



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

**Trading Membership Undertaking – Individual / Sole Proprietorship**

This undertaking is executed at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2008

To :

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

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

BY

.....  
.....having principal place of business at  
.....  
.....

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 the Exchange has agreed to admit the Undersigned as a Trading Member as on its trading platform in accordance with the Rules, Regulations, terms , Conditions, circulars of the Exchange in force from time to time.

AND WHEREAS the Exchange has as a precondition to the Undersigned being admitted as a Trading Member inter-alia required the Undersigned to furnish this undertaking in the manner and on the terms mentioned herein below:

NOW THEREFORE in consideration of the Exchange admitting the Undersigned as a Trading 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 its admission and continuation as a Trading Member of the Exchange;
2. the Undersigned shall adhere to and shall be bound by the Rules, Bye-laws, terms, conditions, instructions and circulars of the Exchange as in force from time to time;
3. the Undersigned shall settle its deals/trades/transactions through a Clearing Member of the Exchange and abide by and adopt the Rules, Bye-laws, terms, conditions and instructions pertaining to the trading and risk management systems of the Exchange and any other agencies appointed by the Exchange for this purpose and any amendments made thereto from time to time;

4. the Undersigned shall inform to the Exchange immediately in the event of any change in the constitution of the Undersigned and the Exchange may review including withdrawal of trading membership granted to the Undersigned
5. the Exchange shall be entitled to amend its Rules, Bye-laws, terms and conditions unilaterally and the Undersigned shall be deemed to have consented to them, and accordingly be bound by the Rules, Bye-laws, terms and conditions prevailing from time to time and the Exchange shall be entitled to all powers vested in them under the Rules, Bye-laws, terms and conditions, by which the Undersigned unconditionally agrees to be bound;
6. the Undersigned shall abide by the code of conduct as laid down from time to time by the Exchange and also all the Rules, Bye-laws, circulars, guidelines, terms and conditions etc. framed by the Exchange or any regulatory body having jurisdiction, from time to time;
7. the Undersigned shall maintain and preserve all information, records, books and documents pertaining to the business of the Undersigned as a Trading Member on the platform of the Exchange for such period as may be specified by the Exchange from time to time;
8. the Undersigned shall permit access and/or inspection by the Exchange, any regulatory body or any other authority appointed for the purpose, to all records, books, information, documents as may be required therefor;
9. the Undersigned shall submit periodic reports, statements, certificates and such other documents as may be required by the Exchange, regulatory or any other authority appointed for the purpose by the Exchange and shall comply with such audit requirements as may be stipulated by the Exchange or any of the above authorities from time to time;
10. the Undersigned shall follow and comply with all 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 the Exchange or any committee or agency of the Exchange duly constituted for the purpose, in the event of the Undersigned committing any violation of any Rules, Bye-laws, terms and conditions, circulars, instructions or practice or code of conduct prescribed by the Exchange in respect of the conduct of the business in the Exchange;
11. the Undersigned shall conduct business on the Exchange prudently and shall ensure that it shall not be prejudicial or detrimental to public interest or the market in general, and to the Exchange in particular;
12. if any difference/dispute arises as to the interpretation, the meaning or the effect of this undertaking or as to the rights and liabilities of the Undersigned or as to any other matter relating to the Exchange's operations, the same shall be settled to the extent and in the manner provided under the Rules, Bye-laws, terms or guidelines of the Exchange;
13. the Undersigned shall pay to the Exchange either directly or through Clearing Member or in any other manner as may be prescribed, all moneys as may be required pursuant to trades, any margins, costs, levies, compensations, charges and expenses including fees prescribed by the Exchange from time to time, arising from or incidental to the Undersigned operating on the Exchange's trading systems; and the Undersigned undertakes to establish other systems as

permitted and required in accordance with the specifications prescribed by the Exchange from time to time;

