CLEARING MEMBER – CLEARING MEMBER'S PARTICIPANT AGREEMENT

This Agreement is made on this _______ day of ______________ 20____ between :

M/s IL&FS SECURITIES SERVICES LIMITED, a Company having its Registered Office at IL&FS House, Raheja Vihar, Chandivali, Andheri (East), Mumbai - 400072 (hereinafter called "Clearing Member", which expression shall unless repugnant to the context or meaning thereof include its successors, legal representatives and permitted assigns)

And

____ ,
a Company / Partnership Firm / Individual / ____
having its / their / his / her Registered Office / Office / Residence / Place of Business at
____
____
(hereinafter called "Clearing Member's Participant" or "CP", which expression shall unless repugnant to the context or meaning thereof include its / their / his / her successors, legal representatives and permitted assigns)

WHEREAS :

(A) IL&FS Securities Services Limited is registered as a Clearing Member having SEBI Registration Number : INE261313337, with MCX-SX Clearing Corporation Limited (hereinafter called "MCX-SX CCL") and is, inter alia, authorised to carry on the activities of clearing and settlement of trades executed in the Currency Derivatives Segment of MCX-SX by Trading Member(s) [who have appointed the Clearing Member to clear and settle their trades] or on behalf of Clearing Member's Participant(s) [who have appointed the Clearing Member to clear and settle their trades]

(B) The CP desires to effect purchase and / or sale in the Currency Derivatives Segment of MCX-

SX through a single or multiple Trading Members of MCX-SX and clear and settle such trades through the Clearing Member

(C) The CP has approached the Clearing Member to undertake clearing & settlement of trades and to discharge his duties and obligations towards MCX-SX CCL on his behalf and the Clearing Member, in turn, agreed to clear and settle the trades done by the CP through Trading Member(s) of MCX-SX subject to the provisions contained in the Rules, Bye Laws and Regulations of MCX-SX and MCX-SX CCL and the terms and conditions contained herein

(D) The parties to this agreement are desirous of reducing the terms and conditions agreed, in writing, as contained herein :

NOW, THEREFORE, THIS AGREEMENT WITNESSETH AS FOLLOWS:

(1) At the request of the CP and in consideration of the CP agreeing to pay certain fees and charges mentioned herein and abide by the terms and conditions contained in this agreement, Rules, Bye-Laws and Regulations of MCX-SX CCL, the Clearing Member hereby undertakes upon himself the obligations of clearing and settlement of the trades of the CP executed / done, through a single or multiple Trading Members, in the Currency Derivatives Segment of MCX-SX and to do all the acts, deeds and activities arising from and / or incidental to the clearing and settlement of such deals

(2) Rights of the Clearing Member

(a) The Clearing Member shall be entitled to demand / receive from the CP such deposits in such form as such Clearing Member may specify from time to time

(b) Without prejudice to the generality of the above, the CP shall place with the Clearing Member an amount of Rs 10000 as deposit which shall be continuously maintained during the subsistence of this Agreement. Subject to the provisions of Rules, Bye Laws and Regulations of MCX-SX CCL, in case of any shortfall in such deposit, the Clearing Member shall be entitled to initiate any action necessary to protect his interests in this regard against the CP

(c) The Clearing Member shall be entitled to receive such fees, charges, or commission, in respect of various services which he renders or agrees to render to the CP, from the CP at such intervals as may be mutually agreed upon

(d) The Clearing Member shall specify, subject to the requirements prescribed by MCX-SX CCL from time to time, the exposure margins up to which open positions can be taken by the CP. Such limits may be increased or reduced by the Clearing Member from time to time. The Clearing Member shall have the authority to initiate any action necessary to protect his interests in this regard, which may, inter alia, include restriction on further

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trading and close-out of open positions of the CP

(e) The Clearing Member shall be entitled to collect from the CP, margin(s) of such amounts of such kinds, as he may require, which at any point of time shall not be less than the amount stipulated by MCX-SX CCL from time to time. The Clearing Member shall have authority to collect such additional margin(s) as required by him or as per requirement of MCX-SX CCL

(f) The Clearing Member shall be entitled to receive from the CP such amounts as may be required to be paid towards daily mark to market settlement of futures contracts and final settlement of futures contracts, as per the requirement of MCX-SX CCL

