
NATIONAL COMMODITY & DERIVATIVES EXCHANGE LIMITED

Circular to all Members of the Exchange

Circular No. : NCDEX/COMPLIANCE-017/2019

Date : April 15, 2019

Subject : Market Access through Authorised Persons

This is with reference to Exchange circular no. NCDEX/COMPLIANCE-002/2017/037 dated February 15, 2017 on Market Access through Authorised Persons

As per the current process of Authorised Person (AP) registration, Members are required to collect an Undertaking from the AP on stamp paper along with other prescribed documents. Members can now obtain the said Undertaking on the letter head of the concerned AP. This undertaking document has to be attested by the authorised signatory of the Member.

The above mentioned change is also applicable for transfer of Authorised Person consequent to transfer of membership upon sale of a broking business. Members may refer Exchange circular no. NCDEX/MEMBERSHIP-005/2018/119 dated May 09, 2018 in this regard.

Formats of all the relevant documents as applicable in the below mentioned cases is enclosed as annexure for your reference.

- Appointment of Authorised Person (Annexure I–VI)
- Consent Letter-cum-Undertaking for Transfer of Aps (on transfer of membership by way of sale of broking business) (Annexure VII)

This change is applicable from immediate effect.

Members are advised to take note of the same and ensure compliance.

For and on behalf of

National Commodity & Derivatives Exchange Limited

Bipin Veliyam

Vice President- Customer Service

For further information / clarifications, please contact

1. Customer Service Group on toll free number: 1800 26 62339
 2. Customer Service Group by e-mail to : askus@ncdex.com
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Annexure I

REQUEST FOR APPOINTMENT OF AUTHORISED PERSON (On the Letterhead of the Member)

To
National Commodity & Derivatives Exchange Limited
(Customer Service Department)
1st floor, Akruti Corporate Park, LBS Road
Kanjurmarg (West)
Mumbai 400 078

Dear Sir,

Sub: Request for appointment of Authorised Person

1. I/We intend to appoint

*Mr./Ms. _____

*M/s _____ (**strike off whichever is not applicable*)

as my/our Authorised Person in terms of Exchange circular no. NCDEX/COMPLIANCE-017/2019 dated April 15, 2019 and the directives issued by the Securities and Exchange Board of India and as amended from time to time, to act for and on my/our behalf for the purpose of providing access to the trading platform of the Exchange. Details of the above named person/entity (hereinafter referred to as the 'said Authorised Person') are as contained in Annexure II, III, IV & V hereto.

2. I/We confirm that the said Authorised Person is eligible and proper person to be appointed as Authorised Person in accordance with the above stated circulars of the Exchange and Securities and Exchange Board of India. I/We further confirm that the said Authorised Person and its/directors/partners have good reputation and character and have not been convicted of any offence involving fraud or dishonesty.

3. I/We further confirm that all acts, deeds, omissions and commissions done by the said Authorised Person as such shall be deemed to have been done by me/us under the Rules, Bye-laws and Regulations of the Exchange and in terms of above stated circular of the Exchange. I/We shall be bound by all such acts, deeds, omissions and commissions done by the said Authorised Person.

4. I/We and the said Authorised Person comply and shall continue to comply with and be bound by all the terms and conditions as per the various Circulars issued by the Exchange and also the directives issued by the Securities & Exchange Board of India from time to time but not limited to the following:

- a. The said Authorised Person is not an Authorised Person of any other member of NCDEX
- b. The said Authorised Person is not a director or a partner of any other member of NCDEX
- c. I/We shall intimate to the Exchange, any change in the constitution, shareholding and partners/directors of the said Authorised Person at least 30 days in advance
- d. I/We hereby confirm that the said Authorised Person or any of its partners/directors has/have not been suspended or barred by any Stock or Commodity Exchange for a period of more than six continuous calendar months.

5. I/We hereby confirm that the information submitted herein is true to the best of my/our knowledge and if at a later date any contrary material information comes to my/our knowledge subsequent to the submission of this application, I/We undertake to keep the Exchange informed about the same.

I/We Mr./ M/s. _____ (name of member), TMID _____ of the Exchange hereby recommend the registration of the above mentioned applicant as Authorised person.

