

# Do's and Don'ts

## Do's:

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- Always **trade only through SEBI/Exchange-registered trading members or sub-brokers.**
- Ensure that you **sign a Member-Client Agreement** or a **Member-Sub Broker-Client Agreement** (as applicable) before initiating any trades.
- **Insist on receiving a contract note** for all transactions directly from the trading member.
- Make payments only via **account payee cheque or demand draft (DD)** and deliver securities **directly in the name of the trading member.**
- For detailed information on **investor rights, obligations and related guidelines**, refer to the **Investor Forum Section** on the **NSE website** or consult the booklet **“Guiding Light for Investors”** available with the trading member or registered sub-broker.
- Provide **clear and unambiguous instructions** to your broker, agent, or depository participant.
- Always **insist on receiving contract notes** for all transactions from your **broker within 24 hrs.** of trade execution. If in doubt, verify the transaction details on the respective exchange websites:
  - NSE (<https://www.nseindia.com/>)
  - BSE (<https://www.bseindia.com/>)
  - MCX (<https://www.mcxindia.com/>)
  - NCDEX (<https://www.ncdex.com/>)
- Always **settle financial transactions through regular banking channels** when dealing with market intermediaries.
- **Make all payments directly to your broker/sub-broker.**
- **Deliver all shares directly to your trading member** to ensure transparency and compliance.
- Adopt **trading and investment strategies aligned with your risk tolerance** as **all investments carry varying degrees of risk.**
- Ensure that you **sign a Member-Client Agreement** or a **Tripartite Agreement** with the **trading member and SEBI registered sub-broker**, as applicable.
- **Conduct thorough due diligence** before registering as a client with any intermediary. Carefully **read and understand the Risk Disclosure Document**, which forms a part of the client registration process for trading in the stock and commodities market.

Don'ts:

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- **Do not deal with unregistered brokers, sub-brokers, or intermediaries.**
- **Do not leave your Demat Transactions slip book** in the custody of any intermediary.
- **Do not fall for promises of guaranteed returns, as all investments carry inherent risks.**
- **Do not follow investment decisions of others without due diligence** – what worked for them may not necessarily work for you.

