

(To be executed on stamp paper of Rs. 300/- and duly notarised)

Trading cum Clearing Membership Undertaking - Corporate

This undertaking is executed at _____ this _____ day of _____, 200__

To :

NCDEX Spot Exchange Limited,
Regd. Office, C-1, Block G, Exchange Plaza,
Bandra Kurla Complex,
Bandra (E),
Mumbai - 400 051.

Hereinafter called "NCDEX SPOT" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns);

BY

.....
Regd.Office.....
.....

hereinafter called "The Undersigned" (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and permitted assigns).

WHEREAS NCDEX SPOT has agreed to admit the Undersigned as a Trading cum Clearing Member in accordance with the Rules of NCDEX SPOT as amended from time to time.

AND WHEREAS NCDEX SPOT has as a precondition to the Undersigned being admitted as a Trading cum Clearing Member, interalia required the Undersigned to furnish the undertaking in the manner and on the terms herein below:

AND WHEREAS at a duly convened meeting of the Board of Directors (the "Board") of the Undersigned being M/s _____ Limited, the Board has authorised Mr/Ms. _____ and Mr/Ms. _____ to sign, execute and furnish the Undertaking to NCDEX SPOT on its behalf as follows :

NOW THEREFORE in consideration of NCDEX SPOT admitting the Undersigned as a Trading cum Clearing Member, the Undersigned hereby undertakes and agrees that:-

1. the Undersigned shall comply with all such requirements, existing and future with regard to and in connection with our admission and continuation as a Trading cum Clearing Member;

2. the Undersigned shall adhere to the Rules as in force from time to time and directions issued by NCDEX SPOT from time to time;
3. the Undersigned shall abide by and adopt the Rules and other terms and conditions stipulated by NCDEX SPOT pertaining to the trading, clearing, settlement and risk management systems of NCDEX SPOT and any other agencies appointed by NCDEX SPOT for this purpose and any amendments made thereto from time to time;
4. NCDEX SPOT shall be entitled to amend its Rules and other applicable terms and conditions unilaterally and the Undersigned shall be deemed to have consented to them, and accordingly be bound by the Rules and such terms and conditions prevailing from time to time and NCDEX SPOT shall be entitled to all powers vested in them under the Rules and the terms and conditions by which the Undersigned unconditionally agrees to be bound;
5. the Undersigned shall abide by the code of conduct as laid down from time to time by NCDEX SPOT and also any Rules, circulars, guidelines etc. framed by statutory/regulatory authorities from time to time;
6. the Undersigned understands and agrees to be bound by the terms and conditions applicable to and subject to which any commodity is offered for trading on the NCDEX SPOT exchange platform. By entering any order on trading system of NCDEX SPOT for sale or purchase of any commodity, the Undersigned and its constituents shall be deemed to have agreed to all the terms and conditions applicable to and subject to which such commodity has been made available for trading on NCDEX SPOT exchange platform.
7. the Undersigned shall comply with all applicable statutory requirements and shall indemnify NCDEX SPOT against any implications on account of non-compliance by the Undersigned or agents of the undersigned.
8. the Undersigned shall maintain and preserve such information, records, books and documents pertaining to the working of the Undersigned as a Trading cum Clearing Member for such period as may be specified by NCDEX SPOT from time to time and as may be prescribed under any applicable law in force from time to time;
9. the Undersigned shall permit NCDEX SPOT or any other person/authority appointed by it for inspection, access to all records, books, information, documents as may be required therefor;
10. the Undersigned shall submit periodic reports, statements, certificates and such other documents as may be required by NCDEX SPOT and Statutory/Regulatory Authorities, and shall comply with such audit requirements as may be framed by NCDEX SPOT or the Statutory/Regulatory Authorities from time to time;
11. the Undersigned shall follow and comply with such orders or instructions including any such order or instruction, whether being in the nature of a penalty or otherwise, as may be issued by NCDEX SPOT or any committee of NCDEX SPOT duly constituted for the purpose, in the event of the Undersigned committing any violation of any rules, regulations or practice or code of conduct prescribed by NCDEX SPOT or Statutory/Regulatory Authorities in respect of the conduct of the business in NCDEX SPOT;

