

ANNEXURE - IV

FORMAT OF THE CONSTITUENT REGISTRATION FORM

(THIS INFORMATION IS THE SOLE PROPERTY OF THE TRADING MEMBER / BROKERAGE HOUSE AND WOULD NOT BE DISCLOSED TO ANYONE UNLESS REQUIRED BY LAW)

<b>FOR OFFICE PURPOSES:</b>	
<b>CONSTITUENT CODE :</b> _____ (TO BE INSERTED BY THE BROKERAGE FIRM)	<b>SALESMAN CODE :</b> _____ (EMPLOYEE CODE/ SUB BROKER CODE ASSIGNED BY THE BROKERAGE FIRM)
<b>VERIFIED BY</b> _____	<b>AUTHORISED BY :</b> _____

TRADING MEMBER'S  
Name, Address, Telephone No.,  
SEBI Registration No.

CLEARING MEMBER'S  
Name, Address, Telephone No.,  
SEBI Registration No.

**CONSTITUENT INFORMATION**

PHOTOGRAPH  
Please sign on the  
photograph

NAME OF THE CONSTITUENT : \_\_\_\_\_  
(SURNAME) (NAME) (FATHER'S/  
HUSBAND'S NAME)

SEX : MALE / FEMALE

DATE OF BIRTH: \_\_\_\_\_  
D D M M Y Y Y Y

AGE: \_\_\_\_\_ YEARS

RESIDENCE ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CITY: \_\_\_\_\_  
PIN CODE: \_\_\_\_\_  
STATE: \_\_\_\_\_  
COUNTRY: \_\_\_\_\_

NATIONALITY: \_\_\_\_\_

TELEPHONE NUMBER: (RES) \_\_\_\_\_ FAX NO: \_\_\_\_\_

NAME OF EMPLOYER: \_\_\_\_\_

OFFICE ADDRESS: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

CITY: \_\_\_\_\_

PIN CODE: \_\_\_\_\_

STATE: \_\_\_\_\_

COUNTRY: \_\_\_\_\_

TELEPHONE NUMBER (OFFICE) \_\_\_\_\_

FAX NO / TELEX NO: \_\_\_\_\_

RESIDENTIAL STATUS: INDIAN / NRI / OTHERS \_\_\_\_\_

PASSPORT NO: \_\_\_\_\_

OCCUPATION: \_\_\_\_\_

MARITAL STATUS: SINGLE / MARRIED \_\_\_\_\_

**SPOUSE INFORMATION :**SPOUSE'S NAME: \_\_\_\_\_  
(SURNAME) (NAME) (MIDDLE NAME)

DATE OF BIRTH:

D D M M Y Y Y Y

OCCUPATION \_\_\_\_\_

IF EMPLOYED EMPLOYER'S NAME / SELF EMPLOYMENT

DETAILS: \_\_\_\_\_

DESIGNATION: \_\_\_\_\_

PAN NO: \_\_\_\_\_

**FINANCIAL DETAILS OF THE CONSTITUENT:**

PAN NO: \_\_\_\_\_

INCOME RANGE (per annum):

Below Rs. 100000

Rs. 100000 to Rs. 200000

Rs. 200000 to Rs. 500000

Above Rs. 500000

(STRIKE OUT WHICH IS NOT APPLICABLE)**INVESTOR TYPE**

INDIVIDUAL / HUF / PARTNERSHIP FIRM / FOREIGN INSTITUTIONAL INVESTOR / FINANCIAL INSTITUTION / MUTUAL FUNDS / NBFC'S

FOR INDIVIDUAL (IF EMPLOYED):

EMPLOYER'S NAME:

ADDRESS:

DESIGNATION:

WORKING WITH THE PRESENT EMPLOYER SINCE: \_\_\_\_\_ YRS \_\_\_\_\_ MTHS

FOR INDIVIDUAL (IF SELF EMPLOYED):

ESTABLISHMENT NAME:

ADDRESS:

DESIGNATION:

ESTABLISHED SINCE: \_\_\_\_\_ YRS \_\_\_\_\_ MTHS

FOR HUF:

EMPLOYER'S NAME:

