Circular No.: MCX/T&S/196/2016   July 07, 2016

_____

Disclosure of Proprietary Account Trading by Members to Clients

_____

In terms of provisions of the Rules, Bye-Laws and Business Rules of the Exchange and with reference to circular MCX/T&S/147/2016 dated May 17, 2016 regarding Disclosure of Proprietary Account Trading by broker to client; Members are informed as under:

With a view to increase the transparency in the dealings between the trading member and their clients, SEBI has directed that all trading members are required to disclose to their clients whether they carry out client based business or proprietary trading as well.

Members are requested to submit the compliance status of the same to the Exchange **on or before July 15, 2016.** For the convenience of members, format for the same is attached herewith in Annexure 1.

The compliance status can be sent to customersupport@mcxindia.com by way of an email from registered email id or by scanned copy on letter head signed by the authorized signatory(ies).

Members may note that in the event of non-submission of the compliance status, Exchange may levy a non-compliance penalty and /or initiate such other disciplinary action as the Exchange may deem fit.

Dhawal Shah
Vice President

_____

Kindly contact Customer Support on 022 – 6649 4040 or send an email at customersupport@mcxindia.com for any clarification.

(On the letter head)

Disclosure of proprietary trading by broker to client

Date:

To,

Multi Commodity Exchange of India Limited
Exchange Square, CTS No. 255,
Suren Road, Chakala, Andheri (East),
Mumbai – 400 093.

I/We, _____ (name of the member and member ID) Trading Member of MCX, hereby confirm that we have complied with the SEBI requirement of disclosure of proprietary trading to client in one or more ways stated hereunder:

Sr. No.	Particulars	Tick applicable
(a)	We have disclosed the information of proprietary trading to the existing clients by sending letter / email	
(b)	We have updated the information on the company website	
(c)	We have disclosed the proprietary trading information by including it in the Contract Notes issued to the clients	

We further confirm that for all new clients, we shall disclose the information of proprietary trading upfront at the time of entering into the Know Your Client agreement.

Yours faithfully,

For (Member Name)

Authorised Signatory
Name:
Designation:
Contact No: