



Mercantile Exchange Nepal Limited
Where the Nation Trades
AN ISO 9001:2015 CERTIFIED EXCHANGE

'Primary Procedural Knowledge', before one Commences Trading

1. You are assigned with a unique client code. So, always use "Client Code- Client Name" for making deposits in bank/eSewa for trading purpose. Example, 4001001- Ram Shah
2. Deposit funds in the Segregate a/c of the Clearing House [CH] for trading purpose and only in the particular 'Bank' or 'eSewa' chosen and mentioned by you in the CRF.
3. Use only your registered bank account/ eSewa account [mentioned in CRF and its amendments] for making any deposits for trading. Please note that deposits will be accounted differently for 'Futures + Spot products', 'Options' & 'Deliverable products'. So use respective client code while depositing.
4. After every deposit whether for Add Margin or Margin Call, always inform the same to CH via your Broker through phone or inform directly to CH through 'New Deposit' tab available in your trading console.
5. Every deposit made by you should be informed to CH in order to get updated in your trading console. It is your responsibility to make sure that the deposit has reflected in your trading console correctly and on time.
6. Margin Call will be issued to you when the 'Available Margin' in your trading console goes negative at End of Day. Margin call message can be accessed in trading console under 'Messages'.
7. Margin call amount should be deposited prior 3 PM NST [Nepali Standard Time]. You/your Broker should inform about your margin call deposit prior to 3 PM to the CH.
8. Always deposit the Margin Call amount during the first hour rather than rushing during the last hours which may lead to liquidation of position due to late deposit of fund.
9. Margin call cut off time is followed as 4 PM NST. If "Available Margin" at 4 PM is negative even by 1 paisa and you have not deposited/partially deposited the margin call amount, then your open position/s will be liquidated till the Available Margin is positive.
10. Your account will get Equity Hit if 'Equity' in your trading console falls to 4% of 'Used Margin'+ Half Commission [remaining one side] or NPR 100 + Half Commission [remaining one side] or below, whichever is higher.
11. During Equity Hit, open orders will be liquidated at the available price in the market and all pending orders will be cancelled. Equity can also reach negative figures in your trading console depending upon the market condition.
12. Equity hit is an unforeseen situation and you are liable to maintain sufficient funds in your trading account enough to hold the open orders.

* These are only a few important points. You are requested to read the '**Client's Handbook**' available both in English & Nepali in this link http://www.mexnepal.com/webpages/client_handbook.html.
