	BSE Limited **Regd. Office: P. J. Tower, Floor 25,** **Dalal Street, Fort, Mumbai 400 001**	

REGULATIONS

OF

THE DERIVATIVES SEGMENT

OF

BSE LIMITED

(8th August, 2012)

Regulations were amended to facilitate commencement of

CURRENCY DERIVATIVES SEGMENT

Approved by Governing Council at its
meeting held on
8th August, 2012

REGULATION 1

DEFAULTER/SUSPENDED MEMBER CLOSEOUT, REFUND AND PAYOUT REGULATIONS OF THE DERIVATIVES SEGMENT OF THE STOCK EXCHANGE, MUMBAI

(Under Chapters 13 and 14 of the Bye-laws, Bye-law 15.17 and Bye-law 15.27]

1.1 These Regulations shall be referred to as **"these Regulations"** or the **"Defaulter/Suspended Member Closeout, Refund and Payout Regulations"**

1.2. Pursuant to Bye-law 15.17 the Clearing Council may refund a Member's refundable contribution to him upon his ceasing to be a Member provided all the conditions at clauses (i) to (v) are satisfied or the condition at clause (vi) is satisfied:

i. There are no Open Contracts/Open Positions outstanding and all obligations and transactions of the Member, which are outstanding, and which could result in the Fund or any other fund of any segment of the Exchange being required to pay any amount shall have been closed and finally settled.

ii. All obligations of the Member to the Exchange and the Clearing House shall have been satisfied in full.

iii. All non-disputed amounts payable by the Member in respect of transactions in Derivatives Contracts or other securities made subject to the Rules, Bye-laws and Regulations of the Exchange or of the Derivatives Segment shall have been satisfied in full.

iv. All amounts disputed by the Member as payable by him in respect of transactions in Derivatives Contracts or other securities made subject to the Rules, Bye-laws and Regulations of the Exchange or of the Derivatives Segment shall have been secured by the Member to the satisfaction of the Governing Council or the Clearing Council.

Provided that the Governing/Clearing Council may, after considering the facts relating to any disputed amount, waive the provisions of this clause in respect of such disputed amount if it is of the opinion that the claim is untenable, fraudulent or frivolous or for any other reason that the Governing/Clearing Council thinks fit.

v. A suitable amount as may be determined by the Governing Council or the Clearing Council at its discretion shall have been set aside for providing for such obligations as may be perceived by the Governing Council or the Clearing Council to arise in future.

vi. Another Member (hereinafter referred to as "**the other Member**") shall have-

(a) agreed to take over and discharge all the obligations of, and all amounts payable by, the Member as are referred to in clauses (i) to (v) above,

(b) satisfied the Clearing Council that the other Member has adequate funds to discharge such obligations and pay such amounts and executed such documents and writings as may be required by the Clearing Council.

1.3. Pursuant to Bye-law 15.27.3 upon a Client of a defaulter or suspended Custodian Clearing Member proving to the satisfaction of the Clearing Council

(a) that an amount is payable by the defaulter or suspended Clearing Member to the Client on account of closing out of a Derivatives Contract which was entered into between the Client and a Trading Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment and that the defaulter or suspended Clearing Member had agreed to clear such Derivatives Contract as a Custodian Clearing Member; and

(b) that such closing out was effected either at the instance of the Client in the Settlement in which the Clearing Member was suspended or declared a defaulter or was closed out by the Derivatives Segment by reason of the suspension or default of the Clearing Member; and

(c) that the Client who is claiming before the Clearing Council is the Client who is entitled to receive such amount ;

(d) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Clearing Member in respect of that Contract or any other Contract

then the Clearing Council shall pay the proved amount to the Client after deducting and appropriating therefrom any sum payable by the Client.

1.4. Pursuant to Bye-law 15.27.3 upon a Client of a defaulter or suspended Trading Member (whose Derivatives Contracts the defaulter or suspended Clearing Member had undertaken to clear, or where the defaulter or suspended Trading Member is also the suspended or defaulter Clearing Member) proving to the satisfaction of the Clearing Council –

(a) that an amount is payable by the defaulter or suspended Trading Member to the Client on account of closing out of a Derivatives Contract which was entered into between the Client and the Trading Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment and

(b) that such closing out was effected either at the instance of the Client in the Settlement in which the Clearing Member was suspended or declared a defaulter or was closed out by the Derivatives Segment by reason of the suspension or default of the Trading/Clearing Member; and

(c) that the Client who is claiming before the Clearing Council is the Client who is entitled to receive such amount; and

(d) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Trading Member in respect of that Contract or any other Contract.

then, the Clearing Council shall pay the proved amount to the Client after deducting and appropriating therefrom any sum payable by the Client.

1.5. Pursuant to Bye-law 15.27.3 upon a Trading Member (who has not been suspended or declared a defaulter and whose Derivatives Contracts the defaulter or suspended Clearing Member has undertaken to clear) proving to the satisfaction of the Clearing Council-

(a) that an amount is payable by the defaulter or suspended Clearing Member to the Trading Member on account of closing out of a Derivatives Contract which was entered into by the Trading Member (whether on his own account or on account of his Client in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment)

(b) that such closing out was effected at the instance of the Trading Member (whether on his own account or on account of his Client) in the Settlement in which the Clearing Member was suspended or declared a defaulter or was closed out by the Derivatives Segment by reason of the suspension or default of the Clearing Member; and

(c) that the Trading Member who is claiming before the Clearing Council is the Trading Member who is entitled to receive such amount either on his own behalf or on behalf of his Client;

then, the Clearing Council shall pay the proved amount to the Trading Member after deducting and appropriating therefrom any sum payable by the Trading Member.
Provided that if:-

(i) a Client has defaulted in paying any amount (including margin) to the Trading Member in respect of any Derivatives Contract then in such case the Trading Member may receive under this clause the amount, if any, payable by the defaulter or suspended Clearing Member but the Trading Member shall not be liable to pay such amount to the Client who has defaulted.

(ii) The Trading Member has defaulted in paying any amount (including margin) to the defaulter or suspended Clearing Member in respect of any Derivatives Contract entered into by the Trading Member on his own account then in such case the Trading Member shall not be entitled to receive under this clause the amount, if any, payable by the defaulter or suspended Clearing Member in connection with any Derivatives Contract entered into by the Trading Member on his own account.

1.6. Pursuant to Bye-law 15.27.3 upon a Client of a defaulter or suspended Custodian Clearing Member proving to the satisfaction of the Clearing Council

(a) that an amount has been paid by the Client to the Clearing Member as margin and

(b) that the margin amount has been paid by the Clearing Member to the Clearing House and is lying unadjusted with the Clearing House and

(c) that the Clearing Member had, at the time of paying the margin to the Clearing House duly reported in accordance with the Clearing House's procedures that such amount represents margin money received by the Clearing Member from such Client; and

(d) that the Client who is claiming before the Clearing Council is the Client who is entitled to receive such amount; and

(e) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Clearing Member in respect of that Contract or any other Contract

then the Clearing Council shall pay the proved amount of margin to the Client after deducting and appropriating therefrom any sum payable by the Client.

1.7. Pursuant to Bye-law 15.27.3 upon a Client of a defaulter or suspended Trading Member (whose Derivatives Contracts the defaulter or suspended Clearing Member had undertaken to clear, or where the defaulter or suspended Trading Member is also the suspended or defaulter Clearing Member)) proving to the satisfaction of the Clearing Council –

(a) that an amount has been paid by the Client to the Trading Member as margin and

(b) that the margin amount has been paid by the Trading Member to his Clearing Member, and by the Clearing Member to the Clearing House and is lying unadjusted with the Clearing House and

(c) that the Trading Member had, at the time of paying the margin to the Clearing Member duly reported in accordance with the Clearing Corporation's/House's procedures that such amount represents margin money received by the Trading Member from such Client and

(d) that the Clearing Member had, at the time of paying the margin to the Clearing House duly reported in accordance with the Clearing Corporation's/House's procedures that such amount represents margin money received by the Clearing Member from such Trading Member and

(e) that the Client who is claiming before the Clearing Council is the Client who is entitled to receive such amount; and

(f) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Trading Member in respect of that Contract or any other Contract

then, the Clearing Council shall pay the proved amount to the Client after deducting and appropriating therefrom any sum payable by the Client.

1.8. Pursuant to Bye-law 15.27.3 upon a Trading Member (who has not been suspended and who has not been declared a defaulter and whose Derivatives Contracts the defaulter or suspended Clearing Member had undertaken to clear) proving to the satisfaction of the Clearing Council –

(a) that an amount has been paid by the Client of the Trading Member or by the Trading Member on his own account as margin and

(b) that the margin amount has been paid by the Trading Member to the Clearing Member, and by the Clearing Member to the Clearing House and is lying unadjusted with the Clearing House and

(c) that the Trading Member had, at the time of paying the margin to the Clearing Member duly reported in accordance with the Clearing Corporation's/House's procedures that such amount represents margin money received by the Trading Member from such Client or margin on the Trading Member's own account and

(d) that the Clearing Member had, at the time of paying the margin to the Clearing House duly reported in accordance with the Clearing Corporation's/House's procedures that such amount represents margin money received by the Clearing Member from such Trading Member

(e) that the Trading Member who is claiming before the Clearing Council is the Trading Member who is entitled to receive such amount either on his own behalf or on behalf of his Client;

then the Clearing Council shall pay the proved amount of margin to the Trading Member after deducting and appropriating therefrom any sum payable by the Trading Member.

Provided that if:-

(i) a Client has defaulted in paying any amount (including margin) to the Trading Member in respect of any Derivatives Contract then in such case the Trading Member may receive under this clause the amount, if any, payable by the defaulter or suspended Clearing Member but the Trading Member shall not be liable to pay such amount to the Client who has defaulted.

(ii) The Trading Member has defaulted in paying any amount (including margin) to the defaulter or suspended Clearing Member in respect of any Derivatives Contract entered into by the Trading Member on his own account then in such case the Trading Member shall not be entitled to receive under this clause the amount, if any, payable by the defaulter or suspended Clearing Member in connection with any Derivatives Contract entered into by the Trading Member on his own account.

1.9. Pursuant to Bye-law 15.27.3 upon a Client of a defaulter or suspended Custodian Clearing Member proving to the satisfaction of the Clearing Council-

(a) that an amount is payable by the defaulter or suspended Clearing Member to the Client in the Settlement in which the Clearing Member was suspended or declared a defaulter on account of difference between the rate of mark-to-market rate in that Settlement and the mark-to -market rate of the previous settlement or the contract rate (as the case may be) and

(b) the concerned Derivatives Contract was entered into between the Client and the Clearing Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment and

(c) that the Client who is claiming before the Council is the Client who is entitled to receive such amount ; and

(d) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Clearing Member in respect of that Contract or any other Contract

then the Clearing Council shall pay the proved amount to the Client after deducting and appropriating therefrom any sum payable by the Client.

1.10. Pursuant to Bye-law 15.27.3 upon a Client of a defaulter or suspended Trading Member (whose Derivatives Contracts the defaulter or suspended Clearing Member had undertaken to clear, or where the defaulter or suspended Trading Member is also the suspended or defaulter Clearing Member) proving to the satisfaction of the Clearing Council –

(a) that an amount is payable by the defaulter or suspended Trading Member to the Client in the Settlement in which the Clearing Member was suspended or declared a defaulter on account of difference between the rate of mark-to-market rate in that Settlement and the mark-to -market rate of the previous settlement or the contract rate (as the case may be) and

(b) the concerned Derivatives Contract was entered into between the Client and the Trading Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment and

(c) that the Client who is claiming before the Council is the Client who is entitled to receive such amount ; and

(d) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Trading Member in respect of that Contract or any other Contract.

then the Clearing Council shall pay the proved amount to the Client after deducting and appropriating therefrom any sum payable by the Client.

1.11. Pursuant to Bye-law 15.27.3 upon a Trading Member (who has not been suspended and who has not been declared a defaulter and whose Derivatives Contracts the defaulter or suspended Clearing Member had undertaken to clear) proving to the satisfaction of the Clearing Council –

(a) that an amount is payable by the defaulter or suspended Clearing Member to the Trading Member (whether on account of his Client or on his own account) in the Settlement in which the Clearing Member was suspended or declared a defaulter on account of difference between the rate of mark-to-market rate in that Settlement and the mark-to -market rate of the previous settlement or the contract rate (as the case may be) and

(b) the concerned Derivatives Contract was entered into by the Trading Member (whether on account of his Client or on his own account) in

accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment and

(c) that the Trading Member who is claiming before the Clearing Council is the Trading Member who is entitled to receive such amount either on his own behalf or on behalf of his Client;

then the Clearing Council shall pay the proved amount to the Trading Member after deducting and appropriating therefrom any sum payable by the Trading Member.
Provided that if:-

(i) a Client has defaulted in paying any amount (including margin) to the Trading Member in respect of any Derivatives Contract then in such case the Trading Member may receive under this clause the amount, if any, payable by the defaulter or suspended Clearing Member but the Trading Member shall not be liable to pay such amount to the Client who has defaulted.

(ii) The Trading Member has defaulted in paying any amount (including margin) to the defaulter or suspended Clearing Member in respect of any Derivatives Contract entered into by the Trading Member on his own account then in such case the Trading Member shall not be entitled to receive under this clause the amount, if any, payable by the defaulter or suspended Clearing Member in connection with any Derivatives Contract entered into by the Trading Member on his own account.

1.12 The burden of proving a claim and all the other facts required to be proved in order to entitle the claimant to receive the claim amount shall be that of the claimant.

1.13 No payment shall be made under Regulation 1.3 to 1.11 (both inclusive) herein until the Clearing Council has completed its determination or adjudication of all the claims against the defaulter or suspended Member and thereafter the Clearing Council shall make payment upon being satisfied that all accounts have been finalised and formalities completed and it is otherwise appropriate to do so.

1.14 The Clearing Council shall fix a period (not being less than fifteen days from the date of suspension or default) within which all claimants under these Regulations should lodge their claims with the Clearing Council and all claims not lodged within such period shall be ineligible for payment.

1.15 Pursuant to Bye-law 14.26 if a Trading Member is suspended or declared a defaulter by reason of default in payment in a Settlement then the Clearing Member who has agreed to clear such Trading Member's trades/Derivatives Contracts shall pay such Trading Member's liabilities as mentioned below in

respect of the Settlement(s) in which the Trading Member was suspended or declared a defaulter (and not in respect of any other Settlement(s)).

1.15.1. Upon a Client of a defaulter or suspended Trading Member proving to the satisfaction of the Clearing Member: -

(a) that an amount is payable by the defaulter or suspended Trading Member to the Client on account of closing out of a Derivatives Contract which was entered into between the Client and the Trading Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment; and

(b) that such closing out was effected either at the instance of the Client in the Settlement in which the Trading Member was suspended or declared a defaulter or was closed out by the Derivatives Segment by reason of the suspension or default of the Trading Member; and

(c) that the Client who is claiming before the Clearing Council is the Client who is entitled to receive such amount ; and

(d) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Trading Member in respect of that contract or any other contract

then the Clearing Member shall pay the proved amount to the Client (after deducting and appropriating therefrom any sum payable by the Client to the Trading Member) within such period as the Derivatives Segment may specify.

1.15.2. Upon a Client of the defaulter or suspended Trading Member proving to the satisfaction of the Clearing Member:-

(a) that an amount has been paid by the Client to the Trading Member as margin and

(b) that the margin amount has been paid by the Trading Member to the Clearing Member and is lying unadjusted and

(c) that the Trading Member had, at the time of paying the margin to the Clearing Member duly reported in accordance with the Clearing Corporation's/House's procedures that such amount represents margin money received by the Trading Member from such Client; and

(d) that the Client who is claiming before the Clearing Council is the Client who is entitled to receive such amount ; and

(e) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Trading Member in respect of that contract or any other contract

then the Clearing Member shall pay the proved amount to the Client (after deducting and appropriating therefrom any sum payable by the Client to the Trading Member) within such period as the Derivatives Segment may specify.

1.15.3 Upon a Client of a defaulter or suspended Trading Member proving to the satisfaction of the Clearing Member:-

(a) that an amount is payable by the defaulter or suspended Trading Member to the Client in the Settlement in which the Trading Member was suspended or declared a defaulter on account of difference between the rate of mark-to-market rate in that Settlement and the mark-to-market rate of the previous settlement or the contract rate (as the case may be) and

(b) the concerned Derivatives Contract was entered into between the Client and the Trading Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment and

(c) that the Client who is claiming before the Council is the Client who is entitled to receive such amount ; and

(d) that no default (whether on account of payment of margin or otherwise) has been committed by the Client to the defaulter or suspended Trading Member in respect of that contract or any other contract

then the Clearing Member shall pay the proved amount to the Client (after deducting and appropriating therefrom any sum payable by the Client to the Trading Member) within such period as the Derivatives Segment may specify.

1.15.4. Any Client aggrieved by a decision of a Clearing Member not to pay the whole or any part of the Client's claim under Regulation 1.15.1 to 1.15.3 herein may, within 30 days of being informed of the Clearing Member's decision, refer the dispute to arbitration against the Clearing Member in accordance with the provisions of

these Rules, Bye-laws and Regulations of the Derivatives Segment relating to Arbitration between Members and Clients.

1.16. The burden of proving a claim and all the other facts required to be proved in order to entitle the claimant to receive the claim amount shall be that of the claimant.

[1]1.17. The Clearing Member may decline to make payment of any Client's claims unless it has completed its determination or adjudication of all the claims against the defaulter or suspended Trading Member and the Clearing Member is satisfied that all accounts have been finalised and formalities completed and it is otherwise appropriate to do so. However, if the Clearing Member does not make payment within three months of the claim being received by the Clearing Member then any Client who has made the claim under Regulations 15.1 to 15.3 herein may refer the claim, within three months of the end of the three month period referred to above, to arbitration against the Clearing Member in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment relating to arbitration between Members and Clients.

1.18. All claimants under Regulation 1.15 herein should lodge their claims with the Clearing Member within 15 days from the date of suspension or default and all claims not lodged within such period shall be ineligible for payment.

1.19. If any amount is payable by a Client to the defaulter or suspended Trading Member then-

(i) the Clearing Member shall be entitled to set-off such amount against any amount payable by the Clearing Member to such Client.

if, such amount not having been netted out in full against money payable by the Clearing Member, the Client does not pay such amount to the Clearing Member within the time specified by the Clearing Member (not being less than 7 days from the date of demand) then it shall be deemed that the Client has defaulted in making payment of such amount.

1.20. Information and records shall be final in accordance with the provisions of Bye-laws 13.5, 14.5 and 15.27.4 in determining and adjudicating the amount and validity of a claim. Provided that if only a portion of the entire amount reported by the Clearing Member to the Clearing House is paid by the Clearing Member to the Clearing House then the amount paid shall be deemed to have been paid and shall be appropriated as follows:-

(i) The amount paid shall be deemed to have been paid by the Clearing Member on his own account to the extent of the amount reported as having been paid by the Clearing Member on his own account, and

[1] Amended by Governing Board vide Resolution dated 20-9-2001 and approved by SEBI on 23-2-2001.

(ii) The balance, if any, of the amount paid shall be deemed to have been paid by the Clients and Trading Members of the Clearing Member pro rata to the extent of the amounts reported by the Clearing Member to the Clearing House as having been paid by the Clearing Member on their respective accounts; and the Clients and Trading Members of the Clearing Member shall be deemed to have defaulted in paying the unpaid amount on such pro rata basis.

REGULATION 2

REGULATIONS FOR ARBITRATION BETWEEN MEMBERS (DERIVATIVES SEGMENT)

Application For Arbitration

2.1. Any party to a claim, difference or dispute which is required to be referred to arbitration under the Rules, Bye-laws and Regulations of the Derivatives Segment relating to arbitration between Members may refer the claim, difference or dispute by submitting to the Derivatives Segment an application for arbitration in Form No.1 along with the specified fee.

Notice To Respondent(s)

2.2. The Derivatives Segment shall forward to each Respondent a copy of the application for arbitration and the documents enclosed therewith if the application is in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment relating to arbitration between Members.

Notice

2.3. Save as otherwise provided, not less than two days notice of the time and place appointed for the hearing shall be given to the parties to the reference in Form No.2.

Ex Parte Decision and Summary Disposal

2.4. (i) If the party against whom the reference or appeal is filed is not present at the appointed time and place, the arbitral tribunal may hear and decide the reference or appeal ex parte.

(ii) If the party who has filed the reference or appeal is not present at the appointed time and place, the arbitral tribunal may summarily dismiss the reference or appeal ex-parte.

Rehearing Ex Parte Award

2.5. If a party applies within seven days of receipt of an ex parte award for setting aside and rehearing the ex-parte award then, on sufficient cause being shown, an Arbitration Bench may set aside an ex parte award made by a sole arbitrator and the Governing Council may similarly set aside an ex parte award made by an Arbitration Bench and, in any such case, the Arbitration Bench or the Governing Council may direct that the reference or the appeal be again enquired into or heard by the arbitrator or Arbitration Bench..

Appeal to Arbitration Bench

2.6. If the sum involved in the dispute is more than Rs.2,00,000/- or such other amount as may be specified by the Governing Council from time to time, any party who is not satisfied with an award given by a sole arbitrator in an arbitration between Members may appeal against such award to an Arbitration Bench in Form No.3 within seven days from the date of receipt of the award of the sole arbitrator to the party appealing. The Governing Council or the Chief

Executive Officer may extend such period by a further period not exceeding fourteen days on the application of the party desiring to appeal on being satisfied that there is sufficient cause to do so.

Appeal to Governing Council

2.7. If the sum involved in the dispute is more than Rs.10,00,000/- or such other amount as may be specified by the Governing Council from time to time, any party who is not satisfied with an award given by an Arbitration Bench may appeal against such award to the Governing Council in Form No.4 within seven days from the date of receipt of the award of the Arbitration Bench to the party appealing. The Governing Council or the Chief Executive Officer may extend such period by a further period not exceeding fourteen days on the application of the party desiring to appeal on being satisfied that there is sufficient cause to do so.

Signing of Award

2.8 (i) Every award made by a sole arbitrator shall be signed by the sole arbitrator.

(ii) Every award made by an Arbitration Bench shall be signed by the members of the Arbitration Bench.

(iii) Every award made by the Governing Council shall be signed either by the members of the Governing Council who have participated in making the award or by the Chief Executive Officer of the Derivatives Segment.

(iv) For the purposes of clauses (ii) and (iii), the signatures of the majority of the members of the concerned arbitral tribunal who have participated in making the award shall be sufficient so long as the reason for any omitted signature is stated.

(v) For the purpose of clauses (ii), (iii) and (iv), the members of the arbitral tribunal who have participated in making the award or the majority of such members, as the case may be, may by unanimous resolution or writing authorise any member or members of the arbitral tribunal to sign the award on behalf of all the members so authorising. In such event the award shall be considered as duly signed by all the members so authorising if the award is signed by such authorised member or members.

(vi) The award shall state the reasons upon which it is based, unless -

(a) the parties have agreed that no reasons are to be given; or

(b) the award is on terms agreed between the parties.

(vii) The award shall state its date and the place of arbitration and the award shall be deemed to have been made at such place.

(viii) After the award is made, a signed copy shall be delivered to each party.

Fees for Arbitration

2.9. (i) The fees payable for arbitration between members shall be as under or such other fees as the Governing Council may from time to time determine and such fees shall be payable in advance:

Fees	
Application for arbitration (sole arbitrator)	Rs. 500
Appeal to the Arbitration Bench	Rs. 1000
Appeal to the Governing Council	Rs. 1500
Application for setting aside and re-hearing of ex-parte award	Rs. 2000

(ii) If the time within which a reference to arbitration or an appeal against any award of an arbitrator or Arbitration Bench is to be made has expired and is extended, the fees for such reference or appeal made during the extended time shall be five times the respective fees mentioned above.

Notice and Communications How to be Served

2.10. Notices and communications to a member or non-member shall be served in any one or more or all of the following ways and any such notice or communication under (i) to (v) below shall be served at his ordinary business address, at his ordinary place of residence, at his last known ordinary place of residence or at his last known address :

(i) by delivering it by hand ;
(ii) by sending it by registered post ;
(iii) by sending it under certificate of posting ;
(iv) by sending it by express delivery post, speed post or courier;
(v) by sending it by telegram, fax or Electronic Mail Service (e-mail);
(vi) by affixing it on the door at the last known business or residential address
(vii) by its oral communication to the party in the presence of a third person.
(viii) by advertising it at least once in any daily newspaper published in Mumbai.
(ix) by a notice pasted on the notice board of the Exchange if no address be known.
(x) by intimation through the Exchange bulletin.

Non-compliance of Award

2.11. In case of non-implementation of an award within the specified time period, the Exchange, on receiving a complaint from the Member in whose favour the award is given, will direct the concerned Member to comply with the award within three days, failing which the Exchange may proceed to debit the concerned Member's settlement account with the Clearing House and credit the amount to the account of the other Member.

Costs

2.12. Unless otherwise agreed by the parties, -

(a) the costs of an arbitration shall be fixed by the arbitral tribunal ;

(b) the arbitral tribunal shall specify -

(i) the party entitled to costs,

(ii) the party who shall pay the costs,

(iii) the amount of costs or method of determining that amount, and

(iv) the manner in which the costs shall be paid.

Explanation :- For the purpose of clause (a), "costs" includes reasonable costs relating to -

(i) the fees and expenses of the arbitrators and witnesses,
(ii) legal fees and expenses,
(iii) any administration fees of the Exchange, and
(iv) any other expenses incurred in connection with the arbitral proceedings and the arbitral award.

Certain Members may not Vote

2.13 (i) A sole arbitrator who has made an award shall not be a member of the Arbitration Bench which hears the appeal from the award.

(ii) A party to a reference who is a member of the Governing Council shall not, in his capacity as a member of the Governing Council, attend any meeting of the Governing Council at which an appeal from the reference is heard. However such party may appear before the Governing Council in his capacity as a party to the appeal.

Adjourned Meeting

2.14. It shall be no objection to an award that the meeting at which a reference or appeal was heard or a reference or appeal was heard was adjourned from time to time or that the hearing was not completed or that the reference or appeal was not finally heard at one meeting.

Fresh Reference on Non-compliance with Award when allowed

2.15. Whenever an award directs that certain acts or things be done by a party to the reference and a party fails to comply with such direction then the other party may make a fresh reference for a further award for determining the dispute outstanding or the amount of damages or compensation payable by reason of such failure.

Late Claims Barred

2.16 (i) The arbitrator shall not take cognisance of any claim, complaint, difference or dispute unless the same has been referred to him within six months of the last date of the concerned settlement. The concerned settlement shall be the settlement in which the dispute arose. A settlement on the Derivatives Segment is effected on a daily basis as defined in the Rules, Bye-laws and Regulations of the Derivatives Segment of the Exchange. Any dispute as to whether a claim, complaint, difference or dispute falls within the ambit of this clause shall be decided by the arbitrator.

