**Undertaking on Member’s Letter head**

(Date)

To

*(Name of the Stock Exchange/s where member is registered*)

Dear Sir/Madam,

This has reference to the advertisement/promotional campaign submitted by us on date\_\_\_\_\_\_\_\_\_\_\_\_\_ for seeking the prior approval of the Exchange (s). I/We *<Name of Member>*, registered trading member with (Name of the Stock Exchange (s)) hereby undertake and confirm the compliances of the following guidelines issued by SEBI/Exchange from time to time for clients dealing in Derivatives:

1. All the required documentary evidence of financial details to support/identify the financial strength of the client as declared in KYC shall be collected from the clients who opt to deal in the derivatives segment.
2. Adequate due diligence and monitoring shall be done to ensure that the trading activity of the clients in the derivatives segment, is in proportion to the income /networth/financial capacity of the client, as updated from time to time. Enhanced due diligence shall be undertaken in case of senior citizens to ensure that derivative contracts are appropriate to their risk profile.
3. The Product features/contract specifications shall be duly informed and made aware to the clients, who opt to deal in the derivatives segment.
4. All risks involved in trading in Derivative contracts shall clearly been communicated/disclosed to the clients who opt to deal in the derivatives segment.
5. Adequate awareness is created amongst the clients/investors on a regular basis in the manner as specified in the relevant Exchange circular.
6. The Code of conduct, as specified under Regulation 9 B of SEBI (Stock-Broker) Regulations, 1992, shall be duly adhered to while dealing with the clients.

Yours faithfully,

**For (Member Name)**

**Name**

**Designation** (Compliance Officer or Proprietor/designated partner/designated director)

(Stamp/Seal of Member to be affixed)

*Note: No changes/deviations will be accepted in this document.*