(Name, Signature & Stamp of Member)

Enclosures:

1. Copies of PAN Card of the said Authorised Person and all Directors and Partners of the said Authorised Person (in case of Partnership/LLP/Company)
2. Copy of any one of the following as evidence of address of the said Authorised Person and all Directors and Partners (in case of Partnership/LLP/Company)
 - Bank statement/passbooks (last entry should not be older than 3 months)
 - Electricity Bill (not more than 3 months old)
 - Landline Telephone bills (not more than 3 months old)
 - Voter ID Card/ Driving License/ Passport /Ration Card/Aadhar Card (If the said Authorised Person is individual)
3. Copy of School/College Mark sheets or degree/diploma certificate of the said Authorised Person (if individual) / all Directors and Partners of the said Authorised Person
4. Copy of the Registered Partnership Deed/ Memorandum of Association of the said Authorised Person containing the clause permitting them to deal in commodities/ Securities derivatives contracts

(All the above enclosures are to be certified by the Authorised Signatory of the Member)

Annexure II

Details of Authorised Person (On the letterhead of the Member)

Sr. No.	Particulars	Details required
1.	Whether application is for existing or new Authorised Person	Existing / New
2.	Name of Authorised Person	
3.	Constitution: (Individual/Partnership/LLP/Body Corporate)	
4.	Nationality	
5.	Date of Incorporation/Registration (In case of corporate/firm/LLP)	
6.	Office Address Details** Telephone no. with STD code: Fax No.: Email Address: Mobile No.	
7.	Name and designation of the Contact Person in Authorised Person's office **	
8.	Income Tax Permanent Account No. (PAN) of Authorised Person	
9.	No. of terminals existing/proposed at this location	

** In case the Authorised Person operates from more than one location, similar details to be provided location-wise in separate annexure.

(Name, Signature & Stamp of Member)

Annexure III

Details of the Individual / Details of Directors/Partners of M/s _____

(Applicant Authorised Person)

Sl. No.	Name (in full)	Name (in full) of Father/Husband	Date of Birth	PAN	Educational Qualification	Residential Address	Contact No./Email ID	Signature

Photographs of the Individual or each of the Directors/Partners of M/s _____

(Applicant Authorised Person)

(to be signed across and pasted below)

Name	Name	Name	Name	Name	Name

Confirmed

(Name, Signature & Stamp of Member)

Annexure IV

(For Corporates)
(On the letter head of Authorised Person)

Shareholding Pattern of _____ (name of Authorised Person) as on _____(date)

Paid up _____Rs. _____

Face value of each equity share _____ Rs. _____

Sr. no.	Name	Number of Shares held	Amt paid- up Rs.	% age of total
1.				
2.				
3.				
4.				
5.				
Others				
TOTAL				100%

Signature(s)

Name of Director(s)

Stamp of the Authorised Person

CERTIFICATE

This is to certify that the Shareholding as given above, based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction. Further, we confirm that there is no foreign shareholding in the said entity.

Chartered Accountant

Membership Number

Annexure IV

(For Firms/LLP)
(On the letter head of Authorised Person)

Sharing Pattern of _____ (name of Authorised Person) as on
_____ (date)

Sr. no.	Name of the Partner	Capital in the Firm (Rs.)	Share in Profits	Share in Losses
1				
2				
3				
4				
5				
TOTAL			100%	100%

Signature(s)
Name of Partner(s)
Stamp of the Authorised Person

CERTIFICATE

This is to certify that the Capital and Sharing Pattern as given above, based on my/ our scrutiny of the books of accounts, records and documents is true and correct to the best of my/our knowledge and as per information provided to my/our satisfaction. We confirm that there is no foreign holding in the said entity.

Chartered Accountant
Membership Number

Annexure V

Undertaking

(On the letterhead of Authorised Person)

I/we, Mr./Ms./M/s. _____ aged _____ residing at _____
having its registered office address at _____ had applied for appointment as
Authorised Person of the Exchange for trading in the Exchange platform through trading member,
M/s. _____.

In this regard I/we hereby confirm/undertake that;

- 1) Neither I/we nor our directors/partners have been convicted for any offence in the past and presently not under trial for any offence involving fraud and dishonesty.
- 2) I/We will deal with investors on behalf of Trading Member only and that we would not engage in any activities with investors which could result in unauthorised intermediations
- 3) Neither I/we nor our directors are Authorised Person of any other member of the Exchange nor have applied for appointment as Authorised Person with any other member of the Exchange.
- 4) Neither I/We nor any of our directors/partners is a partner or a director in/with any of the Member of the Exchange.
- 5) I/We are not defaulter/expelled on any Exchange.
- 6) I/We shall be governed by the NCDEX Bye-Laws and Regulations and its amendments thereto and the Circulars issued from time to time.
- 7) I/We hereby acknowledge and confirm that I/We shall be entitled to act as a 'Authorised Person' within the meaning and subject to SEBI Circular MIRSD/ DR-1/ Cir- 16 /09 dated November 06, 2009 and Circulars issued by SEBI and NCDEX from time to time.
- 8) I/We are "fit and proper person "under the SEBI (Intermediaries) Regulations, 2008 and no action has been taken against us by SEBI, RBI, etc. and we have not defaulted in payment to any agency.