(iii) If a Member who desires to refer a claim, complaint, difference or dispute to arbitration after the period specified in clause (i) satisfies the Chief Executive Officer that he had sufficient cause for not making the reference within such period then the Chief Executive Officer may extend the period to such further period as the Chief Executive Officer thinks fit and proper. In such event, the arbitrator may take cognisance of the claim, complaint, difference or dispute if it is referred to arbitration within such extended period. Before deciding whether or not to extend the period under this clause, the Chief Executive Officer shall afford an opportunity to be heard to the Member applying for the extension as also to the Member or Members against whom the reference is proposed to be filed.

(iii) Every decision of the Chief Executive Officer under this Bye-law shall be in writing and shall state the reasons for the decision.

(iv) A Member aggrieved by a decision of the Chief Executive Officer declining to extend the period may file an appeal to the Governing Council within seven days of the Exchange informing him in writing of the Chief Executive Officer's decision.

Penalty on Failure to Submit to or Abide by Award in Arbitration

2.17. A Member who fails or refuses to submit to or abide by or carry out any award in arbitration between Members as provided in these Bye-laws and Regulations may be penalised, debited with the value of the award, suspended from trading and/or expelled by the Governing Council. A party shall be entitled to institute legal proceedings to enforce the award under the Civil Procedure Code 1908 (5 of 1908) in the same manner as if it were a decree of the court.

Correction and Interpretation of Award :

2.18 (i) Within 15 days of the receipt of the arbitral award**;**

(a) any party, with notice to the other party, may request the arbitral tribunal to correct any computational errors, any arithmetical errors, any clerical or typographical errors or any other errors of a similar nature occurring in the award;

(b) a party, with notice to the other party, may request the arbitral tribunal to give an interpretation of a specific point or part of the award.

(ii) If the arbitral tribunal considers the request made under clause (i) to be justified, it may make the correction or give the interpretation and the interpretation shall form part of the award.

(iii) The arbitral tribunal may on its own correct the errors of the type indicated in sub clause (a) of clause (i) within 10 days of making the award. An intimation of such correction shall be given to the parties in case the correction is made after delivering an uncorrected copy of the award to the parties and corrected copies of the award shall be given to the parties .

(iv) A party with notice to the other party may request the arbitral tribunal, within 15 days of receipt of the award, to make an additional award as to claims presented in the arbitral proceedings, but omitted from the arbitral award.

(v) If the arbitral tribunal considers the request made under clause (iv) to be justified, it shall endeavour to make the additional arbitral award within 7 days of the receipt of such request.

Payment of Fees

2.19. Unless otherwise directed in the award, the party against whom the award is finally made shall pay all fees paid by the other party to the reference in connection with the arbitration proceedings.

Administrative Assistance

2.20 The Exchange shall render all secretarial and other assistance for the conduct of arbitration proceedings by appointing adequate staff and by providing proper accommodation, stationery and other facilities. The Secretary of the Arbitration Division with the help of the assistants shall maintain all registers, files and records of arbitrations in proper order and shall be responsible for keeping them upto date. He shall maintain statistics of all pending and disposed off references and at the end of each quarter shall report to the Governing Council the number of pending references at the commencement of every month, references received during the month and the references disposed off. He shall report the references pending for more than four months, with the reasons for the delay and the steps taken for the early disposal of those references and shall carry out the directions issued by the Governing Council from time to time. The Secretary shall also arrange to issue certified copies of the documents, awards and other proceedings to the parties on receiving the charges fixed by the Governing Council from time to time and shall render all other assistance for enforcement of the awards.

2.21 The Provisions of Regulation 3.28 and the form referred to therein shall apply mutatis mutandis to all transactions between members.

REGULATIONS FOR ARBITRATION BETWEEN MEMBERS (Forms)

APPENDIX TO REGULATION 2
Form No. 1
Arbitration Application Form
(Bye-law 12.10 & Regulation 2.1)

(Reference No._____ of _____ 20__ , dated the _____day of _____ 20__)
In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai

BETWEEN

…. (Name of Applicant (s))

and

…. (Name of Respondent (s))

From,

To,
The Secretary
Derivative Segment,
The Stock Exchange,
Mumbai.

Sir,

As claims (whether admitted or not), differences and disputes within the meaning of the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai have arisen and are now subsisting between me/us and _____, the Respondent (s) above-named, I/We hereby apply for adjudication of the same by arbitration as provided in the said Rules, Bye-laws and Regulations.

The value of the claim is Rs ._____

I/We enclose -

(i) Statement of the Case in triplicate together with Statement (s) of Accounts in [triplicate] (Note: In case of more than one Respondent please add one extra copy of the Statement of the Case, Statement (s) of Accounts and all other documents for every additional Respondent); and

(ii) a sum of Rs._____/- being the Institution fee.

I / We enclose, as per list annexed all the documents and papers relating to the
undertake to produce
reference in my/our power or possession.

I/We undertake to produce original documents when called upon to produce.

Dated the day of 20
Yours faithfully,
(Signature of Applicant (s))

APPENDIX TO REGULATION - 2
Form No. 2

Notice of Hearing

(Regulation 2.3)

Reference No._____ of _____20__ dated the _____ day of _____20__

Appeal No. _____ of _____ 20____, dated the _____ day of _____20__ to Arbitration Bench / Governing Council against Award No. _____ of _____ 20____, dated the _____ day of _____20__ of the sole arbitrator / Arbitration Bench)

In the Matter of an Arbitration
(Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai)

BETWEEN

M/s./Shri … (Name of Applicant (s))
and
M/s./Shri … (Name of Respondent (s))

WHEREAS _____ day of _____ 20____ at the hour of _____ at _____ has been appointed by the sole arbitrator / Arbitration Bench / Governing Council herein for proceeding in the above reference.

NOW THEREFORE take notice that each party is required to present himself in person or by a duly authorised representative at the said meeting with the necessary books, documents, papers, etc.

AND take further notice that in case any party absents himself the arbitrator / Arbitration Bench / Governing Council may at their /his discretion proceed with the reference ex-parte.

Dated this ____ day of _____ 20 .

(Signature(s) of Arbitrator(s)/ Secretary/Arbitration Assistant)

Appeal to Arbitration Bench
Form No. 3
Memorandum of Appeal
(Byelaw 12.12 and Regulation 2.6)
Before the Arbitration Bench of the Derivatives Segment of the Stock Exchange Mumbai
Reference No._____ of _____
In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of the Derivative Segment,
Of the Stock Exchange, Mumbai

Application No._____ of _____

1.

Appellant
(Original Appl/Opp.)

Versus

2.

Respondent
(Original Appl/Opp)

The Appellant above named appeals to the Arbitration Bench of the Derivatives Segment of the Stock Exchange, Mumbai from the award dated the _____ day of _____20__ of the sole arbitrator in Reference No._____ of 20__ and sets forth the following grounds of objections to the award appealed from :

1)
2)
3)

The appeal has been preferred within 7 days of the receipt of the award appealed from

The requisite fees for appeal have been paid

The Certificate of the Derivatives Segment for the deposit of the award amount with the Derivatives Segment as per Bye- law 12.13 is enclosed / is not enclosed as the same has been exempted by the Governing Council/Chief Executive Officer of the Derivatives Segment vide its / his decision dated _____.

Presented on this _____ day of _____20 __.

Signed by Appellant /or his Authorised Signatory

Appeal to Governing Council
Form No. 4
Memorandum of Second Appeal
(Bye – Law 12.14 and Regulation 2.7)
Before the Governing Council of the Derivatives Segment of the Stock Exchange, Mumbai

Reference No._____ of _____

In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of the Derivative Segment,
Of the Stock Exchange, Mumbai

Application No._____ of _____

1.

Appellant
(Original Appl/Opp.)

Versus

2.

Respondent
(Original Appl/Opp)

The Appellant above named appeals to the Governing Council of the Derivatives Segment of the Stock Exchange, Mumbai from the award dated the _____ day of _____20__ of the Arbitration Bench in Appeal No._____ of 20__Reference No._____ of 20__ , and sets forth the following grounds of objections to the award appealed from :

1)
2)
3)

The appeal has been preferred within 7 days of the receipt of the award appealed from

The requisite fees for appeal have been paid

The Certificate of the Derivatives Segment for the deposit of the award amount with the Derivatives Segment as per Bye- law 12.15 is enclosed / is not enclosed as the same has been exempted by the Governing Council/Chief Executive Officer of the Derivatives Segment vide its / his decision dated _____.

Presented on this _____ day of _____20 __.

Signed by Appellant /or his Authorised Signatory

APPENDIX B TO REGULATION 2

Form No. 5

Certificate of Deposit of Awarded Amount with the Derivatives Segment of the Stock Exchange , Mumbai
(Bye- law 12.13/12.15)

Ref . No. ---------- of ---------- 20 ------ dated ----------

Appeal No. ---------- of ---------- dated ---------- to Arbitration Bench/Governing Council.

This is to certify that ---------- has deposited the Awarded Amount of ---------- with the Derivatives Segment of the Stock Exchange ,Mumbai as required by Bye – law 12.13 / 12.15 of the Derivatives Segment of the Stock Exchange, Mumbai .

Signed

Secretary / Arbitration Assistant
Derivatives Segment
Stock Exchange , Mumbai

Dated --------- of ----------20

REGULATION 3

REGULATIONS FOR ARBITRATION BETWEEN MEMBER AND NON-MEMBER (DERIVATIVES SEGMENT)

Application for Arbitration

3.1. In every case when a claim, difference or dispute required to be referred to arbitration under the Rules, Bye-laws and Regulations of the Derivatives Segment of the Exchange has arisen, any of the parties concerned may submit to the concerned Regional Arbitration Centre of the Exchange an application for arbitration (Form No.1 or Form No.1A) stating therein the value of the claim for jurisdiction.

3.1A The Application for Arbitration shall be filed by the Applicant at the concerned Regional Arbitration Centre referred to in column 1 below covering that State or Union Territory of India, referred to in column 2 below, within which the most recent residential address or registered office of the client, as duly communicated in writing to the member in accordance with law, is located. Provided in respect of a non-resident Indian client, the Seat of Arbitration shall be Regional Arbitration Centre which covers the States or Union Territories given in the Column 2, in which lies the address or the registered office address, as the case may be, of the Member, depending upon corporate or non-corporate membership of the Member. The hearings shall be held in the concerned Regional Arbitration Centre in which the Applicant has duly filed the Application for Arbitration.

Column 1	Column 2
REGIONAL ARBITRATION CENTRES	**STATES AND UNION TERRITORIES COVERED BY THE REGIONAL ARBITRATION CENTRES**
DELHI	Delhi, Haryana, Uttar Pradesh, Uttaranchal, Himachal Pradesh, Punjab, Jammu & Kashmir, Chandigarh, Rajasthan
KOLKATA	West Bengal, Bihar, Jharkhand, Orissa, Assam, Arunachal Pradesh, Mizoram, Manipur, Sikkim, Meghalaya, Nagaland, Tripura, Chhattisgarh
CHENNAI	Andhra Pradesh, Kamataka, Keraia, Tamilnadu, Andaman & Nicobar, Lakshadweep, Pondicherry.

Mumbai	Maharashtra, Gujarat, Goa, Daman & Diu, Dadra & Nagar Haveli, Madhya Pradesh

JURISDICTION OF COURTS

Upon the amendments to the Rules, Bye-laws and Regulations with regard to Regional Arbitration Centres and other incidental and consequential matters in connection therewith or relating thereto coming into force, the Courts in Mumbai shall have exclusive jurisdiction in respect of all proceedings to which the Exchange is a party, and in respect of all other proceedings, the Courts having jurisdiction over the area in which the respective Regional Arbitration Centre is situated, shall have jurisdiction.

Nomination and Notice of Appointment of Arbitrator

3.2. An application for arbitration shall be accompanied by :-

(i) In the case of a sole arbitrator, duly completed notice (Form No.2) proposing five names for appointment as arbitrators, in order of choice from the concerned approved panel of arbitrators.

(ii) In case of three arbitrators, duly completed notice (Form No.2A) appointing an arbitrator from the concerned approved panel of arbitrators and calling upon the Respondent(s) to appoint an arbitrator from the concerned approved panel of arbitrators (attached therewith) within ten days of the receipt of the notice.

(iii) (a) In case of a sole arbitrator, the statement of claim in triplicate including certified true copies of statement of account, bills, contracts and other related documents, if any, pertaining to trades and/or receipt/delivery of securities in triplicate. In case of more than one Respondent, one additional copy of the statement of the case and one additional certified true copy of all the other documents mentioned above for every additional respondent shall be submitted;

(iv) In case of three arbitrators, five sets of the statement of claim including five sets of certified true copies of the statement of account, bills, contracts and other related documents, if any, pertaining to trades and/or receipt/delivery of securities in five sets. In case of more than one Respondent, one additional copy of the statement of the case and one additional certified true copy of all the other documents mentioned above for every additional respondent shall be submitted .

(v) In case of a claim for an amount above Rs.10,000/- or a claim against a defaulter, a copy of the applicant's Income Tax Return, PAN/GIR No. and Balance Sheet duly certified by a Chartered Accountant.

(vi) Institution and Arbitration Fees.

(vii) An accurate list of the documents which are enclosed with the application.

Reply to Arbitration and Counter Claim

3.3. On receipt of an application for arbitration the concerned Regional Arbitration Centre of the Exchange shall forward (Form No.3 / 3A), notice of appointment or the proposed names of the arbitrator(s) together with a copy of the statement of the case including a copy of the statement of account to the other party or parties to the claim, differences or dispute. The other party or parties shall within ten days after service of written notice of appointment or within such extended time as the Chief Executive Officer may on application of the other party or parties allow, forward to the concerned Regional Arbitration Centre of the Exchange a reply to the application (Form No.4 or 4A) accompanied by –

(i) In the case of a sole arbitrator, duly completed form of nomination (Form No.5) and a list of five proposed arbitrators out of the approved panel of arbitrators forwarded to him in order of choice.

(ii) In the case of three arbitrators, duly completed form (Form No.5A) appointing an arbitrator from the panel of arbitrators.

(iii) (a) In case of a sole arbitrator, a reply in triplicate ;
(b) In case of three arbitrators, five sets of reply ;

(iv) (a) In case of a sole arbitrator, a statement in triplicate of the set-off or counterclaim (if any) and three sets of certified true copies of the statement of account, certified true copies of bills, contracts and other related documents, if any pertaining to trades and/or relating to receipt/delivery of securities in triplicate.
(b) In case of three arbitrators, five sets of the statement of the set-off or counterclaim (if any) and five sets of certified true copies of the statement of account, bills, contracts and other related documents, if any, pertaining to trades and/or relating to receipt/ delivery of securities in five sets.

(v) In case of more than one respondent, an additional set, of the above-mentioned statements, copies and documents in the same proportion.

(vi) In case of a claim for the amount above Rs.10,000/- or a claim against a defaulter, a copy of the respondent's_Income Tax Return, PAN/GIR No. and Balance Sheet duly certified by a Chartered Accountant.

Reply to Counter Claim

3.4. A copy of the reply and of the set-off or counterclaim, if any, shall be forwarded by the concerned Regional Arbitration Centre of the Exchange to the party

making the application for arbitration who shall submit his reply to the set-off or counterclaim, if any, within seven days.

Appointment of Arbitrators

3.5. (i) In case of a sole arbitrator, an agreed arbitrator, from the list of the arbitrators proposed by the parties, to whom the highest preference has been given by the respondent shall be the sole arbitrator; or in the absence of consensus on any of the proposed arbitrators, the concerned Regional Arbitration Centre may by Form 6 appoint any person from the approved panel of arbitrators, who may or may not be one of the arbitrators proposed by any of the parties, as the sole arbitrator and he shall be deemed to be agreed sole arbitrator.

(ii) In a reference to three arbitrators, each party to the reference shall appoint one Arbitrator from the concerned panel of Arbitrators and the two appointed arbitrators shall appoint by Form 6A the third arbitrator from the concerned panel of Arbitrators. The third arbitrator shall act as the presiding arbitrator.

(iii) In case of three arbitrators, if the Respondent fails to appoint the second arbitrator within ten days from the receipt of a request to do so from the concerned Regional Arbitration Centre, then the concerned Regional Arbitration Centre shall appoint by Form 6B a person from the concerned approved panel of arbitrators as the second arbitrator and such arbitrator along with the arbitrator appointed by the Applicant(s) shall appoint the third arbitrator as provided in sub-clause (ii).

(iv) In case of three arbitrators, if the two appointed Arbitrators fail to agree on the third arbitrator within ten days from the date of their appointment then the concerned Regional Arbitration Centre shall appoint by Form 6C, a person from the concerned approved panel of arbitrators as the third and presiding arbitrator.

Grounds for Challenge

3.6. The arbitrator(s) before entering into reference, shall disclose in writing any circumstances likely to give rise to justifiable doubts as to his/their independence or impartiality (Form 8); and shall through-out the arbitral proceedings without any delay, disclose to the parties in writing any circumstances referred to above unless they have already been informed by him/them and shall keep a record thereof in the arbitration proceedings. In case any circumstances or transactions between an arbitrator and the Applicant(s)/Respondent(s) are disclosed then the Applicant(s)/Respondent(s) shall state in Form 9 whether or not they have any objection to such arbitrator.

Challenge Procedure

3.7. (i) A party who intends to challenge an arbitrator(s) shall, within fifteen days after becoming aware of the constitution of arbitral tribunal or after

becoming aware of any circumstances referred to above, send a written statement of the reasons for the challenge to the arbitral tribunal.

(ii) Unless the arbitrator challenged under Clause (i) withdraws from his office or the other party agrees to the challenge, the arbitral tribunal shall decide on the challenge.

(iii) If the challenge is not successful, the arbitral tribunal shall continue the arbitral proceedings and make an arbitral award.

(iv) Where an arbitral award is made under Clause (iii), the party challenging the arbitrator may make an application for setting aside such an arbitral award in accordance with Section 34 of the Arbitration and Conciliation Act,1996.

Failure or Impossibility to act

3.8. (i) The mandate of an arbitrator shall terminate if –

(a) he becomes dejure or defacto unable to perform his functions or for other reason fails to act without undue delay.

(b) he withdraws from his office or the parties agree to the termination of his mandate.

(ii) If a controversy remains concerning any of the grounds referred to in sub-clause (a) of Clause (i), a party may, unless otherwise agreed to by the parties, apply to the Chief Executive Officer to decide on the termination of the mandate and Chief Executive Officer's decision shall be final.

Commencement of Arbitration

3.9. (a) There shall be an officer of the Derivatives Segment of the Exchange designated as Secretary of arbitration. All applications for reference shall be in such form as the Derivatives Segment of the Exchange may prescribe and shall be accompanied by as many additional copies thereof as there are respondents and the same number of copies of the statements of claim, documents relied upon, such as contract, bills, ledger accounts etc., and an accurate list thereof, all of which shall be received by the Secretary when presented in person and /or transmitted by post to the concerned Regional Arbitration Centre and the receipt shall be duly acknowledged. The date on which the application for reference is received shall be the date of making reference to arbitration. The Secretary shall scrutinise the application and the accompaniments thereof and shall verify whether the applicant has paid the required charges and fees prescribed by the Derivatives Segment of the Exchange. If the Secretary finds that the application is complete in all respects, he shall assign a Reference number and register the application in the register of references. Thereafter he shall issue notices to the respondent/s accompanied by copies of the application and the documents, and a list of the names of the proposed arbitrators submitted by the

applicant and shall call upon the respondent/s to propose five arbitrators of his/their choice from the Derivatives Segment's approved panel of arbitrators within ten days of the receipt of notice.

(b) In case the Secretary finds that the application for reference is not in order or is not accompanied by the copies of the application and the documents or the required fees and charges are not paid and the claimant fails to comply within a reasonable time allowed by the Secretary, then the Secretary may reject the application and the applicant shall be informed of the fact of rejection with reasons thereof.

(c) In case the applicant is aggrieved by rejection of his application by the Secretary, he may apply to the Chief Executive Officer within seven days of receipt of the intimation of rejection and the Chief Executive Officer may, on being satisfied on hearing the applicant or otherwise that there was reasonable cause for the applicant not complying, on the applicant doing the needful, set aside the rejection and restore the application. Thereafter the Secretary shall take further steps indicated in clause (a).

(d) The Secretary shall complete the scrutiny of the papers, issuing of notices to the respondents and all other secretarial work preliminary to the arbitrator(s) entering on the reference, within 15 days, as far as possible, from the receipt of application for reference to arbitration.

(e) After the parties agree upon the sole arbitrator or the arbitrator(s) is / are appointed as per the Bye-laws, the Secretary shall place the arbitration application and the connected papers before the arbitrator(s), due notice of the date thereof shall be given to the parties and the arbitrator(s) may accept the appointment and enter on the reference. If, for any reason, the arbitrator either does not accept the appointment or neglects to enter on the reference, the appointment of the arbitrator shall be terminated and appointment of another arbitrator as per Rules, Bye-laws and Regulations of the Derivatives Segment of the Exchange shall be made.

(f) In the absence of the Secretary, the Chief Executive Officer of the Derivatives Segment of the Exchange may direct any other employee to perform the duties of the Secretary.

Notice of Hearing

3.10. (A) The arbitrator(s) shall fix the date, time and place for each hearing, notice (Form No.7) of which will be given to the parties by the concerned Regional Arbitration Centre of the Exchange.

(B) The arbitrator(s) shall fix the date, time and place for each hearing in advance. The arbitrator(s) shall endeavour to chalk out the programme of hearings in the first meeting by fixing various dates of hearing as the arbitrator(s) deem fit and proper. If the dates of hearings are announced at the meeting, no fresh notice of hearing shall be required to be given to any

party who was present at the meeting where the dates were announced. The parties to the arbitration proceedings shall be bound to attend the hearing of the arbitration proceedings of all these dates at the concerned Regional Arbitration Centre without service of fresh notice for each hearing. The arbitrators shall endeavour to maintain a continuity of hearing without a substantial gap between the dates of hearings with a view to facilitate early disposal of arbitration proceedings. The arbitrators shall endeavour to ensure that to the extent possible the gap between two hearings is not more than one week.

Adjournment of Hearing

3.11. The arbitrator(s) may adjourn the hearings from time to time upon an application of any party or at their or his own instance for sufficient cause. While adjourning the hearing, in case the arbitrator(s) inform(s) the parties of the next date of hearing, and obtain(s) their acknowledgement in writing of the intimation of the adjourned date, it shall not be necessary for the Arbitration Secretary to give notice of the adjourned date. The arbitrator(s) shall discourage unnecessary applications for adjournment even on payment of cost.

The arbitrator(s) shall endeavour to complete the arbitration proceedings expeditiously and without unnecessary delays.

Evidence

3.12. The arbitrator(s) shall be entitled to decide a reference without recording oral evidence in such cases as the arbitrator(s) deem appropriate and may decide the reference on the basis of documents, books of accounts and the record of the case, after hearing the parties in case any of the parties apply for oral hearing.

Appearance

3.13. The parties to the reference shall attend at the time and place appointed for the hearing of the reference either in person or, subject to the provisions in that behalf in the Bye-laws and these Regulations, by any person duly authorised by them acquainted with all the matters in dispute or in question and shall answer all material questions relating to the dispute or question.

Duties of Parties and Witnesses

3.14. The parties to the reference and any witnesses on their behalf shall –

(i) submit to be examined by the arbitrator(s) on oath or affirmation in relation to the matter in dispute;

(ii) produce before the arbitrator(s) all books, deeds, papers, accounts, bills, contracts, writings and documents in the possession or power which may be required or called for; and

(iii) generally do all other things which the arbitrator(s) may require.

Court Assistance in taking Evidence

3.15. (i) The arbitral tribunal or a party with the approval of the arbitral tribunal, may apply to the court for assistance in taking evidence.

(ii) The application shall specify -

(a) the names and addresses of the parties and the arbitrators.
(b) the general nature of the claim and the relief sought.
(c) the evidence to be obtained in particular -

1. the name and address of any person to be heard as witness or expert witness and a statement of the subject matter of the testimony required ;

2. the description of any document to be produced or property to be inspected.

(iii) The Court may, within its competence and according to its rules on taking evidence, execute the request by ordering that the evidence be provided directly to the arbitral tribunal.

(iv) The Court may, while making an order under sub-clause (iii) issue the same process to witnesses as it may issue in suits tried before it.

(v) Persons failing to attend in accordance with such process, or making any other default or refusing to give their evidence, or guilty of any contempt to the arbitral tribunal during the conduct of arbitral proceedings, shall be subject to like disadvantages, penalties, and punishments by order of the Court on the representation of the arbitral tribunal as they would incur for the like offences in suits tried before the Court.

(vi) The expression "processes" includes summonses and commissions for the examination of witnesses and summonses to produce documents.

(vii) The arbitral tribunal may require any one or both the parties to deposit such documents, and may require any one or both the parties to deposit such fee or fees to cover the costs of any such process as the arbitrator(s) shall consider necessary and in the event of any party who has been called upon to deposit such fees failing to do so may dismiss such party's case or otherwise deal with the matter as the arbitrator(s) may think just.

Penalty for Obstruction

3.16. The parties to a reference shall do all acts necessary to enable the arbitrator(s) to make a just award and shall not willfully do or cause or allow to be done any act to delay or to prevent the arbitrators from making an award and if any party shall do or cause or allow to be done any such act that party shall pay the other party or parties such costs as are deemed reasonable by the arbitrator(s).

Powers of Arbitrators

3.17. The arbitrator(s) may –

(i) retain or return copy or all of the books, documents or papers produced in any proceedings and may direct at any time that the books, documents or papers produced be returned to the parties or any of them on such terms and conditions as may in the absolute discretion of the arbitrator(s) be deemed proper ;

(ii) administer oath or affirmation to the parties or witnesses appearing and giving evidence ;

(iii) admit such evidence only as may in the absolute discretion of the arbitrator(s) be deemed proper ;

(iv) administer to any party to the reference such interrogatories as may in the opinion of the arbitrator(s) be necessary.

(v) make an interim award ;

(vi) make any award conditional or in the alternative.

(vii) correct in an award any clerical mistake or error arising from any accidental slip or omission.

(viii) award adjournment costs to be paid by the party seeking adjournment, to the other party or parties and/or to the Derivatives Segment.

Assessor & Expert Evidence

3.18. A. The arbitrator(s) may with the permission of the Chief Executive Officer at any time or times before making the final award consult and adopt the advice of counsel, attorney or advocate upon any question of law, evidence, practice or procedure arising in the course of the reference. The remuneration of such counsel, attorney or advocate shall be paid in advance by the parties to the reference and shall be borne by them in the proportion stated in the award.

B. (i) Unless otherwise agreed by the parties, the arbitral tribunal may -

(a) appoint one or more experts to report to it on specific issues to be determined by the arbitral tribunal; and

(b) require a party to give the expert any relevant information or to produce or to provide access to, any relevant documents, goods, or other property for his inspection.

(ii) Unless otherwise agreed by the parties, if a party so requests or if the tribunal considers it necessary, the expert shall, after delivery of his written or oral report, participate in an oral hearing where

the parties have the opportunity to put questions to him and to present expert witnesses in order to testify on the points at issue

(iii) Unless otherwise agreed by the parties, the expert shall, on the request of a party, make available to the party for examination all documents, goods or other property in the possession of the expert with which he was provided in order to prepare his report.

