

Dos

- a) Before entering into a contract with a broker, ensure that he is registered with SEBI.
- b) Satisfy oneself about the credentials of the broker by asking for information/documents supporting his claims.
- c) Read all documents and conditions being agreed upon before signing the account opening form.
- d) Ensure that a copy of KYC, copy of account opening documents and UCC code are received.
- e) Ensure to receive all information about brokerage, fees and other charges levied.
- f) Furnish required details in full.
- g) Ensure that a contract note is issued by the broker which contains complete records of every transaction within 24hrs of the execution of the contract.
- h) In case pay-out of money and / or securities is not received on the next working day after date of pay-out, follow up with the concerned broker for its release. On non-receipt of satisfactory reply / funds and securities, ensure to lodge a complaint immediately on SEBI Complaint Redress System (SCORES) or with the investors' grievance cell of the stock exchange.
- i) Ensure that a copy of DDPI/PoA, if executed, is received. Note that PoA and DDPI are not mandatory requirements as per SEBI / stock exchanges and PoA is no longer to be executed for the purposes specified in FAQ no. 12. Before granting PoA/DDPI, carefully examine the scope and implications of powers being granted.
- j) Ensure to receive a complete 'Statement of Accounts' for both funds and securities settlements weekly as well as on quarterly/monthly basis, as per preference in case of running account of settlement of funds.
- k) Register mobile number and email ID in trading, demat, and bank accounts to get regular alerts on your transactions. Regularly check messages received on registered mobile no/ email ID with regard to trading activity.
- l) Beware of fixed/guaranteed returns schemes. Brokers or any of their representatives are not authorized to offer fixed/guaranteed returns on your investment or enter into any loan agreement to pay interest on the funds/securities/commodities offered by you.
- m) Check messages sent by stock exchanges on a weekly basis regarding funds / securities / commodities balances reported by the stock broker and immediately raise concern, if you notice a discrepancy.
- n) Attend various investor awareness programs held by SEBI / stock exchanges / depositories.

Don'ts

- a) Do not share account details i.e. username and password (internet account) with anyone.
- b) Do not share OTPs received in connection with trading and demat account transactions.
- c) Do not transfer securities to your stock broker for the purpose of margin. Under the pledge-repledge mechanism, securities remain in client's account only and the same are pledged to stock broker for margin purpose.
- d) Do not fall prey to fraudsters sending emails and SMSs luring to trade in securities promising huge profits.
- e) Ensure to go through the investor charter for stock brokers.