

UPSE SECURITIES LIMITED
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USL / 2010-11: 17

19.08.2010

NOTICE TO SUB- BROKERS

Sub.: Amendments in Business Rules of Our Company

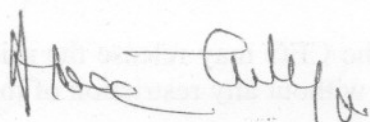
Sub-brokers are hereby informed that the Board of Directors of our Company, in its Board Meeting held on 18.08.2010 has further amended the Business Rules(BRs) of our Company regarding Additional Deposits(BR 5.B), Interest(BR 5.C) and Cost of Trading - Brokerage Slabs(BR 8).

Extract of aforesaid BRs 5.B, 5.C and 8 is enclosed.

Full text of the Business Rules is available at the website of our Company
www.upsecindia.com

Sub-brokers are advised to take note of the same and be guided/comply accordingly.

FOR UPSE SECURITIES LIMITED



(ALOK TULSYAN)
CEO (OFFICIATING)

Encls.: a.a.

C.C to: M.D –UPSE, G.M(O)-UPSE, Surveillance – UPSE
EDP- BOLT/NSE- for flashing on system & putting on website
Margin-BOLT/NSE
Pay in/pay-out Funds-BOLT/NSE , Pay in/ pay-out Securities-BOLT/NSE
Notice Board P.T.O.

UPSE SECURITIES LIMITED

19.08.2010

ANNEXURE TO NOTICE No.17

Amendments in Business Rules of Our Company

5.B Additional Deposits :

In case, any Trader exceeds his daily trading limits, he will have to deposit additional capital together with daily margin requirement which will be released with the release of said margin.

Additional deposits may be withdrawn with a minimum notice period of 15 days, after ensuring that the Trader has reduced his exposures to the level applicable.. In case additional deposit has been demanded by UP-Sec due to violation of any of the prescribed rules, the minimum retention period would be of one month. Additional deposits would be released to the Trader after receiving written request for the same.

The trader may also deposit interest free Additional Capital, for which, the notice period for withdrawal shall be **2 days with immediate reduction in the exposure level**. The traders interested to deposit the interest free Additional Capital shall have to intimate it in writing that the deposit is interest free. The withdrawal of such deposit shall be subject to the available fund position of the UP-Sec.

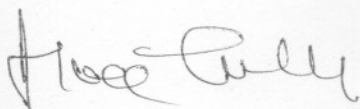
However, to complete the pay-in of funds, the CEO may release the said additional deposit **without any interest and** without any restriction of the period.

The trader may also deposit Shares as Additional Capital with UP-Sec as per the prevailing norms of respective Stock Exchanges / SEBI.

In case of deposit of additional capital, trader would be required to inform the same to UP-Sec in writing.

In case of additional deposit (Cash only) during market hours, the Trader will intimate the same to UP-Sec in writing. Credit for such deposit will be given only after transfer of funds to UP-Sec's account.

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5.C Interest :

Interest shall be payable to the Traders equivalent to the average rate of **two years** Bank FDR on cash deposited in Minimum Deposit, Additional Deposit and Upfront Margin. Hence, such portion of minimum deposit, Additional Deposit and Upfront Margin shall be deposited for **two years** and shall be locked for two years.

In case interest bearing cash portion of Minimum Deposit, Additional Capital and/or Upfront Margin is utilized for meeting the financial obligations of concerned Trader and/or is otherwise withdrawn before completion of one year at the reduced rates less one percent will be payable.

Interest in all above cases will be calculated from the 8th day from the date of deposit of cheque (subject to encashment) at the rate prevalent at the relevant time for one year. The interest shall be paid once in a year after the completion of financial year subject to TDS.

8. The cost of trading on the Equity segments of the Exchanges would be as follows

Particulars	Rates
VSAT Support Charges	Actual monthly VSAT Support Charges levied by respective Exchanges will be recovered from Sub-brokers proportionately by dividing the same by the total number of Sub-broker Terminals active during the respective month per TWS. Charges so calculated will be rounded off to the nearest rupee.
Transaction charges (payable to Exchanges)	As charged by the respective Exchanges from time to time.
Brokerage for sub-brokers	<p>For BSE and NSE (Cash Segment)</p> <p><u>Scheme - 1</u> 0.009% subject to minimum of one paisa per share. However, a minimum charge of Rs.3/- per Contract Note shall be charged, if brokerage received as above is below Rs.3/-.</p> <p><u>Scheme - 2</u> 0.005% subject to minimum of one paisa per share with a minimum of Rs.5,000/- per month for Cash Segment, from</p>

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P.T.O.



	<p>the sub-broker. However, a minimum charge of Rs.3/- per Contract Note shall be charged, if brokerage received as above is below Rs.3/-.</p> <p><u>Scheme - 3</u> 0.005% subject to minimum of Rs.7,500/- per month for Cash Segment, from the sub-broker. However, a minimum charge of Rs.3/- per Contract Note shall be charged, if brokerage received as above is below Rs.3/-.</p>
Brokerage to be charged from the clients	As per the arrangement with the sub-broker, however, subject to a minimum brokerage of Rs.10/- per Contract Note from the clients and after retaining the minimum amount of Rs.3/- per contract, the remaining shall be credited to the sub-brokers. The brokerage so charged, shall be subject, however, to the fulfillment of requirements prescribed for charging maximum brokerage from a client.
Service Tax	@ 10% on brokerage plus surcharge/education cess or as applicable from time to time.
Stamp Duty on Contract Note	Subject to a maximum of Rs.1,000/-, 40 paise for every Rs.20,000/- or part thereof of the value of the stock or security or as applicable from time to time.
Turnover fee payable to SEBI	Rs.10/- per Crore or as applicable from time to time.
DP/NSDL and CDSL Charges	Will be borne by the company. Accordingly, no charges in this regard will be recovered from the sub-brokers. However, for DO instructions, where charges are imposed by NSDL/ CDSL, the charges will be recovered.
General Charges Account/Bill/Penalty/legal charges/any other charges	On actual basis.

Place Tully