

# Stock SIP Policy

At Samco Securities, we believe in empowering our clients to invest smartly and consistently. The Stock SIP (Systematic Investment Plan) facility has been designed to help investors build long-term wealth by investing in their favorite stocks or ETFs in a disciplined and automated manner. This policy outlines the structure and operational guidelines of the Stock SIP facility made available to all eligible clients of Samco.

A Stock SIP allows clients to invest a fixed amount on a monthly basis in selected stocks or ETFs. The primary objective of this feature is to bring the convenience and benefits of rupee-cost averaging, traditionally associated with mutual fund SIPs, into the equity and ETF space. Only Resident Individual Clients with an active demat and trading account with Samco are eligible to use this facility.

There are two methods for funding a Stock SIP:

1. Clients who have submitted an auto-debit mandate must ensure that sufficient funds are available in their registered bank account at least 72 working hours (typically 2–3 working days) before the SIP execution date. This is because the debit request can be triggered at any time during this window to ensure smooth fund transfer for SIP execution.
2. Clients who have not submitted a mandate must maintain the required SIP amount directly in their Samco trading ledger before the day of SIP execution, failing which the SIP will be rejected.

Example:

If a client's SIP execution date is the 7th of the month, then:

A client who has submitted a mandate must have sufficient funds in their registered bank account by 5th of the month, to ensure the debit is successful.

A client who has not submitted the mandate must ensure the SIP amount is available in their Samco trading ledger 6th of the month, as the system will attempt to execute the order using available ledger balance.

Clients are advised to monitor their bank accounts or trading ledger accordingly to avoid missed SIP transactions. Samco will not be responsible for failed executions due to insufficient balance in either the bank account (for mandate clients) or the trading account (for non-mandate clients).

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The Stock SIP can be initiated for as low as ₹1000 per stock or ETF, with the SIP executed once every month on the chosen date. If the execution date falls on a market holiday, it is automatically shifted to the next trading day. All SIP orders are executed as market orders through the client's trading account on the exchange platform, and while full execution is generally expected, partial execution may occur due to market liquidity conditions.

Samco maintains a curated universe of stocks and ETFs eligible for SIP, selected based on parameters such as liquidity, fundamentals, and compliance filters. This universe is subject to periodic review. Clients can pause, modify, or cancel their SIPs at any time via the Samco app or web platform. However, any changes must be made at least 72 hours prior to the next scheduled SIP execution to be effective for that cycle.

For clients who have submitted their Auto-debit mandate to fund their SIPs, it is mandatory to maintain an additional balance in their registered bank account to ledger account for price volatility in the selected stock or ETF. In volatile market conditions, the stock price may rise above the expected level, resulting in a higher investment requirement than originally estimated. Samco will not be responsible for SIP failures due to insufficient funds in the client's bank account arising from such volatility.

Clients are advised to maintain sufficient margin or balance in their linked bank accounts at least 72 working hours prior to the scheduled SIP execution date, as auto-debit instructions may be triggered anytime within this window. Failure to maintain adequate funds may result in rejection of the SIP for that cycle, and Samco shall not be liable for missed investment opportunities or delayed debits.

There are no additional charges specific to the Stock SIP facility; standard brokerage, STT, and other statutory charges apply as per the client's existing brokerage plan. It is important to note that Stock SIPs are treated as regular equity transactions, and the shares shall be credited to the respective Demat account as per the settlement cycle post SIP order execution. All applicable tax implications such as capital gains and dividend taxation will be governed by prevailing tax laws.

In the event that any SIP order fails or gets rejected due to exchange issues, technical errors, market volatility, liquidity constraints, or any other reason beyond Samco's direct control, Samco shall not be held responsible or liable for such failures. While best efforts will be made to ensure smooth and timely execution, clients acknowledge that such rejections or failures may occur and no compensation or re-processing will be undertaken for missed investments.

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## **Disclaimer**

*While the SIP approach promotes discipline and long-term investing, clients must understand that investments in equity markets are subject to risks. Stock SIP does not guarantee returns or eliminate market risks. Investors are advised to review their financial goals, risk appetite, and consult with a financial advisor before opting for the facility.*

*Samco reserves the right to modify, suspend, or discontinue the Stock SIP facility or amend the terms of this policy at its sole discretion without prior notice. All changes will be communicated through our website and official channels.*