Scale of Arbitration Fees and Charges

3.19. (a) The fees, cost, charges and the expenses of and incidental to the reference and the award (if any) shall be such as are prescribed herein or such other as the Governing Council may from time to time prescribe.

Institution Fee

(b) The party instituting a reference shall in advance pay to the concerned Regional Arbitration Centre of the Exchange an Institution Fee of Rs.1,000/-

Arbitration Fees & Other Charges

(c) The following arbitration fees and other charges shall be payable in advance:

(i) Arbitration fees of Rs.3,000/- per reference per arbitrator shall be payable by both the parties in equal share.

(ii) The Applicant, in addition to his share of the Arbitration fees, shall pay Institution Fees Rs.1,000/- and Rs.100/- towards cost of stamp paper for drawing an award.

(iii) The party requesting adjournment will be required to pay Rs 500/-, per adjournment, in case of a sole arbitrator and Rs. 1500/-, per adjournment, in the case of three arbitrators, by a cheque / demand draft payable to the Exchange, along with the request for adjournment to the arbitrators.

(iv) In an exceptional situation, the arbitrator(s) may grant adjournment without imposing the cost under clause (iii) on the party applying for adjournment.

Additional Payment

(d) In addition to the Institution Fees, Arbitration Fees and Adjournment Costs the Governing Council or the Chief Executive Officer shall have power to direct that such further sum of money as may be deemed fit shall be paid to or deposited with the Derivatives Segment of the Exchange as security for the fees, costs and expenses of the arbitration including photocopying expenses, postage charges and other out of pocket expenses incurred by the the Exchange. The Governing Council or the Chief Executive Officer shall also have power to direct that arbitration fees per hearing, not exceeding Rs._ 500/- per hearing in case of a sole arbitrator and Rs. 1500/- per hearing

in case of three arbitrators, be paid to the Exchange or the arbitrator(s) if the Governing Council or the Chief Executive Officer thinks fit.

(e) In appropriate cases, the Governing Council may sanction additional payment of fees to the arbitrator(s) out of the Derivatives Segment's funds.

Refund on withdrawal of Cases

(f) In case the party instituting a reference withdraws it before a meeting of the arbitrator(s) has been summoned, the payments made by the party, except Institution Fees, shall be refunded.

Other Charges

(g) In addition to the fees mentioned in sub-clause (b) to (f) the parties shall pay as and when demanded by the concerned Regional Arbitration Centre all other fees or charges incurred or to be incurred during the arbitration including photocopying expenses, postage charges and other out of pocket expenses incurred by the concerned Regional Arbitration Centre of the Exchange.

Fees and Charges payable in Advance

(h) All fees and charges shall be payable in advance and when there is failure, neglect or refusal on the part of a party or parties to pay accordingly the other party may make such payment without prejudice however to his right if any to recover the same from such party or parties failing, neglecting or refusing to pay. It shall be condition precedent to the hearing of any reference that the prescribed fees and charges shall have been paid in advance to the concerned Regional Arbitration Centre of the Exchange by the party or parties to the reference.

Collection and Payment of Fees and Charges

(i) The concerned Regional Arbitration Centre of the Exchange shall collect all fees and charges and pay the fees to the arbitrators and make disbursements in connection with the other costs and expenses of the reference provided always that no larger sum shall be paid than actually collected.

Arbitrator(s) to make the Award Expeditiously

3.20. (a) The arbitrator(s), after the hearing is concluded, shall expeditiously make the award and in case the award is not made within 15 days of the completion of the hearing, reasons for the delay shall be recorded while making the award.

(b) In case the award is not made within 30 days of the conclusion of the hearing, any one of the parties to the arbitration shall have the right to move the Chief Executive Officer to cancel the appointment of the arbitrator(s). After hearing the parties and the arbitrator(s), in case the Chief Executive Officer is satisfied that there is no good reason for the delay in making the award, he may cancel the appointment of the

arbitrator(s). In the event of cancellation of appointment of the arbitrator(s), the Chief Executive Officer shall appoint another arbitrator or other arbitrators (as the case may be) as per the Bye-laws and the newly appointed arbitrator shall hear the reference denovo unless the parties agree otherwise.

Arbitrators Award

3.21. (a) Every award shall be made in writing and shall be signed by the arbitrator(s).

(b) The award shall state the reasons upon which it is based, unless -

(i) the parties have agreed in writing that no reasons are to be given; or

(ii) the award is on terms agreed between the parties.

(c) The award shall state its date and the place of arbitration and the award shall be deemed to have been made at that place.

Notice and communications

3.22. Notices and communications to a member or a non-member shall be served in any one or more or all of the following ways and any such notice or communication under (i) to (vi) below shall be served at his ordinary business address, at his ordinary place of residence, at his last known ordinary place of residence or at his last known address:

(i) by delivering it by hand;

(ii) by sending it by registered post;

(iii) by sending it under certificate of posting;

(iv) by sending it by express delivery post, speed post or courier;

(v) by sending it by telegram, fax or Electronic Mail Service (e-mail);

(vi) by affixing it on the door at the last known business or residential address;

(vii) by its oral communication to the party in the presence of a third person;

(viii) by advertising it at least once in any daily newspaper published in the concerned Regional Arbitration Centre and also in the place where the Respondent resides or carries on business or was last know to have resided or carried on business(Form 12A and 12B);

(ix) by a notice posted on the notice board of the concerned Regional Arbitration Centre of the Exchange if no address be known.

Service by Hand Delivery when Complete

3.23. A notice or communication served by hand shall be deemed to have been received by the party on the production of a certificate to that effect signed by the person delivering the notice or communication.

Service by Post or Telegram when Complete

3.24. A notice or communication served by post or telegram shall be deemed to have been received by the party at the time when the same would in the ordinary course of post or telegram have been delivered. The production of a letter of confirmation from the post office or of the post office receipt for the registered letter or telegram or of a certificate of posting shall in all cases be conclusive proof of the posting or despatch of such notice or communication and shall constitute due and proper service of notice. Service by courier will be completed upon production of courier's receipt bearing acknowledgement of recipient and addressed to the proper address.

Refusal to Accept Delivery does not Affect Service

3.25. In no case shall any refusal to take delivery of the notice or communication affect the validity of its service.

Service by Advertisement

3.26. In case personal service of notice or notices becoming impracticable inspite of reasonable efforts, the Arbitrator(s) / Arbitration Secretary may direct that the applicant(s) shall advertise (Form 12A or Form 12B) it, in at least one daily newspaper published in the concerned Regional Arbitration Centre and also in the place where the Respondent resides or carries on business or was last know to have resided or carried on business giving notice to the respondent (s) and advising him / them to appear before the arbitrator (s)/ Arbitration Secretary at the time and date specified. In such an eventuality, on the party concerned complying with the directions of arbitrator(s) or Arbitration Secretary, the party concerned shall be deemed to have been duly served with the notice and/or notices of hearing.

Request for representation by an Advocate

3.27. (1) Any party to a reference, may make a request (Form 10) to the arbitrator(s) for allowing an advocate to represent it in the arbitration proceedings. The arbitrator(s) may allow or disallow the advocate to represent the party in the arbitration proceedings.

(2.) The decision of the arbitrator(s) shall be conveyed (Form 11), by the Arbitration Secretary, to the party making the request for representation through an advocate after the same is decided by the arbitrator(s). The decision of the arbitrator(s) on the application to the reference for making

representation by or through an advocate shall be final. In case one of the parties to a reference is permitted to be represented by an advocate, the other party may also appoint an advocate to represent him**.** The arbitration secretary shall convey the decision of the arbitrator(s) on application made by any party for representation through an advocate either at the meeting of the arbitration proceedings or in advance.

(3.) The claimant may make an application for permission to engage an advocate to represent his case at the time of institution of arbitration proceedings and not later on. The respondent may make similar application, if so, desired, along with his statement of defence and not later on. Provided that the arbitrator(s) may permit the claimant or the respondent to make such application subsequently if the arbitrator(s) is / are satisfied that there is good cause to permit the claimant or the respondent to do so.

(4.) No party shall be entitled to seek an adjournment for appointing an advocate.

(5.) No adjournment shall be granted by the arbitrator(s) on the ground that the advocate representing a party has been recently appointed or is not present at the hearing. Provided that the arbitrator(s) may, if he / they think(s) appropriate, grant an adjournment where an advocate is unable to appear at the hearing because of ill health or other circumstance beyond his control (but not because the advocate is unable to attend the arbitration because of another engagement).

(6.) Where one or more parties are represented by an advocate, the, Chief Executive Officer may, at the request of the arbitrator(s), appoint an advocate who may remain present at the hearings and whom the arbitrator(s) may consult for independent and impartial advice and assistance on any question of law. In all such cases, the parties to the arbitration proceedings shall be required to bear reasonable expenses of engaging such advocate as fixed by the Chief Executive Officer.

Filing of additional Claims/ Counter Claims and/or Amendment of Claim / Counter Claim.

3.28. (i) The arbitrator(s) shall not allow a party to incorporate an additional claim or to amend a claim already filed except in an exceptional situation where the arbitrator(s) is/are of the opinion that the proposed incorporation or amendment is necessary in the interest of justice and the application for incorporation or amendment of the claim is made without undue delay.

(ii) The arbitrator(s) shall not allow a party to file an additional defence or to amend a defence already filed except in an exceptional situation where the arbitrator(s) is / are of the opinion that the proposed filing or

amendment is necessary in the interest of justice and the application for filing or amendment of the defence is made without undue delay.

Issue of Procedural Guidelines

3.29. The Governing Council may from time to time issue procedural guidelines to the arbitrator(s) in respect of the conduct of arbitrations with a view to ensure proper, orderly and expeditious disposal of arbitrations. The guidelines shall relate to the conduct of arbitration(s) generally and shall not relate to any particular arbitration or arbitrations.

3.30. The term Derivatives Segment as used in these Regulations shall be deemed to mean the Chief Executive Officer , Managing Director and CEO or such other officer as so designated by the Exchange from time to time.

3.31. The Term Secretary as used in these Regulations shall be deemed to mean such officer as may be designated by the Exchange from time to time.

APPENDIX A TO REGULATION 3

Form No.1
Arbitration Application Form
(Bye-law 12.1 and 12.3(i) and Regulation 3.1)

In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
For claims less than Rs.10,00,000

BETWEEN

…. (Name of Applicant (s))

and

…. (Name of Respondent (s))

From,

To,
The Secretary

(Address of the concerned Regional Arbitration Centre, as given in the contract note)
Derivatives Segment,
The Stock Exchange,
Mumbai.

Sir,

As claims, differences and disputes within the meaning of the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai, have arisen and are now subsisting between me/us and _____, the Respondent (s) above-named, I/We hereby apply for adjudication of the same by arbitration as provided in the said Rules, Bye-laws and Regulations.

The valuation of the claim for Jurisdiction is Rs ._____ (less than Rs. 10,00,000).

I/We enclose -

(i) duly completed Notice (Form No. 2) in triplicate proposing the names of five persons as arbitrators in order of preference from the approved panel of arbitrators;

(ii) Statement of the Case and Claim in triplicate together with Statement(s) of Accounts and other related documents in triplicate (plus, in case of more than one Respondent, one additional copy for every additional Respondent); and

(iii) a sum of Rs.2,600/- being the Institution fee of Rs.1000/-, arbitration fee of Rs.1,500/- and Rs. 100/- towards the cost of Stamp paper for making the Award.

(iv) In case of claim for amount above Rs.10,000/- or claim against a member who is declared a defaulter-

(a) PAN/GIR No. of the Applicant
(b) Copy of the balance sheet of the Applicant showing the dues, duly certified by a Chartered Accountant and .
(c) An acknowledged copy of the Applicant latest Income Tax Return.

(v) True copies of the following documents (as applicable).
(a) Contract Notes pertaining to the transactions.
(b) Bills issued/received by the Applicant.
(c) Any other documents in support of the claim.
(d) An accurate list of the documents enclosed with this applications.

I / We enclose as per list annexed/ undertake to produce, all the documents and papers relating to the reference in my/our power or possession

I/We undertake to produce original documents when called upon to produce.

Note : In case of a non-production of any of the above documents, reasons for the same should be furnished.

Dated the day of 20

Yours faithfully,

(Signature of Applicant (s))

APPENDIX A TO REGULATION 3
Form No.1 A
Arbitration Application Form
(Bye-law 12.1 and 12.3(ii) and Regulation 3.1)

In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
For claims of Rs. 10,00,000 or more

BETWEEN

…. (Name of Applicant (s))

and

…. (Name of Respondent (s))

From,

To,
The Secretary
(Address of the concerned Regional Arbitration Centre, as given in the contract note)
Derivative Segment,
The Stock Exchange,
Mumbai.

Sir,

As claims, differences and disputes within the meaning of the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai, have arisen and are now subsisting between me/us and _____, the Respondent(s) above-named, I/We hereby apply for adjudication of the same by arbitration as provided in the said Rules, Bye-laws and Regulations.
The valuation of the claim for Jurisdiction is Rs. _____ (Rs. 10,00,000 or more).

I/We enclose -

(i) duly completed Notice (Form No.2A) in triplicate appointing an arbitrator from the approved Panel of Arbitrators and calling upon the Respondent(s) above-mentioned to appoint an arbitrator from the approved Panel of Arbitrators

(ii) five copies of the Statement of the Case and Claim together with five copies of the Statement(s) of Accounts and other related documents (plus, in case of more than one Respondent, one additional copy for every additional Respondent); and

(iii) a sum of Rs.5,600/- being the Institution fee of Rs.1000/-, arbitration fee of Rs.4,500/- and Rs 100/- towards cost of Stamp paper for making the Award.

(iv) In case of claim for amount above Rs.10,000/- or claim against a member who is declared defaulter

(a) PAN/GIR No. of the Applicant
(b) Copy of the balance sheet of the Applicant showing the dues, duly certified by a Chartered Accountant and ..
(c) An acknowledged copy of the Applicant's latest Income Tax Return.

(v) True copies of the following documents (as applicable).
(a) Contract Notes pertaining to the transactions.
(b) Bills issued/received by the Applicant.
(c) Any other documents in support of the claim.
(d) An accurate list of the documents enclosed with this Application.

I/We enclose, as per list annexed/under to produce all the documents and papers relating to the reference in my/our power or possession.
I/we undertake to produce original documents when called upon to produce.

Note : In case of a non-production of any of the above documents, reasons for the same should be furnished.

Dated the day of 20

Yours faithfully,

(Signature of Applicant (s))

APPENDIX A TO REGULATION 3 (Contd.)
Form No.2
(For claims less than Rs.10,00,000/-)
Form of Nomination and Notice of Appointment
(Bye-law 12.5 and Regulation 3.2)

In the matter of an Arbitration
under the Rules, Bye-laws and Regulations of the Derivative Segment of the Stock Exchange, Mumbai
Reference No._____ of _____

BETWEEN

… (Name of Applicant (s))

and

… (Name of Respondent (s))

From :

To,

WHEREAS it is provided in the Rules, Bye-laws and Regulations of the Derivatives Segment of the Stock Exchange, Mumbai that all claims, differences and disputes arising out of or in relation to dealings, transactions and contracts made subject to the said Rules, Bye-laws and Regulations or with reference to anything incidental thereto or in pursuance thereof or relating to their construction, fulfillment or validity shall be referred to arbitration as provided in the said Rules, Bye-laws and Regulations.

AND WHEREAS claims, differences and disputes within the meaning of the said Rules, Bye-laws and Regulations have arisen and are now pending between us.

NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations I/we the Applicant(s) above-named do hereby propose the following names of five Arbitrators from the approved Panel of Arbitrators for appointment of any of them as the sole arbitrator.

AND I/We require you within ten days from the service of this notice on you to propose the names of five arbitrators from the approved Panel of Arbitrator (list enclosed) in order of choice, failing which an arbitrator will be appointed by the Chief Executive Officer of the Derivative Segment of the Stock Exchange from the approved Panel of Arbitrators.

Dated the day of 20

(Signature of Applicant (s))

Note : Statement of the Case and Claim together with Statement (s) of Account and other related documents are appended hereto.

Names of arbitrators in order of choice :

(1) Shri _____
(2) Shri _____
(3) Shri _____
(4) Shri _____
(5) Shri _____

APPENDIX A TO REGULATION 3 (Contd.)
Form No.2 A
(For claims of Rs.10,00,000/- or more)
Form of Nomination and Notice of Appointment
(Bye-law 12.6 and Regulation 3.2)

In the matter of an Arbitration
under the Rules, Bye-laws and Regulations of the Derivative Segment of
the Stock Exchange, Mumbai

Reference No._____ of _____

BETWEEN

… (Name of Applicant (s))
and
… (Name of Respondent (s))

From :

To,

WHEREAS it is provided in the Rules, Bye-laws and Regulations of the Derivatives Segment of the Stock Exchange, Mumbai that all claims, differences and disputes arising out of or in relation to dealings, transactions and contracts made subject to the said Rules, Bye-laws and Regulations or with reference to anything incidental thereto or in pursuance thereof or relating to their construction, fulfillment or validity shall be referred to arbitration as provided in the said Rules, Bye-laws and Regulations.

AND WHEREAS claims, differences and disputes within the meaning of the said Rules, Bye-laws and Regulations have arisen and are now pending between us.

NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations I/we the Applicant(s) above-named do appoint _____ as an arbitrator.

AND I/We require you within ten days from the service of this notice on you to appoint an arbitrator from the approved panel of arbitrators (herewith annexed) failing which an arbitrator for you will be appointed by the Chief Executive Officer of the Derivatives Segment of the Stock Exchange from the approved Panel of Arbitrators on your behalf.

Dated the day of 20

(Signature of Applicant (s))

Note : Statement of the Case and Claim together with Statement(s) of Account and other related documents is appended hereto.

APPENDIX A TO REGULATION 3 (Contd.)
Form No.3

Form of Covering Letter
(For claims less than Rs.10,00,000/-)

_____20 .

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN

… (Name of Applicant (s))
and
… (Name of Respondent(s))

To

Dear Sir (s),

We enclose a Notice (Form No.2) dated the _____20____from _____ _____, the Applicant (s) above-named, together with copies of his/their Statement of the Case and Claim and Statement (s) of Account and other related documents.

We also enclose for your use, a Form of Reply to the Arbitration Application (Form No.4) and Form of Nomination (Form No.5)

Yours faithfully,

(Secretary/Arbitration Assistant)

APPENDIX A TO REGULATION 3 (Contd.)
Form No.3 A
(Regulation 3.3)
Form of Covering Letter
(For claims of Rs.10,00,000/- or more)

_____20 .

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN

… (Name of Applicant (s))
and
… (Name of Respondent (s))

To

Dear Sir (s),

We enclose a Notice (Form No.2A) dated the _____ 20___ from the Applicant(s) above-named together with copies of his/their Statement of the Case and Claim and Statement(s) of Account and other related documents.

We also enclose for your use, a Form of Reply to the Arbitration Application (Form No.4A) and Form of Nomination (Form No.5A)

Yours faithfully,

(Secretary/Arbitration Assistant)

APPENDIX A TO REGULATION 3 - (Contd)
Form No.4
(Regulation 3.3)
Reply to Arbitration Application
(For claims less than Rs.10,00,000/-)

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN

… (Name of Applicant (s))

and

… (Name of Respondent (s)

From,

To,
The Secretary,
(Address of the concerned Regional Arbitration Centre, as given in the contract note)
Derivatives Segment
The Stock Exchange,
Mumbai.

Sir,

In connection with the application for arbitration submitted by the Applicant(s) above-named, I /We return herewith -

(i) Form of Nomination of an arbitrator (Form No.5) duly completed ;
(ii) Statement of the Case in Reply in triplicate.
(iii) Statement of the Set-off or Counterclaim in triplicate together with Statement (s) of Account and other related documents in triplicate ; and
(iv) In case of set-off / counterclaim for amount above Rs.10,000/- or against a member who is declared a defaulter :-
  (a) PAN/GIR No. of the Respondent
  (b) Copy of the balance sheet of the Respondent showing the dues, duly certified by a Chartered Accountant and .
  (c) An acknowledged copy of the Respondent s latest Income Tax Return.
(v) A sum of Rs.1,500/- towards arbitration fees.
(vi) True copies of the following documents (as applicable):
  (a) Contract notes pertaining to the transactions.
  (b) Bills issued/received by the Applicant.
  (c) Any other documents in support of the claim.
  (d) An accurate list of the documents enclosed herewith.

I/We enclose as per list annexed all the documents and papers relating to the undertake to produce
reference in my/our power or possession.

Dated the day of 20

Yours faithfully,

(Signature of Respondent (s)

APPENDIX A TO REGULATION 3 - (Contd)
Form No.4 A
(Regulation 3.3)
(For claims of Rs.10,00,000/- or more)
Reply to Arbitration Application

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

From,

To,

The Secretary,
(Address of the concerned Regional Arbitration Centre, as given in the contract note)
Derivatives Segment,
The Stock Exchange,
Mumbai.

Sir,

In connection with the application for arbitration submitted by the Applicant (s) above-named, I /We return herewith -

(i) Form of Appointment of an arbitrator (Form No.5A) duly completed ;
(ii) Statement of the Case in Reply in triplicate.
(iii) Five sets of Statement of the Set-off or Counterclaim with five copies of Statement (s) of Accounts and other related documents ; and
(iv) In case of set-off / counterclaim for amount above Rs.10,000/- or against a member who is declared a defaulter :-
  (a) PAN/GIR No. of the Respondent
  (b) Copy of the balance sheet of the Respondent showing the dues, duly certified by a Chartered Accountant and .
  (c) An acknowledged copy of the Respondent s latest Income Tax Return.
(v) A sum of Rs.4,500/- towards arbitration fees.
(vi) True copies of the following documents (as applicable) :
  (a) Contract notes pertaining to the transactions.
  (b) Bills issued/received by the Applicant.
  (c) Any other documents in support of the claim.
  (d) An accurate list of the documents produced.

I/We enclose as per list annexed all the documents and papers relating to the
undertake to produce
reference in my/our power or possession.

Dated the day of 20 .

Yours faithfully,

(Signature of Respondent (s))

APPENDIX A TO REGULATION 3. (Cont.)
Form No.5
(For claims less than Rs.10,00,000/-)
Form of Nomination and Appointment
(Bye-law 12.5 & Regulation 3.3)

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

WHEREAS it is provided in the Rules, Bye-laws and Regulations of the Derivatives Segment of the Stock Exchange, Mumbai that all claims, differences and disputes arising out of or in relation to dealings, transactions and contracts made subject to the said Rules, Bye-laws and Regulations or with reference to anything incidental thereto or in pursuance thereof or relating to their construction, fulfillment or validity shall be referred to arbitration as provided in the said Rules, Bye-laws and Regulations.

AND WHEREAS the Applicant(s) above-named has / have proposed the names of five persons as arbitrators and called upon me / us to propose names of five persons as arbitrators from the approved Panel of Arbitrators in order of choice. I/we propose the name of the following five persons as arbitrators

Name of arbitrators in order of choice :
1. Shri _____
2. Shri _____
3. Shri _____
4. Shri _____
5. Shri _____

Dated the day of 20

(Signature of Respondent (s))

APPENDIX A TO REGULATION 3. (Contd)
Form No.5 A
(For claims of Rs.10,00,000/- or more)
Form of Nomination and Appointment
(Bye-laws 12.6 and Regulation 3.3)

In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____

BETWEEN

… (Name of Applicant (s))

and

… (Name of Respondent (s))

WHEREAS it is provided in the Rules, Bye-laws and Regulations of the Derivatives Segment of the Stock Exchange, Mumbai that all claims, differences and disputes arising out of or in relation to dealings, transactions and contracts made subject to the said Rules, Bye-laws and Regulations or with reference to anything incidental thereto or in pursuance thereof or relating to their construction, fulfillment or validity shall be referred to arbitration as provided in the said Rules, Bye-laws and Regulations.

AND WHEREAS the Applicant(s) above-named has / have appointed an arbitrator and called upon me/us to appoint an arbitrator from the approved panel of arbitrators. I/We appoint Shri _____ (Member /Non-Member) as an arbitrator .

Dated the day of 20 .

(Signature of Respondent (s))

APPENDIX A TO REGULATION 3. (Contd.)
Form No.6
(For claims less than Rs.10,00,000/-)
Form of Appointment of Arbitrator
(Regulation 3.5(i))

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of the Derivative Segment,
of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

WHEREAS by an instrument in writing dated the _____ day _____of 20 _____ the Applicant(s) above-named has /have duly proposed the names of five persons from the approved panel of arbitrators to determine the claim, differences and disputes in the above matter as provided in the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai.

AND WHEREAS there has been no consensus between the Applicant(s) and the Respondent(s) as to the person to be appointed as the sole arbitrator.

NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations of the Derivatives Segment of the Stock Exchange, Mumbai, I, Shri _____, _____ of the Derivatives Segment of the Stock Exchange, Mumbai, appoint _____ from the approved panel of arbitrators to be the sole arbitrator in the above matter.

Dated the _____day of _____ 20__.

_____
Derivatives Segment
The Stock Exchange, Mumbai.

APPENDIX A TO REGULATION 3. (Contd.)
Form No.6 A
(For claims of Rs.10,00,000/- or more)

Form of Appointment of Third and Presiding Arbitrator by the Two Appointed Arbitrators
(Bye-law 12.6(i) and Regulation 3.5(ii))

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of the Derivative Segment,
of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

WHEREAS by an instrument in writing dated the _____day _____ of 20__ the Applicant(s) above-named has /have duly appointed _____ as an arbitrator from the approved panel of arbitrators and by an instrument in writing dated the _____day _____ of 20__ the Respondent (s)/ the Derivatives Segment has/ have appointed _____ as an arbitrator to determine the claim differences and disputes in the above matter as provided in the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai.

AND NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai, we, _____ and _____, the arbitrators abovenamed , appoint _____ from the approved panel of arbitrators to be the third and presiding arbitrator in the above matter.

Dated the _____day of _____ 20___.

_____ _____
(The two arbitrators abovenemed)

APPENDIX A TO REGULATION 3. (Contd.)
Form No.6 B
(For claims of Rs.10,00,000/- or more)

Form of Appointment of Second Arbitrator by the Derivatives Segment
(Bye-laws 12.6(ii) and Regulation 3.5(iii))

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of the Derivative Segment,
of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

WHEREAS by an instrument in writing dated the _____ day _____ of 20 _____ the Applicant(s) above-named has /have duly appointed _____ (Member/Non-Member) as an arbitrator in the above matter as provided in the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai.

AND WHEREAS the Respondent(s) has / have failed to appoint an arbitrator within the prescribed time.
NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai, I, _____, _____ of the Derivatives Segment of the Stock Exchange, Mumbai appoint _____ from the approved panel of arbitrators to be the second arbitrator in the above matter.

Dated the _____day of _____ 20___.

