



**DOCUMENTS CHECKLIST FOR AUTHORISED PERSONS REGISTRATION BY  
INDIVIDUAL/PARTNERSHIP FIRM/CORPORATE**

1	<p>a) Application Letter : By the Trading Member of the Exchange (On the Letter Head duly signed/stamped by the Director/Authorised Signatories.)</p> <p>b) Application Form: By Applicant (duly signed/stamped by the applicant.) <b>Annexure 2 (a)</b></p>
2	<p>Confirmation/Declaration/undertaking to be signed by the Trading Member on their letterhead as per the prescribed format (available on website bseindia.com). <b>Annexure 2 (b) (i)</b></p>
3	<p>Undertaking /Declaration to be signed by applicant on their letterhead as per the prescribed format (In case of partnership/corporate all partners/directors names should be included) <b>Annexure 2 (b) (ii)</b></p>
4	<p>Certified true copy of proofs for age, education, office address, residence address and PAN card of :</p> <ul style="list-style-type: none"> <li>i. Individual applicant(s)</li> <li>ii. Partnership Firm : all partner(s) (PAN of both i.e firm &amp; partners)</li> <li>iii. Corporate Bodies : all director(s) (PAN of both i.e firm &amp; directors)</li> </ul> <p>(Minimum age &amp; education qualification are 18 years and SSC or equivalent to SSC respectively.)</p>
5	<p>Certified true copy of agreement between the Member and the Authorised Person. (On Rs.100/- Stamp paper / Franked paper along with signatures of witnesses in the prescribed format.) <b>Annexure 2 (c)</b></p>
6	<p>Certified true copy of the Partnership Deed / Memorandum &amp; Articles of Association as applicable. (The Object Clause should contain a clause permitting the person/company to deal in securities business)</p>
7	<p>Shareholding pattern (Duly certified by CA/CS/TM not older than 6 months) <b>Annexure 2 (b) (iv)</b> &amp; Board Resolution in case the applicant is a Corporate body. / Sharing Pattern of Profit/loss (Duly certified by CA/CS/TM not older than 6 months) In case the applicant is Partnership Firm / LLP <b>Annexure 2 (b) (v)</b> (Members have to upload scanned copies of shareholding pattern in AP application and submit the physical certified copy with the documents submitted to the Exchange. Board Resolution authorizing director/s /authorised signatories of the applicant to sign documents for registration of Authorised Person duly signed by two directors of the applicant company.)</p>

**Note:**

**For Address proof:**

Member may submit following address proofs (duly certified by trading/Notary/C.A.)

- 1) Passport,
- 2) Driving license,
- 3) Voter ID
- 4) Bank passbook/statement with latest statement of transaction (not older than 6 months),
- 5) Electric Bill in the name of applicant,
- 6) Telephone Bill (**only landline**),
- 7) Ration card,
- 8) Shop & establishment certificate,
- 9) Copy of ownership agreement,
- 10) Leave & license agreement (One permanent residence proof required in case of leave & license agreement is given)
- 11) Copy of Aadhar Card

**For qualification proof:**

Copy of education certificate, education mark sheet duly certified by trading member/Notary/C.A.

**For age & pan card proof:**

Copy of pan card duly certified by trading member/Notary/C.A

**(The Member should ensure that the approved users and/or sales personnel of Authorised Person/s shall continue to have valid certification of respective segment at all point of time.)**

**The Exchange shall be levying a processing fee of Rs. 2000/- + Service Tax for each registration application of Authorized Person (Cash, Derivative & Currency Derivative Segment). The said amount shall be debited to the respective Trading Member's General Charges account**

**Annexure 2 (a)****APPLICATION FORM BY THE APPLICANT FOR REGISTRATION AS AUTHORISED PERSON WITH  
TRADING MEMBER OF BSE LTD.**

(As per Rules, Bye Laws &amp; Regulation of the Exchange)

1	Name of applicant (applying for registration of Authorised Person.)	
2	Trade name : (of Authorised Person/ Partnership firm/ Corporate body)	
3	Segment 1. Cash Segment    2. Derivatives Segment    3. Currency Derivative Segment	
3	Type of organization (sole proprietor/partnership/LLP/corporate body) [Kindly provide name/s of proprietor /partners/directors]	Type of organization:  Names of Partners/Directors: 1 _____ 2 _____
4	Office address (with proof) (place from where authorised person will be operating - covering area, street/road, city/dist., state & PIN etc., all fields are compulsory).	
5	Contact Person Name, Office Telephone, Mobile Numbers, Fax Numbers , Email ID	
6	Residence address (with proof) with telephone number (i.e. of proprietor/all partners/all directors - covering area, street/road, city/dist., state & PIN etc., all fields are compulsory).	
7	Education qualification & Date of Birth (with proof) (of proprietor / all partners / all directors with proof are compulsory)	
8	PAN Number of the applicant & applicant firm and of proprietor/all partners/all directors with proof is compulsory.	
9	Name and clearing no. of main Trading Member to whom applicant is affiliated	
10	Date of signing agreement with the Trading Member	
11	Authorised person affiliated to a Trading Member in any other stock exchange - if Yes, Provide details of Registration No. & Date with details of name of member to whom he/she/they is/are affiliated.	
12	Whether any case/claim/arbitration pending against the authorised person in any court/stock exchanges (provide details)	
13	In case applicant is member of a Regional/Multiple Stock Exchange, details of SEBI Registration No. & Date of Registration	

I certify that the information given in this application form is true to the best of my/our knowledge and belief.

Date

Place:

Signature of applicant

**Annexure 2(b)(i)**

**Declaration/Confirmation/Undertaking and recommendation from Member  
BSE Limited  
(Rules, Bye laws & Regulation of the Stock Exchange)**

To,

BSE Limited,

Dear Sirs,

I/We understand that \_\_\_\_\_ son of \_\_\_\_\_ aged \_\_\_\_\_ years, residing at \_\_\_\_\_ is attached to me at \_\_\_\_\_ for carrying on the shares and securities business as an Authorized Person (AP).

- I/We confirm that (name of authorized person) is/will be transacting business through me and funds & securities of the clients shall be settled directly between stock brokers and client and all documents like contract note, statement of funds and securities would be issued to client by us. Authorised person may provide administrative assistance in procurement of documents and settlement, but will not issue any contract notes / statements to client in its own name. No fund/securities of clients will go to account of authorized person. I/We further confirm that, authorised person will not charge any amount as brokerage from the clients.
- I/We confirm that, authorised person i.e. individual/partners/directors is/are a fit and proper person(s) to be registered as an Authorized Person.
- I/We also confirm that he/she/they is/are known to me/us for well over \_\_\_\_\_ years and have good financial background & reputation, moral character and integrity.
- I/We also confirm that Authorized Person firm or applicant i.e. individual/partners/directors is/are not appointed as authorized person under any other trading member/s of the Exchange.
- I/We also undertake that, we shall obtain prior permission of the Exchange for any changes like change in trade name/name, address and status and constitution of authorized person and he/she/they is/are eligible for appointment of authorized person.
- I/We also declare that Authorised Person has/have necessary infrastructure like adequate office space, equipment and manpower to effectively discharge the activities on behalf of us.
- I/We undertake that all acts of omission and commission of the authorized person shall be deemed to be those of the stock brokers. I/We are responsible for all such acts of omission and commission of the authorized person.

I/We hereby recommend his application for granting registration for carrying on shares and securities business as authorized person. I/We also confirm that the information that has been submitted is true to the best of my/our knowledge and if at a later date if any material information comes to my/our knowledge subsequent to the submission of this application, I/We undertake to keep informed to the Exchange about the same.

I/We trading member/s of \_\_\_\_\_ Exchange hereby recommend the above-mentioned applicant.

Yours faithfully,

Individuals/Partner/Director

Signature of Member/s with SEBI Registration Stamp

Date:

**Annexure 2(b)(ii)**

**UNDERTAKING**

(ON LETTERHEAD OF APPLICANT)

**[An applicant should submit this confirmation/declaration/undertaking while submitting an application for Authorized Person registration]**

**Dy. General Manager  
Membership Operations Dept.  
BSE Ltd.  
Mumbai**

I/We hereby confirm/declare/undertake that (Name of proprietor/all partners/all directors as applicable should be mentioned) have not been convicted of any offence involving fraud or dishonesty and no trial is pending against above applicant/s in any court of law.

I/We hereby confirm/declare/undertake that the SEBI has not taken any action like cancellation of registration / or debarred or prohibited any of the applicant /s from dealing in securities market/imposed penalty after adjudication/prosecution etc. against any of the applicant/s (names as applicable)

In case of non-compliance on any of above or in case this confirmation/declaration/undertaking is found to be false, the Exchange may take necessary Disciplinary action as per the Rules, Byelaws and Regulations of BSE Limited

Signature of Applicant  
Proprietor / Partner / Director  
(with rubber stamp)

Date:

**Annexure 2 (b)(iii)**

**UNDERTAKING**

**(ON LETTERHEAD OF TRADING MEMBER)**

**[Trading Member should submit and upload this undertaking along with Annexure 2 (b)(i) on BEFS portal only in case the Applicant is already registered as remisier/sub broker with same member and has applied for Authorized Person with the Exchange.]**

I/We hereby certify that the applicant <(Name of authorised person)> is a registered Remisier / sub broker and has applied for Authorized Person through me.

In view of the above I/We hereby undertake that the applicant will cancel the remisiership/sub broker registration if already registered, immediately on receipt of Authorised Person Registration certificate from the Exchange. I/We also undertake that we will not commence the business of applicant as AP unless he is discontinued his business as sub-broker/ Remisier with us.

I/We further undertake/confirm that no action complaints/arbitration/ disciplinary proceedings is pending against the aforesaid applicant as sub-broker, No fees is due to SEBI and we undertake to honor all the liabilities/obligations arising from pending proceedings/ future actions (Including monetary penalties, if any) initiated by SEBI for violations/non-compliance of provisions of the SEBI Act, 1992 and the Regulations framed there under during the period of registration till the date of acceptance of surrender by SEBI of sub broker.