Stamp & Signature of Authorised Person:

[(Individual/ All the Director(s)/All the Partner(s)]

Name of Authorised Person:

Date:

Place:

Stamp & Authorised Signatory of Member:

Annexure VI

TRADING MEMBER AND AUTHORISED PERSON AGREEMENT

(To be stamped as agreement as applicable under respective State Stamp schedule)

This Agreement is entered into this _____ day of _____ 20__ at _____ between _____, Member of National Commodity & Derivatives Exchange Ltd. (hereinafter referred to as "NCDEX" or "EXCHANGE"), ordinarily carrying on business in sale and purchase of commodity derivatives/securities in the name and style of _____ from _____ (hereinafter referred to as "the Trading Member") and having his/its office/registered office at _____ (address), 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 entity, 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

_____ a individual/partnership firm/LLP/body corporate desirous of providing access to the trading platform of NCDEX as an agent of the Trading Member in the Commodity derivatives segment in the name and style of _____ (hereinafter referred to as "the Authorised Person") and having his/its office/registered office at _____ (address), 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 entity, 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,

1. Securities Exchange Board of India (hereinafter referred to as "SEBI") vide its Circular MIRSD/DR-1/Cir-16/09 dated 6th November 2009 has allowed SEBI registered stock brokers (including trading members) of stock exchanges to provide access to clients through Authorised Persons.
2. The Trading Member is a member of NCDEX and is a SEBI registered Member/broker.

3. The Authorised Person is desirous of affiliating to the Trading Member to provide access to trading platform of NCDEX in Commodity Derivatives/Securities as an agent of the Trading Member.
4. The Authorised person understands that it shall not be entitled to become an Authorised Person of any other member of the Exchange during the subsistence of this agreement.
5. The Trading Member has satisfied about the eligibility criteria of the Authorised Person as stipulated by SEBI and NCDEX from time to time and therefore has agreed to the request of the Authorised Person.
6. SEBI vide the said Circular has stipulated that the Member/broker and Authorised Person shall enter into written agreement(s) in the form(s) specified by Exchange which would inter-alia cover scope of the activities, responsibilities, confidentiality of information, commission sharing, termination clause, etc.;

NOW THEREFORE THIS AGREEMENT WITNESSETH AS FOLLOWS:

1. **SCOPE OF THE ACTIVITIES**

- (a) The Trading Member and the Authorised Person shall act as per the requirements specified by SEBI and NCDEX.
- (b) The Trading Member and the Authorised Person shall be governed by the NCDEX Bye-Laws and Regulations and its amendments thereto and the Circulars issued from time to time.
- (c) The Authorised Person hereby acknowledge and confirm that the Authorised Person is entitled to act as a 'Authorised Person' within the meaning and subject to SEBI Circular MIRS/ DR-1/ Cir- 16 /09 dated November 06, 2009 and Circulars issued by SEBI and NCDEX from time to time.
- (d) All the clients dealing through the Authorised Person shall be registered with Trading Member only and for all purposes shall be clients of the Member. The funds and securities of the clients shall be settled directly between Trading Member and client and all documents like contract note, statement of funds and securities would be issued to client by Trading Member. The Authorised person may provide administrative assistance in procurement of documents and settlement, but shall not issue any document to client in its own name. No fund/securities of clients shall go to account of the Authorised Person.
- (e) All acts of omission and commission of the Authorised Person shall be deemed to be of the Trading Member.

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- (f) The Trading Member as well as the Authorised Person shall not do or omit to do anything that is likely to affect or harm the interests of clients of the Trading Member.
 - (g) All documents like contract notes, statement of funds and commodities, etc. as required under the Rules, Bye-laws and Regulations of the Exchange shall be issued by the Trading Member to the client. The Authorised Person shall, if required by the Member, provide administrative assistance in procurement of documents and settlement, but shall not issue any document to the client in its own name.
 - (h) The Member and Authorised Person shall reconcile their accounts at the end of every month with reference to all trades and settlements during the month.

