

## Precautions for trading in Options by the clients

Dear Customer,

SEBI / Exchanges have taken constant steps at creating awareness amongst the clients before trading in “Options” so that the clients do not trade without considering the product suitability / knowledge and their trading experience.

In furtherance to the aforesaid initiative, clients are hereby advised to ensure the following:

1. If you wish to trade in derivatives segment, you shall mandatorily sign / opt the “trading preference” in the client registration form
2. Refrain from sharing your trading credentials – login id & passwords including OTP’s with any other person or third party including employees / representatives of the broker.
3. Trading in leveraged products like options without proper understanding, which could lead
4. to losses and hence ensure proper understanding before opting for any derivative product
5. Avoid writing / selling of options or trading in option strategies based on tips or SMSs or such other platforms, without having a basic knowledge & understanding of the product and the risks involved therein.
6. Strictly avoid dealing in stocks on the basis of unsolicited tips through WhatsApp, Telegram, YouTube, Facebook, SMS, calls, etc.
7. Strictly avoid trading in “Options” based on recommendations from unauthorised / unregistered investment advisors and influencers.
8. Don’t get induced by influencers who promote “Options” trading, thereby inducing the clients to trade in “Options” without considering the product suitability / knowledge and trading experience of the clients.

We seek your support in ensuring adherence to the above.

**5paisa Capital Limited**