Further we will provide the details like AP Trade Name, AP Registration No. & Date of Registration as Authorised Person of said sub-broker, at the time of submitting application for surrender of sub-broker registration to the Exchange.

In case of Non-Compliance on any of above, the Exchange may take necessary steps to disable the Trading Terminals of Authorized Person as well as revocation of approval granted to such sub-broker as AP with immediate effect and take necessary disciplinary action against me.

Name and Signature of the Trading Member  
Proprietor / Partner / Director  
(with rubber stamp & SEBI Registration No.)

Date:

**Annexure 2 (b) (iv)**  
**(For Corporate body)**

Date of Certificate \_\_\_\_\_

Submitted by \_\_\_\_\_ (name of Authorised Person) to BSE LTD

Shareholding Pattern of \_\_\_\_\_ (name of Authorised Person)

As on \_\_\_\_\_ (date)

Sr. no.	Name of Shareholders	Number of Shares held	Paid up value per share ₹	Amt Paid-Up ₹	% age of total
1.					
2.					
3.					
4.					
5.					
TOTAL					100%

Date:

Place:

Signature/s of Director/s  
With Stamp of the Authorised Person

CERTIFICATE

This is to certify that the Capital and Shareholding of \_\_\_\_\_ 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.

Date:

Place:

For

(Signature of Partner/Proprietor of Certifying Firm)

Stamp of Certifying Firm with Membership Number

(Chartered Accountant/Company Secretary Firm)

**Annexure 2 (b) (v)**

**(For Partnership Firms/LLP)**

Date of Certificate \_\_\_\_\_

Submitted by \_\_\_\_\_ (name of Authorised Person) to BSE LTD

Sharing Pattern of \_\_\_\_\_ (name of Authorised Person)

As on \_\_\_\_\_ (date)

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

**Partner: Mr. / Ms.** \_\_\_\_\_

Date:

Place:

Signature/s of Partner/s  
With Stamp of the Authorised Person

**CERTIFICATE**

This is to certify that the Capital and Sharing Pattern of \_\_\_\_\_ 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.

Date:

Place:

For

(Signature of Partner/Proprietor of Certifying Firm)

Stamp of Certifying Firm With Membership Number

(Chartered Accountant/Company Secretary Firm)



(On stamp paper of requisite value as per the Bombay Stamp Act)  
Agreement between Member and Authorised Person

This agreement ("Agreement") is made and executed at ... .. this ... .. day of ... .. , 2009

**Between:**

**\*\*\*\*\*Mr./Ms./M/s.....**, an individual/ a proprietary concern/ a partnership firm/ a body corporate, registered/ incorporated under the provisions of Partnership Act, 1932/ Companies Act, 1956, having his/her/its office/registered office at ....., (hereinafter referred to as "**Member**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, legal representatives, the partners for the time being of the said firm, the survivor or survivors of them and the heirs, executors and administrators of such last survivor /its successors and assigns, as the case may be ) of the **One Part**;

**And**

**\*\*\*\*\*1M/s. ....**, an individual/a partnership firm / a limited liability partnership/a body corporate/a company, registered/incorporated under the Partnership Act, 1932/Limited Liability Partnership Act, 2008/ Companies Act, 1956/..... (*\*\*Please specify the legal provisions under which the entity is formed/incorporated \*\**), having its registered office at ... .. (*\*\*Please specify the complete address\*\**), (hereinafter called "**AP**" which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, legal representatives, executors and administrators/ the partners for the time being of the said firm, the survivor or survivors of them and the heirs, executors and administrators of such last survivor /its successors and assigns, as the case may be) of the **Other Part**;

**Member** and **AP** shall hereinafter be also jointly referred to as the "**Parties**" and severally as the "**Party**".

**WHEREAS**

- i) The Securities and Exchange Board of India ("**SEBI**") vide its circular No. MRD/DR-1/Cir-16/2009 dated November 06, 2009 ("**said Circular**") addressed to all the recognised Stock Exchanges has issued the framework governing the market access through authorised persons.
- ii) SEBI vide said circular has *inter alia* directed that the stock broker and authorised person shall enter into a written agreement in the form specified by the stock exchange.
- iii) Member is (a) Trading Member with the cash Segment, (b) Trading cum clearing Member with the Derivatives Segment, (c) Trading cum Clearing Member with the Currency Derivatives Segment of the Bombay Stock Exchange Ltd. ("**BSE**"). (*###<sup>2</sup> out of options (a),(b) and (c), please delete which ever is not applicable\*\**)
- iv) AP approached Member and Member has agreed to appoint AP as the authorised person on the terms and conditions specified in this Agreement.

<sup>1</sup> *\*\*\*\*\* Please delete, whichever is not required.*

<sup>2</sup> *###- Please delete whichever is not applicable*

**NOW, THEREFORE, THIS AGREEMENT WITNESSETH AND IT IS HEREBY AGREED BY AND BETWEEN THE PARTIES HERETO AS UNDER:**

**1. LEGAL FRAMEWORK**

- 1.1 The provisions of the SEBI circular No. MRD/DR-1/Cir-16/2009 dated November 06, 2009 and other circulars issued by SEBI from time to time, the Rules, Bye-laws and Regulations and/or relevant notices of BSE shall be deemed to be an integral part of this Agreement. In the event of any conflict or contradiction between the provisions of the circulars, notices, directions and orders of SEBI, Rules, Bye-laws and Regulations, notices of the BSE, and this Agreement, the provisions of the statute, rules, bye-laws or regulations occurring sequentially earlier in the above list shall prevail over the one occurring sequentially subsequent thereto over this Agreement. The provisions of this Agreement are in addition thereto and not in derogation thereof.

**2. CONDITIONS OF APPOINTMENT**

- 2.1 AP shall not receive or pay any money or securities in its own name or account. All receipts and payments of securities and funds shall be in the name or account of Member.
- 2.2 AP shall receive his remuneration-fees, charges, commission, salary, etc.- for his services only from Member and he shall not charge any amount to the clients.
- 2.3 AP shall not be appointed as authorized person by more than one stock broker on BSE (including all the segments).

**3. OBLIGATIONS OF MEMBER**

- 3.1 If any trading terminal is provided by Member to AP, the place where such trading terminal is located shall be treated as branch office of Member.
- 3.2 Member shall display at each branch office, additional information such as particulars of authorised person in charge of that branch, time lines for dealing through authorised person, etc., as may be specified by BSE.
- 3.3 Member shall notify changes, if any, in the authorised person to all registered clients of that branch at least thirty days before the change.
- 3.4 Member shall conduct periodic inspection of branches assigned to authorised persons and records of the operations carried out by them. **Further, the Member shall mandatorily examine all demat accounts and bank accounts of AP on such periodical basis as he/it may deem fit.**
- 3.5 The clients introduced by AP shall be registered with Member only. The funds and securities of the clients shall be settled directly between Member and client and all documents like contract note, statement of funds and securities shall be issued to client by Member. AP 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 AP.
- 3.6 On noticing irregularities, if any, in the operations of AP, Member shall seek withdrawal of approval from BSE, withhold all moneys due to AP till resolution of investor problems, alert investors in the location where AP operates, file a complaint with the police, and take all measures required to protect the interest of investors and market.

#### **4. OBLIGATIONS OF AP**

##### **4.1 Abide by Law & Acquaintance to Law**

AP agrees to abide by and comply with and adhere to the circulars, notices, directions, order etc. that may be promulgated or issued from time to time either by SEBI, BSE, Reserve Bank of India or any other regulatory authority.

##### **4.2 *Insolvency***

AP agrees to immediately furnish information to Member in writing, if any winding up petition or insolvency petition has been filed or any winding up or insolvency order or decree or award is passed against him/it or if any litigation which may have material adverse bearing on him, has been filed against him.

#### **5. CONFIDENTIALITY**

Member and AP shall not disclose the Confidential Information (marked as such at the time of providing the information) of each other to any third party, without the written consent of the other Party.

The provisions of this Clause 5 shall not prohibit disclosure of Confidential Information, if and to the extent:

- a) required by law or for the purpose of any judicial proceedings arising out of this Agreement;
- b) required by the SEBI or any other regulatory authority;
- c) it becomes publicly available (other than as a result of a breach of an obligation of confidentiality);
- d) the information is obtained free of any restrictions on use or obligations of confidentiality from a third party which is itself free of any restrictions on use or obligations of confidentiality with respect to that information;
- e) the information is already in the possession of that Party and is not subject to an obligation of confidentiality or a restriction on use; or
- f) the information is independently developed,

#### **6. CONSEQUENCES OF CESSATION OF MEMBERSHIP ON A SEGMENT**

In the event of membership of the Member on any segment of BSE coming to an end for any reason whatsoever, the relevant part of this Agreement pertaining to such segment shall come to an end.

## **7. DISPUTE RESOLUTION AND ARBITRATION:**

The dispute between a client and AP shall be treated as dispute between such client and Member.

All disputes and differences between AP and Member pertaining to subject matter of this Agreement, shall be redressed as per the Rules and Bye-laws of BSE pertaining to Arbitration other than between Members and in the absence of any provision in the Rules, Bye-laws of BSE to this effect, such disputes and differences shall be referred to arbitration as per the provisions of Arbitration & Conciliation Act, 1996.

## **8. GOVERNING LAW AND JURISDICTION**

8.1 This Agreement shall be governed by and construed in all respects in accordance with the laws of India. The Agreement shall be subject to exclusive jurisdiction of Courts of Mumbai.

## **9. TERMINATION**

9.1 This Agreement shall forthwith terminate if Member ceases to be a trading/clearing member of BSE for any reason (including cessation of membership by reason of the Member's default, death, resignation or expulsion) or if the SEBI Registration of Member is cancelled.

9.2 Member and AP shall each be entitled to terminate this Agreement without giving any reasons to the other Party, after giving notice in writing of not less than 30 days to the other Party.

9.3 This Agreement will be terminated forthwith on withdrawal of approval given to AP by BSE and on receipt of request of Member to do so subject to compliance with the requirement prescribed by BSE.