ADDRESS:

DESIGNATION:

WHETHER KARTA / FAMILY MEMBER:

FOR PARTNERSHIP FIRM / CORPORATES / BANKS / FOREIGN INSTITUTIONAL INVESTOR / FINANCIAL INSTITUTION / MUTUAL FUNDS / NBFC :

NAME: \_\_\_\_\_

SEBI REGISTRATION NO (IF APPLICABLE) : \_\_\_\_\_

TOTAL NO OF EMPLOYEES: \_\_\_\_\_

NO OF EMPLOYEES IN THE TREASURY / INVESTMENT DEPT: \_\_\_\_\_

NO OF EMPLOYEES IN THE BACK OFFICE: \_\_\_\_\_

NETWORTH OF THE COMPANY: \_\_\_\_\_

NO OF DIRECTORS OF THE ENTITY: \_\_\_\_\_

NAMES AND ADDRESSES OF THE DIRECTORS OF THE COMPANY: \_\_\_\_\_

\_\_\_\_\_

WHAT IS THE SHAREHOLDING PATTERN OF THE ENTITY? (SPECIFY)

SHAREHOLDERS

NAMES OF THE % HELD  
SHAREHOLDERS

INDIAN INSTITUTIONAL INVESTORS

FOREIGN INSTITUTIONAL INVESTORS

STATE GOVT / CENTRAL GOVT

PARENT HOLDING CO

RETAIL SHAREHOLDERS

(SPECIFY ONLY  
THE NO)

## DIRECTOR'S / PROMOTER'S STAKE

**BANK ACCOUNT DETAILS**

BANK NAME: (MULTI BANKS THEN GIVE DETAILS)

BRANCH:

ADDRESS:

ACCOUNT NO:

ACCOUNT TYPE: SAVINGS / CURRENT /NRI

TELEPHONE NUMBER(S) :

FAX NO / TELEX NO:

**INVESTMENT EXPERIENCE**

years in Stocks

years in Derivatives

years in any other investment related field

DO YOU WANT TO TRADE ON ANY SPECIFIC STOCK EXCHANGE :NATIONAL STOCK EXCHANGE ON THE FOLLOWING MARKET SEGMENTS:

(PLEASE TICK IN THE RELEVANT BOXES)

1. WHOLESALE DEBT MARKET
2. CAPITAL MARKET
3. DERIVATIVES MARKET

WHETHER REGISTERED WITH ANY OTHER BROKER-MEMBER:

Name of Broker:

Name of Exchange:

Client Code No.:

COLLATERAL'S SUBMITTED TO THE BROKERAGE FIRM

COLLATERAL'S DECLARED	% HAIRCUT	ASSIGNED
VALUE		VALUE

1. CASH
2. MARKETABLE  
SECURITIES
3. BANK  
GUARANTEES
4. IMMOVABLE  
PROPERTY
5. JEWELRY
6. OTHERS (SPECIFY)

**REFERENCES**

CONSTITUENT INTRODUCED BY:

(SURNAME) (NAME) (FATHER'S/  
HUSBAND'S NAME)

INTRODUCING CONSTITUENT CODE:

THE DETAILS FURNISHED BY ME / (NAME OF THE ENTITY) ARE TRUE TO THE BEST OF MY / (NAME OF THE ENTITY) KNOWLEDGE AND BELIEF. IN CASE IF ANY OF THE ABOVE INFORMATION IS FOUND TO BE FALSE OR UNTRUE THEN I AM / (NAME OF THE ENTITY) TO BE HELD LIABLE FOR IT.

(SIGNATURE OF THE INDIVIDUAL CONSTITUENT)

IN CASE OF HUF THEN

(SIGNATURE OF THE KARTA )

INCASE OF PARTNERSHIP FIRM / FOREIGN INSTITUTIONAL INVESTOR / FINANCIAL INSTITUTION THEN

(SIGNATURE OF THE DIRECTORS OF THE COMPANY ATTESTED BY THE COMPANY SEAL.