(g) The Clearing Member shall have authority to close out / liquidate the open positions of the CP in accordance with the Byelaws and Regulations of MCX-SX CCL, in the case of non-payment of dues by the CP towards margins, additional margins, daily mark to market settlement of futures contracts, final settlement of futures contract, fees, commission and / or charges, by making necessary requests to MCX-SX CCL for initiating such action. In such case, any loss arising due to the closing out of open positions shall be payable by the CP and will be recovered from the CP by the Clearing Member

(h) The Clearing Member shall have the right to inspect the books of accounts, records, documents and computerized data of the CP for which the Clearing Member shall have free access to the premises occupied by the CP or by any other person on his behalf

(3) Obligations of the Clearing Member

(a) The money deposited by each CP shall be kept in separate account by the Clearing Member, distinct from his own account and shall provide the details of margins collected for the trades executed by the CP, to MCX-SX CCL as per the requirements of MCX-SX CCL

(b) The Clearing Member shall inform the CP about the exposure margins (including any increase or reduction in such limits) up to which open positions can be taken by the CP

(c) The Clearing Member shall be liable to pay to the CP any amount becoming due and receivable by the CP towards daily mark to market settlement of futures contracts and final settlement of futures contracts, as per the requirements of MCX-SX CCL

(d) The Clearing Member shall be required to refund any excess margin money to the CP unless otherwise agreed in writing

(e) The Clearing Member may settle the accounts on a periodical basis, if mutually agreed between Clearing Member and CP, which should be in accordance with the Rules,

(f) In the event of default by the Clearing Member or his being declared a defaulter by MCX-SX CCL, the Clearing Member shall render all assistance to the CP for transfer of the CP's positions to some other Clearing Member

(g) In the event of failure by the Clearing Member in the payment of any dues to CP, the CP shall, with the prior approval of MCX-SX CCL, have the right to transfer his own open positions immediately to another Clearing Member. The Clearing Member shall be obliged to pay to the CP for any costs incurred for transfer of the open positions, if such event occurs

(h) If due to the default of the Clearing Member, the open positions of the CP are closed-out and any loss is incurred due to such close-out, the Clearing Member shall reimburse such loss to the CP, unless the default of the Clearing Member was on account of the CP

(i) The Clearing Member shall treat the information pertaining to the CP as confidential. The Clearing Member shall not disclose the same to any other person except to governmental, statutory, regulatory or legal authorities on a request made by any of these authorities in writing

(j) The Clearing Member shall be required to provide reports / statements of mark to market settlement and final settlement of trades, margin amounts and open positions to the CP, periodically as may be mutually agreed

(4) Rights of the Clearing Member's Participant

(a) The CP shall be entitled to have all the trades, executed through any Trading Member(s) in the Currency Derivatives Segment of MCX-SX, cleared and settled through the Clearing Member

(b) The CP shall be entitled to receive intimation from the Clearing Member about the exposure margins (including any increase or reduction in such limits) upto which open positions can be taken by the CP

(c) The CP shall be entitled to receive reports / statements of mark to market settlement of futures contracts, final settlement of futures contracts, margin amounts and open positions from the Clearing Member, periodically as may be mutually agreed

(d) The CP shall be obliged to pay to / entitled to receive from, the Clearing Member such amounts towards daily mark to market settlement of futures contracts and final settlement of futures contracts, as per the requirement of MCX-SX CCL

(e) In the event of the Clearing Member being declared a defaulter by MCX-SX CCL, the

CP, unless the CP himself has defaulted to the Clearing Member, shall be entitled to transfer his open positions to some other Clearing Member and recover any costs incurred for such transfers from the Clearing Member

(f) In the event of failure by the Clearing Member in the payment of any dues to CP, the CP shall, with the prior approval of MCX-SX CCL have the right to transfer his own open positions immediately to another Clearing Member. The CP shall also have the right to recover from Clearing Member any costs incurred for transfer of the open positions

(g) In case the open positions of the CP are closed-out due to the default of the Clearing Member, the CP, unless the CP himself has defaulted to the Clearing Member, shall be entitled to recover such loss from the Clearing Member

(5) Obligations of the Clearing Member's Participant

(a) The CP shall pay to the Clearing Member such deposits in such form as the Clearing Member may specify from time to time

(b) Without prejudice to the generality of the above, the CP shall place with the Clearing Member an amount of Rs 10000 as deposit which shall be continuously maintained during the subsistence of this Agreement. Subject to the provisions of Rules, Bye Laws and Regulations of MCX-SX CCL, the Clearing Member shall be entitled to initiate any action necessary to protect his interest in this regard against the CP