_____
Derivatives Segment
The Stock Exchange, Mumbai.

APPENDIX A TO REGULATION 3. (Contd.)
Form No.6 C
(For claims of Rs.10,00,000/- or more)

Form of Appointment of Third Arbitrator by Derivatives Segment
(Bye-laws 12.6(ii) and Regulation 3.5(iv))

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of the Derivative Segment,
of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

WHEREAS by an instrument in writing dated the _____day _____ of 20__ the Applicant(s) above-named has /have duly appointed _____ as an arbitrator from the approved panel of arbitrators and by an instrument in writing dated the _____day _____ of 20__ the Respondent (s)/ the Derivatives Segment has/ have appointed _____ as an arbitrator to determine the claim differences and disputes in the above matter as provided in the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai.

AND WHEREAS the abovementioned arbitrators has / have failed to agree upon and appoint the third and presiding arbitrator within the prescribed time.

NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai, I, _____, _____ of the Derivatives Segment of the Stock Exchange, Mumbai appoint _____ from the approved panel of arbitrators to be the third and presiding arbitrator in the above matter.

Dated the _____day of _____ 20___.

_____
Derivatives Segment
The Stock Exchange, Mumbai.

APPENDIX A TO REGULATION 3. (Contd.)
Form No.7

Notice of Hearing
(Regulation 3.10A)

In the Matter of an Arbitration
under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN
… (Name of Applicant (s))
and
… (Name of Respondent (s))

WHEREAS _____ day of _____ 20____ at the hour of _____ at _____ has been appointed by the arbitrator(s) herein for proceeding in the above reference.

NOW THEREFORE take notice that each party is required to present himself in person or by a duly authorised representative at the said meeting with the necessary books, documents, papers, etc.

AND take further notice that in case any party absents himself the arbitrator(s) may at their /his discretion proceed with the reference ex-parte.

Dated the _____ day of _____ 20 .

(Signature(s) of Arbitrator(s)/
(Secretary/Arbitration Assistant)

APPENDIX A TO REGULATION 3.
Form No. 8
Form of Declaration to be made by the Arbitrators
In the Arbitral Tribunal of the Derivatives Segment,
Of the Stock Exchange, Mumbai
(Regulation 3.6)

Reference No._____ of _____

M/s. / Shri Applicant (s)

Versus

M/s. / Shri Respondent (s)

I Shri _____ state that I have been proposed / appointed as an arbitrator by the Applicant(s) / Respondent(s)/ the Derivatives Segment of the Stock Exchange, Mumbai in this reference.

I solemnly declare that -

(i) I am not related to the / any Applicant / Respondent to the reference.
(ii) I am not interested and have no bias for or against the / any Applicant / Respondent.
(iii) Save and except for transactions relating to sale and/or purchase of securities or Derivatives entered into in the ordinary course of my business as a broker, and the following transactions, to the best of my knowledge. I have not had any transactions or business dealings with the Applicant/ Respondent:-
(a)
(b)
(c)

Submitted on this _____day of _____3.

(Arbitrator)

We have read and understood the declaration made by the arbitrator Shri _____.

Applicant
Date : _____

Respondent
Date : _____

(Strike out what is not relevant)

APPENDIX A TO REGULATION 3
Form No.9
Form of Objection/No Objection for appointment of arbitrator by the parties
In the Arbitral Tribunal, of the Derivative Segment of the Stock Exchange, Mumbai
(Regulation 3.6)

Reference No._____ of _____

M/s. / Shri Applicant (s)

Versus

M/s. / Shri Respondent (s)

I, the Applicant(s) / Respondent(s) named above state that I / we have read the declaration made by the proposed arbitrator/ arbitrator Shri _____ on _____ the day of _____, 20__ and state as under :

I object to / have no objection to the appointment of Shri _____ as the / an arbitrator in the above matter..

Submitted on this _____ day of _____.

Applicant(s) / Respondent(s)

APPENDIX A TO REGULATION 3
FORM No. 10

Form of request for allowing advocates to appear in arbitration.
(Regulation 3.27)

In the matter of an arbitration
under the Rules, Bye-laws and regulation of the Derivative Segment,
of the Stock Exchange,
Mumbai

Reference No._____ of _____

BETWEEN

….(Name of Appliacnt (s))

and

….(Name of Respondent (s))

To,
The Arbitrator (s)

WHEREAS it is provided in the Rules, Bye-laws and Regulations of Derivative Segments of the Stock Exchange Mumbai that no advocate shall be permitted to appear, plead or act in the arbitration proceedings, that the parties may be permitted by the arbitrator(s) to have an assistance of a duly authorised next friend in the conduct of arbitration proceedings; and that however, at the request of the Applicant or the Respondent, the arbitrator(s), may permit a party to be represented by an advocate depending on the complexities of the facts and law involved in the case.

NOW THEREFORE in pursuance of the said Rules, Bye-laws and Regulations for the reasons mentioned below. I/We _____ the Applicant(s)/Respondent(s) above named do hereby request the arbitrator(s) to permit me/ us to be represented by Mr. _____, an advocate.

Reasons :-

Dated the day of 20__

(Signature of the Applicant(s)/Respondent(s))

Note : The arbitrators are not bound to give permission to you to be represented by an advocate.

Permission to be represented by an advocate given/denied.

(Signature of the Arbitrator(s))
Date :

APPENDIX A TO REGULATION 3
FORM No. 11

Intimation of Decision of Arbitrators regarding
Representation through Advocates in the Arbitration Proceedings.
(Regulation 3.27)

In the matter of an arbitration
under the Rules, Bye-laws and regulation of the Derivative Segment,
of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN

….(Name of Applicant (s))

and

….(Name of Respondent (s))

To,
The Applicant(s)/Respondent(s)

WHEREAS by an instrument dated the _____ day of _____20__ you the Applicant(s)/Respondent(s) above named had requested the arbitrator(s) to permit you to be represented, in the arbitration proceedings, by Mr. _____, an advocate.

In this connection please take note that your request regarding representation by an advocate in the arbitration proceeding, was considered by the arbitrators on _____ day of _____, 20__ and they have decided not to allow/to allow Mr. _____, to represent you in the conduct of the arbitration proceedings.

Dated the day of 20___

(Secretary/Arbitration Assistant)

APPENDIX A TO REGULATION 3

Form No. 12A
Form of Notice of Reference by advertisement in news paper
Notice of the Reference
(Regulation 3.22)

In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN

…. (Name of Applicant (s))

and

…. (Name of Respondent (s))

To,
The Respondent(s)

WHEREAS the Applicant(s) as above named has filed the above mentioned arbitration reference No. _____ of _____ on _____ day of _____ 20___ against you claiming Rs. _____/-. The service of the said notice of Reference was attempted on you as provided in the Rules, Bye-laws & Regulations of the Derivatives Segment of the Stock Exchange. It however could not be effected.

Whereas it has been shown to the satisfaction of the Secretary, Derivatives Segment of the Stock Exchange, Mumbai that it is not possible to serve notice of the above reference to you, in the ordinary way, therefore, this notice is given by advertisement directing you to make appearance before the Secretary with in __ days of publication of this advertisement at _____(address of the concerned Regional Arbitration Centre).

AND take notice that in case of default / non-appearance before the Secretary, the matter may be proceeded with ex-parte.

Dated the _____ day of _____, 20____

(Secretary/Arbitration Assistant)

APPENDIX A TO REGULATION 3

Form No. 12B
Form of Notice of hearing by advertisement in News paper
Notice of the Reference
(Regulation 3.22)

In the Matter of an Arbitration
Under the Rules, Bye-laws and Regulations of Derivatives Segment of the Stock Exchange, Mumbai
Reference No._____ of _____
BETWEEN

…. (Name of Applicant (s))

and

…. (Name of Respondent (s))

To,
The Respondent(s)/Applicant(s)

WHEREAS the Applicant(s) as above named has filed the above mentioned arbitration reference No. _____ of _____ on _____ day of _____ 20___ against you. The service of the notice of Hearing was attempted on you as provided in the Rules, Bye-laws & Regulations of Derivative Segment of the Stock Exchange It however could not be effected .

Whereas it has been shown to the satisfaction of the Arbitrator(s) that it is not possible to serve notice of the above reference to you, in the ordinary way, therefore, this notice is given by advertisement directing you to make appearance in the arbitration proceedings on _____ day of _____ , 20__ at ___ p.m. before the learned Arbitrator(s) at _____
(address of the concerned Regional Arbitration Centre)

AND take notice that in case of default, non-appearance before the Arbitrator(s), the Arbitrator(s) shall at their discretion proceed with the reference ex-parte.

Dated the _____ day of _____, 20____

(Arbitrator(s)/Secretary/Arbitration Assistant)

Regulation 4
Application Forms for Membership
FORM NO. DS-TMI
TRADING MEMBER REGISTRATION APPLICATION FORM
(Rule 2.12)
(To be filled in by individual members)

To,
The Secretary - Derivatives Segment
The Stock Exchange, Mumbai

Application for Registration as a Trading Member

Dear Sir/Madam,
I am a member of The Stock Exchange, Mumbai ("**the Exchange**"). I hereby apply for registration as a Trading Member of the Derivatives Segment. I have read and understood the Rules, Bye-Laws and Regulations of the Exchange and of the Derivatives Segment of the Exchange and agree to abide by them (as amended from time to time), as well as all directions that the Exchange or the Derivatives Segment may issue from time to time. I am aware that the rights of Trading Membership of the Derivatives Segment cannot be transferred or alienated and no nomination can be made in respect thereof.
I give below the information required by you:

Name of the Applicant: _____
Firm Name (if any) in which the Applicant carries on business on the Exchange:
M/s. _____
Applicant's Cash Segment Clearing Number:
Derivatives Segment Clearing Code Number (if any):
(Applicable only if the Applicant is a Clearing Member of the Derivatives Segment at the time of making this application)

Registered Address: _____.
Telephone Number(s): _____
Fax Number(s): _____

Address of Approved Office(s):
(1) _____.
(2) _____.
(3) _____.

Whether your application for registration as a Trading Member of the Derivatives Segment has been rejected in the past three months. Y/N

If Yes, give full details _____

Whether you have ever been rejected, suspended, expelled or declared a defaulter on the Exchange's cash segment or by any other exchange. Y/N

If Yes, give full details _____

Associated Derivatives Segment Clearing Member Code:
(Please insert the Derivatives Segment Clearing Member Code of the Derivatives Segment Clearing Member with whom the Applicant proposes to associate for clearing the Applicant's trades on the Derivatives Segment)

Names of Approved Users (Minimum Two)

1. _____
2. _____
3. _____
4. _____
5. _____

I undertake to comply with such requirements and norms as may be specified by the Securities and Exchange Board of India ("SEBI") for registration with SEBI as a Trading Member of the Derivatives Segment.

I am aware and agree that the Governing Council may in its absolute discretion reject any application for registration as a Trading Member on such grounds as it considers fit and proper without assigning any reason.

I confirm that all the information furnished above and along with this application is true to the best of my knowledge and belief and I further undertake to keep you informed, at the earliest, regarding any changes therein.

Signature_____
Date ____/_____/_____
(DD / MM /Year)
(to be signed by the Applicant)

Enclosed:

A. Details of Applicant

1. Net Worth (as per formula prescribed by SEBI) Certificate from a Chartered Accountant as on the latest possible date (hereinafter called "the Relevant Date"). The Relevant Date should not be more than six months prior to the date of submission of this application form to the Exchange .
2. Net Worth Calculation as on the Relevant Date (as per formula prescribed by SEBI) certified by a Chartered Accountant.
3. Balance Sheet and Profit & Loss Account as on the Relevant Date certified by a Chartered Accountant.
4. Capital Account as on the Relevant Date certified by a Chartered Accountant.

5. Written consent (in the prescribed format) from the Associated Derivatives Segment Clearing Member to clear the trades of the Applicant (unless the Applicant is himself a Clearing Member, in which case such consent is not required).

[1]B. Documents pertaining to each Approved User

(NOTES:

1.
2. Annexure DS -AU.
3.
4. Proof of passing the SEBI approved certification programme for the Derivatives Segment.

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

[1]*ANNEXURE – DS-AU*

(To be filled in by each Approved User of an Individual / Corporate Trading / Clearing Member)

Date:

To
Membership Department
The Stock Exchange
25th Floor, P J Tower,
Dalal Street, Fort,
Mumbai - 400 001.

Subject: **Application for Approved User in Derivatives Segment**

Dear Sir / Madam,

We _____ (Name of Trading /Trading cum Clearing member) hereby apply for approved user Mr./Ms. _____ (Name of approved user) [S/o] / [D/o] / [W/o] _____ (Father's /Husband's name), born on _____ (Date of birth), having passed the BSE Certification for Derivatives Exchange [BCDE] / NSE's Certification in Financial Market-Derivatives Module [NCFM] roll No. _____ valid upto _____, who is to be approved as a user.

We have read, understood and appreciated the rules, bye-laws and regulations of the Derivatives Segment and agree & bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or effected by such user on the Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having received prior approval by us in writing. We hereby solemnly declare and affirm that what is stated above is true and to the best of our knowledge.

For
(Name of Trading/Trading cum Clearing member)

Signature of any one Designated Director(s) / Authorised Signatory

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

FORM NO. DS-TMC
TRADING MEMBER REGISTRATION APPLICATION FORM
(Rule 2.12)
(To be filled in by corporate members)

To,
The Secretary - Derivatives Segment
The Stock Exchange, Mumbai

Application for Registration as a Trading Member

Dear Sir/Madam,

We are a member of The Stock Exchange, Mumbai **("the Exchange")**. We hereby apply for registration as a Trading Member of the Derivatives Segment. We have read and understood the Rules, Bye-Laws and Regulations of the Exchange and of the Derivatives Segment of the Exchange and agree to abide by them (as amended from time to time), as well as all directions that the Exchange or the Derivatives Segment may issue from time to time. We are aware that the rights of Trading Membership of the Derivatives Segment cannot be transferred or alienated and no nomination can be made in respect thereof.

We give below the information required by you:

Name of the Applicant:
Applicant's Cash Segment Clearing Number:
Derivatives Segment Clearing Code Number (if any):

(Applicable only if the Applicant is a Clearing Member of the Derivatives Segment at the time of making this application)

Date of Incorporation : _____
Registered Address : _____.
Telephone Number(s): _____

Fax Number(s): _____

Address of Approved Office(s):

(1) _____.
(2) _____.
(3) _____.

Whether your application for registration as a Trading Member of the Derivatives segment has been rejected in the past three months. Y/N

If Yes, give full details _____

Whether you have been ever rejected, suspended, expelled or declared a defaulter on the Exchange's cash segment or by any other exchange. Y/N

If Yes, give full details _____

Associated Derivatives Segment Clearing Member Code:
(Please insert the Derivatives Segment Clearing Member Code of the Derivatives Segment Clearing Member with whom the Applicant proposes to associate for clearing the Applicant's trades on the Derivatives Segment)

Names of Designated Directors (for the purposes of the Derivatives Segment)

(Minimum two designated directors. All or any of the Designated Directors for the Cash Segment and the Derivatives Segment may be common if the Applicant so desires.)

1. _____
2. _____
3. _____

Names of Other Directors

4. _____
5. _____
6. _____

Names of Approved Users (Minimum Two)

1. _____
2. _____
3. _____
4. _____
5. _____

We, the Applicant and the belowmentioned Directors of the Applicant, undertake to comply with such requirements and norms as may be specified by the Securities and Exchange Board of India ("SEBI") for registration with SEBI as a Trading Member of the Derivatives Segment.

We are aware and agree that the Governing Council may in its absolute discretion reject any application for registration as a Trading Member on such grounds as it considers fit and proper without assigning any reason.

We, the Applicant and the belowmentioned Directors of the Applicant, confirm that all the information furnished above and along with this application is true to the best of our knowledge and belief and we further undertake to keep you informed, at the earliest, regarding any changes therein.

For self and on behalf of the Applicant:

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM /Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM / Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM /Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM / Year)

(To be signed by all the Designated Directors and the Managing Director or the Executive Director of the Applicant where the Applicant has a Managing Director or an Executive Director)

Enclosed:

A. Details of Applicant

1. Net Worth (as per formula prescribed by SEBI) Certificate from a Chartered Accountant as on the latest possible date (hereinafter called "the Relevant Date"). The Relevant Date should not be more than six months prior to the date of submission of this application form to the Exchange .

2. Net Worth Calculation as on the Relevant Date (as per formula prescribed by SEBI) certified by a Chartered Accountant.

3. Balance Sheet and Profit & Loss Account as on the Relevant Date certified by a Chartered Accountant.

4. Capital Structure as on the date of submission of this Application to the Exchange, certified by a Chartered Accountant.

5. The present [& proposed (if any)] shareholding pattern in respect of each class of security. In case the Applicant has a corporate shareholder, then the shareholding pattern of such corporate shareholder is also required. This process will continue until the individual behind each company is identified.

   Present shareholding pattern should be certified by a Chartered Accountant.
   Proposed shareholding pattern should be certified/signed by a Chartered Accountant or a Director or Company Secretary of the Applicant.

6. A certified true copy of the Board Resolution authorising the Applicant being registered as a Trading Member, authorising the making of an application for such registration and authorising the Designated Directors who have signed this application to so sign. The copy should be certified as a true copy by the Chairman or whole time director of the Applicant.

7. Written consent (in the prescribed format) from the Associated Derivatives Segment Clearing Member to clear the trades of the Applicant (unless the Applicant is itself a Clearing Member, in which case such consent is not required).

B. Documents pertaining to each Designated Director:

(NOTES:

1. The documents at Sr. Nos. 1 to 7 are not required in respect of Designated Directors of the Derivatives Segment who, as on the date of this Application, are Designated Directors of the Cash Segment.

2. The documents mentioned at Sr. Nos. 3 to 6 should be duly certified by a chartered accountant as true and correct.)

3. Annexure DS-TMC-DD.

4. A brief bio-data including details of name, address, date of birth, education & experience.

5. Certificates of educational qualifications.

6. Certificates relating to experience in the capital market.

7. Balance Sheet, Profit & Loss Account and Capital Account for the last three years.

8. Assessment Orders &/or statements of income/wealth &/or copy of income-tax returns for the last three assessment years.

9. At least one reference from the banker of the Designated Director.

[1]C. Documents pertaining to each Approved User.

(NOTE: *The documents mentioned at Sr. Nos. 3 and 4 should be duly certified by a chartered accountant as true and correct.)*

1. Annexure DS- AU.

2. Proof of passing the SEBI approved certification programme for the Derivatives Segment.

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

ANNEXURE – DS-TMC -DD

(To be filled in by each of the Designated Directors of Corporate Trading Member)

1. Full Name (Surname first, if applicable) :

2. Father's/Husband's Name :

3. Date of Birth :

4. Whether a citizen of India ? :

5. Educational Qualifications :
   (attach certified copies)

Name of the College/ University/Institution	Degree/Diploma	Grade	Year

6. Details of experience in the Capital market activities (use additional sheets if required) :

7. Are you carrying on business of dealing in shares & securities/derivatives either in your name or in the name of any other person? If so, give particulars. :

8. Are you carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

9. Are you engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

10. Are you aware that on registration of the Applicant as a Trading Member of the Derivatives Segment you will have to stop forthwith any business of the above mentioned type? :

11. Indicate your PAN allotted by the Income-Tax Department :

12. Give details of your bank/s. :
(attach reference from at least one banker)

13. Do you have any objection to a reference being made to your bank/s? :

14. State any other circumstance which in your opinion should be disclosed to the Exchange :

15. Have you been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

16. Have you been involved in any financial liability of contingent or unascertained nature? If so, give particulars :

17. Have you, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

18. Have you at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :
    If so, give particulars.

19. Have you at any time been
    a) rejected by any commodity or similar exchange or commercial organisation for membership? :

    b) expelled by any such exchange or commercial organisation from membership? :

    c) declared a defaulter by any such exchange or commercial organisation :
    If so, give particulars.

20. Have you at any time been adjudged : bankrupt or has a receiving order in bankruptcy been made against you or have you been proved to be insolvent? If so, give particulars.

21. Have you at any time compounded with : your creditors? If so, give particulars

22. Do you have any liabilities which are : overdue?

23. Have you read the Rules, Bye-Laws and : Regulations of the Exchange/Derivatives Segment?

24. Are you aware that any misstatement : or misrepresentation or suppression of facts by you or any breach by you of any undertaking or condition may entail withdrawal of the Derivatives Segment's consent to your acting as a Designated Director and/or cancellation of the registration of the Trading Member ?

I _____ being a Designated Director (in respect of the Derivatives Segment) of _____ which is applying for registration as a Trading Member of the Derivatives Segment, do hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge.

Dated this _____day of _____, 20__.

(Signature of Designated Director)

We, _____, are applying for registration as a Trading Member of the Derivatives Segment of the Stock Exchange, Mumbai, and desire to have the abovementioned _____ as our Designated Director. We hereby solemnly declare and affirm that what is stated above is true to the best of our knowledge.

Dated this _____ day of _____, 20__

(Signature of all Designated Directors on behalf of the Applicant for Registration as Trading Member)

[1]*ANNEXURE – DS-AU*

(To be filled in by each Approved User of an Individual / Corporate Trading / Clearing Member)

Date:

To
Membership Department
The Stock Exchange
25th Floor, P J Tower,
Dalal Street, Fort,
Mumbai - 400 001.

Subject: **Application for Approved User in Derivatives Segment**

Dear Sir / Madam,

We _____ (Name of Trading /Trading cum Clearing member) hereby apply for approved user Mr./Ms. _____ (Name of approved user) [S/o] / [D/o] / [W/o] _____ (Father's /Husband's name), born on _____ (Date of birth), having passed the BSE Certification for Derivatives Exchange [BCDE] / NSE's Certification in Financial Market-Derivatives Module [NCFM] roll No. _____ valid upto _____, who is to be approved as a user.

We have read, understood and appreciated the rules, bye-laws and regulations of the Derivatives Segment and agree & bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or effected by such user on the Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having received prior approval by us in writing. We hereby solemnly declare and affirm that what is stated above is true and to the best of our knowledge.

For
(Name of Trading/Trading cum Clearing member)

Signature of any one Designated Director(s) / Authorised Signatory

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

FORM NO. DS-CMI
CLEARING MEMBER REGISTRATION APPLICATION FORM
(Rule 2.12)
(To be filled in by applicants who are individuals)

To,
The Secretary - Derivatives Segment
The Stock Exchange, Mumbai

Application for Registration as a Clearing Member
Dear Sir/Madam,

I hereby apply for registration as a Clearing Member of the Derivatives Segment. I have read and understood the Rules, Bye-Laws and Regulations of the Stock Exchange, Mumbai **("the Exchange")** and of the Derivatives Segment of the Exchange and agree to abide by them (as amended from time to time), as well as all directions that the Exchange or the Derivatives Segment may issue from time to time. I am aware that the rights of a Clearing Member of the Derivatives Segment cannot be transferred or alienated and no nomination can be made in respect thereof.

I give below the information required by you:

Name of the Applicant: _____

Whether a Member of the Exchange's Cash Segment: Y/N

If yes then Applicant's Cash Segment Clearing Number:

Firm Name (if any) in which the Applicant carries on business on the Cash Segment: M/s. _____

Whether the Applicant is a Trading Member of the Derivatives Segment: Y/N

Derivatives Segment Trading Code Number (if any):
(Applicable only if the Applicant is a Trading Member of the Derivatives Segment at the time of making this application)

Registered Address : _____.
Telephone Number(s): _____
Fax Number(s): _____

Address of Approved Office(s):

(1) _____.
(2) _____.
(3) _____.

Type of the Clearing Member:
Code _____ Description_____
(Select from the following)

[Type : Code Description

1. Professional Clearing Member (Can clear trades only on account of Trading Members and Trading Members' Clients)
2. Trading Member - Clearing Member.
3. Custodian Clearing Member

Whether your application for registration as a Clearing Member of the Derivatives Segment has been rejected in the past three months. Y/N

If Yes, give full details _____

Whether you have ever been rejected, suspended, expelled or declared a defaulter on the Exchange's cash segment or by any other exchange. Y/N

If Yes, give full details _____

Names of Approved Users (Minimum Two)

6. _____
7. _____
8. _____
9. _____
10. _____

I undertake to comply with such requirements and norms as may be specified by the Securities and Exchange Board of India ("SEBI") for registration with SEBI as a Clearing Member of the Derivatives Segment.

I am aware and agree that the Governing Council may in its absolute discretion reject any application for registration as a Clearing Member on such grounds as it considers fit and proper without assigning any reason.

I confirm that all the information furnished above and along with this application is true to the best of my knowledge and belief and I further undertake to keep you informed, at the earliest, regarding any changes therein.

Signature_____
Date ____/_____/_____
(DD / MM /Year)
(to be signed by the Applicant)

Enclosed:

A. Details of Applicant

1. Annexure DS-CMI-M *(Note: This Annexure is not required if the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application.)*

2. Net Worth (as per formula prescribed by SEBI) Certificate from a Chartered Accountant as on the latest possible date (hereinafter called "the Relevant Date"). The Relevant Date should not be more than six months prior to the date of submission of this application form to the Exchange .

3. Net Worth Calculation as on the Relevant Date (as per formula prescribed by SEBI) certified by a Chartered Accountant.

4. Balance Sheet and Profit & Loss Account as on the Relevant Date and two years preceding the Relevant Date certified by a Chartered Accountant. *(Note: If the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application then only the Balance Sheet and Profit & Loss Account as on the Relevant Date is required; and Balance Sheet and the Profit & Loss Account for two years preceding the Relevant Date is not required).*

5. Capital Account as on the Relevant Date certified by a Chartered Accountant.

6. Brief history of the Applicant and brief biodata including details of address, date of birth, education and experience. Please attach a brief background of the person / firm, citing relevant experience in the field of securities, investment and derivatives (and all relevant certificates relating to experience in such fields). *(Note: This is not required if the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application.)*

7. Service Manual (if any) in case of as application to be registered as a Custodian Clearing Member.

8. If the Applicant is applying for registration as a Trading Member Clearing Member, but is not a Trading Member as of the date of this application then the Applicant must make a separate application for registration as a Trading Member and give details of such application in the Applicant's forwarding letter accompanying this application.

[1]B. Documents pertaining to each Approved User

(NOTES:

1. Annexure DS-AU.

2. Proof of passing the SEBI approved certification programme for the Derivatives Segment.

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

ANNEXURE – DS-CMI -M

(To be filled in by Individual Clearing Member Applicant)

1. Full Name (Surname first, if applicable) :

2. Father's/Husband's Name :

3. Date of Birth :

4. Whether a citizen of India ? :

5. Educational Qualifications :
   (attach certified copies)

Name of the College/ University/Institution	Degree/Diploma	Grade	Year

6. Details of experience in the Capital market activities (use additional sheets if required) :

7. Are you carrying on business of dealing in shares & securities/derivatives either in your name or in the name of any other person? If so, give particulars. :

8. Are you carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

9. Are you engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

10. Indicate :-
    i) Your PAN allotted by the Income-Tax Department :

    ii) Details of Income Tax Assessment for the last three assessment years (attach copies of the assessment :

orders) and any other claim, order, notices served by the Income-Tax Department.

iii) Details of Wealth Tax Assessments for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

11. Give details of your bank/s. (attach reference from at least one banker) :

12. Do you have any objection to a reference being made to your bank/s? :

13. State any other circumstance which in your opinion should be disclosed to the Exchange :

14. Have you been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

15. Have you been involved in any financial liability or contingent or unascertained nature? If so, give particulars :

16. Have you, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

17. Have you at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :

    If so, give particulars.

