
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all Trading and Clearing Members of the Exchange

Circular No : NCDEX/MEMBERSHIP-002/2010/224
Date : August 31, 2010
Subject : Inactive Client's Account

Please refer to our circular no. NCDEX/MEMBERSHIP-002/2009/355 dated December 18, 2009 in terms of which Members were advised, inter alia, not to accept trades in 'inactive client accounts' without completing KYC documentation afresh.

In partial modification of the aforesaid circular, and as per directives of the Forward Markets Commission and the Bye-laws, Rules and Regulations of the Exchange, it is advised that fresh KYC may not be insisted from inactive clients and instead, before such a client is allowed to trade from the member's terminal, an undertaking may be obtained to the effect that:

- (a) The client desires to re-open his trading account
- (b) He has already completed KYC formalities at the time of originally enrolling with the member
- (c) There is no material change in respect of the information contained in the said KYC.

The format of the undertaking to be obtained in this regard is provided as Annexure I.

Members may please note that if there are any material changes in respect of the said client, viz., address, bank account, PAN, etc., then the KYC formalities must be done afresh as stipulated in our above referred circular dated December 18, 2009.

Except for the modification as stated above, all other contents of Exchange circular dated December 18, 2009 shall continue to apply.

Members of the Exchange are hereby advised to ensure compliance with the above mentioned directions.

For and on behalf of

National Commodity & Derivatives Exchange Limited

J. Sampath
Chief Compliance Officer

For any clarifications on this circular, please contact

Customer Service Group by E-mail to: askus@ncdex.com

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Annexure I

to circular No. NCDEX/MEMBERSHIP-002/2010/224 dated August 31, 2010

Format of Undertaking for reactivation of client trading account

Date: _____

To
Member Name,
TMID,
Address

Dear Sir,

Sub: My/Our request for reactivation of client trading account in commodity derivatives on NCDEX

I/we _____ (name of the client), have trading account with Unique Client Code _____ allotted to me/us by your office situated at _____ (branch name) since _____ (date of activation of the account).

I/we have not been trading in commodity derivatives contracts on NCDEX trading platform since _____ (last trade date). However, I/we am/are desirous of trading again in commodity derivatives contracts on NCDEX platform.

I/we hereby confirm and undertake that:

1. I/We have completed all the KYC formalities and submitted all the required documents thereof at the time of opening the trading account originally and enrolling as a client with you.
2. There is no material change in the information viz., address, bank account, PAN No. etc. as contained in the documents submitted originally at the time of opening trading account with you.

I/we, therefore, request you to reactivate my/our trading account and allow trading with immediate effect.

Yours Faithfully,

(Name and signature of Client)