(c) The CP shall pay to the Clearing Member such fees, charges or commission in respect of various services which he renders or agrees to render to the CP at such intervals as may be mutually agreed upon by them

(d) The CP shall pay to the Clearing Member margins of such amounts as may be prescribed by MCX-SX CCL from time to time including additional margins, if any or such higher amount of margins as may be mutually agreed with the Clearing Member. The margins shall be deposited by the CP within such time and in such form as may be specified by the Clearing Member

(e) The CP shall be obliged to pay to / entitled to receive from, the Clearing Member such amounts towards daily mark to market settlement of futures contracts and final settlement of futures contracts, as per the requirement of MCX-SX CCL

(f) The accounts shall be settled on a periodical basis as may be mutually agreed between the Clearing Member and the CP

(g) The CP shall be obliged to reimburse to the Clearing Member any loss caused due to the closing out / liquidation of his open positions initiated by the Clearing Member, on account of non-payment of dues by the CP towards margins, additional margins, daily mark to market settlement of futures contracts, final settlement of futures contracts, fees, charges, commission, penalties, expenses and any other sum, as per the requirement of MCX-SX CCL

(h) The CP shall do all such acts, deeds and activities that are necessary for the purpose of strict compliance with the Rules, Bye Laws and Regulations of MCX-SX CCL by the Clearing Member

(i) If due to the default of the CP, the open position of the CP is closed-out and any loss is incurred due to such close-out, the CP shall be liable to reimburse such loss to the Clearing Member

(6) Termination of the Agreement

This Agreement entered into between the Clearing Member and the CP may be terminated by either of the parties by giving at least one month written notice to the other party or as may be mutually consented. A copy of such notice shall be given to all the Trading Members through whom the CP trades at such time and also to MCX-SX CCL. The Clearing Member shall further request MCX-SX CCL for cancellation of the CP code allotted to the Clearing Member's Participant, with effect from the date and time at which this agreement is terminated. Such cancellation or termination shall not have any effect on transactions executed before the time and date of termination and the parties shall enjoy the same rights and shall have same obligations in respect of such executed transactions

(7) Mode of communication

Any communication between the Clearing Member and the CP shall be made in any one or more of the following ways :

(a) sending through electronic mail

(b) delivering by post

(c) sending by registered post

(d) sending under certificate of posting

(e) sending by express delivery post / courier services

(f) sending by telegram

(g) sending by fax

(h) affixing on the door at the last known business or residential address

(i) advertising at least once in any prominent daily newspaper

(8) Force Majeure

No liability shall result to either party for delay in performance or non-performance of the obligations under the Agreement caused and / or contributed to by any event of force majeure. For purposes of this clause, "force majeure" means and includes wars, insurrections, revolution, fires, floods, epidemic, quarantine restrictions, declared general strikes in relevant industries, act of God, act of governmental / statutory / regulatory / legal authority and such other acts or events beyond the control of the non-performing party

(9) No assignment

Neither party shall be entitled to assign or otherwise transfer this Agreement or any benefits, rights, obligations or interests herein whether in whole or in part to any other agency without the prior written consent of the other

(10) Non-waiver

No forbearance, delay or indulgence by either party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for either party is exclusive of any other right, power or remedy available to that party and each right, power or remedy shall be cumulative

(11) Arbitration

(a) All disputes, differences or questions arising out of or in relation to the Agreement including the interpretation of the terms contained herein with regard to the obligations, failure or breach thereof by any of the parties and / or of any matter whatsoever arising out of the agreement, shall in the first instance be resolved mutually by the parties

(b) If the parties fail to resolve the same mutually, then the same shall be referred to the arbitration in accordance with the Rules, Bye laws and Regulations of MCX-SX CCL

(12) Jurisdiction

This Agreement shall be subject to the exclusive jurisdiction of the Courts in Mumbai

IN WITNESS THEREOF, the parties to this agreement have caused these presents to be executed as of the day and year first above written

Signed for and on behalf of
CLEARING MEMBER :
By :
Signature :
Title :
Witness :

Signed for and on behalf of
CLEARING MEMBER'S PARTICIPANT :
By :
Signature :
Title :
Witness :

If the Constituent is a Corporate :
The Common Seal of the Company was affixed pursuant to the Resolutions passed at the Meeting of the Board of Directors held on ________________________ in the presence of Mr ________________________________ and Mr __________________________ , Directors, who have subscribed their respective signatures hereto in token thereof and countersigned by Mr ____________________ , being the person duly authorised in that behalf

Notary