AMBIT BROKING SERVCIES PVT. LTD.

POLICY ON CLIENT UNPAID SECURITIES PLEDGE ACCOUNT (CUSPA)

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TABLE OF CONTENTS

Sr. No.	Contents	Page No.
1)	Purpose and Regulatory Governance	3
2)	Creation of CUSPA Pledge	3
3)	Daily Monitoring & Release of CUSPA Pledge	4
4)	Invocation and Liquidation of Unpaid Securities	4
5)	Prohibition on further Pledging or Transfer Of CUSPA-Pledged Securities	5
6)	Policy Review	5

1. PURPOSE AND REGULATORY GOVERNANCE

This policy governs the operational framework for handling Client Unpaid Securities Pledge Account (CUSPA) at Ambit Broking Services Private Limited ("Ambit" / "ABSPL"). It is formulated pursuant to SEBI Circular No. HO/38/11/(9)2026-MIRSD-POD/I/15382/2026 dated July 03, 2026, and Exchange Operational Guidelines (NSE Circular No. NSE/INSP/75508 dated July 31, 2026 and BSE Notice No. 20260731-12 dated July 31, 2026).

This document specifically defines:

- Creation of CUSPA Pledge
- Daily Monitoring & Release of CUSPA Pledge
- Invocation and liquidation of unpaid securities
- Prohibition on Further Pledging or Transfer of CUSPA-Pledged Securities

2. CREATION OF CUSPA PLEDGE

2.1 Circumstances for Creation

- Ambit has opened and maintained a dedicated, tagged demat account titled "Client Unpaid Securities Pledgee Account (CUSPA)" with the Depository (National Securities Depository Limited (NSDL)/ Central Depository Services (India) Limited (CDSL)) where its clients hold demat accounts. This account shall be strictly used for holding CUSPA pledges.
- Ambit shall create the CUSPA pledge if a client purchases securities in Non-MTF trades and fails to pay for them in full by the settlement pay-out date (T+1). The said creation will be auto pledged without any specific instruction from the client. The value of shares pledged shall in any case not exceed the Maximum Permissible Pledge Value which is more specifically mentioned in Clause 3.1 below.
- Ambit shall evaluate based on the client's End-of-Day (EOD) clear ledger credit balance across all non-MTF ledgers. Any ledger funds blocked or utilized for open margin obligations maybe excluded from the clear ledger balance at the discretion of Ambit.
- If a client makes partial payment or if available clear credit is insufficient to cover the total trade value, Ambit shall mark a CUSPA pledge on the entire quantity of shares delivered in that pay-out.

2.2 Manner of Creation

- Securities are delivered directly into the client's demat account via the Clearing Corporation (CC) direct pay-out process.
- Simultaneous auto-pledge creation is initiated with the reason tag "unpaid" in favour of Ambit's dedicated demat account titled "Client Unpaid Securities Pledgee Account (CUSPA)" without requiring specific client instructions.

2.3 Timeline for Creation & Communication

- Ambit will process the Pledge Creation on Settlement Day (T+1) as part of CC payout.
- Ambit will Communicate to the client via Email/SMS/Verifiable Electronic Message on or before the start of trading on the next trading day, following the day of pledge creation.

3. DAILY MONITORING & RELEASE OF CUSPA PLEDGE

3.1 Manner and Extent of Release Computation

At the end of every trading day, Ambit shall compute the Maximum Permissible CUSPA Pledge Value on a client-by-client basis using the formula:

Maximum Permissible Pledge Value = subject to a maximum of 2.25 X (C - B)

B = Aggregate clear ledger balance of the client across all non-mtf ledgers (Debit = negative; Credit = positive).

C = EOD margin obligation of the client across all segments.

3.2 Circumstances for Release

- Ambit shall release the CUSPA pledge, when the client clears the outstanding debit balance.
- Ambit shall release the Excess Pledged securities when the market value of pledged securities exceeds the maximum permissible threshold. The release of excess pledged securities shall happen by the end of the next working day post the determination of the excess pledged securities.
- Ambit shall release on a First-In, First-Out (FIFO) basis based on the date of pledge creation.

4. INVOCATION AND LIQUIDATION OF UNPAID SECURITIES

4.1 Circumstances and Timeline for Invocation

- Ambit shall trigger the invocation if the client fails to clear the outstanding payment obligation within the settlement window i.e within 5 trading days after the payout date, or as per risk management discretion.

4.2 Manner of Invocation & Execution

- Ambit shall invoke the Pledged shares and sell on the Exchange platform using the client's Unique Client Code (UCC) of the respective client.
- If the client's account is frozen or deactivated post-pledge creation, invoked shares are credited to Ambit's proprietary demat account and sold under Ambit's proprietary code on the same day.
- Invocation and sale follow FIFO order based on pledge creation date.
- Ambit shall be limited strictly to the quantity required to liquidate and recover the total outstanding debit, interest (if applicable), and associated statutory dues. Any excess recovery funds will be credited back to the client's ledger.
- Any CUSPA pledge that is neither invoked nor manually released shall be automatically released by the Depository at the end of the 6th trading day after the payout date.

4.3 Exceptional Circumstances:

- Incase invocation is not possible due to circumstances beyond it's control viz imposition of lower circuit on the scrip, trading halt, MII recognized exceptional conditions, etc., Ambit shall submit an extension request to the Depository in the manner specified.

5. PROHIBITION ON FURTHER PLEDGING OR TRANSFER OF CUSPA-PLEDGED SECURITIES

- Securities pledged in favor of the CUSPA demat account of the AMBIT shall not be pledged, re-pledged, or transferred to any bank or Non-Banking Financial Company ("NBFC") for the purpose of raising funds.
- Ambit shall not provide any additional or fresh trading exposure to the client on the basis of securities held under CUSPA pledge.
- Securities held under CUSPA pledge shall not be re-pledged to Clearing Corporations (CC) to meet margin requirements by Ambit.

6. POLICY REVIEW

- This policy shall be reviewed periodically or upon any fresh issuance of circulars/guidelines by SEBI, NSE and BSE.

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