

Dos

- Deal only with registered intermediaries - check the registration certificate of the intermediary you are dealing with. It allows recourse to regulatory action.
- Beware of fixed/guaranteed/regular returns/ capital protection schemes. Brokers or their authorized persons or any of their associates are not authorized to offer fixed/guaranteed/regular returns/ capital protection on your investment or authorized to enter into any loan agreement with you to pay interest on the funds offered by you. Please note that claims for funds or securities given to the broker under any arrangement/ agreement of indicative return will not be accepted by the Exchange in case of default by your broker.
- Please ensure that you fill all the required details in 'KYC' document by yourself and receive duly signed copy of your 'KYC' documents from your broker. Check for all conditions that have been agreed and accepted by you.
- Insist on reading and signing a standard 'Risk Disclosure Agreement'.
- Obtain a copy of your KYC and/ or other documents executed by you with the Member, from the Member.
- Always keep your contact details viz. Mobile number/Email ID updated with the stock broker. Email and mobile number is mandatory and you must provide the same to your broker for updation in Exchange records. You must immediately take up the matter with Stock Broker/Exchange if you are not receiving the messages from Exchange/Depositories regularly.
- Opt for electronic (e-mail) contract notes/financial statements only if you are computer savvy and have your own e-mail account.
- Check the frequency of accounts settlement opted for. If you have opted for running account, please ensure that your broker settles your account and sends statement of accounts regularly and in any case not later than once in 90 days (or 30 days if you have opted for 30 days settlement).
- Regularly verify Consolidated Accounts Statement (CAS) received from Depositories and reconcile with your trades / transactions.
- Ensure that pay-out of funds/securities is received in your account within 1 working day from the date of pay-out. Ensure that you receive Contract Notes within 24 hours of your trades.
- Cross check the genuineness of trades carried out at the Exchange through the trade verification facility available on the Exchange website the trades can be verified online where trade information is available up to 5 working days from the trade date.
- Insist on a duly signed Contract Note in specified format for every executed trade within 24 hours of trade, highlighting the details of the trade along with your UCC.

- Ensure that the Contract Note contains all the relevant information such as Member Registration Number, Order No., Order Date, Order time, Trade No., Trade rate, Quantity, Arbitration Clause, etc.
- Obtain receipt for collaterals deposited with the Member towards margins.
- Go through the Rules, Bye-laws, Regulations, Circulars, Directives, Notifications of the Exchange as well as of the Regulators, Government and other authorities to know your rights and duties vis-à-vis those of the Member.
- Ask all relevant questions and clear your doubts with your Member before transacting.
- Insist on Monthly statements of your ledger account and report any discrepancies in the statement to your Member within 7 working days. In case of unsatisfactory response report the discrepancy to the Exchange within 15 working days from the date of cause of action.
- Scrutinize minutely both the transaction & holding statements that you receive from your Depository Participant.
- Keep Delivery Instruction Slips (DIS) book issued by DPs in safe possession.
- Ensure that the DIS numbers are preprinted and your account number (UCC) is mentioned in the DIS book.
- Freeze your Demat account in case of your absence for longer duration or in case of not using the account frequently.
- Pay required margins in time and only by Cheque and ask for receipt thereof from the Member.
- Deliver the commodities in case of sale or pay the money in case of purchase within the time prescribed.
- Understand and comply with accounting standards for derivatives.
- Ensure to read, understand and then sign the voluntary clauses, if any, agreed between you and the Member. Note that the clauses as agreed between you and the Member cannot be changed without your consent.
- Get a clear idea about all brokerage, commissions, fees and other charges levied by the Member on you for trading and the relevant provisions/ guidelines specified by SEBI/Commodity exchanges.
- Make the payments by account payee cheque in favour of the Member. Ensure that you have a documentary proof of your payment/deposit of commodities with the Member, stating date, commodity, quantity, towards which bank/ demat account such money or commodities (in the form of warehouse receipts) deposited and from which bank/ demat account.

