

LETTER OF AUTHORITY FOR MAINTENANCE OF RUNNING ACCOUNT

Date: _____

Application No. E :

SBICAP Securities Ltd.

191, Maker Tower 'F' Cuffe Parade, Mumbai – 400 005

SUBJECT : LETTER OF AUTHORITY FOR MAINTENANCE OF RUNNING ACCOUNT

Dear Sir,

I have opened a trading account with you, and I intend to trade / deal on a regular basis in cash/derivatives / currency derivatives segment of the Bombay Stock Exchange Limited/ National Stock Exchange of India Limited/MCX Stock Exchange Limited . I hereby authorize you to maintain a running account instead of an account on 'settlement to settlement basis' for payout of funds / securities due to me unless specifically requested by me otherwise. All the funds and securities kept to my credit by you may be treated as upfront margins / securities deposit, at your discretion, for allowing exposure to me. Under this arrangement I shall not claim any interest on the funds and securities kept in the running account with you.

I also declare that I have been duly informed, that I reserve the right to revoke the authorization by giving notice in writing to you , and also understand that the revocation made by me shall not be applicable against the outstanding obligations across exchanges and that you shall retain such securities / funds expected to be required for meeting the obligations / margin obligations, as calculated in the manner specified by the member/exchanges.

I authorize you to hold my securities received in the payout in your Pool / Beneficiary account as security margin for availing limits for trading purpose & further authorize you to utilize the same to meet my existing and future payin obligations with you. I further authorize you to charge cost of holding securities to my account with you including the charges for effecting the payin on my behalf.

I also understand that the actual settlement of funds and securities shall be done by you, at least once in a calendar quarter. While settling the account, you shall send the 'Statement of Accounts' containing an extract from the ledger / statement of account for funds and an extract from the register of securities displaying all receipts / deliveries of funds / securities. The statement of account and/ or securities shall also explain the retention of funds / securities and the details of the pledge, if any.

I agree to bring to your notice in writing (addressed to your Registered office) any discrepancy in the statement of account/securities within 7 working days from the date of receipt of statement.

I also agree that if discrepancy if any, in respect of the statement of account and / or statement of securities is not addressed to you in writing within 7 days by me, then the statement of account and / or statement of securities sent by you to me by courier or under certificate of posting or any other permissible mode of communication shall be deemed to be correct and stand deemed to be confirmed by me.


I further agree and confirm that such periodic settlement of running account may not be necessary, either on a monthly or quarterly basis, if

- i. I am availing margin trading facility as per SEBI circulars.
- ii. I have provided funds received towards collaterals / margins in the form of Bank Guarantee (BG)/ Fixed Deposit Receipts (FDR).

Please note that I would like the mandatory settlement of the funds and securities (if applicable) as indicated below. (tick against your preference)

Monthly Basis

Quarterly Basis


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Note : This authorization shall be valid if signed by the client only and not by any authorized person on his behalf or any holder of Power of Attorney.