14. the Undersigned shall use the Exchange's infrastructure facilities and equipment only for the purpose for which they are permitted to be used;
15. 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 the Exchange from time to time and to do all acts, deeds and things to enable the Exchange to exercise or invoke all or part of the above mentioned securities / deposits / bank guarantee/s and other collateral to secure recovery of default in payment and other incidental charges relating to default and any other dues of the Exchange and /or its clearing agents, if any;
16. the Undersigned shall bring in additional deposits and funds as and when required to maintain the level of capital adequacy, margin requirements or other norms as stipulated from time to time to operate on the Exchange;
17. The Undersigned shall be an active participant on the Exchange on being admitted as a Trading Member on its platform.
18. the Undersigned is aware that the Undersigned would be/is admitted as a Trading Member on the Exchange's platform on paying the prescribed membership fee, interest free deposit, initial and/or other margins and collateral securities in the manner prescribed by the Exchange 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 the Exchange, that too for the amount lying after appropriation of amounts due from the undersigned towards liabilities or obligation towards the Exchange and/or its clearing agent;
19. Without prejudice to the foregoing, the Exchange shall be entitled to appropriate 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, Bye-laws, terms and conditions or directions of the Exchange in force from time to time;
20. the Exchange 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 at the Exchange and the Exchange shall also not be held responsible for any misuse, mishandling, damage, loss, defect etc. and the Exchange 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 the Exchange;
21. the Undersigned shall not disclose, reveal or compromise any material information relating to operations, membership, software, hardware, etc. of the Exchange without prior written consent of the Exchange except and to the extent as may be required in the normal course of its business;
22. The Undersigned shall keep the password assigned for accessing the trading terminal of the Exchange 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 Exchange by use of the password. All transactions entered or

done by use of password assigned to the Undersigned shall be deemed to be done by the Undersigned for all purposes.

23. Where in the opinion of the Exchange, any change in the composition of the Undersigned has resulted or is likely to result without its knowledge, the Exchange will be entitled to review continuation of the Undersigned as a Trading Member on its platform; The Undersigned shall be bound by any decision taken by the Exchange in this regard.
24. The Undersigned shall execute, sign, subscribe to such other documents, papers, agreement, covenants, bonds, and/or undertakings as may be prescribed or required by the Exchange from time to time;
25. The Undersigned undertakes to make such contributions to Settlement Guarantee Fund if any or any such other fund pertaining to/constituted by the Exchange as and when required by the Exchange and also comply with all requirements stipulated by the Exchange in respect thereof;
26. The Undersigned undertakes to subscribe to the mandatory insurance cover as required by the Exchange for the Trading Members of the Exchange's platform and to pay the requisite insurance premium and also to comply with all requirements of the Exchange in respect thereof;
27. The Undersigned shall get itself registered with the relevant Sales Tax /VAT / mandi Authority(ies) as required under law and undertakes to pay all applicable sales tax/VAT/mandi fee, service tax, Octroi and stamp duty and other such levies as may be applicable. The Undersigned shall also arrange to get itself registered with the Central Excise Authority(ies) for the purpose of service tax or excise duty, if required under the relevant law.
28. The Undersigned shall reimburse the Exchange any tax such as sales tax, VAT/mandi fee, Octroi, service tax, stamp duty etc., (including interests and penalties thereon if any) or any such other levy, in the event of the Exchange having incurred or being levied and made to pay or bear any such liability by the respective Authorities
29. The Undersigned shall take prior approval from the Exchange before forming any partnership or acquiring a major shareholding in any other company/business; and undertakes to comply with any additional conditions as may be stipulated by the Exchange in that regard and agrees to be bound by any decision as may be taken by the Exchange on account thereof.
30. The Undersigned agrees and undertakes that the fees, security deposits, other monies and any additional deposits paid, either directly to the Exchange or through one of its Clearing Members or in any other manner prescribed, whether in the form of cash, bank guarantee, securities or otherwise and lying with the Exchange, to the account of the Undersigned, shall be subject to a first and paramount lien for any sum due to the Exchange 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, Bye-laws, terms and conditions or directives of the Exchange. The Exchange 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;

31. The Undersigned shall ensure that the data communication link between the Exchange's equipment and Trading 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 the Exchange;
32. The Undersigned agrees to pay all charges, fee or other monies including all margins and deposits prescribed by the Exchange from time to time as and when demanded by the Exchange including but not limited to membership charges and renewal of membership charges. The Exchange 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.
33. The Undersigned shall indemnify the Exchange against any loss or damage including liabilities arising out of failure to comply with any or all of the above Clauses and /or failure to comply with the Rules, Bye-laws, terms and conditions of the Exchange or directions hereunder or directions of the Regulatory authority if any, having jurisdiction.

The Undersigned do hereby confirm that the information provided by them/him in the application form for the Trading Membership of the Exchange is true and correct to the best of knowledge and belief of the Undersigned and that the above undertakings will be binding on the successors and permitted assigns of the Undersigned.

Signed and delivered )  
by Mr. / Ms.. ----- )  
being sole proprietor of M/s\_\_\_\_\_ )