ERROR TRADE POLICY

JCSPL currently doesn't allow client code modification of executed trades in order to maintain an orderly trade data.However, Member is aware that there is possibility of a trade being executed erroneously under wrong UCC due to genuine punching mistake by the terminal user.

For this reason, policy is adopted for client code modification / error account trade as follows:

a. Client code modification requests will be strictly accepted only to rectify genuine error in entry of client code at the time of placing /modifying the related order; consequently dealers are expected to take utmost care/precaution while execution of client trades.

b. Member shall have the absolute discretion to accept, refuse or partially accept the client code Modification requests based on Risk Perception and other factors considered.

c. As per SEBI circular dated July 5, 2011 on client code modifications, penalty will be levied on all client code modifications w.e.f. August 1, 2011 (including genuine errors).

d. JCSPL will allow Modifications in the client Codes of Non-Institutional clients only for the following objective Criteria provided there is no consistent pattern in such modifications:
   • Error due to communication and / or punching or typing such that the original client code / name and the modified client code / name are similar to each other.
   • Modification within relatives (Relative for this purpose would mean 'Relative' as defined under sec. 6 the Companies Act, 1956).

e. For easy identification of "ERROR ACCOUNT", JCSPLhave registered a fresh client code as "ERROR ACOUNT" in Back office & same has been uploaded in the UCC database of the Exchange.

f. Any transfer of trade (institutional or non-institutional) to "ERROR ACCOUNT" of JCSPLwould not be treated as modification of client code and would not attract any amount of penalty, provided the trades in "ERROR ACCOUNT" are subsequently liquidated in the market and not shifted to some other client code. However operational costs as applicable & Profit / Loss from the transaction will be transferred to the concerned Dealer / Associate.

g. Client Code Modification requests through "ERROR ACCOUNT" will be accepted only till 3:30 pm.

h. All cases of modification of client codes of non-institutional trades executed on the Exchange and not transferred to JCSPL "ERROR ACCOUNT", shall be liable for a penalty of 1% of value of non-institutional trades modified if value of non-institutional trades modified as a percentage of total value of non institutional trades executed is less than or equal to 5% and penalty of 2% if modification exceeds 5%, in a segment during a month. In addition to above it is well within rights of JCSPLto levy additional penalties in case concerned Dealer fails to submit any sufficiently valid reason for client code Modification.

i. The JCSPLshall conduct a special inspection of the concerned Dealer, if modification exceeds 1% of the value of trades executed during a month and take appropriate disciplinary action, if any deficiency is observed.