2. **RESPONSIBILITIES/OBLIGATIONS OF THE AUTHORISED PERSON**

- (a) The Authorised Person shall not place any order on behalf of any person unless all the 'Know Your Customer' documents prescribed by the Exchange or the SEBI including Trading Member and Constituent Agreement/Undertaking, Client Registration Form and Risk Disclosure Documents are obtained from such person. The Authorised Person shall ensure that the client has duly signed all the documents and shall also witness the KYC documents submitted by the client and retain a copy for its record.
- (b) The Authorised Person shall not commit transactions in commodity derivatives/securities through the Trading Member in excess of the amount mutually agreed upon in writing from time to time.
- (c) The Authorised Person shall receive his remuneration - fees, charges, commission, brokerage, salary, etc. - for his services only from the Trading Member as mutually agreed between the Trading Member and Authorised Person and he/it shall not charge any amount from the clients.
- (d) The Authorised Person shall inform the Trading Member of any proposed material change in its status and constitution and shall not make any change/s in the status, constitution, shareholding, partners or directors or place of business without obtaining prior written approval of the Trading Member who in turn shall apply and obtain approval for any such change from the NCDEX.
- (e) The Authorised Person shall not receive or pay any money or commodities in its own name or account. All receipts and payments of commodities and funds shall be in the name or account of Trading Member.
- (f) The Authorised Person shall not issue any documents like bill, confirmation memo and statement of funds/commodities to the clients in its own name.

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- (g) The Authorised Person agrees that the Trading Member and NCDEX would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of investors with the Authorised Person.
 - (h) The Authorised Person shall not indulge in any deceptive, fraudulent or manipulative trade practices and shall not destabilize market equilibrium.
 - (i) The Authorised Person shall permit the Trading Member, SEBI and NCDEX or the persons authorized by them, to conduct the inspection of the branch where the terminals are located and records of the operations carried out by the Authorised Person.
 - (j) The Authorised Person understands and agreed that it shall not disclose or divulge to any person, any details of investment or personal details of confidential nature of the clients or their transactions and dealings except to the Trading Member, the Exchange or Officials of the Regulatory Authority under applicable Law or in compliance of any statutory obligation.

3. RIGHTS, RESPONSIBILITIES/OBLIGATIONS OF THE TRADING MEMBER

- (a) The Trading Member shall be responsible for all acts of omission and commission of the Authorised Person and/or their employees, including liabilities arising there from.
- (b) The Trading Member shall maintain a separate record including accounts in respect of the dealings in commodity derivatives /securities entered into on behalf of the individual client's dealing, with bifurcation showing the details by the Authorised Person.
- (c) The Trading Member shall upload the details of clients pertaining to Unique Client Code as prescribed by the Exchange and the Authorised Person shall not create or allot any other Unique Client Code to any client at any point of time.
- (d) The Trading Member shall be responsible to the Exchange and to the clients for all transactions of the clients entered through the Authorised Person and to ensure settlement of all such trades and to comply with all the requirements thereto in accordance with Rules, Bye Laws and Regulations of the Exchange and the directives of SEBI.
- (e) The Trading Member shall be entitled to fix the limit on the volume of trades that may be entered by the Authorised Person and such limit may be reduced or increased as the Member may deem fit during the course of business subject however, to the procedure and terms if any, set by NCDEX.

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- (f) The Trading Member shall display at the branch office additional information such as particulars of the Authorised Person in charge of that branch, time lines for dealing through Authorised Person, etc., as may be specified by NCDEX.
 - (g) On noticing irregularities, if any, in the operations of the Authorised Person, the Trading Member shall be entitled to seek withdrawal of approval, withhold all moneys due to Authorised Person till resolution of investor problems, alert investors in the location where Authorised Person operates, file a complaint with the police, and take all measures required to protect the interest of investors and commodity derivatives/securities market.
 - (h) The Trading Member shall be entitled to conduct inspection of premises of the Authorised Person, operations carried out by the Authorised Person and all the records including records in electronic formats, at such periodicity as deemed appropriate by the Member or as may be stipulated by NCDEX or SEBI from time to time.

4. SHARING OF COMMISSION

The Authorised Person shall receive such remuneration - fees, charges, commission, salary, etc. - for his services from the Trading Member as may be mutually agreed between the Authorised Person and the Trading Member from time to time.

