

Authorised Signatory