



Client Unpaid Securities (CUSPA) Policy

As per SEBI Circular SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2022/153 dated November 11, 2022, a new mechanism CUSPA (Client Unpaid Securities Pledge Account) i.e. updation to prevailing CUSA mechanism is introduced for handling unpaid securities belonging to clients that came into effect on April 1, 2023. Under the CUSPA process, if a client fails to make payment for securities purchased, the Globe Capital Market Limited (herein after referred as "Globe"), Globe will pledge the securities in the client's Demat account to a CUSPA account. The CUSPA account is a special account maintained by the Globe with the Depositories. The pledge will be released once the client makes the full payment for the securities. If the client fails to make the payment within the stipulated time, the Globe may sell the securities pledged in the CUSPA account to recover the outstanding dues. The CUSPA process is designed to protect the interests of both Globe and clients. It ensures that Globe has a mechanism to recover their outstanding dues in case of client defaults. It also protects clients from having their securities sold without their consent.

Here is a step-by-step process of the CUSPA mechanism:

1. The client bought securities from the Globe Platform.
2. Globe credits the securities to the client's Demat account on the settlement date.
3. If the client fails to make payment for the securities, Globe pledges the securities in the client's Demat account to a CUSPA account.
4. Globe sends a notification to the client informing them of the pledge.
5. If client makes the full payment for the securities, we release the pledge so that the securities are available to the client as free balance.
6. Client's ledger balance at around 8:00 AM will be considered to determine the balance in the account.
7. If the client clears the debit balance before 3.00 PM on the trading day, the CUSPA pledge shall be released on same day.
8. If the client clears the debit balance after 3.00 PM on the trading day, the CUSPA pledge shall be released on subsequent trading day.
9. If the client fails to make the payment within the stipulated time, the Globe may sell the securities pledged in the CUSPA account to recover the outstanding dues.
10. All unpaid securities will be transferred to the Client Unpaid Securities Pledge Account (CUSPA) on the following business day (T+1) and send Email intimation to client. If the payment remains outstanding on T+1+5 business days, these securities will be liquidated on T+6 day. Clients will be notified prior to liquidation.

Disclaimer: Globe reserves right to edit, alter and or remove any information in whole or in part of the above policy. Clients are requested to refer our website for the same.