GLOBE CAPITAL MARKET LIMITED

POLICY ON HANDLING CLIENT UNPAID SECURITIES (CUSPA)

This Policy lays down the framework for handling securities purchased by clients which are not fully paid and are pledged in favour of Globe Capital Market Limited ("Globe") under the Client Unpaid Securities Pledgee Account ("CUSPA") mechanism. It is framed pursuant to SEBI Circular No. HO/38/11/(9)2026-MIRSD-POD/I/15382/2026 dated 03 July 2026 and NSE Circular Ref. No. 41/2026 (NSE/INSP/75508) dated 31 July 2026, and shall be read with applicable instructions of SEBI, Stock Exchanges, Clearing Corporations and Depositories. This Policy applies to cash market/non-MTF transactions. Unless otherwise stated, expressions used herein shall have the meanings assigned under the applicable SEBI/Exchange guidelines.

1. Creation of CUSPA Pledge

Where securities purchased by a client are not fully paid, the pay-out shall be credited directly to the client's demat account followed by an auto-pledge creation request, without specific instruction from the client, with reason "unpaid", in favour of Globe's CUSPA. Unpaid status shall be determined on the basis of the client's EOD clear ledger balance; funds blocked/used towards existing margin may be excluded while determining the freely available balance. Any clear funds received by 8:00 AM shall be considered on payin date. In case of partial payment, Globe may request CUSPA marking on the entire quantity received in pay-out, subject to the daily excess-release test below. No CUSPA pledge shall be created in anticipation of a future obligation.

Globe, in accordance with its risk management policy, may also consider release of unpaid shares to client demat account without marking pledge in CUSPA, if the unpaid value of shares is less than the pledged free non-cash collateral of client.

2. Communication to Client

For every CUSPA pledge created, Globe shall communicate to the client, on or before commencement of trading on the next trading day after creation of the pledge, the ledger debit/outstanding funds and margin obligation, name and quantity of securities pledged, and Globe's right to invoke and liquidate the unpaid securities upon failure to pay. Communication may be through email, SMS or both at the registered contact details. Pledges created on the same day may be covered through one consolidated communication.

3. Margin Reporting and Prohibition on Exposure

CUSPA pledged securities may be considered for client margin collection reporting in accordance with applicable exchange rules and regulations. For Peak Margin Reporting, the maximum value of CUSPA securities pledged during the day may be considered; for EOD Margin Reporting, only the value remaining pledged in the Depository system at EOD may be considered. No exposure shall be provided to the client on the basis of CUSPA pledged securities, including where their value increases or part of

the debit is recovered. Separate free and unencumbered additional funds/collateral provided by the client may be considered for exposure in accordance with applicable margin guidelines and Globe's Risk Management Policy.

4. Valuation

CUSPA securities shall be valued in the same manner as securities pledged under the prevailing margin pledge mechanism for margin collection and reporting, including applicable valuation methodology and haircut.

5. Client Payment Timeline

The client shall clear the debit/unpaid obligation by the end of the third trading day after the pay-out date. Any payment or reduction of debit after creation of the CUSPA pledge shall be reflected in the daily excess-release computation and excess pledge, if any, shall be released on or before the next trading day.

6. Daily Maximum CUSPA Pledge and Release of Excess

At the end of every trading day, Globe shall determine on a client-wise basis: A = value of securities pledged in CUSPA; B = aggregate clear ledger balance across all non-MTF ledgers (debit negative and credit positive); and C = EOD margin obligation across all segments. Maximum Permissible CUSPA Pledge Value = 2.25 × (C - B). Where A exceeds the maximum permissible value, Globe shall release the appropriate quantity corresponding to the excess on or before the next trading day. Where C - B is zero or negative, all remaining CUSPA pledges shall be released. A fractional unit/quantity arising solely from the release computation need not be released. The release of excess pledged securities shall be on best effort basis and shall be subject to: securities being active, client demat account active etc.

7. Priority, Invocation and Liquidation

Release and invocation shall follow preferably FIFO based on the date of creation of the respective CUSPA pledge subject to liquidity and other parameters being available. Where the client fails to meet the payment obligation within the period stated above, Globe shall, invoke and liquidate the required quantity of unpaid securities on the fourth or fifth trading day after pay-out, subject to applicable Depository/Clearing Corporation processes. Invocation shall not exceed the quantity reasonably required to recover the outstanding debit and applicable charges; where necessary, the next whole share/unit may be sold and any surplus shall be credited to the client. Unpaid securities shall ordinarily be sold using the client's UCC. Where the account/UCC is frozen or not permitted to trade, liquidation may be undertaken under Globe's proprietary code in the manner permitted by the applicable exchange guidelines.

8. Auto-release

Where a CUSPA pledge is neither invoked nor released within five trading days after the pay-out date, it shall be auto-released by the Depository at the end of the sixth trading day, unless validly extended.

Globe may request release at any time before auto-release. Release/auto-release does not extinguish the client's outstanding payment obligation.

9. Prohibition on Further Pledge / Transfer

CUSPA pledged securities shall not be re-pledged to a Clearing Corporation for margin purposes.

10. Extension in Exceptional Circumstances (effective 03 January 2027)

Where unpaid pledged securities cannot be liquidated within five trading days after pay-out, Globe may seek extension through its DP by 6:00 p.m. on the fifth trading day (or such extended cut-off as permitted) for up to one additional calendar week only for the prescribed reasons:

Code	Permitted Reason
CUSPA01	Security being in lower circuit with only sellers
CUSPA02	Suspension or trading halt due to surveillance or any other reason
CUSPA03	Security under GSM and permitted only for weekly / monthly trading
CUSPA04	Sale not permitted due to MII / SEBI instructions
CUSPA05	Sale not permitted due to orders of an authority other than MII / SEBI
CUSPA06	Sale not permitted due to PIT Regulations, including trading-window closure

Client request for additional time is not a permitted reason. Where the same circumstance continues, further extension may be sought within the prescribed timeline; once the circumstance ceases, no further extension shall be sought. Each extension shall be communicated to the client on or before start of trading on the next day During an extension, invocation is permitted up to the trading day immediately preceding the applicable pledge expiry date; otherwise the pledge shall auto-release at EOD on that date.

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.