PLEASE ATTACH A COPY OF THE FOLLOWING (ONLY RELEVANT):

1. INCOME TAX STATEMENT FOR THE LAST 2 FINANCIAL YEARS
2. COPY OF THE BALANCE SHEET FOR THE LAST 2 FINANCIAL YEARS
3. COPY OF THE PARTNERSHIP DEED IN CASE OF A PARTNERSHIP FIRM
4. COPY OF THE BOARD OF DIRECTORS' APPROVAL FOR PARTICIPATION IN DERIVATIVES TRADING.
5. COPY OF THE VALUERS CERTIFICATE IN CASE OF IMMOVABLE PROPERTY.
6. IN CASE OF AN INDIVIDUAL THEN KINDLY SUBMIT A COPY OF
  - PASSPORT
  - RATION CARD
  - \_\_\_ NO OF PHOTOGRAPHS (AS PER REQUIREMENTS OF THE BROKER)
  - COPY OF THE SALARY SLIP OF THE CONSTITUENT FOR THE LAST MONTH.

## **ANNEXURE -V**

### **RISK DISCLOSURE DOCUMENT**

(THIS DOCUMENT SHOULD BE READ BY EACH AND EVERY PROSPECTIVE CONSTITUENT BEFORE ENTERING INTO DERIVATIVES TRADING AND SHOULD BE READ IN CONJUNCTION WITH CLAUSE 4.3.3 OF THE NSE (FUTURES & OPTIONS) TRADING REGULATIONS OF THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED (NSEIL))

NSEIL has not passed the merits of participating in this trading segment nor has NSEIL passed the adequacy or accuracy of this disclosure document. This brief statement does not disclose all of the risks and other significant aspects of trading. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. Risk of loss in trading in derivatives can be substantial. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. Derivatives trading thus requires not only the necessary financial resources but also the financial and emotional temperament. In case of any consequences or loss in the Futures & Options segment, the constituent shall be solely responsible for such loss and the Exchange or SEBI shall not be responsible for the same and it will not be open for any client to take the plea that no adequate disclosure was made or he was not explained the full risk involved by the member. The client will be solely responsible for the consequences and no contract can be rescinded on that account.

### **RISKS INVOLVED IN TRADING IN DERIVATIVES CONTRACTS**

#### **Effect of "Leverage" or "Gearing"**

The amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'.

Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the principal investment amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually trading in derivatives trading and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move against you, you may lose a part of or whole margin equivalent to the principal investment amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

- A. Futures trading involves daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index. If the index has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before commencement of trading next day.
- B. If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the broker/member may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.
- C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.
- D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.
- E. You must ask your broker to provide the full details of the derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

#### **Risk-reducing orders or strategies**

The placing of certain orders (e.g., "stop-loss" orders, or "stop-limit" orders) which are intended to limit losses to certain amounts may not be effective because market conditions may make it impossible to execute such orders. Strategies using combinations of positions, such as "spread" positions, may be as risky as taking simple "long" or "short" positions.

#### **Suspension or restriction of trading and pricing relationships**

Market conditions (e.g., illiquidity) and/or the operation of the rules of certain markets (e.g., the suspension of trading in any contract or contact month because of price limits or "circuit breakers") may increase the risk of loss due to inability to liquidate/offset positions.

#### **Deposited cash and property**

You should familiarise yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property which has been specifically identifiable as your own will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the member, the same shall be subject to arbitration as per the byelaws/regulations of the Exchange.

#### **Risk of Option holders**

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells

his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.

2. The Exchange may impose exercise restrictions and have authority to restrict the exercise of options at certain times in specified circumstances.

### **Risks of Option Writers**

1. If the price movement of the underlying is not in the anticipated direction the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest-and thereby assuming a spread position-or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

### **Commission and other charges**

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

### **Trading facilities**

The Exchange offers electronic trading facilities which are computer-based systems for order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the clearing house and/or member firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

This document does not disclose all of the risks and other significant aspects involved in trading on a derivatives market. The constituent should therefore study derivatives trading carefully before becoming involved in it.

I hereby acknowledge that I have received and understood this risk disclosure statement.

Customer Signature (If Partner, Corporate, or other Signatory, then attest with company seal.)

D D M M Y Y Y Y