

## Risk Disclosure Document

[THIS DOCUMENT SHOULD BE READ BY EACH AND EVERY PROSPECTIVE CLIENT BEFORE ENTERING INTO POWER TRADING AND SHOULD BE READ IN CONJUNCTION WITH THE REGULATIONS OF INDIAN ENERGY EXCHANGE LIMITED (IEX)]

IEX has not passed the merits of participating on the Exchange but has passed the adequacy or accuracy of this disclosure document. This brief statement does not disclose all of the risks and other significant aspects of trading. In light of the risks, you should undertake such transactions only if you understand the nature of the contracts (and contractual relationships) into which you are entering and the extent of your exposure to risk. You should carefully consider whether trading is appropriate for you in light of your experience, objectives, financial resources and other relevant circumstances. Power trading requires not only the necessary financial resources but also adequate knowledge of Electricity Act 2003, Open Access Regulations, Grid Code etc. In case of any consequences or loss in trading on the Exchange, the Client shall be solely responsible for such loss and the Exchange or any regulatory authority shall not be responsible for the same and it will not be open for any Client to take the plea that no adequate disclosure was made or he was not explained the full risk involved by the member. The Client will be solely responsible for the consequences and no contract can be rescinded on that account. The client must ask the member of the Exchange to provide full details of the contract i.e the contract specifications and the associated obligations.

### **Deposited cash and property**

You should familiarize yourself with the protections accorded to the money or other property you deposit particularly in the event of a firm insolvency or bankruptcy. The extent to which you may recover your money or property may be governed by specific legislation or local rules. In some jurisdictions, property, which has been specifically identifiable as your own, will be pro-rated in the same manner as cash for purposes of distribution in the event of a shortfall. In case of any dispute with the Member of the Exchange, the same shall be subject to arbitration as per the Bye Laws and Regulations of the Exchange.

### **Commission and other charges**

Before you begin to trade, you should obtain a clear explanation of all commission, fees and other charges for which you will be liable. These charges will affect your net profit (if any) or increase your loss.

### **Trading facilities**

The Exchange offers electronic trading facilities, which are computer-based systems for order-routing, execution, matching, registration or clearing of trades. As with all facilities and systems, they are vulnerable to temporary disruption or failure. Your ability to recover certain losses may be subject to limits on liability imposed by the system provider, the market, the Clearing House and/or Member of the Exchange firms. Such limits may vary; you should ask the firm with which you deal for details in this respect.

This document does not disclose all of the risks and other significant aspects involved in trading on a electricity market. The Client should therefore study electricity trading carefully before becoming involved in it. I hereby acknowledge that I have received and understood this risk disclosure statement.

**Customer Signature** (If Partner, Corporate, or other Signatory, then attest with company seal.)

Date : .....(DDMMYYYY)