

**MEMBER:**  
NATIONAL STOCK EXCHANGE  
BOMBAY STOCK EXCHANGE  
MULTI COMMODITY EXCHANGE OF INDIA LIMITED

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**RMS POLICY**

The Business model for TRADEWELL consists both TRADEWELL owned Branches and Business Associate Offices (Sub-Brokers & Authorized Persons) and Direct Clients at HO. The Clients are linked or mapped to these branches or Associate Offices, herein after called as Branches, and are engaged in trading from these branches. Apart from the trades executed from Branches, there are certain clients who are indulged in trading using the Internet Trading Platform of TRADEWELL. Controlling and monitoring of these trades are done from Surveillance Dept.

All the staff, Branches, Branch Manager, and Sub-Broker needs to understand and follow the policy as it is the integral part of company.

**Major Functions of RMS:**

- Allocating exposure to the Clients' trading account and enabling the clients' to do trades.
- Monitoring of Orders & Trades by Clients. Checking of order rejections and increasing exposure, if required.
- Monitoring the MTM profit/loss incurred out of trades, comparing the Actual Margin requirements of clients and the Total Margin available for clients on a one to one basis and initiating remedial actions, if required.
- Decision taking with regard to squaring off positions on account of MTM loss or Margin shortfalls or any other reasons that may come across.

Risk management in relation to all the trading activities for Clients is handled by RMS & Surveillance Dept.

Activities which contain high risk and complications are to be put forward to the notice of Head of Operations and proper guidance should be taken before executing any action on such activities.

TradeWell Securities Ltd. classifies clients into High Risk Profile, Medium Risk Profile and Low Risk Profile. Such classification is done based on a Business Relationship maintained with clients and respective Branch in Charges. Apart from this, all the clients are evaluated based on the initial margin and other applicable margins paid by them.

Note: To Allow Extra Exposure in any of the above will be strictly against the HOD Approval.

**Details of Exposure Limits**

<b>Particular</b>	<b>Equity (NSE/BSE)</b>	<b>Derivatives (NSE FO/BSE FO)</b>	<b>Currency (NSE CD / BSE CD)</b>	<b>Commodities (MCX)</b>
Intra Day Exposure  <b>Product Type: MARGIN</b>	As per Exchange VAR	<b>Futures / Options:</b>  SPAN+EXPOSURE	<b>Futures / Options:</b>  SPAN+EXPOSURE	Futures: As per Span+Exposure and other margins if any etc.
Delivery / Carry Forward Limit <b>Product Type: Delivery (CM) , Carryforward (DERIVATIVES)</b>	Category Wise as Per Member VAR Any Scrip Which not listed will be charged 100 % Margin	1 Time of the Limit Set. <b>Note: Collateral Limit will not be considered to Carry Forward Option Positions.</b>	1 Time of the Limit Set. <b>Note: Collateral Limit will not be considered to Carry Forward Option Positions</b>	1 Time of the Limit Set
		<b>It is compulsory to keep 100 % Margin as per the Exchange Norms.</b>		

TRADEWELL shall not be responsible for any uncovered open position on account of any technical failure.

**Enhanced Supervision of RMS**

As per circular issued by SEBI and TradeWell RMS Policy, no further fresh exposure will be granted to debit clients who cross the T+5 days and if client sq. off his existing holding then also until the settlement takes place, no fresh exposure can be granted.

For the credit clients, existing RMS policy will continue w.r.t exposure and intraday limits.

Note: Debit/Credit Clients based ONLY on free financial ledger balance and for debit clients – no collateral will be considered for exposure.

**5 Days Sq.-Off:**

All 5 days or more debits to be cleared by stipulated time

If the open position clearance not been initiated from branch, then same would be cleared from RMS department - Head office. In this regard, company shall not be responsible for any loss that incur to the client on individual basis. Any NEFT/IMPS/RTGS is to be done, and then it should be before 2:30 pm.

Any probability or guarantee of client cheque receipt/fund transfer request will not be considered on 5th day.

- At time of selling stocks, below method is followed:
- Stock from Beneficiary Account
- Stock from POA Account (If sufficient stocks are not found in Beneficiary A/c

Incase stock valuation falls below 20% of the total ledger debit, square off can be done even before T+4 days.

In case at any point of time, if the client ledger arrived to debit due to whatever market volatile or higher position Values in Less margin or dishonor of Pay in. Client will be responsible to pay the Dues to clear the outstanding in his/her ledger.

\*Note: T+1 day consideration shall not be given to any client, if any instances of cheque bouncing or cheque reversal have taken place in the account.

**RMS will Sq-off the position in case of:**

- a. Script highly volatile
- b. Margin /MTM Shortfall
- c. Cheque bounce / Third party Cheque Deposit
- d. Scrip is banned / not allowed for trading / withdrawal from F&O/ as per exchange

**Disclaimer: RMS policy is subject to Market Conditions. TradeWell has rights to change the policy according to Market Conditions without any prior intimation.**