**IN WITNESS WHEREOF** the Parties to this Agreement have caused these presents to be executed as of the day and year first above written.



AP's Signature/  
Authorised Signatory:  
Signed by:  
Title:

The Member's  
Signature/Authorised Signatory:  
Signed by:  
Title:

Witness:

Witness:

## NSE Checklist / Format for Appointment of Authorised Person (**INDIVIDUAL**)

Sr. No.	Documents	Points to be noted while filing the application
1.	a. Online Application b. Online Undertaking by the Trading Member (Annexure 1)	<ul style="list-style-type: none"> <li>The Trading Member shall apply online on ENIT (<a href="https://www.connect2nse.com/MemberPortal">https://www.connect2nse.com/MemberPortal</a>) through ENIT Service Request--&gt;Exchange--&gt;Authorised Person--&gt;Authorised Person Master-Digisign.</li> <li>The undertaking is prompted when the application on ENIT is set to FINAL SAVE status.</li> <li>The undertaking should be digitally signed by the Proprietor/Partner/Director of TM.</li> </ul> <p>Physical documents are not required to be submitted vide circular Ref No: 824/2013 – Digital Submission of Authorised Person Application</p>
2.	Annexure 2 – Undertaking from applicant Authorised Person   Annexure-2_Ind_undertaking from AP.doc  <b>Format:</b>	<ul style="list-style-type: none"> <li>To be given on letterhead of the applicant AP</li> <li>The applicant's / proprietorship firm's name and registered office address should be mentioned on the undertaking.</li> <li>All clauses should be mentioned exactly as per the format provided herewith.</li> <li>Should be signed by the Individual Applicant</li> <li>Should be signed and stamped by the proprietor (in case of sole proprietor)</li> </ul>
3.	Agreement between trading member and applicant Authorised Person   mem_agrment_tm_app.doc  <b>Format:</b>	<ul style="list-style-type: none"> <li>Segment applied for, on ENIT should match with the agreement uploaded.</li> <li>A single agreement can be executed for multiple segments.</li> <li>To be on a non-judicial stamp paper of Rs.100/- or as per stamp value applicable in the particular state where the agreement has been executed. Also clear franking date/stamp date should be mentioned.</li> <li>The agreement date should be on or after the stamp paper/franking date.</li> <li>The application should be submitted within 6 months from the date of agreement.</li> <li>All clauses should be mentioned exactly as per the format provided herewith.</li> <li>To be stamped and signed by Proprietor/Partner/ Director of Trading Member and Applicant on all pages.</li> <li>To be certified as true copy on all pages by Proprietor/Partner/ Director of the trading member.</li> <li>Duly certified scanned copies of the entire agreement (including the e-stamp paper) should be uploaded on ENIT.</li> </ul>
4.	PAN Card	<ul style="list-style-type: none"> <li>PAN entered on ENIT should match with proof provided.</li> </ul>

		<ul style="list-style-type: none"> <li>To be certified as true copy (stamped and signed) by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.</li> </ul>
5.	Proof of Date of Birth  (Minimum age of Individual/ Proprietor: 18 years)	<ul style="list-style-type: none"> <li>Data entered on ENIT should match with the proof provided</li> <li>As proof of age, duly certified scanned copy of PAN Card/Driving Licence/School leaving certificate/SSC Certificate/Passport should be submitted.</li> <li>To be certified as true copy (stamped and signed) by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.</li> </ul>
6.	Educational Qualification  (Minimum 10 <sup>th</sup> standard pass or equivalent examination recognised by Government)	<ul style="list-style-type: none"> <li>Data entered on ENIT should match with the proof provided.</li> <li>Duly certified scanned copy of latest qualification or S.S.C. passed mark sheet/certificate or the copy of Equivalent examination passed from an institution recognized by the government to be uploaded.</li> <li>To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
7.	Registered Office and Residential Address of Proprietor of Authorised Person	<ul style="list-style-type: none"> <li>Address entered on ENIT should match with the proof provided</li> <li>Proof of address with expiry date, if any, should be valid on the date of submission.</li> <li>Proof in regional languages should be translated in English/Hindi.</li> <li>Duly certified scanned copies of any of the following documents can be submitted :               <ul style="list-style-type: none"> <li>✓ Latest Landline Telephone Bill (not older than 6 months)</li> <li>✓ Latest Electricity bill (not older than 6 months)</li> <li>✓ Bank Statement/Pass Book (single/joint/second holder). The first page (containing the address) and the page with the latest transaction list (not older than 6 months) should be uploaded.</li> <li>✓ Notarized / Registered Rent Agreement (In case of agreements in regional languages the commencement date, name and address of the parties and the validity of the agreement should be translated in English/Hindi).</li> <li>✓ Voters id / Driving License /Valid Passport /Aadhaar Card</li> <li>✓ Valid Ration card. In case of Family Card, the documents supporting the extended validity should also be uploaded.</li> <li>✓ Trade license agreement / Shop Establishment Certificate</li> <li>✓ Purchase deed along with index form.</li> </ul> </li> <li>In case of a Proprietorship Firm the proof can be in the name of the firm or the proprietor of the firm.</li> <li>In case the office address proof is in the name of Spouse/Parents of the applicant, an undertaking/NOC from the Spouse/Parents is required to be submitted along with the address proof.</li> </ul>

		<ul style="list-style-type: none"> <li>• In case the applicant is operating from the Trading Member premises, an address proof of the trading member along with the NOC from the trading member is to be submitted.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
	Points to be noted :	
1	In case the name of the Authorised Person as per the application submitted differs from that of the above documents uploaded alongwith the application, the certified true copy of Marriage Certificate/ Notarised Affidavit should be submitted.	
2	All documents uploaded should be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.	
3	In case the documents are CA/CS/Notary/Advocate attested, their membership number should be mentioned.	
4	<p>Applicant Authorised Person should :</p> <ul style="list-style-type: none"> <li>▪ Not be a Trading Member of the Exchange</li> <li>▪ Not be a registered Authorised person of any other Trading Member of the Exchange</li> <li>▪ Not a Proprietor/Partner/Director in any firm/corporate of a trading member or registered Authorised Person.</li> <li>▪ Have a good reputation and character.</li> </ul>	
5	<p>Applicant Authorised Person :</p> <ul style="list-style-type: none"> <li>▪ Is not a defaulter in any other Stock Exchange.</li> <li>▪ Is not appearing in SEBI debarred Directors/ Vanishing Companies List</li> <li>▪ Has not been convicted of any offence involving fraud or dishonesty</li> <li>▪ Not appearing in CIS and Non CIS list or CIBIL database</li> </ul>	
6	Trading Member is not disabled or suspended or any disciplinary action has been taken/initiated	
7	In case applying for Sub broker Cancellation and Authorised Person Appointment at the same time undertaking from trading Member in format specified should be uploaded. The path for the same is Membership - > Sub-broker - > Cancellation of Sub broker - >Download Undertaking Format.	

**FORMATS FOR APPOINTMENT APPLICATION OF AUTHORISED PERSON  
(INDIVIDUAL) OF NSEIL**

**INDEX**

<b>Sr. No.</b>	<b>Annexure</b>	<b>Particulars</b>	<b>CA/CS required</b>	<b>Certification</b>
1	Annexure – 2	<a href="#">Undertaking from Applicant AP</a>		No
2	-	<a href="#">Agreement between TM and AP</a>		No



## Annexure - 2

### Undertaking

(on the letterhead of the Authorised person)

I Mr./Ms. \_\_\_\_\_ (*name of the applicant authorised person*) had applied for appointment as Authorised Person of the Stock Exchange on

(*Tick the segment (s) applied for*)

- ☐ Capital Market
- ☐ Futures & Options
- ☐ Currency Derivatives

segment (s) through trading member, Mr. / Ms./ M/s. \_\_\_\_\_ (*name of the trading member*).  
In this regard, I hereby confirm/undertake that:

1. I have not been convicted for any offence in the past and presently and not under trial for any offence involving fraud and dishonesty.
2. I will deal with investors on behalf of Trading Member only and that I would not engage in any activities with investors which could result in unauthorised intermediations.
3. I am neither an Authorised Person of any other member of the stock exchange and nor has/have applied for appointment as Authorised Person with any other member of the stock exchange.
4. I confirm that I am not a defaulter/expelled on any stock exchange.
5. I confirm that I am “fit and proper” under SEBI (Intermediaries) Regulations, 2008 and no action has been taken against me by SEBI, RBI, etc. and I have not defaulted in payment to any agency.

Date: \_\_\_\_\_

Place: \_\_\_\_\_

**\*Name, Signature & Seal**

\*Should be signed by Proprietor of the Authorised Person.

## TRADING MEMBER AND AUTHORISED PERSON AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 200\_ at \_\_\_\_\_ between \_\_\_\_\_, Member of National Stock Exchange of India Ltd. (hereinafter referred to as "NSEIL"), ordinarily carrying on business in sale and purchase of shares and 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 NSEIL as an agent of the Trading Member in the Capital Markets/Futures & Options /Currency 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 6<sup>th</sup> 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 NSEIL and is a SEBI registered stock broker.
3. The Authorised Person is desirous of affiliating to the Trading Member to provide access to trading platform of NSEIL in \_\_\_\_\_ segment as an agent of the Trading Member.
4. The Trading Member has satisfied about the eligibility criteria of the Authorised Person as stipulated by SEBI and NSEIL from time to time and therefore has agreed to the request of the Authorised Person.
5. SEBI vide the said Circular has stipulated that the stock 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 NSEIL in its Circulars issued from time to time.
- (b) 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 MIRSD/ DR-1/ Cir- 16 /09 dated November 06, 2009 and Circulars issued by SEBI and NSEIL from time to time.

- (c) The client shall be registered with Trading Member only. 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 Authorized Person.
- (d) All acts of omission and commission of the Authorized Person shall be deemed to be of the Trading Member.

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

- (a) The Authorised Person shall not commit transactions in securities through the Trading Member in excess of the amount mutually agreed upon in writing from time to time.
- (b) The Authorised Person shall receive his remuneration - fees, charges, commission, salary, etc. - for his services only from the Trading Member and he/it shall not charge any amount from the clients.
- (c) The Authorised Person shall inform the Trading Member of any proposed material change in its status and constitution.

- (d) The Authorized Person shall not receive or pay any money or securities in its own name or account. All receipts and payments of securities and funds shall be in the name or account of Trading Member.
- (e) The Authorised Person shall not to issue any documents like bill, confirmation memo, statement of funds/securities to the clients in its own name.
- (f) The Authorised Person agrees that the Trading Member and NSEIL would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of investors with the Authorised Person.
- (g) The Authorised Person shall permit the Trading Member and NSEIL to conduct the inspection of the branch where the terminals are located and records of the operations carried out by the Authorised Person.

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 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 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 NSEIL.

- (d) 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 market.
- (e) The Trading Member shall be entitled to conduct periodic inspection of branch assigned to the Authorised Person and records of operations carried out by the Authorised Person.

#### **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 NSEIL, continue business during currency of the approval and will stop business as an Authorised Person from the date of withdrawal of approval by NSEIL.
- (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 NSEIL.
- (d) This Agreement shall forthwith stand terminated-
  - if the Trading Member for any reason ceases to be a member of NSEIL including by cessation of membership by reason of the Trading Member's, death, resignation, expulsion or having being declared a defaulter or if the certificate issued by the SEBI is cancelled;
  - upon the demise/insolvency of the Authorised Person or the withdrawal of his/its approval with NSEIL.
  - on being satisfied that the continuation of Authorised Person is detrimental to the interest of investors or 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 NSEIL 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 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 news paper with wide circulation.

## 6. **DISPUTES**

- (a) If any dispute arises between the Trading Member and the Authorised Person, the same shall be settled as per the dispute resolution mechanism in accordance with the Rules, Bye-laws and Regulations of NSEIL.
- (b) 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 NSEIL.

## 7. **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.

## NSE Checklist for Appointment of Authorised Person (PARTNERSHIP FIRM / LLP)

Sr.	Documents	Points to be noted while filing the application
1.	a. Online Application b. Online Undertaking by the Trading Member (Annexure 1)	<ul style="list-style-type: none"> <li>The Trading Member shall apply online on ENIT (<a href="https://www.connect2nse.com/MemberPortal">https://www.connect2nse.com/MemberPortal</a>) through ENIT Services--&gt;Exchange--&gt;Authorised Person--&gt;Authorised Person Master Digisign.</li> <li>The undertaking is prompted when the application on ENIT is set to FINAL SAVE status.</li> <li>The undertaking should be digitally signed by the Proprietor/Partner/Director of TM.</li> </ul> <p>Physical documents are not required to be submitted vide circular Ref No: 824/2013 – Digital Submission of Authorised Person Application.</p>
2.	Annexure 2 – Undertaking from applicant Partnership Firm.   Annexure-2_Firm_LL P_undertaking from A <b>Format:</b>	<ul style="list-style-type: none"> <li>To be on the letterhead of the partnership firm.</li> <li>All clauses should be mentioned exactly as per the format provided herewith.</li> <li>Should be stamped &amp; signed by all the Partners or Authorised Signatory of the firm.</li> <li>If signed by Authorised signatory duly certified letter of Authority signed by all partners should be uploaded.</li> </ul>
3.	Annexure 3 - Details of Partners of AP (including profit/loss sharing ratio)   Annexure-3_Firm_LL P_Partner details.doc <b>Format:</b>	<ul style="list-style-type: none"> <li>To be on the letter head of the Partnership Firm.</li> <li>Should not be older than 6 months from the date of application</li> <li>Should be certified by practising CA/CS (certification should not be older than 6 months from the date of application)</li> <li>Profit/Loss Sharing Ratio mentioned on ENIT should match with the details on annexure.</li> <li>Should be signed by all Partners or Authorised Signatory of the firm.</li> <li>If signed by Authorised signatory duly certified letter of Authority signed by all partners should be uploaded.</li> </ul>
4.	Agreement between TM and applicant AP   mem_agrment_tm_a p.doc <b>Format:</b>	<ul style="list-style-type: none"> <li>Segment applied for, on ENIT should match with the agreement uploaded.</li> <li>A single agreement can be executed for multiple segments.</li> <li>To be on a non-judicial stamp paper of Rs.100/- or as per stamp value applicable in the particular state where the agreement has been executed. Also clear franking date/stamp date should be mentioned.</li> <li>The agreement date should be on or after the stamp paper/franking date.</li> <li>The application should be submitted within 6 months from the date of agreement.</li> <li>All clauses should be mentioned exactly as per the format provided herewith.</li> </ul>

		<ul style="list-style-type: none"> <li>• To be signed and stamped by Proprietor/Partner/ Director of TM and all the partners of the AP on all pages.</li> <li>• To be certified as true copy on all pages by Proprietor/Partner/ Director of the trading member.</li> <li>• Duly certified scanned copies of the entire agreement (including the e-stamp paper) should be uploaded on ENIT.</li> </ul>
5.	PAN Card of the firm and all partners	<ul style="list-style-type: none"> <li>• PAN entered on ENIT should match with proofs provided.</li> <li>• To be certified as true copy (stamped and signed) by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.</li> </ul>
6.	Proof of Date of Birth  (Minimum age of Partner: 18 years)	<ul style="list-style-type: none"> <li>• Data entered on ENIT should match with the proof provided</li> <li>• As proof of age, duly certified scanned copy of PAN Card/Driving Licence/School leaving certificate/SSC Certificate/Passport should be submitted</li> <li>• To be certified as true copy (stamped and signed) by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.</li> </ul>
7.	Proof of Educational Qualification of all partners  (Minimum 10 <sup>th</sup> standard pass or equivalent examination recognised by Government)	<ul style="list-style-type: none"> <li>• Data entered on ENIT should match with the proof provided</li> <li>• Duly certified scanned copy of latest qualification or S.S.C. passed mark sheet/certificate or the copy of Equivalent examination passed from an institution recognized by the government to be uploaded.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
8.	a. Proof of Registered Office of firm b. Proof of Residential Address of all Partners of Authorised Person	<ul style="list-style-type: none"> <li>• Address entered on ENIT should match with the proof provided</li> <li>• Proof of address with expiry date, if any, should be valid on the date of submission.</li> <li>• Proof in regional languages should be translated in English/Hindi.</li> <li>• Duly certified scanned copies of the following documents can be submitted :               <ul style="list-style-type: none"> <li>✓ Latest Landline Telephone Bill (not older than 6 months)</li> <li>✓ Latest Electricity bill (not older than 6 months)</li> <li>✓ Bank Statement/Pass Book (single/joint/second holder). The first page (containing the address) and the page with the latest transaction list (not older than 6 months) should be uploaded.</li> <li>✓ Notarized / Registered Rent Agreement (In case of agreements in regional languages the commencement date, name and address of the parties and the validity of the agreement should be translated in English/Hindi).</li> <li>✓ Voters id / Driving License /Valid Passport /Aadhaar Card</li> <li>✓ Valid Ration card. In case of Family Card, the</li> </ul> </li> </ul>

		<p>documents supporting the extended validity should also be uploaded.</p> <ul style="list-style-type: none"> <li>✓ Trade license agreement / Shop Establishment Certificate</li> <li>✓ Purchase deed along with index form.</li> </ul> <ul style="list-style-type: none"> <li>• In case the address proof is in the name of Spouse/Parents of the partner, an undertaking from the Spouse/Parents is required to be submitted along with the address proof.</li> <li>• In case the applicant is operating from the Trading Member premises, an address proof of the trading member along with the NOC from the trading member is to be submitted.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
9.	Registered Partnership Deed / LLP Agreement	<ul style="list-style-type: none"> <li>• Registered Partnership Deed / LLP Agreement should consist clause/nature of business permitting the applicant firm to deal in shares and securities business.</li> <li>• Certificate of Registration of Partnership firm (ROF) should also be submitted.</li> <li>• The pages containing the clause/nature of business, details of profit/loss sharing should be uploaded.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
	Points to be noted :	
1.	In case the name of the Authorised Person as per the application submitted differs from that of the above documents uploaded alongwith the application, the certified true copy of Marriage Certificate/ Notarised Affidavit should be submitted.	
2	All documents uploaded should be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.	
3	In case the documents are CA/CS/Notary/Advocate attested, their membership number should be mentioned.	
4	In case of attestation by Authorised signatory duly certified Letter of Authority signed by all partners should be uploaded.	
5	<p>The partners of applicant firm should :</p> <ul style="list-style-type: none"> <li>▪ Not be a Trading Member of the Exchange</li> <li>▪ Not be a registered AP of any other Trading Member of the Exchange</li> <li>▪ Not a Proprietor/Partner/Director in any firm/corporate of a trading member or registered Authorised Person.</li> <li>▪ Have a good reputation and character</li> </ul>	
6	<p>The partners of applicant firm are :</p> <ul style="list-style-type: none"> <li>▪ Not a defaulter in any other Stock Exchange</li> <li>▪ Not appearing in SEBI debarred Directors/ Vanishing Companies List</li> <li>▪ Has not been convicted of any offence involving fraud or dishonesty</li> <li>▪ Not appearing in CIS and Non CIS list or CIBIL database</li> </ul>	
7	Trading Member is not disabled or suspended or any disciplinary action has been taken/ initiated.	
8	In case applying for Sub broker Cancellation and Authorised Person Appointment at the same time undertaking from trading Member in format specified should be uploaded. The path for the same is Membership - > Sub-broker - > Cancellation of Sub broker - >Download Undertaking Format.	

