Ref: 09-10/ISS/1375/KS
September 12, 2009

All Registered Intermediaries of ISS
Administrators/ Executive Director of Participating Exchanges,
Co-ordination Officers at Participating Exchanges /
Regional Administrative Offices

Dear Sir / Madam,

Sub.: **Feedback on proposed collection of ISE DP charges**
Selection option methodology.

We refer to the various suggestions received for modifications on the captioned subject on the present facility provided by ISS in FTP Home Page under Accounts section a link has been provided to choose DP Charges.

At present, whenever a new CRD is registered, the sub-broker has to submit the above link to choose DP charges either "Debit to Client" or "Debit to sub-broker" In case the sub-broker not selected any option then by default the DP charges are charged to the sub-brokers I000 or C000 ledger account. In case the sub-broker wishes to charge to the client ledger then he has to use the option available at FTP.

Now, some of the members brought to the notice of ISS Operations Committee that, it should be made default to the "Charge to Client" i.e. DP charges are to be debited to the client instead of sub-broker.

Please note that this is only in case of selection only, *but in FTP, the sub-brokers will still have the option to change "Charge to Sub-broker"* If majority members prefer to change this option, then the same would be implemented with a circular of notification. Those who object the change can send e-mail to custody@iseindia.com on or before 15th September 2009 before 4pm. If we don't receive any comments or objections, it would be assumed you choose for the change in option. i.e. the DP charges by default charged to the clients *and the sub-brokers will be provided option to change.*

In case you require any further clarifications, you may contact the undersigned on 67941115.

Thanking you,

Yours faithfully
For ISE SECURITIES AND SERVICES LTD.

Kevin M. N. Sunder
HEAD CUSTODY DEPARTMENT