12. the Undersigned shall conduct business at the NCDEX SPOT prudently and shall ensure that it will not be prejudicial or detrimental to public interest in general, and to NCDEX SPOT in particular;
13. if any difference/dispute arises between the parties as to the interpretation, meanings or effect of this undertaking or as to the rights and liabilities of the parties to this undertaking or as to any other matter relating to the Exchange's operations, the same shall be settled to the extent provided as per the Rules and the terms and conditions of contracts framed or applicable for that purpose;
14. the Undersigned shall pay the costs, charges and expenses including fees prescribed by NCDEX SPOT from time to time, arising from or incidental to the Undersigned operating on the Exchange's trading systems and to establish other systems in accordance with the specifications prescribed by NCDEX SPOT from time to time;
15. the Undersigned shall use the Exchange's infrastructure facilities and equipment only for the purpose for which they are permitted to be used;
16. the Undersigned shall furnish security deposits, bank guarantees, pledge securities, hypothecate movables, create lien on bank accounts or furnish such other security as may be required by NCDEX SPOT from time to time and to do all acts, deeds and things to enable NCDEX SPOT to exercise /realize all or part of the above mentioned securities / deposits / collateral to secure recovery of default and other incidental charges relating to default and other dues of the NCDEX SPOT and its clearing agents, if any;
17. the Undersigned shall bring in additional deposits and funds as and when required to maintain the level of capital adequacy norms as decided from time to time to operate on NCDEX SPOT;
18. The Undersigned shall be a active participant on NCDEX SPOT on being admitted as a Trading cum Clearing Member;
19. the Undersigned is aware that the Undersigned would be/is admitted as a Trading cum Clearing Member on NCDEX SPOT on paying the prescribed membership fee, interest free deposit, and collateral securities in the manner prescribed by the NCDEX SPOT from time to time and that the Undersigned do unequivocally undertake that it shall not be entitled to make any claim for refund of the interest free deposit and collateral securities except when it surrenders its membership to NCDEX SPOT, that too for the amount lying after appropriation of amounts due from it towards its liabilities or obligation towards NCDEX SPOT and its clearing agents ;
20. without prejudice to the foregoing, NCDEX SPOT shall be entitled to forfeit any property, funds, amounts, deposits or other sums due to the Undersigned or to the credit of the Undersigned in such events or contingencies as may be stipulated in the Rules and terms and conditions or directives of NCDEX SPOT in force from time to time;
21. NCDEX SPOT shall not be held responsible or liable for any failure of computer systems, telecommunication network and other equipment installed at the offices of the Undersigned or any failure of network connectivity and NCDEX SPOT shall also not be held responsible for any misuse, mishandling, damage, loss, defect etc. and NCDEX SPOT has the right to inspect and supervise all computer systems, software programs, tele-communications equipment, VSAT etc, installed at the office of the Undersigned and the Undersigned shall not make any alterations, modifications and changes without prior written consent of NCDEX SPOT;

22. NCDEX SPOT shall not be held responsible or liable for any failure by the Undersigned to comply with any Statutory or Regulatory requirement in respect of trading on NCDEX SPOT's trading platform and incidental thereto.
23. the Undersigned shall not disclose, reveal, publish and advertise any material information relating to operations, membership, software, hardware, etc. of NCDEX SPOT without prior written approval of NCDEX SPOT except and to the extent as may be required in the normal course of its business;
24. the Undersigned shall keep the password in strict confidence and secrecy and shall not disclose the same to any person and Undersigned shall be bound by all transactions and trades done on the NCDEX SPOT by use of its password and /or Trading member ID or user ID.
25. where in the opinion of NCDEX SPOT, any change in the composition of the Board of Directors of the Undersigned has resulted or is likely to result due to any direct or indirect transfer of shares or securities in the share capital of the Undersigned, NCDEX SPOT will be entitled to review continuation of the Undersigned as a Trading cum Clearing Member of the Exchange; and the Undersigned shall be bound by any decision taken by NCDEX SPOT in this regard which shall be final;
26. where in the opinion of NCDEX SPOT any change in the composition of the Board of Directors of the Undersigned has resulted or is likely to result due to any direct or indirect transfer of shares or securities in the share capital of, any one or more companies or bodies corporate holding any part of the paid-up capital of the Undersigned, NCDEX SPOT will be entitled to review continuation of the Undersigned as a Trading cum Clearing Member of the Exchange; and the Undersigned shall be bound by any decision taken by NCDEX SPOT in this regard which shall be final ;
27. within 3 days from the date of the meeting of the Board of Directors of the Undersigned or other competent committee, the Undersigned shall notify NCDEX SPOT of any approval or refusal to transfer the shares or securities forming part of the issued capital of the Undersigned, if such transfer has or is likely to result in any change in the composition of the Board of Directors of the Undersigned;
28. the Undersigned shall execute, sign, subscribe to such other documents, papers, agreement, covenants, bonds, and/or undertakings as may be prescribed or required by NCDEX SPOT from time to time;
29. the Undersigned undertakes to make such contributions to any Guarantee Fund or any other fund of like nature pertaining to the Exchange as and when required by the NCDEX SPOT and also comply with all requirements of the NCDEX SPOT in respect thereof;
30. the Undersigned undertakes to subscribe to the mandatory insurance cover as required by the NCDEX SPOT for the Trading cum Clearing Members and to pay the requisite insurance premium and also to comply with all requirements of NCDEX SPOT in respect thereof;
31. the Undersigned shall get itself registered with the relevant sales tax/VAT/Mandi Authority(ies) if required under law and to pay all applicable sales tax, VAT, mandi fee and stamp duty. The Undersigned shall also arrange to get itself registered with the Central Excise Authority(ies) for the purpose of Excise / service tax and any other authority, if required under the relevant law.