18. Have you at any time been
    a) rejected by any commodity or similar exchange or commercial :

organisation for membership?

b) expelled by any such exchange or commercial organisation from membership? :

c) declared a defaulter by any such exchange or commercial organisation :

If so, give particulars.

19. Have you at any time been adjudged bankrupt or has a receiving order in bankruptcy been made against you or have you been proved to be insolvent? If so, give particulars. :

20. Have you at any time compounded with your creditors? If so, give particulars :

21. Do you have any liabilities which are overdue? :

22. Have you read the Rules, Bye-Laws and Regulations of the Exchange/Derivatives Segment? :

23. Are you aware that any misstatement or misrepresentation or suppression of facts by you or any breach by you of any undertaking or condition may entail cancellation of your registration as a Clearing Member ? :

I _____, hereby apply for registration as a Clearing Member of the Derivatives Segment. I hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge.

Dated this _____ day of _____, 20__.

(Applicant)

[1]*ANNEXURE – DS-AU*

(To be filled in by each Approved User of an Individual / Corporate Trading / Clearing Member)

Date:

To
Membership Department
The Stock Exchange
25th Floor, P J Tower,
Dalal Street, Fort,
Mumbai - 400 001.

Subject: **Application for Approved User in Derivatives Segment**

Dear Sir / Madam,

We _____ (Name of Trading /Trading cum Clearing member) hereby apply for approved user Mr./Ms. _____ (Name of approved user) [S/o] / [D/o] / [W/o] _____ (Father's /Husband's name), born on _____ (Date of birth), having passed the BSE Certification for Derivatives Exchange [BCDE] / NSE's Certification in Financial Market-Derivatives Module [NCFM] roll No. _____ valid upto _____, who is to be approved as a user.

We have read, understood and appreciated the rules, bye-laws and regulations of the Derivatives Segment and agree & bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or effected by such user on the Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having received prior approval by us in writing. We hereby solemnly declare and affirm that what is stated above is true and to the best of our knowledge.

For
(Name of Trading/Trading cum Clearing member)

Signature of any one Designated Director(s) / Authorised Signatory

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

FORM NO. DS-CMC

CLEARING MEMBER REGISTRATION APPLICATION FORM
(Rule 2.12)
(To be filled in by applicants who are corporates)

To,
The Secretary - Derivatives Segment
The Stock Exchange, Mumbai

Application for Registration as a Clearing Member

Dear Sir/Madam,

We hereby apply for registration as a Clearing Member of the Derivatives Segment. We have read and understood the Rules, Bye-Laws and Regulations of The Stock Exchange, Mumbai **("the Exchange")** and of the Derivative Segment of the Exchange and agree to abide by them (as amended from time to time), as well as all directions that the Exchange or the Derivatives Segment may issue from time to time. We are aware that the rights of Clearing Membership of the Derivatives Segment cannot be transferred or alienated and no nomination can be made in respect thereof.

We give below the information required by you:

Name of the Applicant:
Whether a Member of the Exchange's Cash Segment: Y/N
If yes then Applicant's Cash Segment Clearing Number:
Whether the Applicant is a Trading Member of the Derivatives Segment: Y/N
Derivatives Segment Trading Code Number (if any):
(Applicable only if the Applicant is a Trading Member of the Derivatives Segment at the time of making this application)

Date of Incorporation : _____
Registered Address : _____.
Telephone Number(s): _____
Fax Number(s): _____

Address of Approved Office(s):
(1) _____
(2) _____
(3) _____

Type of the Clearing Member:
Code _____ Description_____
(Select from the following)

[Type : Code Description

1. Professional Clearing Member (Can clear trades only on account of Trading Members and Trading Members' Clients)
2. Trading Member - Clearing Member.
3. Custodian Clearing Member

Whether your application for registration as a Clearing Member of the Derivatives Segment has been rejected in the past three months. Y/N

If Yes, give full details _____

Whether you have been ever rejected, suspended, expelled or declared a defaulter on the Exchange's cash segment or by any other exchange. Y/N

If Yes, give full details _____

Names of Designated Directors (for the purposes of the Derivatives Segment) *(Minimum two designated directors. If the Applicant is a member of the cash Segment then if the Applicant so desires all or any of the Designated Directors for the Cash Segment and the Derivatives Segment may be common.)*

1. _____
2. _____
3. _____

Names of Other Directors

4. _____
5. _____
6. _____

Names of Approved Users (Minimum Two)

6. _____
7. _____
8. _____
9. _____
10. _____

We, the Applicant and the belowmentioned Directors of the Applicant, undertake to comply with such requirements and norms as may be specified by the Securities and Exchange Board of India ("SEBI") for registration with SEBI as a Clearing Member of the Derivatives Segment.

We are aware and agree that the Governing Council may in its absolute discretion reject any application for registration as a Clearing Member on such grounds as it considers fit and proper without assigning any reason.

We, the Applicant and the belowmentioned Directors of the Applicant, confirm that all the information furnished above and along with this application is true to the best of our knowledge and belief and we further undertake to keep you informed, at the earliest, regarding any changes therein.

For self and on behalf of the Applicant:

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM /Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM / Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM /Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM / Year)

(To be signed by all the Designated Directors and the Managing Director or the Executive Director of the Applicant where the Applicant has a Managing Director or an Executive Director)

Enclosed:

A. Details of Applicant

1. Annexure DS-CMC-M (Note: This Annexure is not required if the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application.)

2. Certified true copy of the Certificate of Incorporation and Memorandum and Articles of Association. (Note: This is not required if the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application.)

3. Net Worth (as per formula prescribed by SEBI) Certificate from a Chartered Accountant as on the latest possible date (hereinafter called "the Relevant Date"). The Relevant Date should not be more than six months prior to the date of submission of this application form to the Exchange .

4. Net Worth Calculation as on the Relevant Date (as per formula prescribed by SEBI) certified by a Chartered Accountant.

5. Balance Sheet and Profit & Loss Account as on the Relevant Date and two years preceding the Relevant Date certified by a Chartered Accountant. (Note: If the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application then only the Balance Sheet and Profit & Loss

Account as on the Relevant Date is required; and Balance Sheet and the Profit & Loss Account for two years preceding the Relevant Date is not required).

6. Capital Structure as on the date of submission of this Application to the Exchange, certified by a Chartered Accountant.

7. The present [& proposed (if any)] shareholding pattern in respect of each class of security. In case the Applicant has a corporate shareholder, then the shareholding pattern of such corporate shareholder is also required. This process will continue until the individual behind each company is identified.

8. Present shareholding pattern should be certified by a Chartered Accountant.

9. Proposed shareholding pattern should be certified/signed by a Chartered Accountant or a Director or Company Secretary of the Applicant.

10. A certified true copy of the Board Resolution authorising the Applicant being registered as a Clearing Member, authorising the making of an application for such registration and authorising the Designated Directors who have signed this application to so sign. The copy should be certified as a true copy by the Chairman or whole time director of the Applicant.

11. Brief history of the Applicant. Please attach a brief background citing relevant experience in the field of securities, investment and derivatives. (Note: This is not required if the Applicant is a member of the Cash Segment of the Exchange at the time of submission of this application.)

12. Service Manual (if any) in case of an application to be registered as a Custodian Clearing Member.

13. If the Applicant is applying for registration as a Trading Member Clearing Member, but is not a Trading Member as of the date of this application then the Applicant must make a separate application for registration as a Trading Member and give details of such application in the Applicant's forwarding letter accompanying this application.

B. Documents pertaining to each Designated Director:

(NOTES:

I. The documents at Sr. Nos. 1 to 7 are not required in respect of Designated Directors of the Derivatives Segment who, as on the date of this Application, are Designated Directors of the Cash Segment.

II. The documents mentioned at Sr. Nos. 3 to 6 should be duly certified by a chartered accountant as true and correct.)

a.) Annexure DS-CMC-DD.

b.) A brief bio-data including details of name, address, date of birth, education & experience.

c.) Certificates of educational qualifications.

d.) Certificates relating to experience in the capital market.

e.) Balance Sheet, Profit & Loss Account and Capital Account for the last three years.

f.) Assessment Orders &/or statements of income/wealth &/or copy of income-tax returns for the last three assessment years.

g.) At least one reference from the banker of the Designated Director.

C. Documents pertaining to each Approved User.

(NOTE: *The documents mentioned at Sr. Nos. 3 and 4 should be duly certified by a chartered accountant as true and correct.)*

3. Annexure DS-AU.
4.
5. Proof of passing the SEBI approved certification programme for the Derivatives Segment.

ANNEXURE – DS-CMC -M

(To be filled in by Corporate Clearing Member Applicant)

1. Name :

2. Details of experience in the Capital market activities (use additional sheets if required) :

3. Is the Applicant carrying on business of dealing in shares & securities/derivatives either in its name or in the name of any other person? If so, give particulars. :

4. Is the Applicant carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

5. Is the Applicant engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

6. Indicate :-
   i) PAN allotted to the Applicant by the Income-Tax Department :

   ii) Details of Income Tax Assessment for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

   iii) Details of Wealth Tax Assessments for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

7. Give details of Applicant's bank/s. (attach reference from at least one banker) :

8. Does the Applicant have any objection to a reference being made to its bank/s? :

9. State any other circumstance which in the Applicant's opinion should be disclosed to the Exchange :

10. Has the Applicant or any of its directors been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

11. Has the Applicant been involved in any financial liability or contingent or unascertained nature? If so, give particulars :

12. Has the Applicant or any of its directors, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

13. Has the Applicant at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :

    If so, give particulars.

14. Has the Applicant at any time been
    a) rejected by any commodity or similar exchange or commercial organisation for membership? :

    b) expelled by any such exchange or commercial organisation from membership? :

    c) declared a defaulter by any such exchange or commercial organisation :

    If so, give particulars.

15. Has the Applicant at any time been adjudged bankrupt or has a receiving order in bankruptcy been made against the Applicant or :

has the Applicant been proved to be insolvent?
If so, give particulars.

16. Has the Applicant at any time compounded with :
its creditors? If so, give particulars

17. Does the Applicant have any liabilities which are :
overdue?

18. Has the Applicant and its directors read the Rules, Bye-Laws and :
Regulations of the Exchange and of the Derivatives Segment?

19. Are you aware that any misstatement :
or misrepresentation or suppression of
facts by the Applicant or any breach by the Applicant of any
undertaking or condition may entail cancellation
of the Applicant's registration as a Clearing Member ?

We _____, hereby apply for registration as a Clearing Member of the Derivatives Segment. We hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge.

Dated this _____ day of _____, 20__.

(Applicant)
(To be signed on behalf of the Applicant by all the Designated Directors and the Managing Director or the Executive Director of the Applicant (where the Applicant has a Managing Director or an Executive Director))

ANNEXURE – DS-CMC -DD

(To be filled in by each of the Designated Directors of Corporate Clearing Member)

1. Full Name (Surname first, if applicable) :

2. Father's/Husband's Name :

3. Date of Birth :

4. Whether a citizen of India ? :

5. Educational Qualifications :
   (attach certified copies)

Name of the College/ University/Institution	Degree/Diploma	Grade	Year

6. Details of experience in the Capital market activities (use additional sheets if required) :

7. Are you carrying on business of dealing in shares & securities/derivatives either in your name or in the name of any other person? If so, give particulars. :

8. Are you carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

9. Are you engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

10. Are you aware that on registration of the Applicant as a Clearing Member of the Derivative Segment you will have to stop forthwith any business of the above mentioned type? :

11. Indicate your PAN allotted by the Income-Tax Department :

12. Give details of your bank/s. :

(attach reference from at least one banker)

13. Do you have any objection to a reference being made to your bank/s? :

14. State any other circumstance which in your opinion should be disclosed to the Exchange :

15. Have you been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

16. Have you been involved in any financial liability of contingent or unascertained nature? If so, give particulars :

17. Have you, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

18. Have you at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :

    If so, give particulars.

19. Have you at any time been
    a) rejected by any commodity or similar exchange or commercial organisation for membership? :

    b) expelled by any such exchange or commercial organisation from membership? :

    c) declared a defaulter by any such exchange or commercial organisation :

    If so, give particulars.

20. Have you at any time been adjudged bankrupt or has a receiving order in :

bankruptcy been made against you or
have you been proved to be insolvent?
If so, give particulars.

21. Have you at any time compounded with :
your creditors? If so, give particulars

22. Do you have any liabilities which are :
overdue?

23. Have you read the Rules, Bye-Laws and :
Regulations of the Exchange/Derivative Segment?

24. Are you aware that any misstatement :
or misrepresentation or suppression
of facts by you or any breach by you of any
undertaking or condition may entail withdrawal
of the Derivatives Segment's consent to your
acting as a Designated Director and/or cancellation
of the registration of the Clearing Member ?

I _____ being a Designated Director (in respect of the Derivatives Segment) of _____ which is applying for registration as a Clearing Member of the Derivative Segment, do hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge.

Dated this _____day of _____, 20__.

(Signature of Designated Director)

We, _____, are applying for registration as a Clearing Member of the Derivatives Segment of the Stock Exchange, Mumbai, and desire to have the abovementioned _____ as our Designated Director. We hereby solemnly declare and affirm that what is stated above is true to the best of our knowledge.

Dated this _____ day of _____, 20__

(Signature of all Designated Directors and the Managing Director or the Executive Director of the Applicant (where the Applicant has a Managing Director or an Executive Director) on behalf of the Applicant for Registration as Clearing Member)

[1]*ANNEXURE – DS-AU*

(To be filled in by each Approved User of an Individual / Corporate Trading / Clearing Member)

Date:

To
Membership Department
The Stock Exchange
25th Floor, P J Tower,
Dalal Street, Fort,
Mumbai - 400 001.

Subject: **Application for Approved User in Derivatives Segment**

Dear Sir / Madam,

We _____ (Name of Trading /Trading cum Clearing member) hereby apply for approved user Mr./Ms. _____ (Name of approved user) [S/o] / [D/o] / [W/o] _____ (Father's /Husband's name), born on _____ (Date of birth), having passed the BSE Certification for Derivatives Exchange [BCDE] / NSE's Certification in Financial Market-Derivatives Module [NCFM] roll No. _____ valid upto _____, who is to be approved as a user.

We have read, understood and appreciated the rules, bye-laws and regulations of the Derivatives Segment and agree & bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or effected by such user on the Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having received prior approval by us in writing. We hereby solemnly declare and affirm that what is stated above is true and to the best of our knowledge.

For
(Name of Trading/Trading cum Clearing member)

Signature of any one Designated Director(s) / Authorised Signatory

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

FORM NO. DS-LTMI[1]
LIMITED TRADING MEMBER REGISTRATION APPLICATION FORM
(Rule 2.12 read with Rule 2.1A)
(To be filled in by applicants who are individuals & non-members of The Stock Exchange, Mumbai)

To,
The Secretary - Derivatives Segment
The Stock Exchange, Mumbai

Application for Registration as a Limited Trading Member

Dear Sir/Madam,

I hereby apply for registration as a Limited Trading Member of the Derivatives Segment. I have read and understood the Rules, Bye-Laws and Regulations of the Stock Exchange, Mumbai **("the Exchange")** and of the Derivatives Segment of the Exchange and agree to abide by them (as amended from time to time), as well as all directions that the Exchange or the Derivatives Segment may issue from time to time. I am aware that the rights of a Limited Trading Member of the Derivatives Segment cannot be transferred or alienated and no nomination can be made in respect thereof.

I give below the information required by you:

Name of the Applicant: _____
Derivatives Segment Clearing Code Number (if any):
(Applicable only if the Applicant is a Clearing Member of the Derivatives Segment at the time of making this application)

Registered Address : _____.

Telephone Number(s): _____

Fax Number(s): _____

Address of Approved Office(s):

(1) _____.
(2) _____.
(3) _____.

Whether your application for registration as a Limited Trading Member of the Derivatives Segment has been rejected in the past three months. Y/N

If Yes, give full details _____

[1] Inserted by Governing Board vide Resolution dated 20-9-2000.

Whether you have ever been rejected, suspended, expelled or declared a defaulter on the Exchange's cash segment or by any other exchange. Y/N

If Yes, give full details _____

Associated Derivatives Segment Clearing Member Code:
(Please insert the Derivatives Segment Clearing Member Code of the Derivatives Segment Clearing Member with whom the Applicant proposes to associate for clearing the Applicant's trades on the Derivatives Segment)

Names of Approved Users (Minimum Two)
1. _____
2. _____
3. _____
4. _____
5. _____

I undertake to comply with such requirements and norms as may be specified by the Securities and Exchange Board of India ("SEBI") for registration with SEBI as a Limited Trading Member of the Derivatives Segment.

I am aware and agree that the Governing Council may in its absolute discretion reject any application for registration as a Limited Trading Member on such grounds as it considers fit and proper without assigning any reason.

I am aware and agree that, as a Limited Trading Member of the Derivatives Segment,:-

(i) I will be only a Limited Trading Member of the Derivatives Segment of the Exchange and will not be a member of the Exchange / cash segment of the Exchange;

(ii) I or a partner or representative of mine shall not, as such Limited Trading Member or partner or representative, be entitled to be a member of the Governing Council or of any other board, council or committee of the Derivatives Segment, the Exchange or any segment of the Exchange and shall not, as such Limited Trading Member or partner or representative, be entitled to hold any office or post in the Derivatives Segment, the Exchange or any segment of the Exchange; and

(iii) I shall not, as a Limited Trading Member, be entitled to voting rights on any matter save and except on a resolution to be passed by the members of the Exchange for amending the Rules or Bye-laws of the Derivatives Segment which would prejudicially affect the rights of Limited Trading Members; and the provisions of this sub-clause (iii) above shall not entitle me to initiate or move any resolution but to merely vote on a resolution of the nature described therein.

and the Rules, Bye-laws and Regulations of the Exchange and the Derivatives Segment shall be construed accordingly.

I confirm that all the information furnished above and along with this application is true to the best of my knowledge and belief and I further undertake to keep you informed, at the earliest, regarding any changes therein.

Signature_____
Date ____/_____/_____
(DD / MM /Year)
(to be signed by the Applicant)

Enclosed:

A. Details of Applicant

1. Annexure DS-LTMI-M
2. Net Worth (as per formula prescribed by SEBI) Certificate from a Chartered Accountant as on the latest possible date (hereinafter called "the Relevant Date").
3. Net Worth Calculation as on the Relevant Date (as per formula prescribed by SEBI) certified by a Chartered Accountant.
4. Balance Sheet and Profit & Loss Account as on the Relevant Date and two years preceding the Relevant Date certified by a Chartered Accountant.
5. Capital Account as on the Relevant Date certified by a Chartered Accountant.
6. Brief history of the Applicant and brief bio data including details of address, date of birth, education and experience. Please attach a brief background of the person / firm, citing relevant experience in the field of securities, investment and derivatives (and all relevant certificates relating to experience in such fields).
7. Written consent (in the prescribed format) from the Associated Derivatives Segment Clearing Member to clear the trades of the Applicant (unless the Applicant is himself a Clearing Member, in which case such consent is not required).

B. Documents pertaining to each Approved User
(NOTES:

1. If the Applicant is himself one of the Approved Users then the documents at Sr. Nos. 1 to 4 are not required in respect of the Applicant as Approved User but are required in respect of the other Approved Users.
2. The document at Sr. No.5 is required for all Approved Users (including where the Applicant is himself an Approved User).
3. The documents mentioned at Sr. Nos. 3 and 4 should be duly certified by a chartered accountant as true and correct.)

1. Annexure DS-AU.
2.
3. Proof of passing the SEBI approved certification programme for the Derivatives Segment.

ANNEXURE – DS-LTMI -M

(To be filled in by Individual Limited Trading Member Applicant)

1. Full Name (Surname first, if applicable) :

2. Father's/Husband's Name :

3. Date of Birth :

4. Whether a citizen of India ? :

5. Educational Qualifications :
   (attach certified copies)

Name of the College/ University/Institution	Degree/Diploma	Grade	Year

6. Details of experience in the Capital market activities (use additional sheets if required) :

7. Are you carrying on business of dealing in shares & securities/derivatives either in your name or in the name of any other person? If so, give particulars. :

8. Are you carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

9. Are you engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

10. Indicate :-
    i) Your PAN allotted by the Income-Tax Department :

    ii) Details of Income Tax Assessment for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

iii) Details of Wealth Tax Assessments for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

11. Give details of your bank/s Accounts (attach reference from at least one banker) :

12. Do you have any objection to a reference being made to your bank/s? :

13. State any other circumstance which in your opinion should be disclosed to the Exchange :

14. Have you been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

15. Have you been involved in any financial liability or contingent or unascertained nature? If so, give particulars :

16. Have you, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

17. Have you at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :

    If so, give particulars.

18. Have you at any time been
    a) rejected by any commodity or similar exchange or commercial organisation for membership? :

    b) expelled by any such exchange or :

commercial organisation from membership?

c) declared a defaulter by any such exchange or commercial organisation : If so, give particulars.

19. Have you at any time been adjudged bankrupt or has a receiving order in bankruptcy been made against you or have you been proved to be insolvent? If so, give particulars. :

20. Have you at any time compounded with your creditors? If so, give particulars :

21. Do you have any liabilities which are overdue? :

22. Have you read the Rules, Bye-Laws and Regulations of the Exchange and of Derivatives Segment? :

23. Are you aware that any misstatement or misrepresentation or suppression of facts by you or any breach by you of any undertaking or condition may entail cancellation of your registration as a Limited Trading Member ? :

I _____, hereby apply for registration as a Limited Trading Member of the Derivatives Segment. I hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge.

Dated this _____ day of _____, 20__.

(Applicant)

[1]*ANNEXURE – DS-AU*

(To be filled in by each Approved User of an Individual / Corporate Trading / Clearing Member)

Date:

To
Membership Department
The Stock Exchange
25th Floor, P J Tower,
Dalal Street, Fort,
Mumbai - 400 001.

Subject: **Application for Approved User in Derivatives Segment**

Dear Sir / Madam,

We _____ (Name of Trading /Trading cum Clearing member) hereby apply for approved user Mr./Ms. _____ (Name of approved user) [S/o] / [D/o] / [W/o] _____ (Father's /Husband's name), born on _____ (Date of birth), having passed the BSE Certification for Derivatives Exchange [BCDE] / NSE's Certification in Financial Market-Derivatives Module [NCFM] roll No. _____ valid upto _____, who is to be approved as a user.

We have read, understood and appreciated the rules, bye-laws and regulations of the Derivatives Segment and agree & bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or effected by such user on the Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having received prior approval by us in writing. We hereby solemnly declare and affirm that what is stated above is true and to the best of our knowledge.

For
(Name of Trading/Trading cum Clearing member)

Signature of any one Designated Director(s) / Authorised Signatory

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

FORM NO. DS-LTMC[1]

LIMITED TRADING MEMBER REGISTRATION APPLICATION FORM
(Rule 2.12 read with Rule 2.1A)
(To be filled in by applicants who are corporates & non-members of The Stock Exchange, Mumbai)

To,
The Secretary - Derivatives Segment
The Stock Exchange, Mumbai

Application for Registration as a Limited Trading Member

Dear Sir/Madam,

We hereby apply for registration as a Limited Trading Member of the Derivatives Segment. We have read and understood the Rules, Bye-Laws and Regulations of The Stock Exchange, Mumbai **("the Exchange")** and of the Derivative Segment of the Exchange and agree to abide by them (as amended from time to time), as well as all directions that the Exchange or the Derivatives Segment may issue from time to time. We are aware that the rights of Limited Trading Membership of the Derivatives Segment cannot be transferred or alienated and no nomination can be made in respect thereof.

We give below the information required by you:

Name of the Applicant:

Date of Incorporation : _____

Derivatives Segment Clearing Code Number (if any):
(Applicable only if the Applicant is a Clearing Member of the Derivatives Segment at the time of making this application)

Registered Address : _____.

Telephone Number(s): _____

Fax Number(s): _____

Address of Approved Office(s):

(1) _____
(2)_____
(3)_____

[1] Inserted by Governing Board vide Resolution dated 20-9-2000.

Whether your application for registration as a Limited Trading Member of the Derivatives Segment has been rejected in the past three months. Y/N

If Yes, give full details _____

Whether you have been ever rejected, suspended, expelled or declared a defaulter on the Exchange's cash segment or by any other exchange. Y/N

If Yes, give full details _____

Associated Derivatives Segment Clearing Member Code:
(Please insert the Derivatives Segment Clearing Member Code of the Derivatives Segment Clearing Member with whom the Applicant proposes to associate for clearing the Applicant's trades on the Derivatives Segment)

Names of Designated Directors (for the purposes of the Derivatives Segment)

(Minimum two designated directors)
1. _____
2. _____
3. _____

Names of Other Directors
4. _____
5. _____
6. _____

Names of Approved Users (Minimum Two)
1. _____
2. _____
3. _____
4. _____
5. _____

We, the Applicant and the below mentioned Directors of the Applicant, undertake to comply with such requirements and norms as may be specified by the Securities and Exchange Board of India ("SEBI") for registration with SEBI as a Limited Trading Member of the Derivatives Segment.

We are aware and agree that the Governing Council may in its absolute discretion reject any application for registration as a Limited Trading Member on such grounds as it considers fit and proper without assigning any reason.

We are aware and agree that, as a Limited Trading Member of the Derivatives Segment,:-

(i) We will be only a Limited Trading Member of the Derivatives Segment of the Exchange and will not be a member of the Exchange / cash segment of the Exchange;

(ii) We or a partner or representative of ours shall not, as such Limited Trading Member or partner or representative, be entitled to be a member of the Governing Council or of any other board, council or committee of the Derivatives Segment, the Exchange or any segment of the Exchange and shall not, as such Limited Trading Member or partner or representative, be entitled to hold any office or post in the Derivatives Segment, the Exchange or any segment of the Exchange; and

(iii) We shall not, as a Limited Trading Member, be entitled to voting rights on any matter save and except on a resolution to be passed by the members of the Exchange for amending the Rules or Bye-laws of the Derivatives Segment which would prejudicially affect the rights of Limited Trading Members; and the provisions of this sub-clause (iii) above shall not entitle us to initiate or move any resolution but to merely vote on a resolution of the nature described therein.

and the Rules, Bye-laws and Regulations of the Exchange and the Derivatives Segment shall be construed accordingly.

We, the Applicant and the below mentioned Directors of the Applicant, confirm that all the information furnished above and along with this application is true to the best of our knowledge and belief and we further undertake to keep you informed, at the earliest, regarding any changes therein.

