

PSE SECURITIES LIMITED

Date: 18th November, 2011

**To,
All Sub brokers of PSE Securities Limited**

Dear Sub brokers,

Sub: ERROR Account policy on modification of Client Codes (All Segments)

This is in continuation of our earlier Ftp circular dated 2/8/2011 and 11/10/2011 regarding client code modification.

The Sub brokers are hereby informed that as per SEBI/Exchanges directives, company have made certain policy on Error account for client code modification.

- 1) The Company has uploaded a separate UCC as **98400ERROR** for error account.
- 2) All trades where client codes are modified (Including genuine errors) should be transferred to company's error account- **98400ERROR**.
- 3) Non transfer of these trades to error account (Including genuine errors) will attract heavy penalty from exchange side.
- 4) Transfer of trades to ERROR Account will be done at company's end only on receiving mail /letters from sub brokers.
- 5) Sub brokers have to intimate the client codes which they want to transfer to ERROR account, through mail or by letter latest by 3.35 P.M to the company. After 3.35 no mails/letter will be accepted for client code modification and the penalty levied will be recovered from the concerned sub broker.
- 6) Error Account should be settled on the same day. (Shifting of any trade (institutional or non institutional) is penalty free only on the condition that the positions arising out of trades in error account are subsequently liquidated/closed out in the market and not shifted to some other client code).
- 7) *For ERROR Account trades, company will charge a brokerage of 2.5%.*

Sub broker should further note that NSE/BSE will conduct periodic inspection for the error account trades so it is advised to take adequate precautions to reduce the occurrence of client code modification on trades executed by you. If any penalty will be charged on error account trades by the exchanges during their inspection, same will be recovered from concerned sub broker.

For PSE Securities Limited

**Dimple Khandelwal
Company Secretary & Compliance Officer**