- The payout of funds or delivery of commodities (as the case may be) shall not be made to you within one working day from the receipt of payout from the Exchange, in case you have given specific authorization for maintaining running account to the member. Thus, in this regard, the running account authorization provided by you to the Member shall be subject to the following conditions:
 - a) Such authorization from you shall be dated, signed by you only and contains the clause that you may revoke the same at any time.
 - b) You need to bring any dispute arising from the statement of account to the notice of the Member in writing preferably within 7 (seven) working days from the date of receipt of funds/commodities or statement, as the case may be. In case of dispute, refer the matter in writing to the Investors Grievance Cell of the relevant Commodity exchanges without delay.
 - c) In case you have not opted for maintaining running account and pay-out is not received on the next working day of the receipt of payout from the exchanges, please refer the matter to the Member. In case there is dispute, ensure that you lodge a complaint in writing immediately with the Investors Grievance Cell of the relevant Commodity exchange.
 - d) Please register your mobile number and email id with the Member, to receive trade confirmation alerts/ details of the transactions through SMS or email, by the end of the trading day, from the commodity exchanges.
- You should familiarize yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the commodity derivatives or the member becomes insolvent or bankrupt.
- Please ensure that you have a documentary proof of having made the deposit of such money or property with the member, stating towards which account such money or property deposited.
- In case your problem/grievance/issue is not being sorted out by concerned Member/Authorised Person then you may take up the matter with the concerned Commodity Exchange. If you are not satisfied with the resolution of your complaint then you can escalate the matter to SEBI.

Don't

- Don't ignore any emails/SMSs received from the Exchange for trades done by you. Verify the same with the Contract notes/Statement of accounts received from your broker and report discrepancy, if any, to your broker in writing immediately and if the Stock Broker does not respond, please take this up with the Exchange/Depositories forthwith.
- Do not deal with any unregistered intermediaries.
- Do not undertake off-market transactions as such transactions are illegal and fall outside the jurisdiction of the Exchange.
- Do not enter into assured returns arrangement with any Member
- Do not get carried away by luring advertisements, rumours, hot tips, explicit/ implicit promise of returns, etc.
- Do not make payments in cash/ take any cash towards margins and settlement to/ from the Member.
- Do not start trading before reading and understanding the Risk Disclosure Agreement.
- Do not neglect to set out in writing, orders for higher value given over phone.
- Do not accept unsigned/duplicate contract note/confirmation memo.
- Do not accept contract note/confirmation memo signed by any unauthorized person.
- Don't share your internet trading account's password with anyone
- Do not delay payment/deliveries of commodities to Member.
- Do not forget to take note of risks involved in the investments.
- Do not sign blank Delivery Instruction Slips (DIS) while furnishing commodities, deposits and/or keep them with Depository Participants (DP) or member to save time.
- Do not pay brokerage in excess of that rates prescribed by the Exchange
 - Do not fall prey to fraudsters sending emails and SMSs luring to trade in stocks/ Securities promising huge profits.
- Don't issue cheques in the name of Authorized Person.
 - Brokers are not permitted to accept transfer of securities as margin. Securities offered as margin/ collateral MUST remain in the account of the client and can be pledged to the broker. Clients are not permitted to place any securities with the broker or associate of the broker or authorized person of the broker for any reason. Broker can take securities belonging to clients only for settlement of securities sold by the client.

- Be careful while executing the PoA (Power of Attorney) - specify all the rights that the stock broker can exercise and timeframe for which PoA is valid. It may be noted that PoA is not a mandatory requirement as per SEBI / Exchanges.
- Check messages sent by Exchanges on a weekly basis regarding funds and securities balances reported by the trading member and immediately raise a concern to the exchange if you notice a discrepancy.
- Do not share password (internet account) with anyone. It is like sharing your safe key.
- Please do not transfer funds, for the purposes of trading to anyone, including an authorized person or an associate of the broker, other than a SEBI registered Stock broker.