NAME OF THE STOCKBROKER

RUNNING ACCOUNT SETTLEMENT POLICY

POLICY CONTROL

Version:	1.0
Version Date:	________ (Date of Passing Board Resolution)
Approved by:	Board of Directors
Department in Charge:	
Frequency of Review:	Yearly or as and when any update comes change in the Relevant Regulation comes or any change in the Company's internal control or Structure whichever is earlier.

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I. INTRODUCTION:

This is with reference to SEBI circular MIRSD/ SE /Cir-19/2009 dated December 3, 2009 and SEBI/HO/MRD/DP/CIR/P/2016/135 dated December 16, 2016, the settlement of funds and / or securities shall be done within 1 working day of the pay-out, unless client specifically authorizes the stock broker in writing to maintain a running account. Accordingly, _____________ (Name of the stock Broker) shall follow the polices guided by regulators from time to time.

Post implementation of SEBI circular CIR/HO/MIRSD/DOP/CIR/P/2019/75 dated June 20, 2019 and after introduction of pledge / repledge mechanism in the depository system running account settlement for securities has been discontinued and therefore, SEBI circulars dated December 03, 2009 and September 26, 2016, are now applicable for settlement of running account of client's "funds" only.

II. PURPOSE:

The objective of this Policy is to establish a clear framework for settlement of client funds maintained in running accounts with the Broker, in compliance with SEBI and stock exchange regulations. The Policy ensures timely refund of unutilised funds, protects investor interests, and aligns with best practices followed by leading brokers and as required by the respective exchanges and SEBI.

III. SCOPE:

This Policy applies to all clients of _______________ (Name of the Broker) who maintain trading and demat accounts with us, and covers settlement of unutilised client funds excluding amounts earmarked towards margins, open positions, unsettled obligations, or pledged securities.

IV. OBJECTIVE OF THE POLICY:

- **Inactivity based Settlement** – Clients with no trades in last 30 days will have their credit balance settled on the next monthly settlement date as notified by the Exchanges in their annual calendar issued from time to time.
- **Active Clients** – Settlement will follow client preference (monthly or quarterly) if trading has occurred in the last 30 days.
- **Withholding** – Funds may be retained only for unsettled obligations, open positions, or margin requirements.

- **Statements** – Clients will be issued settlement statements and intimation of refunds.
- **Audit Trail** – Complete records of last trade date, settlement dates, balances refunded/withheld, and communication with clients will be maintained.
- **Compliance** – Broker will align with settlement cycles published in Exchange annual calendars.

V. IMPLEMENTATION:

This Policy is effective immediately upon Board approval and shall be aligned with latest SEBI circular No. SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2025/1 dated January 06, 2025 and subsequent Exchange circulars including that of SEBI. The Broker shall communicate the said Policy to clients and make it available on the website and client disclosures.

VI. GRIEVANCE REDRESSAL:

Clients may raise complaints regarding settlement delays, incorrect balances, or non-receipt of funds. Complaints shall be resolved as per the process as prescribed under the (Name of the Broker)'s grievance redressal policy and SEBI SCORES system.

VII. CLARIFICATION/INFORMATION:

In case of any clarification/information required on the implementation of the Policy, please contact the Compliance Officer on Email -________________, Tel No._________________.

VIII. REVIEW:

The said policy shall be reviewed by the Board of the Directors on a yearly basis or as and when any update comes change in the Relevant Regulation/Circular comes or any change in the (Name of the Stock Broker)'s internal control or Structure.

The Compliance officer has the authority to give directions to undertake additions, changes, and modifications, etc. to this Policy, and the same shall be effective per the authority of the Compliance Officer and thereafter be ratified by the Board of the Directors at its next review.

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