# FORMATS FOR APPOINTMENT APPLICATION OF AUTHORISED PERSON (PARTNERSHP FIRM/LLP) OF NSEIL

## INDEX

Sr. No.	Annexure	Particulars	CA/CS required	Certification
1	Annexure – 2	<a href="#">Undertaking from Applicant AP</a>	No	
2	Annexure – 3	<a href="#">Details of Partners</a>	Yes	
3	-	<a href="#">Agreement between TM and AP</a>	No	

## Annexure – 2

### Undertaking

*(on the letterhead of the Authorised partnership firm)*

We, M/s. \_\_\_\_\_ *(name of the applicant authorised person)* had applied for appointment as Authorised Person of the Exchange on

*(Tick the segment (s) applied for)*

- ☐ Capital Market
- ☐ Futures & Options
- ☐ Currency Derivatives

segment (s) through trading member, M/s. \_\_\_\_\_ *(name of the trading member)*. In this regard, we hereby confirm/undertake that:

1. neither we nor our partners have been convicted for any offence in the past and presently not under trial for any offence involving fraud and dishonesty.
2. 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 we nor our partners are Authorised Person of any other member of the Stock Exchange nor have applied for appointment as Authorised Person with any other member of the Stock Exchange.
4. we are not defaulter/expelled on any stock exchange.
5. we are “fit and proper” person under 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.

Date: \_\_\_\_\_

Place: \_\_\_\_\_

\_\_\_\_\_  
**\* Name, Signature & Seal**

\*Should be signed by Partner of the Authorised Person.

**Annexure - 3**  
(on the letterhead of the Authorised person)

**DETAILS OF PARTNERS OF M/S. \_\_\_\_\_ (APPLICANT AUTHORISED PERSON'S NAME) AS ON \_\_\_\_\_**

No	Partners Name \$	Father's Name	Date of Birth	PAN No. #	Qualification	Residential Address	Contact / Mobile No.	Profit/Loss Sharing Ratio
1								
2								
3								
4								

**NOTES :**

\$ All initials to be expanded (full name to be indicated)

Place:

Signature of Partner of the Authorised Person

With Stamp of the Authorised Person

**CERTIFICATE**

This is to certify that the details of partners in M/s. \_\_\_\_\_ 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.

For (Name of Certifying Firm)

Name of the Partner/Proprietor

Chartered Accountant/Company Secretary

Membership Number

Date:



## TRADING MEMBER AND AUTHORISED PERSON AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 200\_ at \_\_\_\_\_ between \_\_\_\_\_, Member of National Stock Exchange of India Ltd. (hereinafter referred to as "NSEIL"), ordinarily carrying on business in sale and purchase of shares and 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 NSEIL as an agent of the Trading Member in the Capital Markets/Futures & Options /Currency 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 6<sup>th</sup> 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 NSEIL and is a SEBI registered stock broker.
3. The Authorised Person is desirous of affiliating to the Trading Member to provide access to trading platform of NSEIL in \_\_\_\_\_ segment as an agent of the Trading Member.
4. The Trading Member has satisfied about the eligibility criteria of the Authorised Person as stipulated by SEBI and NSEIL from time to time and therefore has agreed to the request of the Authorised Person.
5. SEBI vide the said Circular has stipulated that the stock 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 NSEIL in its Circulars issued from time to time.

- (b) 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 MIRSD/ DR-1/ Cir- 16 /09 dated November 06, 2009 and Circulars issued by SEBI and NSEIL from time to time.
- (c) The client shall be registered with Trading Member only. 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 Authorized Person.
- (d) All acts of omission and commission of the Authorized Person shall be deemed to be of the Trading Member.

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

- (a) The Authorised Person shall not commit transactions in securities through the Trading Member in excess of the amount mutually agreed upon in writing from time to time.
- (b) The Authorised Person shall receive his remuneration - fees, charges, commission, salary, etc. - for his services only from the Trading Member and he/it shall not charge any amount from the clients.
- (c) The Authorised Person shall inform the Trading Member of any proposed material change in its status and constitution.

- (d) The Authorized Person shall not receive or pay any money or securities in its own name or account. All receipts and payments of securities and funds shall be in the name or account of Trading Member.
- (e) The Authorised Person shall not to issue any documents like bill, confirmation memo, statement of funds/securities to the clients in its own name.
- (f) The Authorised Person agrees that the Trading Member and NSEIL would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of investors with the Authorised Person.
- (g) The Authorised Person shall permit the Trading Member and NSEIL to conduct the inspection of the branch where the terminals are located and records of the operations carried out by the Authorised Person.

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 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 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 NSEIL.
- (d) 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 market.
- (e) The Trading Member shall be entitled to conduct periodic inspection of branch assigned to the Authorised Person and records of operations carried out by the Authorised Person.

#### **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 NSEIL, continue business during currency of the approval and will stop business as an Authorised Person from the date of withdrawal of approval by NSEIL.

- (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 NSEIL.
- (d) This Agreement shall forthwith stand terminated-
  - i) if the Trading Member for any reason ceases to be a member of NSEIL including by cessation of membership by reason of the Trading Member's, death, resignation, 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 NSEIL.
  - iii) on being satisfied that the continuation of Authorised Person is detrimental to the interest of investors or 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 NSEIL 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 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 news paper with wide circulation.

6. **DISPUTES**

- (a) If any dispute arises between the Trading Member and the Authorised Person, the same shall be settled as per the dispute resolution mechanism in accordance with the Rules, Bye-laws and Regulations of NSEIL.
- (b) 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 NSEIL.

7. **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.

## NSE Checklist for Appointment of Authorised Person (CORPORATE)

Sr.	Documents	Points to be noted while filing the application
1.	a. Online Application b. Online Undertaking by the Trading Member (Annexure 1)	<ul style="list-style-type: none"> <li>The Trading Member shall apply online on ENIT (<a href="https://www.connect2nse.com/MemberPortal">https://www.connect2nse.com/MemberPortal</a>) through ENIT Services--&gt;Exchange--&gt;Authorised Person--&gt;Authorised Person Master Digisign.</li> <li>The undertaking is prompted when the application on ENIT is set to FINAL SAVE status.</li> <li>The undertaking should be digitally signed by the Proprietor/Partner/Director of TM.</li> </ul> <p>Physical documents are not required to be submitted vide circular Ref No: 824/2013 – Digital Submission of Authorised Person Application.</p>
2.	Annexure 2 – Undertaking from applicant corporate.   Annexure-2_Corp_u ndertaking from AP.d  <b>Format:</b>	<ul style="list-style-type: none"> <li>To be on the letterhead of the corporate applicant (registered office should be mentioned)</li> <li>All clauses should be mentioned exactly as per the format provided herewith.</li> <li>Should be stamped &amp; signed by all Directors or Authorised Signatory of the corporate.</li> <li>If signed by Authorised signatory duly certified Board Resolution signed by all directors should be uploaded.</li> </ul>
3.	Annexure 3 - Details of Directors of AP   Annexure-3_Corp_Di rector details.docx  <b>Format:</b>	<ul style="list-style-type: none"> <li>To be on the letter head of the corporate applicant.</li> <li>Should not be older than 6 months from the date of application</li> <li>Should be certified by practising CA/CS (certification should not be older than 6 months from the date of application)</li> <li>Should be signed by all Directors or Authorised Signatory.</li> <li>If signed by Authorised signatory duly certified Board Resolution signed by all directors should be uploaded.</li> </ul>
4.	Annexure 4 - Details of Shareholding   Annexure-4_Corp_S hareholder details.do  <b>Format:</b>	<ul style="list-style-type: none"> <li>To be on the letter head of the corporate applicant.</li> <li>Should not be older than 6 months from the date of application</li> <li>Should be certified by practising CA/CS (certification should not be older than 6 months from the date of application)</li> <li>Should be signed by all Directors or Authorised Signatory.</li> <li>If signed by Authorised signatory duly certified Board Resolution signed by all directors should be uploaded.</li> </ul>
5.	Agreement between TM and applicant AP   mem_agrment_tm_a p.doc  <b>Format:</b>	<ul style="list-style-type: none"> <li>Segment applied for, on ENIT should match with the agreement uploaded.</li> <li>A single agreement can be executed for multiple segments.</li> <li>To be on a non-judicial stamp paper of Rs.100/- or as per stamp value applicable in the particular state where the agreement has been executed. Also clear franking date/stamp</li> </ul>

		<p>date should be mentioned.</p> <ul style="list-style-type: none"> <li>• The agreement date should be on or after the stamp paper/franking date.</li> <li>• The application should be submitted within 6 months from the date of agreement.</li> <li>• All clauses should be mentioned exactly as per the format provided herewith.</li> <li>• To be signed and stamped by Proprietor/Partner/ Director of TM and all the partners of the AP on all pages.</li> <li>• To be certified as true copy on all pages by Proprietor/Partner/ Director of the trading member.</li> <li>• Duly certified scanned copies of the entire agreement (including the e-stamp paper) should be uploaded on ENIT.</li> </ul>
6.	PAN Card of the corporate and all directors	<ul style="list-style-type: none"> <li>• PAN entered on ENIT should match with proof provided.</li> <li>• To be certified as true copy (stamped and signed) by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.</li> </ul>
7.	<p>Proof of Date of Birth</p> <p>(Minimum age of Director: 18 years)</p>	<ul style="list-style-type: none"> <li>• Data entered on ENIT should match with the proof provided</li> <li>• As proof of age, duly certified scanned copy of PAN Card/Driving Licence/School leaving certificate/SSC Certificate/Passport should be submitted</li> <li>• To be certified as true copy (stamped and signed) by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.</li> </ul>
8.	<p>Proof of Educational Qualification of all directors</p> <p>(Minimum 10<sup>th</sup> standard pass or equivalent examination recognised by Government)</p>	<ul style="list-style-type: none"> <li>• Data entered on ENIT should match with the proof provided</li> <li>• Duly certified scanned copy of latest qualification or S.S.C. passed mark sheet/certificate or the copy of Equivalent examination passed from an institution recognized by the government to be uploaded.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
9.	<p>a. Proof of Registered Office of Corporate</p> <p>b. Proof of Residential Address of all directors of Authorised Person</p>	<ul style="list-style-type: none"> <li>• Address entered on ENIT should match with the proof provided</li> <li>• Proof of address with expiry date, if any, should be valid on the date of submission.</li> <li>• Proof in regional languages should be translated in English/Hindi.</li> <li>• Duly certified scanned copies of the following documents can be submitted : <ul style="list-style-type: none"> <li>✓ Latest Landline Telephone Bill (not older than 6 months)</li> <li>✓ Latest Electricity bill (not older than 6 months)</li> <li>✓ Bank Statement/Pass Book (single/joint/second holder). The first page (containing the address) and the page with the latest transaction list (not older than 6 months) should be uploaded.</li> <li>✓ Notarized / Registered Rent Agreement (In case of agreements in regional languages the commencement</li> </ul> </li> </ul>

		<p>date, name and address of the parties and the validity of the agreement should be translated in English/Hindi).</p> <ul style="list-style-type: none"> <li>✓ Voters id / Driving License /Valid Passport /Aadhaar Card</li> <li>✓ Valid Ration card. In case of Family Card, the documents supporting the extended validity should also be uploaded.</li> <li>✓ Trade license agreement / Shop Establishment Certificate</li> <li>✓ Purchase deed along with index form.</li> <li>• In case the address proof is in the name of Spouse/Parents of the director, an undertaking from the Spouse/Parents is required to be submitted along with the address proof.</li> <li>• In case the applicant is operating from the Trading Member premises, an address proof of the trading member along with the NOC from the trading member is to be submitted.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
10.	Memorandum of Association (including certificate of incorporation) of the corporate applicant.	<ul style="list-style-type: none"> <li>• MOA (main object clause) should consist of clause permitting the corporate applicant to deal in shares and securities business.</li> <li>• In case the aforesaid clause does not exist in the Main Objects Clause of Memorandum of Association, certified true copy of board resolution approving the inclusion of the said clause in Main Objects Clause MOA shall be submitted.</li> <li>• To be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate.</li> </ul>
	Points to be noted :	
1.	In case the name of the Authorised Person as per the application submitted differs from that of the above documents uploaded alongwith the application, the certified true copy of Marriage Certificate/ Notarised Affidavit should be submitted.	
2	All documents uploaded should be certified as true copy by Proprietor/Partner/ Director of the trading member or CA/CS/Advocate while uploading on ENIT.	
3	In case the documents are CA/CS/Notary/Advocate attested, their membership number should be mentioned.	
4	In case of attestation by Authorised signatory duly certified Board Resolution signed by all directors should be uploaded.	
5	<p>The directors of applicant corporate should :</p> <ul style="list-style-type: none"> <li>▪ Not be a Trading Member of the Exchange</li> <li>▪ Not be a registered AP of any other Trading Member of the Exchange</li> <li>▪ Not a Proprietor/Partner/Director in any firm/corporate of a trading member or registered Authorised Person.</li> <li>▪ Have a good reputation and character</li> </ul>	
6	<p>The directors of applicant corporate should:</p> <ul style="list-style-type: none"> <li>▪ Not a defaulter in any other Stock Exchange</li> <li>▪ Not appearing in SEBI debarred Directors/ Vanishing Companies List</li> <li>▪ Has not been convicted of any offence involving fraud or dishonesty</li> <li>▪ Not appearing in CIS and Non CIS list or CIBIL database</li> </ul>	

7	Trading Member is not disabled or suspended or any disciplinary action has been taken/ initiated.
8	In case applying for Sub broker Cancellation and Authorised Person Appointment at the same time undertaking from trading Member in format specified should be uploaded. The path for the same is Membership - > Sub-broker - > Cancellation of Sub broker - >Download Undertaking Format.

## FORMATS FOR APPOINTMENT APPLICATION OF AUTHORISED PERSON (CORPORATE) OF NSEIL

### INDEX

Sr. No.	Annexure	Particulars	CA/CS required	Certification
1	Annexure – 2	<a href="#">Undertaking from Applicant AP</a>	No	
2	Annexure – 3	<a href="#">Details of Directors</a>	Yes	
3	Annexure – 4	<a href="#">Details of Shareholders</a>	Yes	
4	-	<a href="#">Agreement between TM and AP</a>	No	

## Annexure – 2

### Undertaking

*(on the letterhead of the Authorised Corporate entity)*

We, M/s. \_\_\_\_\_ (*name of the applicant authorised person*) had applied for appointment as Authorised Person of the Exchange on

*(Tick the segment (s) applied for)*

- ☐ Capital Market
- ☐ Futures & Options
- ☐ Currency Derivatives

segment (s) through trading member, M/s. \_\_\_\_\_ (*name of the trading member*). In this regard, we hereby confirm/undertake that:

1. neither we nor our directors have been convicted for any offence in the past and presently not under trial for any offence involving fraud and dishonesty.
2. 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 we nor our directors are Authorised Person of any other member of the Stock Exchange nor have applied for appointment as Authorised Person with any other member of the Stock Exchange.
4. we are not defaulter/expelled on any stock exchange.
5. we are “fit and proper” person under 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.

Date: \_\_\_\_\_

Place: \_\_\_\_\_

\_\_\_\_\_  
**\* Name, Signature & Seal**

\*Should be signed by Director of the Authorised Person.

### Annexure – 3

*(on the letterhead of the Authorised person)*

**DETAILS OF DIRECTORS OF M/S. \_\_\_\_\_ (APPLICANT AUTHORISED  
PERSON'S NAME) AS ON \_\_\_\_\_ (date)**

No	Name \$	Father's Name	Date of Birth	PAN No. #	Qualificati on	Residential Address	Contact / Mobile No.
1							
2							
3							
4							

**NOTES:**

\$ All initials to be expanded (full name to be indicated)

Place:

Signature of Director of Authorised Person

With Stamp of the Authorised Person

### **CERTIFICATE**

This is to certify that the details of directors in M/s. \_\_\_\_\_ 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.

For (Name of Certifying Firm)

Name of the Partner/Proprietor

Chartered Accountant/Company Secretary

Membership Number

Date:



## Annexure – 4

(on the letterhead of the Authorised person)

Shareholding Pattern of \_\_\_\_\_ (name of Authorised Person) as on \_\_\_\_\_  
(date)

Sr. no.	Name \$	Number of Shares held	Paid-up value per share Rs.	Amt paid- up Rs.	% age of total
1.					
2.					
3.					
4.					
5.					
Others					
<b>TOTAL</b>					<b>100%</b>

Place:

Signature(s)

Signature of Director of the Authorised Person

With Stamp of the Authorised Person

## CERTIFICATE

This is to certify that the Shareholding in M/s. \_\_\_\_\_ 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.

Date:

Place:

For (Name of Certifying Firm)

Name of the Partner/Proprietor

Chartered Accountant/Company Secretary

Membership Number

## TRADING MEMBER AND AUTHORISED PERSON AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 200\_ at \_\_\_\_\_ between \_\_\_\_\_, Member of National Stock Exchange of India Ltd. (hereinafter referred to as "NSEIL"), ordinarily carrying on business in sale and purchase of shares and 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 NSEIL as an agent of the Trading Member in the Capital Markets/Futures & Options /Currency 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 6<sup>th</sup> 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 NSEIL and is a SEBI registered stock broker.
3. The Authorised Person is desirous of affiliating to the Trading Member to provide access to trading platform of NSEIL in \_\_\_\_\_ segment as an agent of the Trading Member.
4. The Trading Member has satisfied about the eligibility criteria of the Authorised Person as stipulated by SEBI and NSEIL from time to time and therefore has agreed to the request of the Authorised Person.
5. SEBI vide the said Circular has stipulated that the stock 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 NSEIL in its Circulars issued from time to time.

- (b) 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 MIRSD/ DR-1/ Cir- 16 /09 dated November 06, 2009 and Circulars issued by SEBI and NSEIL from time to time.
- (c) The client shall be registered with Trading Member only. 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 Authorized Person.
- (d) All acts of omission and commission of the Authorized Person shall be deemed to be of the Trading Member.

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

- (a) The Authorised Person shall not commit transactions in securities through the Trading Member in excess of the amount mutually agreed upon in writing from time to time.
- (b) The Authorised Person shall receive his remuneration - fees, charges, commission, salary, etc. - for his services only from the Trading Member and he/it shall not charge any amount from the clients.
- (c) The Authorised Person shall inform the Trading Member of any proposed material change in its status and constitution.

- (d) The Authorized Person shall not receive or pay any money or securities in its own name or account. All receipts and payments of securities and funds shall be in the name or account of Trading Member.
- (e) The Authorised Person shall not to issue any documents like bill, confirmation memo, statement of funds/securities to the clients in its own name.
- (f) The Authorised Person agrees that the Trading Member and NSEIL would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of investors with the Authorised Person.
- (g) The Authorised Person shall permit the Trading Member and NSEIL to conduct the inspection of the branch where the terminals are located and records of the operations carried out by the Authorised Person.

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 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 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 NSEIL.
- (d) 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 market.
- (e) The Trading Member shall be entitled to conduct periodic inspection of branch assigned to the Authorised Person and records of operations carried out by the Authorised Person.

#### **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 NSEIL, continue business during currency of the approval and will stop business as an Authorised Person from the date of withdrawal of approval by NSEIL.

- (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 NSEIL.
- (d) This Agreement shall forthwith stand terminated-
  - i) if the Trading Member for any reason ceases to be a member of NSEIL including by cessation of membership by reason of the Trading Member's, death, resignation, 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 NSEIL.
  - iii) on being satisfied that the continuation of Authorised Person is detrimental to the interest of investors or 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 NSEIL 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 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 news paper with wide circulation.

6. **DISPUTES**

- (a) If any dispute arises between the Trading Member and the Authorised Person, the same shall be settled as per the dispute resolution mechanism in accordance with the Rules, Bye-laws and Regulations of NSEIL.
- (b) 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 NSEIL.

7. **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.

**APPLICATION FORM FOR APPOINTMENT OF AUTHORISED PERSON**

(On the letterhead of the Member)

Date:

**The Membership Department**

Multi Commodity Exchange of India Ltd. (MCX)

"Exchange Square", Suren Road

Chakala, Andheri (East)

Mumbai 400 093

Dear Sir/Madam,

I/We am/are a member of MCX having Registration No. \_\_\_\_\_, and Member Id: \_\_\_\_\_ allotted by MCX.

I/We am/are desirous of appointing the following entity as Authorised Person.

I/We further confirm that the said application for the Appointment of Authorised Person is in compliance with the relevant Exchange/SEBI circulars and guidelines.

The details of the proposed Authorised Person are as Follows:

Sr. No.	Information Required	Details of the Authorised Person
1	Applicant Name of proposed Authorised Person( <i>in capitals – Expand all initials</i> ) :	
2	Trade Name of Proposed Authorised Person ( <i>Block Letters</i> ):	
3	Constitution: (Individual/Partnership/LLP/Body Corporate)	
4	Nationality	
5	Date of Incorporation/ Registration (In Case of corporate/firm/LLP)	
6	<b>Date of birth in case of Individual</b>	
7	<b>Office Address Details*</b>	
8	Name and designation of the Contact Person in Authorised Person's office*:	
9	Income Tax Permanent Account No. (PAN) of Authorised Person	

Sr. No.	Information Required	Details of the Authorised Person
10	Details of Infrastructure of Authorised Person*: a) Is office owned / rented: b) Area ( in sq. ft ): c) Details of manpower ( if any ): d) Details of other infrastructure available( if any ) : e) Connectivity Details (VSAT / Leased Line / Internet): f) No. of terminals proposed to be provided to Authorised Person (any change in this would be required to be updated with the Exchange on timely basis)	

\*Complete Office Address including Pin code, City, State. Phone numbers/ Fax Number with STD code, Email id, Website etc to be mentioned. In case of multiple locations, please enclose separate annexure

**(Signature of member)**

**(Name of member)**

**(On the letterhead of the Member)**

I/We hereby submit the following documents with respect to the of Authorised Person  
M/s\_\_\_\_\_:

1. Undertaking providing various confirmations with respect to the appointment of Authorised Person from - AP-2,
2. Details of Individual/Directors/Partners of the Authorised Person viz., M/s. \_\_\_\_\_ as per AP-3
3. Undertaking received from the Authorised Person viz., M/s. \_\_\_\_\_ as per AP- 4,
4. Details of Shareholding / Sharing Pattern of the Authorised Person viz., M/s. \_\_\_\_\_ in the format as per AP – 5a/5b,
5. Certified true copy of Agreement between M/s. \_\_\_\_\_ (Member) and the Authorised Person viz., M/s. \_\_\_\_\_ as per AP-6,
6. Certified true copies of #:
  - a. PAN Card,
  - b. Proof of Date of Birth,
  - c. Educational Qualification,
  - d. Proof of Registered Office and Residential Address of Individual/Partners/Directors of M/s. \_\_\_\_\_ (applicant Authorised Person),
  - e. **\*\*#**Certified true copy of Registered Partnership Deed / Memorandum of Association of M/s. \_\_\_\_\_ (name of applicant Authorised Person) containing clause permitting them to deal in commodities derivatives contracts

For \_\_\_\_\_ (name of the Member)

**(Signature & Name of member)**

**(To be signed only by Individual / Proprietor / Managing Partner / Designated Director as the case may be or the authorised signatory as on the records of the Exchange)**

Place:-

Date:-

Stamp of member

Note:

- Each page is to be signed only by individual / proprietor / managing partner / designated director as the case may be or the authorised signatory as on the records of the Exchange.
- Photocopies of the documents are to be certified by the member

### Instructions

- This application can be submitted by the member upon ensuring that the applicant Authorised Person is meeting the prescribed eligibility criteria as per SEBI circular no. MIRSD/ DR-1/ Cir- 16 /09 dated November 6, 2011.
- In case the Authorised Person wishes to change its affiliation from one member to another member, the existing member is required to submit an application for cancellation of appointment of Authorised Person and the new affiliating member is required to submit an application for appointment of the Authorised Person.
- In case of change in partners/ directors, change in shareholding/sharing pattern of the Authorised Person, member is required to intimate to the Exchange of the details of the proposed change at least 30 days in advance in the format prescribed by the Exchange.
- In case of change in status and/or constitution of the Authorised Person, member shall intimate the Exchange of the details of the proposed change at least 30 days in advance in the format prescribed by the Exchange
- Further, in case of change in constitution of Authorised Person from Individual to Partnership Firm/LLP/Corporate or from Partnership Firm to LLP/Corporate or from LLP to Corporate, the member is required to submit applications both for cancellation of existing appointment (specifying the reason for cancellation as change in constitution) of such authorised person and for fresh appointment. These applications are to be submitted simultaneously along with the intimation letter for proposed change in constitution.
- All documents requiring signature of the member are to be signed only by individual / proprietor / managing partner / designated director as the case may be or the authorised signatory as on the records of the Exchange.
- All pages of the Member- Authorised Person Agreement are to be signed and stamped by both the parties.

**Undertaking**  
(On the letterhead of the member)

I/We, Mr./Ms./M/s. \_\_\_\_\_ (name of the member) hereby  
Confirm/undertake that:

1. The person proposed to be appointed by me/us as Authorised Person meets all the conditions laid down by SEBI and/or Exchange.
2. Mr. / Ms. / M/s \_\_\_\_\_ (trade name of the Authorised Person), has necessary infrastructure like adequate office space, equipment and manpower to effectively discharge the activities on behalf of the member.
3. Mr. / Ms. / M/s \_\_\_\_\_ (trade name of the Authorised Person), or any of its director is not a member or authorised person of any of the member of the Exchange or director/partner of any Authorised Person of the Exchange
4. We shall ensure that the Authorised Person shall comply with all Rules, Byelaws, Regulations, directions and circulars issued by the Exchange from time to time.
5. We agree and bind ourselves to be responsible for all deals, acts of commission and omission, quotations made and transactions effected, if any, by / through the Authorised Person and shall be responsible for all acts of omission and commission of his authorised persons(s) and/or their employees, including liabilities arising there from.
6. We shall ensure the settlement and honour of all the deals entered into by us as the member of the exchange which orders/deals may have originated from the Authorised Person whom we are recommending to MCX to be accorded recognition as our authorize person.
7. Mr. / Ms. / M/s \_\_\_\_\_ (trade name of the Authorised Person), its directors / partners have good reputation and character and has not been convicted of any offence involving fraud or dishonesty.
8. The authorised person shall not receive or pay any money or commodities in its own name or account and all receipts/payments of commodities and funds shall be in our name or account.
9. If any trading terminal is provided by us to the authorised person, the place where such trading terminal is located shall be treated as our branch office.
10. We shall display at each branch office, additional information such as particulars of authorised person in charge of that branch, time lines for dealing through authorised person, etc., as may be specified by the exchange.
11. We shall notify changes, if any, in the authorised person to all registered clients of that branch at least thirty days before the change.
12. We shall conduct periodic inspection of branches assigned to authorised persons and records of the operations carried out by them. The copies of such inspection reports will be retained by us as record for inspection of MCX and/or SEBI, if required.
13. The client shall be registered with us directly. The funds and commodities of the clients shall be settled directly between us and the client and all documents like contract note, statement of funds and commodities would be issued to client by us. 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/ commodities of clients shall go to account of authorized person.

14. On noticing irregularities, if any, in the operations of authorised person, we shall 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 market.

15. I/We hereby confirm that the Individual/partners/directors/shareholders of the M/s. \_\_\_\_\_ (name of Authorised Person) are neither suspended nor barred by any of the Stock / Commodity. We have verified the relevant databases of SEBI & RBI available on their respective websites and hereby confirm that names of the directors/shareholders of the Authorised Person are fit and proper persons and does not appear in the CIS, non-CIS cases and vanishing company database of SEBI as per information available at [sebi.gov.in](http://sebi.gov.in) and in the suit filed cases as per information available at [cibil.com](http://cibil.com).

16. I/We hereby agree to recommend the above mentioned applicant as authorised person having ensured that the applicant authorised person has met the requisite eligibility criteria of the exchange prescribed vide its aforesaid circular no. MCX/MEM/324/2016 dated September 29, 2016.

Date: \_\_\_\_\_

\_\_\_\_\_ Signature \_\_\_\_\_

Place: \_\_\_\_\_

Name of the Authorised Signatory and Stamp of the member

Note: Each page of the Undertaking is to be signed only by individual / proprietor / managing partner / designated director as the case may be or the authorised signatory as on the records of the Exchange.



Details of Individual/Director/ Partners/ of M/s. \_\_\_\_\_  
(Applicant Authorised Person's Name) as on \_\_\_\_\_

Sr. No	Name \$	Father's Name \$	Husband's Name **	Date of Birth	PAN No	Qualification	Residential Address **	Contact/ Mobile No	Email ID

**NOTES:**

1. \$ All initials to be expanded (full name to be indicated)
2. \*\* Applicable only in case of married female applicants. In case if the applicant has not changed her name and address post marriage an undertaking to be obtained from applicant(s) for no change in name and address post marriage duly self-certified and the confirmed by the Member.

Date:

Place:

3. \*\*\*Signature of Individual/Partner/Director with Stamp of the Authorised Person
4. \*\*\* Signature of the applicant should match with the PAN, If not than please provide the bank verification as per the prescribed format of the Exchange available on the Exchange website.

**CERTIFICATE**

This is to certify that the details of Individual/partner/director in \_\_\_\_\_ and 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 and signed before me.

For (Name of Certifying Firm)  
Name of the Partner/Proprietor  
Chartered Accountant  
Membership Number  
Date:

**Please paste self-attested photographs of the Individual / partners / directors duly signed across:**

--	--	--	--	--

**(Name & Signature of member)**

(to be signed only by individual / proprietor / managing partner / designated director as the case may be or the authorised signatory as on the records of the Exchange)

**Undertaking**

(On the letterhead of the Authorised person)

I/We Mr./Ms./M/s. \_\_\_\_\_ (*name of the applicant*) had applied for Appointment as Authorised Person of the Exchange through member, M/s. \_\_\_\_\_ (*Name of the member*). In this regard, I/We hereby confirm/undertake that:

1. I/We and our partners/directors have not 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 directly with investors and not through any other authorised person on appointment with exchange.
3. I/We and our directors/partners is/are neither an Authorised Person of any other member of the Exchange and nor has/have applied for appointment as Authorised Person with any other member of the Exchange.
4. We are not defaulter / expelled on any Exchange
5. I/We are "fit and proper" person under 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.
6. I/We shall abide by the guidelines issued by SEBI/Exchange in this regard.

Date: \_\_\_\_\_

Place: \_\_\_\_\_

\_\_\_\_\_  
**\*\* Signature, Name & Seal**

\*\* Should be signed by Individual/ All partners / All Directors of the proposed Authorised Person.

**(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%

Date:

Place:

Signature(s)

Name of Director(s)

With Stamp of the Authorised Person

**CERTIFICATE**

This is to certify that the Shareholding in \_\_\_\_\_ 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.

Date:

Place:

For (Name of Certifying Firm)

Name of the Partner/Proprietor

Chartered Accountant

Membership Number

**(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%

**Partner: Mr. / Ms.** \_\_\_\_\_

Date:

Place:

Signature(s)

Name of Partner(s)

With Stamp of the Authorised Person

CERTIFICATE

This is to certify that the Capital and Sharing Pattern of \_\_\_\_\_ 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.

Date:

Place:

For (Name of Certifying Firm)

Name of the Partner/Proprietor

Chartered Accountant

Membership Number

To be on a non-judicial stamp paper of minimum Rs.100/-

### MEMBER AND AUTHORISED PERSON AGREEMENT

This Agreement is entered into this \_\_\_\_\_ day of \_\_\_\_\_ 201\_ at \_\_\_\_\_ between \_\_\_\_\_, Member of Multi Commodity Exchange of India Ltd. (hereinafter referred to as "MCX"), ordinarily carrying on business of dealing in commodities derivatives contracts in the name and style of \_\_\_\_\_ from \_\_\_\_\_ (hereinafter referred to as "the 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

\_\_\_\_\_ an individual/partnership firm/LLP/body corporate desirous of providing access to MCX as an agent of the Member in the Commodities derivatives contracts 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 And Exchange Board of India (hereinafter referred to as "SEBI") vide its Circular no. MIRSD/DR-1/Cir-16/09 dated November 6, 2009 has allowed registered members of Commodities Exchanges to provide access to clients through authorised persons.
2. The Member is a member of MCX with member id \_\_\_\_\_ and Unique Member Code/SEBI Registration No \_\_\_\_\_.

3. The Authorised Person is desirous of affiliating to the Member to provide access to MCX as an agent of the Member.
4. The Member has satisfied itself about the eligibility criteria, infrastructure requirement, conditions of appointment of the Authorised Person as stipulated by SEBI and MCX from time to time and therefore has agreed to the request of the Authorised Person. Further, the Member also undertakes to fulfil the obligations as mentioned in clause (7) of the SEBI circular no. MIRSD/DR-1/Cir-16/09 dated November 6, 2009 on “Regulatory Framework for Market Access through Authorised Person in Commodity Futures Market” or such obligations for the members as may be prescribed by SEBI/MCX from time to time.
5. SEBI vide the said Circular has stipulated that the Member 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 Member and the Authorised Person shall act as per the requirements specified by SEBI and MCX in its circulars / directives issued from time to time.
- (b) 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 no. MIRSD/DR-1/Cir-16/09 dated November 6, 2009 and circulars / directives issued by SEBI and MCX from time to time.

- (c) The client shall be registered with Member only. The funds, monies, commodities or warehouse receipts, of the clients, as the case may be shall be settled directly between Member and client and all documents like contract note, statement of funds and commodities would be issued to client by Member. The Authorised person may provide only administrative assistance in procurement of documents and settlement, but shall not issue any document including contract notes, statement of funds and commodities, to client in its own name. No fund/commodities of clients shall go to account of the Authorized Person.
- (d) All acts of omission and commission of the Authorized Person shall be deemed to be of the Member.

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

- (a) The Authorised Person shall not commit transactions through the Member in excess of the amount mutually agreed upon in writing from time to time.
- (b) The Authorised Person shall receive his remuneration - fees, charges, commission, salary, etc. - for his services only from the Member and he/it shall not charge any amount from the clients.
- (c) The Authorised Person shall inform the Member of any proposed change in directors/partners, change in its status and constitution, change in shareholding/sharing pattern along with the details of the proposed changes at least 45 days in advance in the format prescribed by the Exchange.
- (d) The Authorized 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 Member.

- (e) The Authorised Person shall not issue any documents like contract notes, statement of funds/commodities to the clients in its own name.
- (f) The Authorised Person agrees that the Member and MCX would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of clients with the Authorised Person.
- (g) The Authorised Person shall permit the Member, MCX and/or SEBI to conduct the inspection of the branch where the terminals are located and records of the operations carried out by the Authorised Person.

**3. RIGHTS, RESPONSIBILITIES/OBLIGATIONS OF THE MEMBER**

- (a) The Member shall be solely responsible for all acts of omission and commission of the Authorised Person and/or their employees, including liabilities arising there from. However, between Member and the Authorised Person, the parties shall be responsible to each other for their acts, omissions and negligence if any.
- (b) The Member shall ensure that Authorised Person is permitted to admit or introduce clients and accept orders from the clients on their behalf only after execution of the agreement.
- (c) The Member shall maintain a separate record including accounts in respect of the dealings in commodities entered into on behalf of the individual client's dealing, with bifurcation showing the details routed through the Authorised Person.
- (d) The Member shall ensure that no orders are executed at Authorised person's end before all documents as prescribed by the Exchange or the SEBI, as the case may be, including, Client Registration Form and Risk Disclosure Document are obtained from /given to each such client.



- (e) The Member shall be responsible for uploading of the details pertaining to unique client code (UCC). Further the Authorised Person cannot create or allot unique client code to any client.
- (f) The Member shall treat the office provided to Authorised Person as branch in case trading terminal(s) is/are provided to the Authorised Person.
- (g) The Member shall display at the branch office additional information such as particulars of the Authorised Person in charge of that branch, terms and conditions of its appointment, time lines for dealing through Authorised Person, etc., as may be specified by MCX/SEBI from time to time.
- (h) The Member shall notify changes, if any, in the Authorised Person to all registered clients of that branch at least 15 days before such change.
- (i) On noticing irregularities, if any, in the operations of the Authorised Person, the Member shall be entitled to seek withdrawal of approval, withhold all moneys due to Authorised Person till resolution of client grievances, alert clients in the location where Authorised Person operates, file a complaint with the police, and take all measures required to protect the interest of clients and market.
- (j) The Member shall be entitled to conduct periodic inspection of branch/branches assigned to the Authorised Person and records of operations carried out by the Authorised Person. The copies of such inspection shall be kept by the Member for inspection by MCX and/ or SEBI, if required.
- (k) The Member shall be entitled to audit the records of the Authorised Person to ensure that it complies with all Rules, Byelaws, Business Rules, directions and circulars issued by the Exchange from time to time.
- (l) The Member shall intimate the Exchange any, change in status and/or constitution, including change in partners/ directors, change in shareholding/sharing pattern of Authorised Person along with the details of the proposed change at least 30 days in advance in the format prescribed by the Exchange.

- (m) The Member shall provide such information / documents as mentioned in 3 (d) and 3(e) above during their audit / inspection or as and when required by Exchange or the SEBI.

#### **4. SHARING OF COMMISSION**

The Authorised Person shall receive such remuneration - fees, charges, commission, salary, etc. - for his services only from the Member as may be mutually agreed between the Authorised Person and the Member from time to time and shall not charge any amount under whatever head from the clients of the Member.

#### **5. TERM AND TERMINATION**

- (a) The 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 MCX, continue business during currency of the approval and will stop business as an Authorised Person from the date of withdrawal of approval by MCX.
- (b) The 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. Where the Member has terminated his/its agreement with the Authorised Person, the Member shall inform MCX simultaneously whenever notice for such termination is issued.
- (c) This Agreement shall forthwith stand terminated-
- if the Member for any reason ceases to be a member of MCX including by cessation of membership by reason of the Member's, death, resignation, expulsion or having being declared a defaulter;
  - upon the demise/insolvency of the Authorised Person or the withdrawal of his/its approval with MCX.
  - on being satisfied that the continuation of Authorised Person is detrimental to the interest of clients or commodities market or the Authorised Person at

a subsequent date becomes ineligible under clause (6) of SEBI circular reference no. MIRSD/DR-1/Cir-16/09 dated November 6, 2009 or Circulars issued from time to time and also Circulars issued by MCX/SEBI from time to time.

- (d) In the event of withdrawal of the Authorised Person approval, the Member shall ensure that clients/general public is informed about cancellation of appointment of the Authorised Person. A public advertisement to that effect shall be required to be issued by the 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, at least 15 days prior to termination of such agreement with Authorised Person. Copy(ies) of such advertisement should also be retained by the Member for its record.

## **6. DISPUTES**

- (a) If any dispute arises between the Member and the Authorised Person, the same shall be settled as per the dispute resolution mechanism in accordance with the Rules, Bye-laws and Business Rules of MCX and or SEBI or circulars as may be issued from time to time by MCX/ SEBI.
- (b) Dispute between a client and an Authorised Person shall be treated as dispute between the client and the Member and the same shall be submitted for redressal to the Investor Grievance Cell/Arbitration mechanism of MCX and will be dealt in accordance with the Rules, Bye-laws and Business Rules of MCX and or SEBI and in accordance with the SEBI circular no. MIRSD/DR-1/Cir-16/09 dated November 6, 2009 or circulars as may be issued from time to time by MCX/SEBI.

## **7. 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 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, Co-operative Society, 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 Member**

(Should be signed only by individual / proprietor / designated director as the case may be or the authorised signatory as on the records of the Exchange)

**Witness:**

1. Signature

Name

Address

2. Signature

Name

Address

**Signed for and on behalf of the Authorised Person**

(Should be signed by Individual / Partner / Director of the proposed Authorised Person)

**Witness:**

1. Signature

Name

Address

2. Signature

Name

Address