For self and on behalf of the Applicant:

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM /Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM / Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM /Year)

Signature_____
Name and Designation: _____
Date ____/_____/_____
(DD / MM / Year)

(To be signed by all the Designated Directors and the Managing Director or the Executive Director of the Applicant where the Applicant has a Managing Director or an Executive Director)

Enclosed:

A. Details of Applicant

1. Annexure DS-LTMC-M
2. Certified true copy of the Certificate of Incorporation and Memorandum and Articles of Association.
3. Net Worth (as per formula prescribed by SEBI) Certificate from a Chartered Accountant as on the latest possible date (hereinafter called "the Relevant Date").
4. Net Worth Calculation as on the Relevant Date (as per formula prescribed by SEBI) certified by a Chartered Accountant.
5. Balance Sheet and Profit & Loss Account as on the Relevant Date and two years preceding the Relevant Date certified by a Chartered Accountant.
6. Capital Structure as on the date of submission of this Application to the Exchange, certified by a Chartered Accountant.
7. The present [& proposed (if any)] shareholding pattern in respect of each class of security. In case the Applicant has a corporate shareholder, then the shareholding pattern of such corporate shareholder is also required. This process will continue until the individual behind each company is identified.
8. Present shareholding pattern should be certified by a Chartered Accountant.
9. Proposed shareholding pattern should be certified/signed by a Chartered Accountant or a Director or Company Secretary of the Applicant.
10. A certified true copy of the Board Resolution authorising the Applicant being registered as a Limited Trading Member, authorising the making of an application for such registration and authorising the Designated Directors who have signed this application to so sign. The copy should be certified as a true copy by the Chairman or whole time director of the Applicant.
11. Brief history of the Applicant. Please attach a brief background citing relevant experience in the field of securities, investment and derivatives.
12. Written consent (in the prescribed format) from the Associated Derivatives Segment Clearing Member to clear the trades of the Applicant (unless the Applicant is itself a Clearing Member, in which case such consent is not required).

B. Documents pertaining to each Designated Director:

(NOTE:

1. *The documents mentioned at Sr. Nos. 3 to 6 should be duly certified by a chartered accountant as true and correct.)*

1. Annexure DS-LTMC-DD.
2. A brief bio-data including details of name, address, date of birth, education & experience.
3. Certificates of educational qualifications.
4. Certificates relating to experience in the capital market.
5. Balance Sheet, Profit & Loss Account and Capital Account for the last three years.

6. Assessment Orders &/or statements of income/wealth &/or copy of income-tax returns for the last three assessment years.
7. At least one reference from the banker of the Designated Director.

B. Documents pertaining to each Approved User.

(NOTE:

1. If the Designated Director is himself one of the Approved Users then the documents at Sr. Nos. 1 to 4 are not required in respect of the Applicant as Approved User but are required in respect of the other Approved Users.
2. The document at Sr. No.5 is required for all Approved Users (including where the Applicant is himself an Approved User).
3. *The documents mentioned at Sr. Nos. 3 and 4 should be duly certified by a chartered accountant as true and correct.)*

1. Annexure DS-AU.
2.
3. Proof of passing the SEBI approved certification programme for the Derivatives Segment.

ANNEXURE – DS-LTMC -M

(To be filled in by Corporate Limited Trading Member Applicant)

1. Name :

2. Details of experience in the Capital market activities (use additional sheets if required) :

3. Is the Applicant carrying on business of dealing in shares & securities/derivatives either in its name or in the name of any other person? If so, give particulars. :

4. Is the Applicant carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

5. Is the Applicant engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

6. Indicate :-
   i) PAN allotted to the Applicant by the Income-Tax Department :

   ii) Details of Income Tax Assessment for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

   iii) Details of Wealth Tax Assessments for the last three assessment years (attach copies of the assessment orders) and any other claim, order, notices served by the Income-Tax Department. :

7. Give details of Applicant's bank/s Accounts (attach reference from at least one banker) :

8. Does the Applicant have any objection to a reference being made to its bank/s? :

9. State any other circumstance which in the Applicant's opinion should be disclosed to the Exchange :

10. Has the Applicant or any of its directors been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

11. Has the Applicant been involved in any financial liability or contingent or unascertained nature? If so, give particulars :

12. Has the Applicant or any of its directors, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

13. Has the Applicant at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :

    If so, give particulars.

14. Has the Applicant at any time been
    a) rejected by any commodity or similar exchange or commercial organisation for membership? :

    b) expelled by any such exchange or commercial organisation from membership? :

    c) declared a defaulter by any such exchange or commercial organisation :

    If so, give particulars.

15. Has the Applicant at any time been adjudged bankrupt or has a receiving order in bankruptcy been made against the Applicant or has the Applicant been proved to be insolvent? :

If so, give particulars.

16. Has the Applicant at any time compounded with : its creditors? If so, give particulars

17. Does the Applicant have any liabilities which are : overdue?

18. Has the Applicant and its directors read the Rules, Bye-Laws and : Regulations of the Exchange and of the Derivatives Segment?

19. Are you aware that any misstatement : or misrepresentation or suppression of facts by the Applicant or any breach by the Applicant of any undertaking or condition may entail cancellation of the Applicant's registration as a Limited Trading Member ?

We _____, hereby apply for registration as a Limited Trading Member of the Derivatives Segment. We hereby solemnly declare and affirm that what is stated above is true to the best of our knowledge.

Dated this _____ day of _____, 20__.

(Applicant)
(To be signed on behalf of the Applicant by all the Designated Directors and the Managing Director or the Executive Director of the Applicant (where the Applicant has a Managing Director or an Executive Director))

ANNEXURE – DS-CMC -DD

(To be filled in by each of the Designated Directors of Corporate Limited Trading Member)

1. Full Name (Surname first, if applicable) :

2. Father's/Husband's Name :

3. Date of Birth :

4. Whether a citizen of India ? :

5. Educational Qualifications (attach certified copies) :

Name of the College/ University/Institution	Degree/Diploma	Grade	Year

6. Details of experience in the Capital market activities (use additional sheets if required) :

7. Are you carrying on business of dealing in shares & securities/derivatives either in your name or in the name of any other person? If so, give particulars. :

8. Are you carrying on business as a stockbroker or as a sub-broker or as an investment consultant or in any other similar capacity? If so, give particulars. :

9. Are you engaged as a principal or as an employee or otherwise in any business other than that of dealing in shares & securities/derivatives or stock brokerage? If so give particulars. :

10. Are you aware that on registration of the Applicant as a Limited Trading Member of the Derivative Segment you will have to stop forthwith any business of the above mentioned type? :

11. Indicate your PAN allotted by the Income-Tax Department :

12. Give details of your bank/s Accounts (attach reference from at least one banker) :

13. Do you have any objection to a reference being made to your bank/s? :

14. State any other circumstance which in your opinion should be disclosed to the Exchange :

15. Have you been involved in any civil or criminal litigation, suit or proceeding? If so, give particulars :

16. Have you been involved in any financial liability of contingent or unascertained nature? If so, give particulars :

17. Have you, at any time, been convicted of an offence involving fraud or dishonesty? If so, give particulars :

18. Have you at any time been
    a) rejected by any Stock/Derivatives Exchange for membership? :

    b) suspended or Expelled by a Stock/Derivatives Exchange from membership? :

    c) declared a defaulter by a Stock/Derivatives Exchange? :

    If so, give particulars.

19. Have you at any time been
    a) rejected by any commodity or similar exchange or commercial organisation for membership? :

    b) expelled by any such exchange or commercial organisation from membership? :

    c) declared a defaulter by any such exchange or commercial organisation :

    If so, give particulars.

20. Have you at any time been adjudged : bankrupt or has a receiving order in bankruptcy been made against you or have you been proved to be insolvent? If so, give particulars.

21. Have you at any time compounded with : your creditors? If so, give particulars

22. Do you have any liabilities which are : overdue?

23. Have you read the Rules, Bye-Laws and : Regulations of the Exchange and of Derivative Segment?

24. Are you aware that any misstatement : or misrepresentation or suppression of facts by you or any breach by you of any undertaking or condition may entail withdrawal of the Derivatives Segment's consent to your acting as a Designated Director and/or cancellation of the registration of the Limited Trading Member ?

I _____ being a Designated Director (in respect of the Derivatives Segment) of _____ which is applying for registration as a Limited Trading Member of the Derivative Segment, do hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge.

Dated this _____day of _____, 20__.

(Signature of Designated Director)

We, _____, are applying for registration as a Limited Trading Member of the Derivatives Segment of the Stock Exchange, Mumbai, and desire to have the above mentioned _____ as our Designated Director. We hereby solemnly declare and affirm that what is stated above is true to the best of our knowledge.

Dated this _____ day of _____, 20__

(Signature of all Designated Directors and the Managing Director or the Executive Director of the Applicant (where the Applicant has a Managing Director or an Executive Director) on behalf of the Applicant for Registration as Limited Trading Member)

[1]*ANNEXURE – DS-AU*

(To be filled in by each Approved User of an Individual / Corporate Trading / Clearing Member)

Date:

To
Membership Department
The Stock Exchange
25th Floor, P J Tower,
Dalal Street, Fort,
Mumbai - 400 001.

Subject: **Application for Approved User in Derivatives Segment**

Dear Sir / Madam,

We _____ (Name of Trading /Trading cum Clearing member) hereby apply for approved user Mr./Ms. _____ (Name of approved user) [S/o] / [D/o] / [W/o] _____ (Father's /Husband's name), born on _____ (Date of birth), having passed the BSE Certification for Derivatives Exchange [BCDE] / NSE's Certification in Financial Market-Derivatives Module [NCFM] roll No. _____ valid upto _____, who is to be approved as a user.

We have read, understood and appreciated the rules, bye-laws and regulations of the Derivatives Segment and agree & bind ourselves to be responsible for all acts, quotations and transactions done, trades made, or effected by such user on the Trading System. We shall ensure that he/she will not execute any order on his/her own account or on account of anyone without such order having received prior approval by us in writing. We hereby solemnly declare and affirm that what is stated above is true and to the best of our knowledge.

For
(Name of Trading/Trading cum Clearing member)

Signature of any one Designated Director(s) / Authorised Signatory

[1] Amended by Special Committee of the Governing Council vide Resolution dated 30-8-2001.

REGULATION 5

Disclaimer

5.1. The Exchange (which term includes the Derivatives Segment and the Currency Derivatives Segment of the Exchange) maintains a derivatives exchange and a Clearing House subject to the provisions of the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957 and the Rules, Bye-laws and Regulations of the Exchange and the Derivatives Segment made thereunder on the basis that, unless the Exchange (whether directly or through its Board, Council or authorised director, officer or employee) otherwise expressly agrees with or commits itself in writing to any person (hereinafter referred to a **"third party"**), the Exchange and its directors, officers and employees are not liable on any account whatsoever to any third party who may be affected or aggrieved by any action or non-action of the Exchange, the Clearing House or any of their directors, officers or employees, save and except such liability, if any, as may be expressly imposed by the provisions of the Securities Contracts (Regulation) Act, 1956 or the Securities Contracts (Regulation) Rules, 1957 and cannot be derogated from.

5.2. The Exchange and the Clearing House are not parties to any Derivatives Contract and are not liable for the performance or non-performance thereof save and except as expressly provided in the Rules, Bye-laws and Regulations of the Derivatives Segment.

5.3 Any and every third party who effects or purports to effect any transaction:-

(a) on the Derivatives Segment of the Exchange; or

(b) referable to any Derivatives Contract or

(c) referable to any information provided by or via the Exchange

will be deemed to have done so on the basis that (unless the Exchange, whether directly or through its Board, Council or authorised director, officer or employee, has otherwise expressly agreed with or committed itself to that third party) the remedies, if any, expressly conferred by the provisions of the Securities Contracts (Regulation) Act, 1956, Securities Contracts (Regulation) Rules, 1957 and the Rules, Bye-laws and Regulations of the Derivatives Segment made thereunder shall be the sole and exclusive remedies available to the third party who suffers any loss as a result of any act, omission or failure to take action by the Exchange, the Clearing House or any of their directors, officers or employees. The Exchange, the Clearing House and their directors, officers and employees shall not be responsible or liable to any third party in excess if what is stated above.

5.4 Without prejudice to and in addition to what is stated above, in connection with any index or any index based or other Derivatives listed or to be listed by the Exchange for trading in or in connection or by reference therewith and in

connection with the computation or determination of any settlement price, none of:-

(a) the Exchange;
(b) its directors, officers or employees; or
(c) any relevant party that the Exchange may contract with for the supply of the index or information in relation thereto or the computation or determination of any settlement price,

(each of the foregoing, a "Relevant Party") assumes any obligation or liability in connection with the trading or settlement of any contract based on such index, Derivative or such settlement price. Accordingly, none of the Relevant Parties shall be in any way responsible for any losses, expenses or damages (in all cases, direct or indirect) arising in connection with the trading of any contract linked or referable to the said index or the settlement of any contract on the basis of such settlement price. None of the Relevant Parties guarantee or warrant in any manner the accuracy or completeness of any such index or settlement price or the computation or compilation thereof or any information or data included in or referable to it.

5.5 None of the Relevant Parties makes any warranty or gives any guarantee or undertaking, express or implied, as to the accuracy or completeness of, or the results to be obtained by any person or entity from the use of, any such index or settlement price or their compilation or computation or any information or data included in or referable to it in connection with any trading or settlement of any contracts or for any other use. None of the Relevant Parties makes any express or implied warranty of merchantability or fitness for any particular purpose with respect to any such index, settlement price or any information or data included in or referable to any such index or settlement price. No claim shall lie against any Relevant Party for any inaccuracies, omissions, mistakes, errors, delays, interruptions, suspensions, changes or failures (including but not limited to those resulting from negligence) of or by or on the part of a Relevant Party in the compilation and computation of any index or settlement price or for any economic or other losses which may be directly or indirectly sustained as a result thereof by any third party entering into or dealing with futures or options contracts based on any index or otherwise.

5.6 The process and basis of compilation and computation of an index or settlement price may at any time be changed or altered by the Exchange without notice and the Exchange may at any time require that trading in and settlement of such futures or options contracts based on any index as the Exchange may designate be conducted by reference to an alternative index or settlement price to be calculated.

5.7 No claims, actions or legal proceedings may be brought by any third party against the Exchange, the Clearing House, any director, officer or employee thereof or any Relevant Party in connection with or arising out of matters referred to in this disclaimer. Any third party who engages in contracts in Derivatives shall be deemed to have full knowledge of this disclaimer.

5.8 All Members shall note the foregoing and ensure that they carry on business as a Member of the Exchange and / or the Derivatives Segment and enter into Derivatives Contracts only on the foregoing basis. All Members will also ensure that they will not transact for or with any person unless such person has been notified of the foregoing provisions and has satisfied himself or itself that the same is acceptable to and is accepted by such person. Provided that the failure of a Member to so ensure shall not in any manner confer any rights on such person or otherwise prejudice the rights and protection conferred under the foregoing provisions.

REGULATION - 6

Form No.1

[ON STAMP PAPER OF RS.100 IN MUMBAI]
Agreement between Client and Member

This agreement is made and executed at …… this …….. day of ……, 20__ between:

Mr./Ms./M/s._____, an individual/ a sole proprietary concern/ a partnership firm/ a body corporate, registered/ incorporated under the provisions of the Indian Partnership Act, 1932/ the Companies Act, 1956, being a Trading Clearing Member of the ***Derivatives Segment/Currency Derivatives Segment/Derivatives and Currency Derivatives Segments of the Stock Exchange, Mumbai, having Trading / Clearing Member Code No……. and registered as a Trading/Clearing Member with SEBI Registration No.:…….. having his/ her/its registered office at ……. (hereinafter called **"the Member")** which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives/ the partners for the time being of the said firm, the survivor or survivors of them and their respective, heirs, executors, administrators and legal representatives / its successors, as the case may be, of the One Part;

And

Mr./Ms./M/s.…….., an individual/ a sole proprietary concern/ a partnership firm/ a body corporate, registered/ incorporated, under the provisions of the Indian Partnership Act, 1932/ the Companies Act, 1956, having his/her/its residence/ registered office at …… (hereinafter called **"the Client"**) which expression shall , unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives/ the partners for the time being of the said firm, the survivor or survivors of them and their respective, heirs, executors, administrators and legal representatives / its successors, as the case may be, of the Other Part;

Whereas the Client is desirous of trading in ***Derivatives/Currency Derivatives and entering into contracts in ***Derivatives/Currency Derivatives which are permitted to be dealt with on the ***Derivatives Segment /Currency Derivatives of the Stock Exchange, Mumbai from time to time in accordance with the Rules, Bye-laws and Regulations of the ***Derivatives Segment/Currency Derivatives Segment of the Exchange; and

Whereas the Client has satisfied itself of the capacity of the Member to deal in Derivatives contracts and wishes to execute his orders through it and the Client shall, from time to time continue to satisfy itself of such capability of the Member before executing orders through it; and

Whereas the Member has satisfied and shall continuously satisfy himself about the genuineness and financial soundness of the Client and investment objectives relevant to the services to be provided; and

Whereas the Member has taken steps and shall take steps to make the Client aware of the precise nature of the Member's liability for derivatives trading to be conducted, including any limitations, the liability and the capacity in which it acts; and

(***Please strike through whichever is not applicable*)
WHEREAS the Client has understood, appreciated and assumed all the risks associated with purchasing, selling and trading in various kinds of Derivatives and entering into various kinds of Derivatives Contracts, whether contained in the Risk Disclosure Document or not.

WHEREAS the Member and the Client agree to be bound by all the Rules, Bye-laws and Regulations issued by SEBI and the Stock Exchange, Mumbai (herein referred to as "the Exchange") and, in particular, the Rules, Bye-laws and Regulations of the Derivatives/Currency Derivatives Segment of the Exchange, as amended from time to time.

IN CONSIDERATION OF THE MUTUAL UNDERSTANDING AS SET FORTH IN THIS AGREEMENT, THE PARTIES THERETO HAVE AGREED TO THE FOLLOWING TERMS AND CONDITIONS:

1. **Change in information:** The Client agrees to immediately notify the Member in writing if there is any change in the information provided by the Client to the Member at the time of opening of the account or at any other time.

2. **Client's understanding of risks involved in derivatives trading:** The Client has read, understood, appreciated and signed the Risk Disclosure Document. The Client agrees and declares as follows:

   a) The Client shall be wholly responsible for all investment decisions and trades of the Client.
   b) The Client will pay or receive applicable daily margins.
   c) Payment of margins by the Client does not necessarily imply complete satisfaction of all dues.
   d) Inspite of consistently having paid margins, the Client may, on the closing of his trade, be obliged to pay (or entitled to receive) such further sums as the market price of an instrument or contract may dictate.
   e) The failure of a Client to understand the risk involved or the failure of a Member to explain the risk to the Client shall not render a contract as void or voidable and the Client shall be and shall continue to be responsible for all the risks and consequences for entering into trades in Derivatives.

3. **Types of services offered:** The Member agrees to provide, and the Client agrees to avail of, the following services.

[MEMBER TO DELETE WHAT IS INAPPLICABLE AND RETAIN ONLY WHAT IS APPLICABLE]

a) Trading facilities.
b) Clearing facilities.
c) Advisory services.
d) Portfolio management services.
e) _____ [Such other services as so permitted by SEBI and the Exchange from time to time].

4. **Commissions, Brokerage, other fees:** The brokerage / commission./ fee to be charged by the Member in respect of various services provided by him shall be as follows:
[TO BE INSERTED BY MEMBER]
The Member shall not, in any event, charge brokerage, commission or fee exceeding the maximum permitted by the Rules, Bye-laws and Regulations of Exchange or SEBI from time to time.
5. **Exposure Limits:** The Client agrees to abide by the exposure limits, if any, set by the Member or by the Exchange or SEBI from time to time.

6. **Payment of margins:** The Client is liable to pay an initial margin up-front on or before creating a position in any Derivatives contract. Such margin shall be decided upon by the Member or the Exchange from time to time. Furthermore the Client is liable to pay (or receive) daily margins depending on whether the price of the Derivatives contract moves for or against the position undertaken. The Client may also be liable to pay withholding margins, special margins or such other margins as are considered necessary by the Member or the Exchange from time to time. The Member is permitted in its sole and absolute discretion to collect additional margins (even though not imposed by the Derivatives Segment/Currency Derivatives Segment, the Clearing House or SEBI) and the Client shall be obliged to pay such margins.

7. **Liquidation/close-out of positions:** Without prejudice to the member's other rights including the right to refer a matter to arbitration), **t**he Member shall be entitled to liquidate / close out all or any of the Client's positions for non-payment of margins or other amounts, outstanding debts, etc. Any and all losses and financial charges on account of such liquidation / closing-out shall be charged to and borne by the Client.

8. **Segregation of Client money:** The Member shall keep the money deposited by the Client in a separate account, distinct from the Member's own account. The Member will not use the client's money for himself or for any purpose other than the purpose mentioned by the Client.

9. **Provisions in case of Default:** In the event of a default of a Trading/Clearing Member on his own account, the Client's money will not be utilised to meet the Member's liabilities. In such cases, the Client's positions shall be either transferred to another solvent member or closed-out as per the provisions of the Rules, Bye-

laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or the Clearing House. The loss, if any, caused to the Client because of such action would be recoverable by the Client from the Member. In the event of failure of the Client to fulfill his obligations to the Member, the Derivatives Segment/Currency Derivatives Segment or the Clearing House, the Client's position may be closed out and the money, if any, of the Client available with the Member or with any other member, the Derivatives Segment/Currency Derivatives Segment or the Clearing House may be adjusted against the Client's liabilities / obligations.

10. **Sharing of information:** The Client agrees to immediately furnish information to the Member in writing if any winding up petition or insolvency petition or order has been filed or passed against him or any garnishee order has been served upon him or in respect of his obligations by a bank, or if any litigation has been filed against him or if any order, decree or award is passed against him. Similarly, the Member agrees to inform Client immediately about the contract specifications and associated obligations and daily settlement position. The Member will also inform the Client if the price of the futures contract or index has moved against the Client and the extent of the Client's daily obligations.

11. **Legal Disability or Death:** In the event of death or insolvency of the Client or his otherwise becoming incapable of entering into Derivatives contracts, the Member may close out the transactions of the Client and the Client or the Client's representatives/heirs shall be liable for any outstanding positions in the contracts entered into by the Client. In case of any amount accruing to the account of the Client, the Client or the Client's representatives/heirs shall also be entitled to receive the surplus.

12. Abiding by provisions of the SEBI and the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai Regulations: Both the Member and the Client agree to be bound by the Rules and Regulations of SEBI and the Rules, Bye-laws, and Regulations of the Derivatives Segment/Currency Derivatives Segment and of the Exchange.

13. **T**he Member and the Client agree to reconcile their accounts at the end of each quarter with reference to all the settlements where the pay-outs have been declared during the quarter.

14. **Arbitration:** The Client and Member agree to refer any claims and / or disputes to arbitration in the city of _____ (Mumbai / Delhi / Calcutta / Chennai) as per the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange as amended from time to time. However, any claims/ disputes against the defaulter member shall be referred to arbitration in Mumbai only. The Member further agrees that he shall ensure faster settlement of any arbitration proceedings arising out of the transactions entered into between him and the client and that he shall be liable to implement the arbitration awards made in such proceedings.

15. **Disputes:** All disputes shall be determined in terms of the Derivatives

Segment/Currency Derivatives Segment Rules, Bye-laws and Regulations.

16. The Member and the Client agree to abide by any award passed by the Ombudsman under the SEBI (Ombudsman) Regulations, 2003.

17. **Termination:** This agreement may be terminated by either party by giving one month's notice to the other party. However such termination shall not affect the rights and obligations of a party hereunder in respect of Derivatives contracts and transactions entered into prior to such termination.

18. The Stock Exchange may cancel a trade suo-moto without giving any reason therefor. In the event of such cancellation, the Member shall be entitled to cancel the relative contract(s) with the Client.

19. In addition to the specific rights set out in this Agreement, the Member and the Client shall be entitled to exercise any other rights which the Member or the Client may have under the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or SEBI.

20. Words and expressions which are used in this Agreement, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment.

IN WITNESS THEREOF the parties to the Agreement have caused these presents to be executed as of the day and year first above written.

Client's Signature/ Authorised Signatory:	**Member's Signature/Authorised Signature**
Signed by:	**Signed by:**
Title:	**Title:**
Name of Client:	**Name of Member:**
Witness:	**Witness:**
1.	1.
2.	2.

Note: All references to the specific quantity/rate/fee mentioned in this agreement are from time to time subject to change, as so agreed to in writing between parties.

Form No.2

1. Separate form to be obtained in respect of all clients including PMS clients.
2. All columns are to be filled in by the clients and copies of relevant supporting documents need to be attached by the clients.

FORMAT FOR INDIVIDUAL CLIENT REGISTRATION FORM

(This information is the sole property of the trading member / brokerage house and would not be disclosed to anyone unless required by law or except with the express permission of clients)

To

Trading Member's
Name, Address, Telephone No.,
SEBI Registration No.

Clearing Member's
Name, Address, Telephone No.,
SEBI Registration No.
(Applicable for Derivatives/Currency Derivatives Segment)

Client Information

Photograph
Please Sign On The Photograph

1. Name of the client: _____
(Surname) (Name) (Middle Name)

2. Unique Identification Number (where obtained) | | | | | | | | | | |

3. Sex: Male Female

4. Date of Birth: dd/mm/yyyy

5. Marital Status:

Residence Address:
_____
Pin Code: _____
State: _____
Country: _____
Nationality: _____
Telephone Number: (Res) _____ Fax No:
Residential Status: Indian / NRI*** / Others

(***Note: As per SEBI directions the FIIs and NRIs are not permitted to deal in Currency Derivatives)

7. **Bank and Depository Account Details**

Bank Name (through which transactions will generally be routed.) _____
Branch: _____
Address: _____
Account No: _____
Account Type: Savings / Current / NRI / Others : _____
(Copy of a canceled Cheque leaf/pass book/bank statement containing name of the constituent should be submitted.)

Depository Participant Name (through which transactions will generally be routed.)
Address_____
BO Account Number _____

8. **Occupation Details**

Occupation : Employed ☐ Self Employed ☐ Business ☐ Professional ☐ House - ☐ Others ☐

(Tick whichever is applicable)

8. If Employed

Name of Employer: Office Address: _____
_____

City:
Pin Code:
State:
Country:
Telephone Number (Office) _____
Fax No / Telex No:

. If Self Employed / Business / Professional/Others

Name of the establishment:
Office Address: _____
_____

City:
Pin Code: _____
State: _____
Country: _____
Telephone Number (Office) Fax No
/ Telex No:

III. Financial details of

the constituent :

Income Range (Per Annum): (Tick where applicable)

Below Rs. 1,00,000

Rs. 1,00,000 To Rs. 5,00,000

Rs. 5,00,000 To Rs. 10,00,000

Rs. 10,00,000 To Rs. 25,00,000

Above Rs.25,00,000

12. Investment/Trading Experience

No Prior Experience
___ Years in Stocks
___ Years in Derivatives
___ Years in Other investment related fields

~~1.~~13. Trading Preference

A. Stock Exchanges on which you wish to trade (if the member is registered for such Exchanges):

(Please tick in the relevant boxes)

1.

2.

3.

B. Market /segments you wish to trade (if the member is registered for such segment):

(Please tick in the relevant boxes)

1. /Cash Segment
2. Derivatives Segment
3. Debt Segment
4. Currency Derivatives Segment

14. Whether registered with any other broker-member: (if registered with multiple members, provide details of all)

Name of Broker:

Name of Exchange:

Client code no.:

~~1.~~15. Details of any action taken by SEBI/Stock exchange/any other authority for violation of securities laws/other economic offences.

16. **References**

Introduction: Introduced by another client / director or employee of trading member / any other person (please specify)

Name of the Introducer:

(Surname) (Name) (Middle name)

Signature _____

MAPIN UID No. of introducer, if any: _____

Name and designation of the employee who interviewed the client:

(Name)

_____

(Designation)

Signature of the employee:

17. Declaration

I hereby declare that the details furnished above are true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting I am aware that I may be held liable for the same.

(Signature of the individual client)

Place: _____

Date: _____

DOCUMENTARY REQUIREMENTS

Copies of the following documents may be obtained after due verification with the originals thereof

For Proof of Identity (any one of the following)

MAPIN UID Card

Voter ID

Driving license Pan No.

Photo Identity card issued by Employer registered under MAPIN

For Proof of Address (any one of the following):

Driving license ☐

Bank Passbook ☐ Rent Agreement ☐ Ration Card ☐

Flat Maintenance Bill ☐ Telephone Bill ☐ Electricity Bill ☐

Certificate issued by employer registered under MAPIN ☐ Insurance Policy ☐

For Office Purposes:
Unique Client Code :
(To Be Inserted By The Brokerage Firm)

Original documents
Verified By _____ **Authorised By :**

Date_____

*****

Passport ☐ Voter ID ☐

Form No.2A

0. Separate form to be obtained in respect of all clients including PMS clients.
1. All columns are to be filled in by the clients and copies of relevant supporting documents need to be attached by the clients.

FORMAT OF THE CLIENT REGISTRATION FORM FOR CORPORATES, FIRMS AND OTHERS

(This information is the sole property of the trading member / brokerage house and would not be disclosed to anyone unless required by law or in case of express permission of clients)

To

TRADING MEMBER'S
Name, Address, Telephone No.,
SEBI Registration No.

CLEARING MEMBER'S
Name, Address, Telephone No.,
SEBI Registration No.
(Applicable for Derivatives/Currency Derivatives Segment)

1. Name of the Company / Firm:

2. Constitution:

3. Unique Identification Number (where obtained) | | | | | | | | | | |

4. Registered Office address

_____
_____
_____

City: _____
Pin Code: _____
State: _____
Phone number(s)
Fax number(s) __

5. Address for correspondence

_____
_____
_____

City
Pin Code:
State:
Phone number(s)
Fax number(s)

6. Date of incorporation/formation:
7. Date of commencement of business: _____
8. Nature of Business: _____
9. Registration number (with ROC, SEBI or any government authority)
10. Details of PAN Account Number:
11. Names of Promoters / Partners /Karta and residential address
    1. _____
    2. _____

3._____
~~3.~~4._____
~~4.~~5._____

12. Names of whole time directors and residential address
    1. _____
    2. _____
    3. _____
    ~~3.~~4._____
    ~~4.~~5._____

13. Names and Designation of persons authorized to deal in securities on behalf of the company/firm/others and their residential address
    1._____
    2._____
    3._____
    ~~3.~~4._____
    5 _____

14. Details of any action taken by SEBI/Stock exchange/any other authority against the client or its Partners/Promoters/Whole Time Directors/Authorized Persons in charge of dealing in securities for violation of securities laws/other economic offences.

Bank and Depository Account Details

15. Bank Name (through which transactions will generally be routed.)
    Branch: _____
    Address: _____
    Account No: _____
    Account Type:_____
    (Copy of a canceled Cheque leaf/pass book/bank statement containing name of the constituent should be submitted.)

16. Depository Participant Name (through which transactions will be routed.)

    Address :
B.O Account Number :

17. Investment/Trading Experience

No Prior Experience
___ Years in Stocks
___ Years in Derivatives
___ Years in Other investment related fields

18. Trading Preference:

A. Stock Exchanges on which you wish to trade (if the member is registered for such Exchanges):

1.

2.

3.

B. Market segments you wish to trade (if the member is registered for such segment):
(Please tick in the relevant boxes)

1. /Cash Segment ☐
2. Derivatives Segment
3. Debt Segment ☐
4. Currency Derivatives Segment ☐

19. Whether registered with any other broker-member: (if registered with multiple members, provide details of all)

Name of Broker: _____
Name of Exchange:
Client code no. (as given by the broker):

20. References

Introduction: Introduced by another client / director or employee of trading member / any other person (please specify)

Name of the Introducer:

(Surname) (Name) (Middle name)

Signature

MAPIN UID No. of introducer, if any: _____

Name and designation of the employee who ☐ interviewed the client:

_____
(Name)

_____
(Designation)

Signature of the employee:

21. **Declaration**

I/We hereby declare that the details furnished above are true and correct to the best of my/our knowledge and belief and I/We undertake to inform you of any changes therein immediately. In case any of the above information is found to be false or untrue or misleading or misrepresenting I am / We are aware that I/ We may be held liable the same.

Authorised Signatory (with company seal) Name:
Place:
Date:

DOCUMENTARY REQUIREMENTS

Copies of the following documents may be obtained after due verification with the originals thereof

1. Copies of the balance sheet for the last 2 financial years (copies of annual balance sheet to be submitted every year)
2. Copy of latest share holding pattern including list of all those holding more than 5% in the share capital of the company, duly certified by the company secretary/ Whole-time director/MD. (copy of updated shareholding pattern to be submitted every year)
3. Copies of the Memorandum and Articles of Association in case of a company / body incorporate / partnership deed in case of a partnership firm
4. Copy of the Resolution of board of directors' approving participation in equity / derivatives / debt trading and naming authorized persons for dealing in securities.
5. Photographs of Partners/Whole time directors, individual promoters holding 5% or more, either directly or indirectly, in the shareholding of the company and of persons authorized to deal in securities.

For Office Purposes:
Unique Client Code :
(To Be Inserted By The Brokerage Firm)

Original documents Verified By _____ **Authorised By :**

Date

******

Form No.3[1]

COMBINED RISK DISCLOSURE DOCUMENT FOR CAPITAL MARKET/CASH SEGMENT AND DERIVATIVES/CURRENCY DERIVATIVES SEGMENT (TO BE GIVEN BY THE BROKER TO THE CLIENT)

This document is issued by the member of Bombay Stock Exchange Ltd. (hereinafter referred to as "**BSE**") which has been formulated by the Exchanges in coordination with the Securities and Exchange Board of India (hereinafter referred to as "**SEBI**") and contains important information on trading in Equities, Derivatives and Currency Derivatives Segments of BSE. All prospective constituents should read this document before trading on Capital Market/Cash Segment, Derivatives or Currency Derivatives Segments of the Exchanges.

BSE/SEBI does neither singly or jointly and expressly nor impliedly guarantee nor make any representation concerning the completeness, the adequacy or accuracy of this disclosure document nor has BSE/SEBI endorsed or passed any merits of participating in the trading segments. This brief statement does not disclose all the risks and other significant aspects of trading.

In the light of the risks involved, you should undertake transactions only if you understand the nature of the contractual relationship into which you are entering and the extent of your exposure to risk.

You must know and appreciate that investment in Equity shares, derivative or other instruments traded on the Stock Exchange(s), which have varying element of risk, is generally not an appropriate avenue for someone of limited resources/limited investment and/or trading experience and low risk tolerance. You should therefore carefully consider whether such trading is suitable for you in the light of your financial condition. In case you trade on BSE and suffer adverse consequences or loss, you shall be solely responsible for the same and BSE, its Clearing Corporation/Clearing House and/or SEBI shall not be responsible, in any manner whatsoever, for the same and it will not be open for you to take a plea that no adequate disclosure regarding the risks involved was made or that you were not explained the full risk involved by the concerned member. The constituent/client shall be solely responsible for the consequences and no contract can be rescinded on that account. You must acknowledge and accept that there can be no guarantee of profits or no exception from losses while executing orders for purchase and/or sale of a security or derivative being traded on BSE.

It must be clearly understood by you that your dealings on BSE through a member shall be subject to your fulfilling certain formalities set out by the member, which may inter-alia include your filling the know your client form, client registration form, execution of an agreement, etc., and are subject to the Rules, Byelaws and Regulations of BSE and its Clearing Corporation/Clearing House, guidelines prescribed by SEBI and in force from time to time and Circulars as may be issued by BSE or its Clearing Corporation/Clearing House and in force from time to time.

[1] Amended by Governing Council vide Resolution dated 30-5-2001.

BSE does not provide or purport to provide any advice and shall not be liable to any person who enters into any business relationship with any trading member and/or sub-broker of BSE and/or any third party based on any information contained in this document. Any information contained in this document must not be construed as business advice/investment advice. No consideration to trade should be made without thoroughly understanding and reviewing the risks involved in such trading. If you are unsure, you must seek professional advice on the same.

In considering whether to trade or authorize someone to trade for you, you should be aware of or must get acquainted with the following:-

1. BASIC RISKS INVOVLED IN TRADING ON THE STOCK EXCHANGE (EQUITY AND OTHER INSTRUMENTS)

1.1 Risk of Higher Volatility:

Volatility refers to the dynamic changes in price that securities undergo when trading activity continues on the Stock Exchange. Generally, higher the volatility of a security/contract, greater is its price swings. There may be normally greater volatility in thinly traded securities/contracts than in active securities/contracts. As a result of volatility, your order may only be partially executed or not executed at all, or the price at which your order got executed may be substantially different from the last traded price or change substantially thereafter, resulting in notional or real losses.

1.2 Risk of Lower Liquidity:

Liquidity refers to the ability of market participants to buy and/or sell securities / contracts expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for investors to buy and/or sell securities / contracts swiftly and with minimal price difference, and as a result, investors are more likely to pay or receive a competitive price for securities / contracts purchased or sold. There may be a risk of lower liquidity in some securities / contracts as compared to active securities / contracts. As a result, your order may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all.

1.2.1 Buying/selling without intention of giving and/or taking delivery of a security, as part of a day trading strategy, may also result into losses, because in such a situation, stocks may have to be sold/purchased at a low/high prices, compared to the expected price levels, so as not to have any obligation to deliver/receive a security.

1.3 Risk of Wider Spreads:

Spread refers to the difference in best buy price and best sell price. It represents the differential between the price of buying a security and immediately selling it or vice versa. Lower liquidity and higher volatility may result in wider than normal spreads for less liquid or illiquid securities / contracts. This in turn will hamper better price formation.

1.4 Risk-reducing orders:

Most Exchanges have a facility for investors to place "limit orders", "stop loss orders" etc". The placing of such orders (e.g., "stop loss" orders, or "limit" orders) which are intended to limit losses to certain amounts may not be effective many a time because rapid movement in market conditions may make it impossible to execute such orders.

1.4.1 A "market" order will be executed promptly, subject to availability of orders on opposite side, without regard to price and that, while the customer may receive a prompt execution of a "market" order, the execution may be at available prices of outstanding orders, which satisfy the order quantity, on price time priority. It may be understood that these prices may be significantly different from the last traded price or the best price in that security.

1.4.2 A "limit" order will be executed only at the "limit" price specified for the order or a better price. However, while the customer receives price protection, there is a possibility that the order may not be executed at all.

1.4.3 A stop loss order is generally placed "away" from the current price of a stock / contract, and such order gets activated if and when the stock / contract reaches, or trades through, the stop price. Sell stop orders are entered ordinarily below the current price, and buy stop orders are entered ordinarily above the current price. When the stock reaches the pre-determined price, or trades through such price, the stop loss order converts to a market/limit order and is executed at the limit or better. There is no assurance therefore that the limit order will be executable since a stock / contract might penetrate the pre-determined price, in which case, the risk of such order not getting executed arises, just as with a regular limit order.

1.5 Risk of News Announcements:

Issuers make news announcements that may impact the price of the securities / contracts. These announcements may occur during trading, and when combined with lower liquidity and higher volatility, may suddenly cause an unexpected positive or negative movement in the price of the security / contract.

1.6 Risk of Rumours:

Rumours about companies at times float in the market through word of mouth, newspapers, websites or news agencies, etc. The investors should be wary of and should desist from acting on rumours.

1.7 System Risk:

High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day. These may cause delays in order execution or confirmation.

1.7.1 During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.

1.7.2 Under certain market conditions, it may be difficult or impossible to liquidate a position in the market at a reasonable price or at all, when there are no outstanding orders either on the buy side or the sell side, or if trading is halted in a security due to any action on account of unusual trading activity or stock hitting circuit filters or for any other reason.

1.8 System/Network Congestion:

Trading on BSE is in electronic mode, based on satellite/leased line based communications, combination of technologies and computer systems to place and route orders. Thus, there exists a possibility of communication failure or system problems or slow or delayed response from system or trading halt, or any such other problem/glitch whereby not being able to establish access to the trading system/network, which may be beyond the control of and may result in delay in processing or not processing buy or sell orders either in part or in full. You are cautioned to note that although these problems may be temporary in nature, but when you have outstanding open positions or unexecuted orders, these represent a risk because of your obligations to settle all executed transactions.

2. As far as Futures and Options segment is concerned, please note and get yourself acquainted with the following additional features:-

2.1 Effect of "Leverage" or "Gearing"

The amount of margin is small relative to the value of the derivatives contract so the transactions are 'leveraged' or 'geared'.

Derivatives trading, which is conducted with a relatively small amount of margin, provides the possibility of great profit or loss in comparison with the principal investment amount. But transactions in derivatives carry a high degree of risk.

You should therefore completely understand the following statements before actually trading in derivatives trading and also trade with caution while taking into account one's circumstances, financial resources, etc. If the prices move

against you, you may lose a part of or whole margin equivalent to the principal investment amount in a relatively short period of time. Moreover, the loss may exceed the original margin amount.

A. Futures trading involves daily settlement of all positions. Every day the open positions are marked to market based on the closing level of the index. If the index has moved against you, you will be required to deposit the amount of loss (notional) resulting from such movement. This margin will have to be paid within a stipulated time frame, generally before commencement of trading next day.
B. If you fail to deposit the additional margin by the deadline or if an outstanding debt occurs in your account, the broker/member may liquidate a part of or the whole position or substitute securities. In this case, you will be liable for any losses incurred due to such close-outs.
C. Under certain market conditions, an investor may find it difficult or impossible to execute transactions. For example, this situation can occur due

to factors such as illiquidity i.e. when there are insufficient bids or offers or suspension of trading due to price limit or circuit breakers etc.

D. In order to maintain market stability, the following steps may be adopted: changes in the margin rate, increases in the cash margin rate or others. These new measures may also be applied to the existing open interests. In such conditions, you will be required to put up additional margins or reduce your positions.

E. You must ask your broker to provide the full details of the derivatives contracts you plan to trade i.e. the contract specifications and the associated obligations.

2.2. Risk of Option holders

1. An option holder runs the risk of losing the entire amount paid for the option in a relatively short period of time. This risk reflects the nature of an option as a wasting asset which becomes worthless when it expires. An option holder who neither sells his option in the secondary market nor exercises it prior to its expiration will necessarily lose his entire investment in the option. If the price of the underlying does not change in the anticipated direction before the option expires to an extent sufficient to cover the cost of the option, the investor may lose all or a significant part of his investment in the option.
2. The Exchange may impose exercise restrictions and have absolute authority to restrict the exercise of options at certain times in specified circumstances.

2.3 Risks of Option Writers

1. If the price movement of the underlying is not in the anticipated direction, the option writer runs the risks of losing substantial amount.
2. The risk of being an option writer may be reduced by the purchase of other options on the same underlying interest and thereby assuming a spread position or by acquiring other types of hedging positions in the options markets or other markets. However, even where the writer has assumed a spread or other hedging position, the risks may still be significant. A spread position is not necessarily less risky than a simple 'long' or 'short' position.
3. Transactions that involve buying and writing multiple options in combination, or buying or writing options in combination with buying or selling short the underlying interests, present additional risks to investors. Combination transactions, such as option spreads, are more complex than buying or writing a single option. And it should be further noted that, as in any area of investing, a complexity not well understood is, in itself, a risk factor. While this is not to suggest that combination strategies should not be considered, it is advisable, as is the case with all investments in options, to consult with someone who is experienced and knowledgeable with respect to the risks and potential rewards of combination transactions under various market circumstances.

2.4 Currency specific risks (applicable in case of Currency Derivatives)

1. The profit or loss in transactions in foreign currency-denominated contracts, whether they are traded in your own or another jurisdiction, will be affected by

fluctuations in currency rates where there is a need to convert from the currency denomination of the contract to another currency.

2. Under certain market conditions, you may find it difficult or impossible to liquidate a position. This can occur, for example when a currency is deregulated or fixed trading bands are widened.

3. Currency prices are highly volatile. Price movements for currencies are influenced by, among other things: changing supply-demand relationships; trade, fiscal, monetary, exchange control programs and policies of governments; foreign political and economic events and policies; changes in national and international interest rates and inflation; currency devaluation; and sentiment of the market place. None of these factors can be controlled by any individual advisor and no assurance can be given that an advisor's advice will result in profitable trades for a participating customer or that a customer will not incur losses from such events.

3. GENERAL

3.1 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.

3.2 Deposited cash and property

You should familiarise 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, the same shall be subject to arbitration as per the byelaws/regulations of the Exchange.

3.3 For rights and obligations of the clients, please refer to Annexure-1 enclosed with this document.

3.4 The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a member for the purpose of acquiring and/or selling of securities through the mechanism provided by BSE.

3.5 The term 'member' shall mean and include a trading member, a broker or a stock broker, who has been admitted as such by BSE and who holds a registration certificate as a stock broker from SEBI.

I hereby acknowledge that I have received and understood this risk disclosure statement and Annexure-1 containing my rights and obligations.

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

DD MMM YYYY

ANNEXURE-1

INVESTORS' RIGHTS AND OBLIGATIONS:

1.1 You should familiarise yourself with the protection accorded to the money or other property you may deposit with your member, particularly in the event of a default in the stock market or the broking firm's insolvency or bankruptcy.

1.1.1 Please ensure that you have a documentary proof of your having made deposit of such money or property with the member, stating towards which account such money or property deposited.

1.1.2 Further, it may be noted that the extent to which you may recover such money or property may be governed by the Bye-laws and Regulations of BSE and the scheme of the Investors' Protection Fund in force from time to time.

1.1.3 Any dispute with the member with respect to deposits, margin money, etc., and producing an appropriate proof thereof, shall be subject to arbitration as per the Rules, Byelaws/Regulations of BSE or its Clearing Corporation / Clearing House.

1.2 Before you begin to trade, you should obtain a clear idea from your member of all brokerage, commissions, fees and other charges which will be levied on you for trading. These charges will affect your net cash inflow or outflow.

1.3 You should exercise due diligence and comply with the following requirements of the BSE and/or SEBI:

1.3.1 Please deal only with and through SEBI registered members of the Stock Exchange and are enabled to trade on the Exchange. All SEBI registered members are given a registration no., which may be verified from SEBI. The details of all members of BSE and whether they are enabled to trade may be verified from BSE website (www.bseindia.com).

1.3.2 Demand any such information, details and documents from the member, for the purpose of verification, as you may find it necessary to satisfy yourself about his credentials.

1.3.3 Furnish all such details in full as are required by the member as required in "Know Your Client" form, which may also include details of PAN or Passport or Driving Licence or Voters Id, or Ration Card, bank account and depository account, or any such details made mandatory by SEBI/BSE at any time, as is available with the investor.

1.3.4 Execute a broker-client agreement in the form prescribed by SEBI and/or BSE or its Clearing Corporation / Clearing House from time to time, because this may be useful as a proof of your dealing arrangements with the member.

1.3.5 Give any order for buy or sell of a security in writing or in such form or manner, as may be mutually agreed. Giving instructions in writing ensures that you have proof of your intent, in case of disputes with the member.

1.3.6 Ensure that a contract note is issued to you by the member which contains minute records of every transaction. Verify that the contract note contains details of order no., trade number, trade time, trade price, trade quantity, name of security, client code allotted to you and showing the brokerage separately. Contract notes are required to be given/sent by the member to the investors latest on the next working day of the trade. Contract note can be issued by the member either in electronic form using digital signature as required, or in hard copy. In case you do not receive a contract note on the next working day or at a mutually agreed time, please get in touch with the Investors Grievance Cell of BSE, without delaying.

1.3.7 Facility of Trade Verification is available on BSE website (www.bseindia.com), where details of trade as mentioned in the contract note may be verified from the trade date upto five trading days. Where trade details on the website, do not tally with the details mentioned in the contract note, immediately get in touch with the Investors Grievance Cell of BSE.

1.3.8 Ensure that payment/delivery of securities against settlement is given to the concerned member within one working day prior to the date of pay-in announced by BSE or it's Clearing Corporation / Clearing House. Payments should be made only by account payee cheque in favour of the firm/company of the trading member and a receipt or acknowledgement towards what such payment is made be obtained from the member. Delivery of securities is made to the pool account of the member rather than to the beneficiary account of the member.

1.3.9 In case pay-out of money and/or securities is not received on the next working day after date of pay-out announced by BSE or its Clearing Corporation / Clearing House, please follow-up with the concerned member for its release. In case pay-out is not released as above from the member within five working days, ensure that you lodge a complaint immediately with the Investors' Grievance Cell of BSE.

1.3.10 Every member is required to send a complete 'Statement of Accounts', for both funds and securities settlement to each of its constituents, at such periodicity as may be prescribed by time to time. You should report errors, if any, in the Statement immediately, but not later than 30 calendar days of receipt thereof, to the member. In case the error is not rectified or there is a dispute, ensure that you refer such matter to the Investors Grievance Cell of BSE, without delaying.

1.3.11 In case of a complaint against a member/registered sub-broker, you should address the complaint to the Office as may be specified by BSE from time to time.

1.4 In case where a member surrenders his membership, BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of BSE, ensure that you lodge a claim with BSE

Clearing Corporation/Clearing House within the stipulated period and with the supporting documents.

1.5 In case where a member is expelled from trading membership or declared a defaulter, BSE gives a public notice inviting claims, if any, from investors. In case of a claim, relating to "transactions executed on the trading system" of BSE, ensure that you lodge a claim with BSE within the stipulated period and with the supporting documents.

1.6 Claims against a defaulter/expelled member found to be valid as prescribed in the relevant Rules/Bye-laws and the scheme under the Investors' Protection Fund (IPF) may be payable first out of the amount vested in the Committee for Settlement of Claims against Defaulters, on pro-rata basis if the amount is inadequate. The balance amount of claims, if any, to a maximum amount of Rs.10 lakhs per investor claim, per defaulter/expelled member may be payable subject to such claims being found payable under the scheme of the IPF.

Notes:

1. The term 'constituent' shall mean and include a client, a customer or an investor, who deals with a trading member of BSE for the purpose of acquiring and / or selling of securities through the mechanism provided by BSE.

2. The term 'member' shall mean and include a member or a broker or a stock broker, who has been admitted as such by BSE and who holds a registration certificate as a stock broker from SEBI.

Form No. 4 [1]

[ON STAMP PAPER OF RS.100 IN MUMBAI]

Agreement between Client and Custodian Clearing Member

This Agreement is entered into at _____ this ___ day of _____, _____ BETWEEN:

Mr./Ms./M/s._____, an individual / a sole proprietary concern /a partnership firm / a body corporate, registered / incorporated under the provisions of the Indian Partnership Act, 1932 / the Companies Act, 1956 / (other) _____, being a Custodian Clearing Member of the Stock Exchange, Mumbai, having Custodian Clearing Member Code No. _____ and registered as a Custodian Clearing Member with SEBI under Registration No. _____, having his/her/its registered office at _____ _____ _____ (hereafter called "**the Member** ", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his / her heirs, executors, administrators and legal representatives / the partners for the time being of the said firm, the survivor or survivors of them and their respective heirs, executors, administrators and legal representatives / its successors, as the case may be) of the One Part;
and

Mr./ Ms./ M/s. _____, an individual / a sole proprietary concern / a partnership firm / a body corporate, registered / incorporated under the provisions of the Indian Partnership Act, 1932 / the Companies Act, 1956 / (other) _____, having his/her/its residence / registered office at _____ _____ _____ (hereinafter called "**the Client**", which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his / her heirs, executors, administrators and legal representatives / the partners for the time being of the said firm, the survivor or survivors of them and their respective heirs, executors, administrators and legal representatives / its successors, as the case may be) of the Other Part;

WHEREAS: -

(i) The Client is desirous of trading in Derivatives and entering into contracts in Derivatives which are permitted to be dealt with on the Derivatives Segment /Currency Derivatives Segment of the Stock Exchange, Mumbai (hereinafter called "**the Exchange**") from time to time in accordance with the Derivatives Segment/Currency Derivatives Segment Rules, Bye-Laws and Regulations;

(ii) The Client has entered into and/or will enter into an agreement(s) (in accordance with the Derivatives Segment/Currency Derivatives Segment Rules, Bye-laws and Regulations) with one or more trading members and/or trading-

[1] Inserted by Governing Board vide Resolution dated 20-9-2000.

cum-clearing members of the Derivatives Segment/Currency Derivatives Segment of the Exchange **("Trading Member/s")**, through whom the Client desires to trade in Derivatives;

(iii) The Client has requested the Member to act as the Client's Custodian Clearing Member and, as such, clear and settle the Derivatives Contracts entered into by the Client through one or more Trading Members, which the Member has agreed to do in accordance with the Derivatives Segment/Currency Derivatives Segment Rules, Bye laws and Regulations and the terms and conditions contained in this Agreement;

(iv) The Client has satisfied itself of the capacity of the Member to clear and settle Derivatives Contracts and shall continue to satisfy itself of this capacity of the Member from time to time;

(v) The Member has taken steps and shall take steps to make the Client aware of the precise nature of the Member's liability for Derivatives clearing and settlement to be conducted by the Member, including any limitations on the Member's liability and the capacity in which the Member acts;

(vi) The Client has understood, appreciated and assumed all the risks associated with purchasing, selling, trading in, clearing and settling various kinds of Derivatives and entering into the various kinds of Derivatives Contracts, whether contained in the Risk Disclosure Document or not;

(vii) The Client and the Member desire to enter into this Agreement to record the terms and conditions of the agreement arrived at between them in this regard as under:

THE CLIENT AND THE MEMBER AGREE AS FOLLOWS:

1. Appointment as Custodian Clearing Member

1.1. The Client hereby appoints the Member as the Client's Custodian Clearing Member, and the Member hereby agrees to act as the Client's Custodian Clearing Member, on and subject to the Derivatives Segment/Currency Derivatives Segment Rules, Bye-laws and Regulations and the provisions of this Agreement.