5. TERM AND TERMINATION

- (a) The Trading Member and the Authorised person agree that irrespective of the date of the Agreement, the Authorised Person will commence business only after receipt of approval granted by NCDEX, continue business during currency of the approval and will stop business as an Authorised Person from the date of withdrawal of approval by NCDEX.
- (b) The Trading Member and the Authorised Person shall be entitled to terminate this Agreement without giving any reasons to the other party after giving notice in writing of not less than one month to the other party at its respective address mentioned above.
- (c) Where the Trading Member has terminated his/its agreement with the Authorised Person, the Trading Member shall inform NCDEX forthwith of such termination.
- (d) This Agreement shall forthwith stand terminated-
 - i) if the Trading Member for any reason ceases to be a member of NCDEX including by cessation of membership by reason of the Trading Member's, death, resignation,

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- expulsion or having being declared a defaulter or if the certificate issued by the SEBI is cancelled;
- ii) upon the demise/insolvency of the Authorised Person or the withdrawal of his/its approval with NCDEX.
- iii) on being satisfied that the continuation of Authorised Person is detrimental to the interest of investors or commodity derivatives/securities market or the Authorised Person at a subsequent date becomes ineligible under clause 4 SEBI circular vide reference no. MIRSD/ DR-1/ Cir- 16 /09 dated November 06, 2009 or Circulars issued from time to time and also Circulars issued by NCDEX from time to time.
- (e) In the event of withdrawal of the Authorised Person approval, the Trading Member shall ensure that investors/general public is informed about cancellation/suspension/termination of appointment of the Authorised Person. A public advertisement to that effect shall be required to be issued by the Trading Member in a local newspaper where the Authorised Person's registered office, Head Office/Corporate office is situated and another in English daily newspaper with wide circulation. The Exchange shall also be entitled to issue notification to the public through any media about such cancellation/termination/suspension.
- (f) Notwithstanding any such cancellation/termination/suspension under clauses mentioned herein, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered prior to the termination of this Agreement shall continue to subsist and vest in/be binding on the respective parties, their legal heirs/representatives, executors, administrators, successors and attorneys as the case may be and the Member shall be entitled to withhold all moneys due to the Authorised Person till resolution of all clients grievances, alerts clients in the location where the Authorised Person operates and take all such measures as may be required to protect the interests of the clients and the market.

6. DISPUTES

- (a) The Member and the Authorised Person shall co-operate with each other in settling complaints pertaining to trades, clearing, settlement and delivery etc. in respect of the commodities delivered/to be delivered, received/to be received by the clients from the Member or vice-versa.
- (b) If any dispute arises between the Trading Member and the Authorised Person, then in such an event the Trading Member and Authorised person shall be responsible to each other for their acts of omissions and negligence, if any. Further, the

directives of SEBI and the Bye-laws and Regulations of NCDEX applicable, if any, shall apply.

- (c) Dispute between a client and an Authorised Person shall be treated as dispute between the client and the Trading Member and the same shall be submitted for redressal to the Investor Service Cell/Arbitration mechanism of NCDEX in accordance with the Rules, Bye-laws and Regulations of NCDEX and any directives issued by SEBI.

7. COMMON COVENANTS:

- (a) The Member and the Authorised Person shall be responsible for their respective statutory liabilities like income tax, PF of its employees etc.
- (b) The Authorised Person declares that it is authorised under the law to enter into this Agreement and to do the business contemplated hereunder.
- (c) This Agreement shall be subject to the Rules, Bye-Laws and Regulations of the NCDEX including any amendments thereof and shall be governed by the provisions of SCRA and SEBI Regulations and Directives issued thereunder and the laws of India.

8. GENERAL

(a) **Confidential**

The Parties shall keep confidential all information pursuant to this Agreement and save and except which may be required to be disclosed under law or on need to know basis. The disclosing Party shall inform the other concerned Party(ies) of receipt of any such communication/notice/intimation requiring such disclosure to enable the concerned Party(ies) to take appropriate action, if required.

(b) **Binding Effect**

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective legal successors.

(c) **Force Majeure**

Neither party shall be liable for any failure to perform any of its obligations under this Agreement if the performance is prevented, hindered or delayed by a Force Majeure Event (defined below) and in such case its obligations shall be suspended for so long as the Force Majeure Event continues. Each party shall promptly inform the other of the existence of a Force Majeure Event and shall consult together to find a mutually acceptable solution. "Force Majeure Event" means any event due to

any cause beyond the reasonable control of the Trading Member and the Authorised Person, including, without limitation, unavailability of any communication system, breach or virus in the processes, sabotage, fire, flood, explosion, acts of God, civil commotion, strikes or industrial action of any kind, riots, insurrection, war, acts of government, computer hacking unauthorized access to computer data and storage devices, computer crashes, etc.

