

POLICY FOR INTERNAL SHORTAGE OF SECURITIES

Stock broker shall not be obliged to deliver any securities or pay any money to the client unless and until the same has been received by the stock broker from the exchange, the clearing corporation / clearing house or other company or entity liable to make the payment and the client has fulfilled his / her / its obligations first.

In case any client of ISF Securities Limited (hereinafter referred to as 'ISF') defaults in fulfilling securities pay in obligation against sell transaction in a particular settlement where any other client of our company is having a buy position then ISF will consider those short shares as Internal shortage shares.

ISF will settle all the internal shortage of shares internally. This will be cash settled with the Internal Auction Price whichever is higher within the T+1 days from the date of execution of the trade.

ISF shall modify the policy for internal auctions arising out of internal netting of trades in line with SEBI/ Exchanges' circulars/ guidelines issued from time to time and charge to default seller and compensate the impacted purchaser as per the modified policy.