1.2. If the Client desires that any Derivatives Contract entered into by the Client through any Trading Member of the Derivatives Segment/Currency Derivatives Segment of the Exchange **("the Derivatives Segment/Currency Derivatives Segment ")** should be cleared by the Member as the Client's Custodian Clearing Member then the Client shall inform the Member as also the concerned Trading Member of the same in accordance with the Derivatives Segment/Currency Derivatives Segment Rules, Bye-laws and Regulations. In such case, upon the concerned Trading Member requesting the Member for a confirmation whether the Member will undertake the clearing and settlement of the concerned Derivatives Contract as the Client's Custodian Clearing Member, subject to the Client's

available exposure limits and the other provisions of this Agreement the Member may confirm to the concerned Trading Member that the Member will undertake the clearing and settlement of the concerned Derivatives Contract as the Client's Custodian Clearing Member.

1.3. The Client agrees and undertakes to place the Member in sufficient funds and securities (if any) as may be required in a timely manner in order to enable the Member to clear and settle all the Derivatives Contracts of the Client which the Member may undertake to clear and settle.

2. Client's understanding of risks involved in Derivatives Trading, Clearing and Settling:

The Client has read, understood, appreciated and signed the Risk Disclosure Document. The Client agrees and declares as follows:

a) The Client shall be wholly responsible for all investment decisions and trades of the Client.

b) The Client will pay or receive applicable daily and other margins.

c) Payment of margins by the Client does not necessarily imply complete satisfaction of all dues.

d) In spite of consistently having paid margins, the Client may, on the closing of his trade, be obliged to pay (or entitled to receive) such further sums as the market price of an instrument or contract may dictate.

e) The failure of a Client to understand the risk involved or the failure of a Custodian Clearing Member to explain the risk to the Client shall not render a contract as void or voidable or discharge the Client from any liability or obligation thereunder, and the Client shall be and shall continue to be responsible and liable for all the risks and consequences of entering into trades in Derivatives.

f) The Member has the sole and absolute right in its discretion and without assigning any reason to decline to undertake the clearing and / or settlement of any particular Derivatives Contract and to decline to confirm to any Trading Member that the Member shall undertake the clearing and and/or settlement of any particular Derivatives Contract.

3. Commissions, Brokerage, other fees: In consideration of the Member agreeing to act as the Client's Custodian Clearing Member, the Client shall pay to the Member brokerage / commission / fees as follows:

[THE RATE, AMOUNT, BASIS OF COMPUTATION AND TIME OF PAYMENT TO BE INSERTED IN ACCORDANCE WITH THE AGREEMENT BETWEEN THE MEMBER AND THE CLIENT]

The Member and the Client may from time to time by mutual consent recorded in writing modify all or any of the above rates or amounts.

The Member shall not, in any event, charge brokerage, commission or fee exceeding the maximum, if any, permitted by the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or SEBI from time to time.

4. Deposit:

(i) The Client shall deposit and maintain on a continuing basis a minimum amount of Rs. _____/- as an interest-free deposit with the Member. **[IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC.]**

(ii) The Client shall from time to time deposit with the Member such further amounts as may be required by the Member from time to time as additional interest-free deposit. **[PARTIES MAY INSERT TERMS OF SUCH FURTHER AMOUNTS. IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC. ELSE IT SHOULD BE STATED THAT THE DEPOSIT WOULD BE INTEREST FREE.]**

(iii) In case of any failure or delay on the part of the Client in payment of any deposit or if the Client fails to maintain the minimum deposit mentioned above with the Member then the Member may, at the Member's option and discretion, require the Client to forthwith reduce the Client's exposure to limits acceptable to the Member by closing out the Client's open positions and/or may restrict, withdraw or disable the clearing and settlement facility of the Client and/or exercise any other right or power which the Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange.

5. Exposure Limits:

(ii) The Client agrees to abide by the exposure limits, if any, set on the Client by the Member, the Exchange or SEBI from time to time. The Member may decline to undertake the clearing and settlement of any Derivatives Contract if the same may exceed the Client's available exposure limit or for any other reason which the Member may deem fit and proper.

(iii) The Member may at any time and from time to time in its discretion unilaterally increase or decrease the Client's exposure limits.

(iv) In case the Client exceeds his prescribed exposure limit, the Member may, at the Member's option and discretion, require the Client to forthwith deposit additional amounts with the Member and/or reduce the Client's exposure to limits acceptable to the Member by closing out the Client's open positions and/or may restrict, withdraw or disable the clearing and settlement facility of the Client and/or exercise any other right or power which the Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange.

6. **Payment of margins:** Unless the Member otherwise permits, the Client shall be liable to pay an initial margin up-front on or before the Member agrees to undertake the clearing and/or settlement of any Derivatives Contract. Such margin shall be decided upon by the Member, the Derivatives Segment/Currency Derivatives Segment or the Clearing House from time to time. Furthermore the Client shall be liable to pay (or receive) daily margins depending on whether the price of the Derivatives Contract moves for or against the position undertaken. The Client may also be liable to pay withholding margins, special margins or such other margins as are considered necessary by the Member, the Derivatives Segment/Currency Derivatives Segment or the Clearing House from time to time. The Member shall be permitted in its sole and absolute discretion to collect additional margins (even though not imposed by the Derivatives Segment/Currency Derivatives Segment, the Clearing House or SEBI) and the Client shall be obliged to pay such margins.

7. **Liquidation/close-out of positions:** Without prejudice to the Member's other rights (including the right to refer a mater to arbitration), the Member shall be entitled to liquidate / close out all or any of the Client's positions for non-payment of margins or other amounts, outstanding debts, etc. or failure of the Client to fulfil his obligations to the Member, the Derivatives Segment/Currency Derivatives Segment or the Clearing House. Any and all losses and financial charges on account of such liquidation / closing-out shall be charged to and borne by the Client. Additionally, the money, if any, of the Client available with the Member or with any other member, the Derivatives Segment/Currency Derivatives Segment or the Clearing House may be adjusted against the Client's liabilities / obligations.

8. **Segregation of Client money:** Subject to the other provisions of this Agreement, (i) the Member shall keep the money deposited by the Client in a separate account, distinct from the Member's own account and (ii) the Member will not use the Client's money for himself or for any purpose other than the purpose mentioned by the Client.

9. **Provisions in case of Default:** In the event of a default of the Member on his own account, the Client's money will not be utilised to meet the Member's liabilities. In such cases, the Client's positions shall be either transferred to another solvent Custodian Clearing Member or closed-out as per the provisions of the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or the Clearing House.

10. **Sharing of information:** The Client agrees to immediately furnish information to the Member in writing if any winding up petition or insolvency petition or order has been filed or passed against him or any garnishee order has been served upon him or in respect of his obligations, or if any litigation has been filed against him or if any order, decree or award is passed against him.

11. **Legal Disability or Death:** In the event of death, dissolution, liquidation or insolvency of the Client or his otherwise becoming incapable of entering into Derivatives contracts, the Member may close out the Client's Outstanding Obligations and Derivatives Contracts and the Client or the Client's representatives / heirs shall be liable for any outstanding positions in the Client's Contracts. In case of any amount accruing to the account of the Client, the Client or the Client's representatives / heirs shall also be entitled to receive the surplus.

12. **Loss on account of close out:** The Member agrees that any and all loss on account of close out of Client positions because of failure of the Member shall be recoverable by the Client from the Member.

13. **Abiding by provisions of the SEBI and the Derivatives Segment**/Currency Derivatives Segment **of the Stock Exchange, Mumbai Regulations:** The Member and the Client agree to be bound by the Rules and Regulations of SEBI and the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment as amended from time to time.

14. **Intimation to Derivatives Segment in cases of default of the Client:** The Member shall immediately inform the Derivatives Segment/Currency Derivatives Segment and the Clearing House in case the Client defaults in his payments or other obligations.

15. **Arbitration:** The Client and Custodian agree to refer any claims and / or disputes to arbitration in the city of _____ (Mumbai / Delhi / Calcutta / Chennai) as per the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange as amended from time to time. However, if the Member is at any time declared a defaulter the arbitration proceedings shall be held and/or continued in Mumbai only.

16. **Disputes:** All disputes shall be determined in accordance with the provisions of the Derivatives Segment/Currency Derivatives Segment Rules, Bye-laws and Regulations.

17. **Termination:** This Agreement may be terminated by either party by giving one month's notice to the other party. However such termination shall not affect the rights and obligations of a party hereunder in respect of Derivatives Contracts and transactions entered into prior to such termination.

18. **Cancellation:** The Stock Exchange may cancel a trade suo-moto without giving any reason therefor. In the event of such cancellation, the Member shall be entitled to

cancel the Client's trades which the Member has undertaken to clear and/or settle.

19. **Other Rights:** In addition to the specific rights set out in this Agreement, the Custodian and the Client shall be entitled to exercise any other rights which the Member or the Client may have under the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or SEBI.

20. **Definitions:** Words and expressions which are used in this Agreement, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment.

IN WITNESS THEREOF the parties to the Agreement have executed these presents as of the day and year first above written.

Client's Signature/ Authorised Signatory:
Member's Signature/Authorised Signature

Signed by:	**Signed by:**
Title:	**Title:**
Name of Client:	**Name of Member:**
Witness:	**Witness:**
1.	**1.**
2.	**2.**

REGULATION - 7

Format of Agreement between Clearing Member and Trading Member

[ON STAMP PAPER OF RS. 100 IN MUMBAI]

[THE CLEARING MEMBER SHALL ENTER INTO A SEPARATE AGREEMENT WITH EACH OF THE TRADING MEMBER ON WHOSE BEHALF HE WILL BE CLEARING TRADES.]

Agreement between CLEARING MEMBER and TRADING MEMBER

This agreement is made and executed at …… this …….. day of …… 20… between:

Mr./Ms./M/s._____, an individual/ a sole Proprietary concern/ a Partnership firm/ a body corporate, registered/ incorporated under the provisions of the Indian Partnership Act, 1932/ the Companies Act, 1956, being a Clearing Member of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai, having Clearing Member Code No. _____ and registered as a Clearing Member with SEBI under Registration No. _____, having his/her/its registered office at _____ (hereinafter called **"the Clearing Member")** which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives/ the partners for the time being of the said firm, the survivor or survivors of them and their respective, heirs, executors, administrators and legal representatives/ its successors, as the case may be, of the One Part;

And

Mr./Ms./M/s._____, an individual/ a sole proprietary concern/ a partnership firm/ a body corporate, registered/ incorporated under the provisions of the Indian Partnership Act, 1932/ the Companies Act, 1956, being a Trading Member of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai, having Trading Member Code No. _____ and registered as a Trading Member with SEBI under Registration No. _____, having his/her/its registered office at _____ (hereinafter called **"the Trading Member")** which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives / the partners for the time being of the said firm, the survivor or survivors of them and their respective, heirs, executors, administrators and legal representatives/ its successors, as the case may be, of the Other Part;

WHEREAS

(i) The Trading Member has requested the Clearing Member to clear and settle the Trading Member's contracts in the Derivatives Segment/Currency Derivatives

Segment of the Stock Exchange, Mumbai **("the Exchange"),** and the Clearing Member has agreed to do so in accordance with the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange and SEBI and on the terms and conditions contained in this Agreement;

(ii) Under the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange, the Clearing Member and the Trading Member are required to enter into an agreement which should clearly state the nature of the relationship between the two and also should specify the duties, responsibilities, obligations and code of conduct of the concerned parties; and

(iii) The Clearing Member and Trading Member are accordingly executing this Agreement.

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AND THE CLEARING MEMBER AND THE TRADING MEMBER AGREE AS FOLLOWS:

1. Deposit from Trading Member:

a. The Trading Member shall deposit and maintain on a continuing basis a minimum amount of Rs. _____ as an interest-free deposit with the Clearing Member. (**IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC.)**

b. The Trading Member shall from time to time deposit with the Clearing Member such further amounts as may be required by the Member from time to time. **[PARTIES MAY INSERT TERMS OF SUCH FURTHER AMOUNTS. IF THE PARTIES AGREE TO AN INTEREST BEARING DEPOSIT THEN APPROPRIATE PROVISIONS SHOULD BE INSERTED FOR RATE OF INTEREST, INTEREST PAYMENT DATE, ETC. ELSE IT SHOULD BE STATED THAT THE DEPOSIT WOULD BE INTEREST FREE.]**

c. In case of any failure or delay on the part of the Trading Member in payment of any deposit or if the Trading Member fails to maintain the minimum deposit mentioned above with the Clearing Member then the Clearing Member may restrict or prohibit further trading by the Trading Member or may close-out all or any of the Trading Member's positions to the extent deemed necessary by the Clearing Member or may prohibit or restrain the Trading Member from trading or creating any further positions till the failure has been rectified or may exercise any other right or power which the Clearing Member may have under this Agreement or the Rules, Bye-

laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange.

2. Exposure limit:

(i) The Trading Member shall have the following exposure limits:

(VARIOUS EXPOSURE LIMITS TO BE INSERTED)

(ii) The Clearing Member may from time to time in its discretion unilaterally increase or decrease the Trading Member's exposure limits, subject to the requirements prescribed by the Derivatives Segment/Currency Derivatives Segment, the Clearing House and SEBI from time to time.

(iii) In case the Trading Member exceeds his prescribed exposure limit, the Clearing Member may, at the Clearing Member's option and discretion, require the Trading Member to forthwith deposit additional amounts with the Clearing member and/or reduce the Trading Member's exposure to limits acceptable to the Clearing Member by closing out the Trading Member's open positions and/or may restrict, withdraw or disable the trading facility of the Trading Member by intimation to the Derivatives Segment/Currency Derivatives Segment / Clearing House and/or exercise any other right or power which the Clearing Member may have under this Agreement or the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Exchange..

3. Fees:

The rate of fee to be charged by the Clearing Member to the Trading Member in respect of various services provided by the Clearing Member shall be as provided below:

Sr. No.	Nature of Service	**% of Fee**
1.		
2.		
3.		

The above mentioned rates shall not be varied save and except with the mutual consent of the Trading Member and the Clearing Member recorded in writing.

4. Types of Services offered:

The Clearing Member shall provide the following services to the Trading Member:
[TO BE INSERTED BY MEMBERS. e.g. clearing and settlement service, advisory services, portfolio management services, etc.]

a. _____
b. _____
c. _____

5. Payment of margins:

The Clearing Member shall collect margins from the Trading Member as prescribed by the relevant authority from time to time. However, if the Clearing Member finds it necessary, he shall be entitled to levy and collect additional margins from the Trading Member over and above those imposed by the Derivatives Segment/Currency Derivatives Segment or the Clearing House, and the Trading Member shall be liable to pay the additional margins within the time stipulated by the Clearing Member. The Trading Member shall collect margins from his Clients on a gross basis (i.e. in computing margins, the long position of one Client shall not be set-off against the short position of another Client of the Trading Member). The Trading Member hereby agrees to accurately and promptly report to the Clearing Member of all margins collected by the Trading member and the identities of the Clients who have paid such margins. Any loss or damage caused to the Clearing Member on account of any misrepresentation or omission relating to the reporting of any margin or client identity by the Trading Member shall be reimbursed by the Trading Member to the Clearing Member. .

1. Liquidation/close-out of positions:

The Clearing Member shall be entitled to liquidate/close-out positions of the Trading Member for non-payment of margins, outstanding dues, exposure beyond limit specified or any other default on the part of the Trading Member.

2. Liability to reimburse losses:

The Trading Member shall be liable to forthwith reimburse to the Clearing Member, the derivatives Segment/Currency Derivatives Segment or the Clearing House any loss or financial charges arising from liquidation/close-out of positions by the Clearing Member.

3. Client Registration by the Trading Member:

The Trading Member shall comply with the provisions of the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment and SEBI and other requirements relating to Know Your Client / registration of Clients and Risk Disclosure Document. The Trading Member shall promptly provide to the Clearing Member such details and documents as the Clearing Member may from time to time require to satisfy itself that the Trading member is in compliance with this clause.

4. Segregation of Client money:

The Trading Member shall keep the money deposited by his Clients in a separate account, distinct from his own account and he shall provide the details and supporting evidence of the segregated accounts to the Clearing Member forthwith upon demand by the Clearing Member.

5. **Client Identification:**

   The Trading Member is aware that in order to enable the shifting of positions and safeguarding the money of Clients, it is necessary to be able to identify the individual Client positions. Thus in order to have the identity of the Trading Member's Clients it is necessary to structure the Client codes in such a way that it is possible to identify the actual person to whom the open positions belong. The Trading Member agrees and undertakes to structure his Client's codes in such manner as the Clearing Member may from time to time require.

6. **Default by Trading Member/Client: In the event of a default of the Trading Member on** his own account, the Client money shall remain safe and shall not be utilised to meet the Trading Member's liabilities. In such cases the Client's positions shall be transferred by the Clearing Member to another Trading Member or closed out. In the event of a default due to failure of a specific Client to fulfil his obligation, the money of other Clients shall remain safe and cannot be utilised to meet the obligation of the defaulting Client as set out in the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the stock Exchange, Mumbai.

7. **Default by Clearing Member:**

   In the event of default by the Clearing Member on his own account, the money of the Clearing Member's Clients, Trading Members own account and Trading Members' Clients shall remain safe and shall not be utilised to meet the Clearing Members liabilities. In such cases, the positions of the Clients and the Trading Members shall be transferable to some other Clearing Member or be closed out in accordance with the provisions of the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange.

8. **Loss on account of close out:**

   Any and all loss on account of close out of Client positions because of failure of the Clearing Member or the Trading Member shall be recovered from the Clearing or Trading Member.

9. **Intimation to Derivatives Segment**/Currency Derivatives Segment **in cases of default of the Trading Member:** The Clearing Member shall immediately inform the Derivatives Segment/Currency Derivatives Segment and the Clearing House in case the Trading Member defaults in his payments or other obligations.

10. **Arbitration:** In case of claims or disputes between the Clearing Member and Trading Member, the same shall be referred to arbitration as prescribed in the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange.

11. **Termination:** Subject to the Rules, Bye-laws and regulations of the derivatives Segment/Currency Derivatives Segment, this agreement may be terminated by

either party by giving one month's notice to the other party. However such termination shall not affect the rights and obligations of a party hereunder in respect of Derivatives contracts and transactions entered into prior to such termination.

12. In addition to the specific rights set out in this Agreement, the parties hereto shall be entitled to exercise any other rights which they may have under the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or SEBI.

13. The Clearing Member and the Trading Member agree to abide by the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment or SEBI as made or amended from time to time and all directions issued by SEBI or the Derivatives Segment/Currency Derivatives Segment from time to time.

14. Words and expressions which are used in this Agreement, but which are not defined herein shall, unless the context otherwise requires, have the same meaning as assigned thereto in the Rules, Bye-laws and Regulations of the Derivatives Segment/Currency Derivatives Segment.

IN WITNESS WHEREOF the parties hereto have caused this Agreement to be executed on the date first above mentioned.

Signature:	**Signature:**
Clearing Member	**Trading Member**
Signed before:	**Signed before:**
Name of the Witness: _____	**Name of the Witness: _____**

Note: 1. All references to the specific quantity/rate/fee mentioned in this agreement are from time to time subject to change, as so agreed to in writing between parties.

2. All references to deposit in this agreement shall be deemed to mean cash and deposit other than cash. In the event, deposit other than cash is taken, both parties are required to record the same in writing.

REGULATION- 8

Contract Notes for Derivatives Segment

[1] [2]Contract Note - Form A

[Contract Note issued by Trading Member acting as broker & agent]

Form - A

Name of Member/Firm
Address of the member
Clearing no of the member.
Tel:
Fax No.

Dealing office Address of the member
Tel:
Fax:

Contract note no:
Trade date:

To be stamped as per the provision applicable under the relevant Stamp Act

To
Name of the Constituent,
Address of the Constituent
Unique client code No of Constituent
PAN of Constituent

Sir/Madam,

I/We have this day done by your order and on your account the following transaction:

Order No.	Order Time	Trade No.	Trade Time	Security (Contracts Description)	Qty	Buy / Sale	Gross Rate per Security	Total (Rs.)	Brokerage (Rs.)	Service Tax (Rs.)	STT (Rs.)	Total (Inclusive / net of brokerage, Service tax, STT) Rs.

This contract is made subject to the Rules, Bye-laws, Regulations, Business Requirement Specifications, orders, notices and decisions of the Derivatives

[1] Amended by Special Committee of the Governing Council vide resolution dated 4-10-2001.
[2] Amended by Governing Council vide resolution dated 08-08-2012.

Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai and the Clearing House.

Brokerage/Commission has been expressly marked and charged as stated and has been charged at rates not exceeding the official scale of brokerage / commission. The brokerage/commission is not included in the purchase price or excluded from the sale price.

The Courts in Mumbai shall have exclusive jurisdiction in respect of all proceedings to which the Exchange is a party, and in respect of all other proceedings, the Courts having jurisdiction over the area in which the respective Regional Arbitration Centre is situated, shall have jurisdiction.

In the event of any claim (whether admitted or not) difference or dispute arising between you and me/us out of these transactions, (including any question whether such dealings, transactions and contracts have been entered into or not), the matter shall be referred to arbitration in the concerned Regional Arbitration Centre as provided in the Rules, Bye-laws, Regulations and Business Requirement Specifications of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai.

The provisions printed overleaf form a part of the contract.

Yours faithfully,

Mumbai,

Trading Member(s) of the Stock Exchange, Mumbai

Dated:
PAN of Member:

[1 2] Contract Note - Form B

[Contract Note issued by Trading Member acting as Principal]

Form - B

Name of Member/Firm
Address of the member
Clearing no. of the member
Tel:
Fax No.

Dealing office Address of the member
Tel:
Fax:

To be stamped as per the provision applicable under the relevant Stamp Act

To
Name of the Constituent,
Address of the Constituent
Unique client code No of Constituent
PAN of Constituent

Sir/Madam,

I/We have this day done by your order and on your account the following transactions:

Order No.	Order Time	Trade No.	Trade Time	Security (Contracts Description)	Qty	Buy / Sale	Gross Rate per Security (Rs.)	Total (Rs.)

This contract is made subject to the Rules, Bye-laws, Regulations, Business Requirement Specifications, orders, notices and decisions of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai and the Clearing House.

The Courts in Mumbai shall have exclusive jurisdiction in respect of all proceedings to which the Exchange is a party, and in respect of all other proceedings, the Courts having jurisdiction over the area in which the respective Regional Arbitration Centre is situated, shall have jurisdiction.

In the event of any claim (whether admitted or not) difference or dispute arising between you and me/us out of these transactions, (including any question whether such dealings, transactions and contracts have been entered into or not), the matter shall be referred to arbitration in the concerned Regional Arbitration Centre as provided in the Rules, Bye-laws, Regulations and Business Requirement Specifications of the Derivatives Segment/Currency Derivatives Segment of the Stock Exchange, Mumbai.

1. Amended by Special Committee of the Governing Council vide resolution dated 4-10-2001
2. Amended by Governing Council vide resolution dated 08-08-2012.

The provisions printed overleaf form a part of the contract.

Yours faithfully,

Mumbai,

Trading Member(s) of the Stock Exchange, Mumbai

Dated:
PAN of Member:

(To be printed on the reverse side of the Contract Note)

Derivatives/Currency Derivatives Segment Bye-laws

Resolution by Arbitration

12.1 In case of any claim, complaint, dispute or difference between a Member and a Client arising out of or in relation to a Derivatives Contract or trading, clearing or settlement in a Derivatives Contract made subject to the Rules, Bye-laws and Regulations of the Derivatives Segment or with reference to anything incidental thereto or in pursuance thereof or relating to the construction, fulfillment or validity thereof, the parties thereto shall resolve such claim, complaint, dispute or difference by arbitration as per the procedure specified in this Chapter. In respect of any claim, complaint, dispute or difference to be resolved by arbitration, no party shall commence any legal proceedings in a court or other tribunal without the permission of the Governing Council.

Submission of Dispute

12.2 In the case of every claim, complaint, dispute or difference of the kind referred to in Bye-law [12.1], any of the parties concerned may submit to the concerned Regional Arbitration Centre of the Exchange an application for arbitration in such form and with such fee as may be specified by the Derivatives Segment/Currency Derivatives Segment from time to time.

Operation of Contracts

12.36 All dealings, transactions and contracts which are subject to these Rules, Bye-laws and Regulations shall take effect as if wholly made, entered into and to be performed in the city of Mumbai and the parties to such dealings, transactions, contracts and agreements shall be deemed to have submitted to the exclusive jurisdiction of the Courts in Mumbai for the purpose of giving effect to the provisions of these Rules, Bye-laws and Regulations. Provided, however, that upon the amendments to the Rules, Bye-laws and Regulations with regards to Regional Arbitration Centres and other incidental and consequential matters in connection therewith or relating thereto coming into force, the Courts in Mumbai shall have exclusive jurisdiction in respect of all proceedings to which the Exchange is a party, and in respect of all other proceedings, the courts having jurisdiction over the area in which the respective Regional Arbitration Centre is situated, shall have jurisdiction.

Derivatives/Currency Derivatives Segment Regulations

3.1A The Application for Arbitration shall be filed by the Applicant at the concerned Regional Arbitration Centre referred to in column 1 below covering that State or Union Territory of India, referred to in column 2 below, within which the most recent residential address or registered office of the client, as duly

communicated in writing to the member in accordance with law, is located. Provided in respect of a non-resident Indian client, the Seat of Arbitration shall be Regional Arbitration Centre which covers the States or Union Territories given in the Column 2, in which lies the address or the registered office address, as the case may be, of the Member, depending upon corporate or non-corporate membership of the Member. The hearings shall be held in the concerned Regional Arbitration Centre in which the Applicant has duly filed the Application for Arbitration.

Column 1	Column 2
REGIONAL ARBITRATION CENTRES	**STATES AND UNION TERRITORIES COVERED BY THE REGIONAL ARBITRATION CENTRES**
DELHI	Delhi, Haryana, Uttar Pradesh, Uttaranchal, Himachal Pradesh, Punjab, Jammu & Kashmir, Chandigarh, Rajasthan
KOLKATA	West Bengal, Bihar, Jharkhand, Orissa, Assam, Arunachal Pradesh, Mizoram, Manipur, Sikkim, Meghalaya, Nagaland, Tripura, Chhattisgarh
CHENNAI	Andhra Pradesh, Karnataka, Kerala, Tamilnadu, Andaman & Nicobar, Lakshadweep, Pondicherry.
MUMBAI	Maharashtra, Gujarat, Goa, Daman & Diu, Dadra & Nagar Haveli, Madhya Pradesh

JURISDICTION OF COURTS

Upon the amendments to the Rules, Bye-laws and Regulations with regard to Regional Arbitration Centres and other incidental and consequential matters in connection therewith or relating thereto coming into force, the Courts in Mumbai shall have exclusive jurisdiction in respect of all proceedings to which the Exchange is a party, and in respect of all other proceedings, the Courts having jurisdiction over the area in which the respective Regional Arbitration Centre is situated, shall have jurisdiction.