

टेलिफोन : २२७९ ५३००  
तार : वायदायोग कालबादेवी  
फॅक्स : २२८१ २०८६

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**FORWARD MARKETS COMMISSION**  
उपभोक्ता मामले, खाद्य और सार्वजनिक वितरण मंत्रालय  
**MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION**  
(उपभोक्ता मामले विभाग)  
(DEPARTMENT OF CONSUMER AFFAIRS)

'EVEREST', 3<sup>RD</sup> FLOOR  
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No.- FMC/4/2011/G/30  
Ref. No.: Div. III/I/89/07

Dated 16<sup>th</sup> December, 2011

To,  
**MDs & CEOs of the National Exchanges**  
(MCX, NCDEX, NMCE, ICEX & ACE)

**Subject: Common / uniform client registration form / process**

Sir,

There has been persistent demand from Members as well as participants in futures commodity market to introduce uniform and common client registration forms including Member client agreement, Risk Disclosure document and "Know your Client" form. Accordingly, the Commission, after detailed consultations with Commodity Exchanges, has approved uniform client registration documents, a copy which is enclosed.

1. Currently, a client trading on multiple National Commodity Exchanges has to enter into multiple number of agreements. With the introduction of common client registration documents, the client will be required to fill in only one set of documents. This common client registration form and uniform KYC norms will be applicable to all the Commodity Exchanges by appropriate means of circulation of the contents of this Client Protection circular to all their members. All such members shall take necessary steps to implement this circular in respect of new clients w.e.f. 1<sup>st</sup> April, 2012.
2. For the purpose of registration of new clients, the Member shall make available a folder / booklet containing following documents required for registration of a client. Members will have to ensure that a copy of the whole set is provided by them to the clients:
  - a. List of mandatory documents to be obtained from the clients as per this circular.
    - a.i. Annexure 1 – Know Your Client application form
    - a.ii. Annexure 2–Uniform Risk Disclosure Document
    - a.iii. Annexure 3 -- Rights and Obligations of Members, Authorized Persons and Clients
    - a.iv. Annexure 4-- Do's and Don'ts for the clients

- b. A tariff sheet specifying various charges, including brokerage, payable by the client, to avoid any dispute at a later date. List of documents which are voluntary/non-mandatory in nature.
  - c. Information on contact details of senior officials and Investor grievance cell of the Member, so that the client can approach them in case of any grievance.
3. The Non - Mandatory documents (any other document concerned with any term(s) or condition(s), other than those covered in the Mandatory documents) will also be obtained from clients subject to the following conditions:
- a) The clauses in the non-mandatory part shall not be in contravention of any of the clauses in the mandatory documents, as also the Rules, Regulations/Business Rules, Bye-laws, circulars of the Exchange, directives and guidelines of Commission. Any such clause in contravention of the above shall be null and void.
  - b) Any authorization sought in non-mandatory part shall not be in contravention of the provisions of Rules, Byelaws (including Business Rules, Regulations), circulars of the National Commodity Exchange and directives and guidelines of Commission and Exchanges and has to be a separate document and shall require specific consent of the client.
  - c) Authorization sought in non-mandatory part shall always be subject to the following conditions:-
    - A.i. The authorization shall contain a clause that the Client may revoke the authorization at any time.
    - A.ii. The authorization shall be in writing and be signed by the client only and not by any person authorized on his behalf.
    - A.iii. The authorizations so obtained are not for any inter family / group company / related accounts adjustment
    - A.iv. The authorizations so obtained are not for any adjustment of funds among securities exchange and commodities exchange
4. All the Exchanges are requested to amend their bye-laws/ rules/ business rules/ regulations to introduce the aforesaid client registration form and procedure. It may please be noted that the new set of documents under the Uniform Client Registration process would be applicable for all clients registering on or after 1.4.2012 and those clients who have registered prior to this date will continue to be governed as per the earlier procedure followed. If any client wishes to trade in an additional Exchange after 1.4.2012 then the new uniform client registration form would have to be filled in by him.

Yours faithfully,

Sd/-

**(S. N. Dulange)**  
**Deputy Director**

Enclosures: Annexures 1-4 and Appendix-A sent by E-mail to Compliance Officers