

A MESSAGE FOR INVESTORS RELATING TO
DEALING WITH BROKERS & SUB-BROKERS

DO'S

- ✓ Deal only with SEBI registered intermediaries.
- ✓ Ensure that the intermediary has a valid registration certificate.
- ✓ Ensure that the intermediary is permitted to transact in the market.
- ✓ State clearly who will be placing orders on your behalf.
- ✓ Insist on client registration form to be signed by the intermediary before commencing operations.
- ✓ Enter into an agreement with your broker / sub-broker setting out terms and conditions clearly.
- ✓ Insist on contract note/confirmation memo for trades done each day.
- ✓ Insist on bill for every settlement.
- ✓ Ensure that broker's name, trade time and number, transaction price and brokerage are shown distinctly on the contract note.
- ✓ Insist on periodical statement of accounts.
- ✓ Issue cheques/drafts in trade name of the intermediary only.
- ✓ Ensure receipt of payment/deliveries within one working day of payout.
- ✓ In case of disputes, file written complaint to intermediary/Stock Exchange/SEBI within a reasonable time.
- ✓ In case of sub-broker disputes, inform the main broker in writing about the dispute within 6 months.
- ✓ Familiarise yourself with the rules, regulations and circulars issued by stock exchanges/SEBI before carrying out any transaction.

DON'TS

- ✗ Do not deal with unregistered intermediaries.
- ✗ Do not pay more than the approved brokerage to the intermediary.
- ✗ Do not undertake deals for others.
- ✗ Do not neglect to set out in writing, orders for higher value given over phone.
- ✗ Do not sign blank delivery instruction slip(s) while meeting security payin obligation.
- ✗ Don't accept unsigned/duplicate contract note/confirmation memo.
- ✗ Don't accept contract note/confirmation memo signed by any unauthorised person.
- ✗ Don't delay payment/deliveries of securities to broker.
- ✗ Don't get carried away by luring advertisements, if any.
- ✗ Don't be led by market rumours or get into shady transactions.

Issued in Public Interest by
**NATIONAL STOCK EXCHANGE
OF INDIA LTD.**
www.nseindia.com
cc_nse@nse.co.in