

South Asian Stocks Ltd Internal close out policy

South Asian Stocks LTD (Stocko) has revised its policy for settling transaction, which remains unsettled due to Internal Shortages: Internal Shortages means one client has failed to give the delivery of the securities sold, which has resulted into short delivery to other client(s) of SASL.

The Client hereby agrees that if he/she/it has short –delivered any securities against his/her /its obligation towards counter party who is a client of SASL and the delivery of the securities was also not effected through auction in the market (Self Auction) for any reason including that self-auction is not permitted on the exchange, then the contract shall be closed out and the close out price will be higher of:

- (a) The highest price of the securities prevailing in NSE or as the case may be BSE on the date of commencing from the date of transaction till the day of auction relevant to the trade (auction day) or
- (b) The auction price of the securities received in the exchange file on the auction day or the purchase price of the client, whichever is higher. The amount so determined shall be debited to the account of the client who defaulted to deliver and the same amount will be credited to Buyer Client.

Compulsory Close-out of securities under Corporate Action

In cases of securities having corporate actions and under 'no-delivery period' for the corporate action, all cases of short delivery of cum transactions which cannot be auctioned on cum basis or where the cum basis auction pay-out is after the book closure / record date, would be compulsory closed out at higher of 10% above the official closing price on the auction day or the highest traded price from first trading day of the settlement till the auction day.

Accordingly, if a client fails to give the delivery of the securities sold, which if resulted into Internal Shortage, such client will be debited for the transaction at the rates prescribed above. Similarly, if SASL is unable to give the delivery of the securities bought by any client due to the Internal Shortage, such client will receive the credit for the transaction at the rates prescribed above.

The said policy will be effective from date of transactions 01/04/2019