32. the Undersigned shall reimburse NCDEX SPOT any tax such as sales tax, VAT, mandi fee, service tax, excise duty, stamp duty etc., (including interests and penalties thereon if any) in the event of NCDEX SPOT being levied and made to pay or bear any such liability by the Statutory Authorities.
33. the Undersigned shall take prior approval from NCDEX SPOT before forming any subsidiary or company or acquiring any other company;
34. the Undersigned agrees and undertakes that the fees, security deposits, other monies and any additional deposits paid, whether in the form of cash, bank guarantee, securities or otherwise, to NCDEX SPOT, by the Undersigned from time to time, shall be subject to a first and paramount lien for any sum due to NCDEX SPOT and all other claims against the Undersigned for due fulfillment of engagements, obligations and liabilities of the Undersigned arising out of or incidental to any dealings made subject to the Rules and the terms and conditions of contracts of NCDEX SPOT. NCDEX SPOT shall be entitled to adjust or appropriate such fees, deposits and other monies for such dues and claims, to the exclusion of the other claims against the Undersigned, without any reference to the Undersigned;
35. the Undersigned shall ensure that the data communication link between the NCDEX SPOT's equipment and Trading cum Clearing Member's Trader Workstation shall be used on point-to-point basis only. The Undersigned shall further ensure the above link will not be connected to any other telecommunication network, except as permitted by NCDEX SPOT;
36. the Undersigned agrees to pay all charges prescribed by NCDEX SPOT from time to time as and when demanded by NCDEX SPOT including but not limited to membership charges and renewal of membership charges. NCDEX SPOT shall be entitled to suspend and/or terminate the membership of the Undersigned in the event of non payment of any such charges by the Undersigned.
37. the Undersigned has read and fully understood the Rules and the Risk disclosure document and undertakes to abide by the provisions therein and any amendments thereto and to comply with all directives issued thereunder from time to time. The Undersigned shall comply with the terms and conditions of contract as may be applicable for the purpose of trades on NCDEX SPOT's trading platform.
38. the Undersigned shall ensure to apprise its clients/constituents of the Rules of NCDEX SPOT and all other directives thereunder and further undertakes not to misrepresent the nature of transaction to any of its clients. The Undersigned shall explain the trading system, order matching process and risks associated with trade on the Exchange platform to its constituents before accepting any orders from them.
39. the Undersigned shall indemnify the NCDEX SPOT against any loss or damage including liabilities arising out of failure to comply with any or all of the above Clauses.
40. the Undersigned clearly understands that the Trading Cum Clearing Membership agreed to be granted to the Undersigned is subject to compliance of above stated undertakings and may be withdrawn by NCDEX SPOT at its absolute discretion without assigning any reason and without prejudice to any action NCDEX SPOT may deem fit.

The Undersigned do hereby confirm that the information provided in its application form for the Trading cum Clearing Membership of NCDEX SPOT is true and correct to the best of the knowledge and belief of

the Undersigned and that the above undertakings will be binding on our successors and permitted assigns of the Undersigned.

Signed sealed and delivered)
by the within named)
being the authorised person)
in terms of the resolution)
of the Board of Directors)
at the duly convened meeting)
held on)
in the presence of)