(d) **Variation**

The Agreement shall not be altered, amended and/or modified by the Parties in a manner that shall be in a contravention of any other provisions of this Agreement.

(e) **Severability**

If any provision of this Agreement is agreed by the parties to be illegal, void or unenforceable under any law that is applicable hereto or if any court of competent jurisdiction in a final decision so determines, this Agreement shall continue in force save that such provision shall be deemed to be deleted here from with effect from the date of such agreement or decision or such earlier date as the Parties may agree.

(f) **Interpretation**

In this Agreement, unless otherwise stated: -

Words in the singular shall include the plural and vice versa;

The headings in this Agreement are for convenience only and are not intended to have any legal effect; and Words denoting persons shall include bodies corporate, unincorporated associations and partnerships.

(g) **Waiver**

A failure by either party to exercise or enforce any rights conferred upon it by this Agreement shall not be deemed to be a waiver of any such rights or operate so as to bar the exercise or enforcement thereof at any subsequent time or times.

(h) **Governing law and jurisdiction**

The construction, validity and performance of this Agreement shall be governed in all respects by the laws of India. The parties hereby submit to the exclusive jurisdiction of the Courts at _____.

IN WITNESS WHEREOF, the parties hereto have set their hands and signatures on the day, month and year first above written.

Signed for and on behalf of the Trading Member

Witness:

1.

2.

Signed for and on behalf of the Authorised Person

Witness

1.

2.

Annexure VII –Format of Consent Letter-cum-Undertaking for Transfer of Membership (upon sale of broking business)

Consent Letter-cum-Undertaking
(On the letterhead of Authorised Person)

To,
Member
Correspondence Address

Sub: Consent Letter-cum-Undertaking for transfer of my appointment as an Authorised Person of _____ (Outgoing Member) to an Authorised Person of _____ (Incoming Member) pursuant to Transfer/ Merger / De-merger / Amalgamation of Membership

Ref: AP Name: _____ AP Code: _____

I/We _____, (name of the AP) hereby state that, I/We are appointed as an Authorised Person (AP) of M/s _____ (Outgoing Member) having Membership ID _____, SEBI Registration _____) with effect from _____,

I/We understand that the Membership of M/s _____ is now transferred to M/s _____ (Incoming Member) pursuant to integration of broking activities by way of Merger / De-merger / Amalgamation/ Transfer of Membership.

In view of the Transfer of Membership as stated above, I/We agree for transfer of my/our appointment as an AP of M/s _____ to an AP of M/s _____.

In this regard I/we hereby confirm/undertake that;

- 1) Neither I/we nor our directors/partners have been convicted for any offence in the past and presently not under trial for any offence involving fraud and dishonesty.
- 2) I/We will-deal with investors on behalf of Trading Member only and that we would not engage in any activities with investors which could result in unauthorised intermediations
- 3) Neither I/we nor our directors are Authorised Person of any other member of the Exchange nor have applied for appointment as Authorised Person with any other member of the Exchange.

- 4) Neither I/We nor any of our directors/partners is a partner or a director in/with any of the Member of the Exchange.
- 5) I/We are not defaulter/expelled on any Exchange.
- 6) I/We shall be governed by the NCDEX Bye-Laws and Regulations and its amendments thereto and the Circulars issued from time to time.
- 7) I/We hereby acknowledge and confirm that I/We shall be entitled to act as a 'Authorised Person' within the meaning and subject to SEBI Circular MIRSD/ DR-1/ Cir- 16 /09 dated November 06, 2009 and Circulars issued by SEBI and NCDEX from time to time.
- 8) I/We are "fit and proper person "under the SEBI (Intermediaries) Regulations, 2008 and no action has been taken against us by SEBI, RBI, etc. and we have not defaulted in payment to any agency.

I/We further agree to abide by the Rules, Regulations and Bye-laws of the Exchange, all the terms and conditions specified in SEBI Circular no. MIRSD/DR-1/Cir-16/09 dated November 6, 2009 and also the terms and conditions of the Member-AP Agreement dated _____, executed between me/us and M/s _____ (Transferor Member) as if the same has been executed between me/us and M/s _____ (Transferee Member).

Stamp & Signature of Authorised Person:

[(Individual/ All the Director(s)/All the Partner(s)]

Name of Authorised Person:

Date:

Place:

Stamp & Authorised Signatory of Member: