



**CHECKLIST FOR SUBMITTING DOCUMENTS FOR SUB-BROKER REGISTRATION BY
INDIVIDUAL/PARTNERSHIP/CORPORATE APPLICANT**

1	Application in the prescribed format (available on website bseindia.com) for obtaining recognition as sub-broker with Member of BSE Ltd., duly signed/stamped by the applicant (Please note that, as per Exchange notice no.20090305-21 dated March 05, 2009 sub broker SEBI registration fees will be directly debited to their respective Trading Member's Valan Account).
2	Form-B (Original) in the prescribed format, duly signed and bearing rubber stamp/name of the applicant.
3	Form-C (Original) in the prescribed format on the Member's letterhead of the Member, duly signed and bearing SEBI Registration number stamp of the recommending Member.
4	Letter from the Member in the prescribed format (available on website bseindia.com) authorising BSE to debit the Member's general charges account maintained with the Clearinghouse for processing fees of sub broker registration.
5	Two original reference letters including one from the banker recommending the applicant. (In case of partnership/corporate all partners/directors names should be included in reference)
6	Declaration in the prescribed format from the applicant that he/she/they have not been convicted of any offence involving fraud or dishonesty and no trial is pending against them in court of law. (For all partners/directors in case of partnership/corporate)
7	Undertaking in the prescribed format from the applicant that he/she/they will deal directly with investors and not through any other sub-broker and undertaking for no action taken against applicant.
8	Confirmation/Declaration/undertaking by recommending Member on their letterhead as per the prescribed format (available on website bseindia.com).
9	Certified true copy of agreement between recommending Member and the Sub-broker on Rs.100/- Stamp paper / Franked paper along with signatures of witnesses.
10	Certified true copy of proofs for age, education and PAN card of applicant/applicant firm and of proprietor / all partners / all directors is compulsory (Minimum age & education qualification are 21 years and qualification should be HSC or equivalent to HSC).
11	Market Experience Certificate in case of the education qualification of any Individual/Partners/Directors of the applicant is less than HSC (at least two years of experience in Capital Market required with the SEBI registered firm in hard & soft copy duly scanned in JPEG/BMP format should be submitted).
12	Details relating to the Sharing of Profit ratio & No. of Partners in case the applicant is a partnership firm and Shareholding Pattern & No. of Directors in case applicant is corporate and details of office infrastructure like no. of computers, Fax, Scanning Machine, Printers, no. of employees etc should be submitted.
13	In case applicant is a partnership/corporate, certified true copy of Partnership Deed (Duly certified by C.A/member) in case of partnership firm and Memorandum & Articles of Association in case of corporate to be submitted.
14	In case applicant is a corporate, board resolution authorizing director/s /authorised signatories of the applicant to sign documents for registration of sub-broker signed by director/s/secretary and certified as true copy by a Chartered Accountant/Company Secretary/trading member with registration number and date. (In case of affiliated trading member exchange may demand the board resolution of the member company for verifying the signature of director/s/authorised signatories on documents of sub broker application).
15	Certified true copy of the ROC Form 32 (if applicable) in case of corporate application.
16	In case the applicant is a member of a regional/multiple Stock Exchange certified true copy of turnover figures of the members (applicant) concerned intending to act as sub-brokers from the date of their registration as broker on the regional Stock Exchange & other Stock Exchanges if he is a multiple member till the date of submission of application for acting as a sub-broker. Turnover figures of such members (applicant) should be submitted as per SEBI's circular No:SMD/POLICY/Cir-07/2002 dated 28th March,2002.
17	In case the applicant is member of the regional/multiple stock exchange certified true copy of turnover figures of the transferor also should be submitted as per SEBI's circular No:SMD/POLICY/Cir-07/2002 dated 28th March,2002 from the date of their registration as a broker on the regional/multiple stock exchange in cases where member (applicant) concerned intends to act as sub-brokers. In case, there is no change in the constitution of the member (applicant) since 1991-92, turnover figures of transferor is not applicable.
18	Broker database certificate in case the applicant is a member of a regional Stock Exchange to be certified by the Exchange.
19	In case the applicant is member of a regional/multiple Stock Exchange, a letter from the subsidiary/multiple exchange stating whether, the applicant is entitled for continuity benefits as per SEBI's circular No. SMD/POLICY/CIR-4/98 dated 4th February 1998.
20	In case of individual/partnership/corporate applicant, individual / any partner/director is a married female and there is change of name, then, copy of marriage certificate / affidavit duly attested by notary supporting change of name should be submitted.
21	In case the applicant is already registered or applied as remiser with BSE, an undertaking in the prescribed format (available on website bseindia.com) from the applicant for cancellation of remisership from BSE should be submitted at the time of submitting an application for sub-broker registration.

**APPLICATION FORM FOR OBTAINING RECOGNITION AS SUB-BROKER
WITH TRADING MEMBER OF BSE LTD.**

1	Name of applicant sub-broker	
2	Trade name of sub-broker, firm, corporate body	
3	Type of organization (sole proprietor/partnership/corporate) [Kindly provide name/s of proprietor /partners/directors]	
4	Office address with proof (place from where sub-broker will be operating - covering area, street/road, city/dist., state & PIN etc., are compulsory).	
5	Office Telephone, Fax Numbers & Email ID of the applicant/applicant firm and of proprietor/all partners/all directors are compulsory (including mobile no. of the proprietor/all partners/directors)	
6	Correspondence address	
7	Residence address with proof (i.e. of proprietor/all partners/all directors - covering area, street/road, city/dist., state & PIN etc., are compulsory).	
8	Residence Telephone Numbers of the proprietor/all partners/all directors are compulsory	
9	PAN Number of the applicant & applicant firm and of proprietor/all partners/all directors with proof is compulsory.	
10	Education qualification of proprietor / all partners / all directors with proof are compulsory	
11	Experience in the capital market of proprietor/partner(s)/director(s) (in case of any of applicant qualification is below HSC) soft & hard copy of duly scanned experience certificate in JPEG/BMP format should be submitted).	
12	Name and clearing no. of main Trading Member to whom applicant is affiliated	
13	Date of signing agreement with the Trading Member	
14	Sub-broker affiliated to any other Stock Exchange - if Yes, provide details of SEBI Registration No. & Date of Registration (as member and sub-broker registration both)	
15	Whether any case/claim/arbitration pending against the sub-broker in any court/Stock Exchange (provide details)	
16	Whether associated in any way with any other broking firm, if yes, in what capacity	
17	In case applicant is member of a Regional/Multiple Stock Exchange, provide 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.

Signature of applicant

Date:
Place:

FORM B
SECURITIES AND EXCHANGE BOARD OF INDIA
(Stock Brokers and Sub-Brokers) Regulations 1992
(Regulation 11)

APPLICATION FORM FOR REGISTRATION AS A SUB-BROKER WITH SECURITIES AND EXCHANGE BOARD OF INDIA

1. Name of applicant sub-broker:
2. Trader name of sub-broker, partnership-firm, corporate body.
3. Form of organization – Sole proprietor, partnership, corporate body. Please give name/s of proprietor, all partners, directors
4. Educational qualifications of proprietor, partners, directors etc.

Name	Status	Qualification/s
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5. Name of the member-broker and Stock Exchange to which applicant is affiliated.
6. Date of acquiring sub-brokership
7. Infrastructure arrangements - indicate fax, telex, phones, number of employees, offices and residential numbers.

Office Address

Phone No

Telex No

Fax No

Residential phone nos. of proprietor, partners, directors etc.

8. Number of branch offices and their location with phone, telex and fax numbers.

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

Recommendation letter from the stockbroker to whom I/we am/are affiliated and two references, including one from the banker as required are enclosed.

Signature _____

Date _____

----- Recommendation of the Stock Exchange -----

This is to certify that _____ is a recognized sub-broker affiliated to _____ member-broker of this Exchange.

The application is **recommended** for registration by the SEBI.

AUTHORISED SIGNATORY

_____ Stock Exchange.

FORM C
SECURITIES AND EXCHANGE BOARD OF INDIA
(Stock Brokers and Sub-Brokers) Regulations 1992
RECOMMENDATION LETTER TO BE GIVEN BY THE MEMBER WITH WHOM THE SUB-
BROKER IS AFFILIATED

To,

Bombay Stock Exchange 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 a sub- broker.

I/We confirm that _____ is transacting business through me for a period from _____ and he is a fit and proper person to be registered as a sub-broker.

I/We also confirm that he is known to me/us for well over _____ years and he has got good financial background, moral character and integrity. He has been transacting business frequently and was meeting the market commitments as and when they arise.

I/We hereby recommend his application for granting registration for carrying on shares and securities business as sub-broker. I/We also wish to state that whatever 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 about the same.

I/We member/s of _____ Exchange hereby agree to recommend the above-mentioned applicant.

Yours faithfully,

Signature of Member/s with SEBI Registration Stamp

UNDERTAKING

(ON LETTERHEAD OF APPLICANT)

[An applicant should submit this undertaking while submitting an application for sub-broker registration (Point no.6 of checklist)]

Dy. General Manager

**Member Operations Department
Bombay Stock Exchange Ltd.
Mumbai**

I/We hereby declare that <he/she/they -Name of proprietor/all partners/all directors should be mentioned> have not been convicted of any offence involving fraud or dishonesty and no trial is pending against them in the any court of law.

In case of non-compliance on any part or found this confirmation/declaration/undertaking false, BSE/SEBI may take necessary disciplinary action as per the Rules, Byelaws and Regulations of BSE/SEBI.

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

Date:

UNDERTAKING

(ON LETTERHEAD OF APPLICANT)

[An applicant should submit this undertaking while submitting an application for sub-broker registration (Point No.7 of checklist)]

Dy. General Manager

**Member Operations Department
Bombay Stock Exchange Ltd.
Mumbai**

I/We hereby undertakes that <he/she/they -Name of proprietor/all partners/all directors should be mentioned> will directly deal with investor and not through any other sub-broker.

I/We hereby confirm/declare/undertakes that the SEBI has not taken any action like cancellation of registration /debarred or prohibited from dealing in securities market/imposed penalty after adjudication/prosecution etc. against the applicant M/s<Name/Trade name of sub-broker/s> or against its < Name of proprietor/partner/director/s >.

In case of non-compliance on any part or found this confirmation/declaration/undertaking false, BSE/SEBI may take necessary disciplinary action as per the Rules, Byelaws and Regulations of BSE/SEBI.

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

Date:

**Format for submitting Authorization Letter for debiting SEBI Sub-Broker
Processing Fee to Trading Member's CHB
(On Trading Member's Letter Head (Point no.4 of the checklist))**

Date : _____

Member Operations Department
Bombay Stock Exchange Limited
P.J. Towers
Dalal Street
Mumbai-400001

**RE : Authorization for debiting processing fee for SEBI Sub-Broker
Registration to our Clearing House a/c**

Dear Sir,

This has reference to our sub-broker application of _____
enclosed herewith for SEBI Registration.

As per your notices dated July 31, 2008, we hereby authorize Bombay Stock Exchange Limited to debit a sum of **Rs.2000.00** (Rupees Two thousand only) plus service tax as applicable per application to our General Charges Account maintained with the Clearing House towards processing fee for SEBI Registration of the enclosed sub-broker application/s.

You are requested to kindly do the needful.

Thanking you.

Yours truly,

Name and Signature of the Trading Member
(Proprietor/Partner/Director/Authorized Signatory)

UNDERTAKING

(ON LETTERHEAD OF TRADING MEMBER)

[Trading member should submit this undertaking while submitting an application for sub-broker registration (Point no.8 of the checklist)]

Dy. General Manager

**Member Operations Department
Bombay Stock Exchange Ltd.
Mumbai**

I/We hereby confirm/declare/undertakes that we submit the application/s for sub-broker the name of applicant/s is/are: [-Name/Trade name of sub-broker/s-]

We have verified the relevant databases of SEBI & RBI available on their respective websites and hereby confirm that name of the proprietor/partners/directors of these applicant/s do not appear in the CIS, Non-CIS and Vanishing Companies database of SEBI as per the information available at sebi.gov.in and in the suit filed cases as per the information available at cibil.com (as per annexure – A attached).

Further, we confirm that:

the applicant/s is/are not affiliated to any other Member of BSE.

the applicant/s has/have not introduced any fake/forged/stolen shares in the market. (In case of partnership/corporate for all partner/directors names should be included)

the applicant/s is/are eligible for registration as per the criteria specified in Section 11 (5) of SEBI (Stock Broker and Sub-Broker) Regulations, 1992.

In case of non-compliance on any part or found this confirmation/declaration/undertaking false, BSE/SEBI may take necessary disciplinary action as per the Rules, Byelaws and Regulations of BSE/SEBI.

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

Date:

UNDERTAKING

(ON LETTERHEAD OF TRADING MEMBER)

[Trading Member should submit this undertaking only in case of applicant is already registered as remiser or applied for remisership with BSE (Point no.21 of the checklist)]

I/We hereby certify that the applicant (Name of Sub-Broker) is a registered Remiser / applied for Remisership with the Bombay Stock Exchange Ltd. affiliated to trading member _____ . In view of the applicant's (Name of Sub-Broker) applied for Sub-Broker registration with the Bombay Stock Exchange Ltd and SEBI through us, I/We hereby undertake that He/She/They will cancel the remisership registration if already registered, immediately on receipt of Sub-Broker Registration certificate from SEBI.

In case of non-compliance on any part, BSE may take necessary disciplinary action as per the Rules, Byelaws and Regulations of BSE.

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

Date:

Format for submitting an application for withdrawal of sub broker registration application and Authorizing BSE Ltd. for debiting processing fee to Member's C.H. Account for withdrawal of sub broker application.

(On Member's Letter Head)

The Member Operations Department
Bombay Stock Exchange Limited
PJ Towers, Dalal Street,
Fort, Mumbai.

Sub: Application for withdrawal of sub broker registration application of

Dear Sir,

This is with reference to our sub-broker registration application no.____ dated ____ submitted to the Exchange. We are hereby withdrawing the said application and request you that, do not process the application. In case the Exchange has processed this application and submitted to SEBI then we request you to withdraw from SEBI, if the application is not processed by SEBI.

As per your notice no.20090812__dated August 12, 2009, we hereby authorize Bombay Stock Exchange Limited to debit a sum of **Rs.1000/-** (Rupees One Thousand Only) excluding service tax as applicable, to our General Charges Account maintained with the Clearing House towards processing fee for withdrawal of sub broker registration application.

Thanking you.

Yours truly,

Director / Authorised Signatory
For (Name of the Trading Member)
Date:_____

[Please note that, the Exchange can withdraw sub broker registration application up to the level, where the SEBI has not processed the application]

Annexure 5
MODEL STOCK BROKER AND SUB -BROKER AGREEMENT

This Agreement entered into this _____ day of _____ 200_ at _____ between _____, Member of the _____ Stock Exchange, ordinarily carrying on business in sale and purchase of shares and securities in the name and style of _____ from _____ (hereinafter referred to as "the stock broker") 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 entity desiring to start business as a sub broker in shares and securities in the name and style of _____ (hereinafter referred to as "the sub-broker".) 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 the said stock broker is a member of _____ Stock Exchange { (hereinafter referred to as "the said exchange") } and also holds a certificate of registration granted under Rule 4 of the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Rules , 1992 (hereinafter referred to as "the said Rules) & the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 (hereinafter referred to as "the said Regulations"); bearing SEBI Registration Number.-----

AND

WHEREAS the sub-broker is desirous of affiliating to the stock broker and is hereby eligible for making an application for seeking recognition of the stock exchange and for grant of a certificate of registration under rule 5 of the said rules;

WHEREAS in terms of item (C) (4) the Code of Conduct for sub brokers prescribed under of Schedule II read with regulation 15 (1) (c) and regulation 17(1) (m) of the Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992, the stock broker and the sub-broker are required to enter into an agreement with each other specifying the scope of their authority & responsibility, in relation to the business of dealing in securities between them; AND

WHEREAS the sub-broker has declared:

- (a) that he/it is presently affiliated as a sub broker with the stock broker(s) of the following stock exchange s other than the said exchange :

Name of the affiliated stock broker	Name of the stock exchange	SEBI Registration number of the stock broker	SEBI Registration number of the sub broker

and the broker(s) mentioned under column (1) of the above table has/have given 'No Objection Certificate (s)(NOC)' to the present Sub-broker to get affiliated to the stock broker & seek recognition with the said exchange and registration with SEBI.

- (b) that he is not affiliated to any other stock broker of the said exchange; and
(c) that he/it has direct/indirect interest in the stock brokers/ sub brokers of stock exchange detailed hereunder:

Name & SEBI Reg. No. of Broker(s) directly or indirectly related to the sub-broker	Name & SEBI Reg. No. of sub broker(s) directly or indirectly related to the sub broker	Name & SEBI Reg. No. of broker(s) with whom the sub broker mentioned at column (2) is affiliated	Name of the stock exchange	Nature of interest (i. e. as director or shareholder) Also state % of shareholding

Note 1: A Sub-broker is deemed to have direct/indirect interest in other Sub-broker (Stock Broker) for purposes of this clause, in the following circumstances:

- (i) Where he is an individual, he or any of his relatives being a Sub-broker (Stock Broker), he or any of his relative being partner in a Sub-Broking firm (Stock Broking Firm), he or any of his relative being a director in a Sub-broking Company (Stock Broking Company) or he or any of his relatives clubbed together holding substantial equity in any Sub-broking Company.
- (ii) Where it is Partnership Firm/Company, the relative(s) of partners/directors in the Firm/Company being a Sub-broker (Stock Broker) or being partner(s)/director(s) in a Sub-broking Firm/Company (Stock Broking Firm/Company) or the same set of shareholders holding substantial equity in other Sub-broking(Stock Broking) entity.

Note 2 : Relative for the above purpose shall mean husband, wife, brother, unmarried sister or any linear ascendant or descendent of an individual.

NOW THEREFORE this agreement witnesseth as follows:

1. The stock broker and the sub broker hereby acknowledge and confirm that the sub-broker is affiliated to the stock broker and that the sub-broker shall within the scope of the authority given under these presents, be entitled to act as a 'sub-broker' within the meaning and subject to SEBI (Stock Brokers & Sub-Brokers) Rules, 1992 and SEBI (Stock Brokers & Sub-Brokers) Regulations 1992 (the said "Rules" and "Regulations" respectively) as amended from time to time, for assisting the client in buying, selling or dealing in securities through the stock broker.
2. The stock broker and the sub broker agree that irrespective of the date of agreement, the sub broker will commence business only after receipt of registration certificate from SEBI, continue business during currency of the certificate and will stop business as a sub broker from the date of termination of the agreement.
3. The stock broker agrees that he/it shall not, except with the previous consent of the sub-broker, commit on the latter's behalf transactions in securities in excess of the amount mutually agreed upon in writing from time to time. The sub broker also agrees that he/it shall not commit transactions in securities through the stock broker in excess of the amount mutually agreed upon in writing from time to time.
4. The stock broker agrees that he/it shall not resort to unfair means of weaning away the clients of the sub broker.
5. The stock broker and the sub broker agree to share the brokerage /commission between them in terms of their mutual understanding. Provided however, the

brokerage/commission payable to the sub-broker shall not exceed one and one half percent of the value of transactions carried out by the sub broker for clients.

6. The stock broker agrees to 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 each of the sub brokers.
7. If any dispute arises between the stock broker and the sub-broker, the same shall as far as possible be settled with the help of the officials of the said exchange and if no such settlement is possible the parties hereby agree to refer such dispute to arbitration in accordance with the Rules, Bye-laws and Regulations of the said exchange. The stock broker and the sub-broker hereby agree that they shall cooperate with the said exchange officials and provide all relevant documents in their possession or control so as to expedite the settlement or adjudication through arbitration process.
8. The sub-broker shall inform the stock broker of any proposed material change in its status and constitution, before seeking prior approval for the same from SEBI.
9. The sub broker agrees not to carry on securities business either directly or through his/its relatives otherwise than on behalf of the stock broker.
10. The sub-broker agrees not to issue any documents like bill, confirmation memo, statement of funds/securities in any other capacity except as authorized by the stock broker.
11. The sub broker agrees to produce copies of transactions of Statement of DP and bank accounts belonging to himself/itself and his/its relatives whose accounts have been registered with the stock broker on demand. **The stock broker shall mandatorily examine all demat accounts and bank accounts of the sub broker on such periodical basis as he/it may deem fit.**
12. The sub broker agrees that the stock broker be authorized to establish additional internal controls like deposit, verification of identity of clients registered, review of transactions in respect of clients contributing large volumes, power to scrutinize sub broker related documents etc., at any time during the period of the agreement in force.
13. The sub broker agrees that he would display at each of his branch, in prominent location, Display Board provided by the Trading Member which would contain guidelines to investors including particulars of Trading Member, Compliance Officer Details, manner of

payment/receipt of funds and securities.

14. In case of receipt of complaint/s from the investors revealing activities by the sub broker otherwise than the manner authorized by Trading Member, the sub broker agrees that the stock broker would be entitled to withhold money due to the sub-broker, till the complaints are resolved.

15. The sub broker agrees that the stock broker would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of investors with the sub broker.

16. The stock broker and the sub-broker 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 below. Provided however that, in the event of the sub broker terminating the agreement and/or termination of the sub broker by the stock broker, for any reason whatsoever, all his clients shall be deemed to be the direct clients of the stock broker and all clauses in the tripartite agreement between the stock broker, the sub broker and client governing the client and stock broker shall continue to be in force as it is, unless any client intimates to the stock broker or the stock broker intimates to the client his/its intention to terminate the agreement by giving a notice in writing of not less than one month.

17. Where the stock broker has terminated his/its agreement with the sub broker, the stock broker shall inform the relevant stock exchange (s).

18. This agreement shall forthwith stand terminated;

(i) if the stock broker for any reason ceases to be a member of the stock exchange including by cessation of membership by reason of the stock broker's, death, resignation, expulsion or having being declared a defaulter or if the certificate issued by the Board is cancelled;

(ii) upon the demise/insolvency of the sub-broker or the cancellation of his/its registration with the Board or /withdrawal of recognition of the sub-broker by the stock exchange.

19. On termination of the agreement by the stock broker, it shall be the duty of the stock broker to collect and forward the registration certificate of the sub-broker to SEBI through the stock exchange along with all the fees in arrears in respect of the sub-

broker's registration as required under Part II of schedule III of SEBI (Stock Broker and Sub-broker) Regulations 1992 and the sub-broker agrees to co-operate with the stock broker in carrying out the said duty.

20. In the event of surrender of the sub broker registration, the affiliating broker shall ensure that investors/general public are informed about surrender of registration of the sub broker. A public advertisement to that effect shall be required to be issued by the stock broker in a local newspaper where the sub broker's Registered office, Head Office/Corporate office is situated and another in English daily news paper with wide circulation

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
of

Stock Broker :
By :
Signature :
Title :
Witness :

Signed for and on behalf

Sub-Broker :
By :
Signature :
Title :
Witness :

7	Undertaking from Sub-Broker about Dealing directly with investors and not with any unregistered intermediary . (On the letterhead of the sub broker)#	The Sub-broker applicant is required to give an undertaking that he will directly deal with the investor and not with any unregistered intermediary . In case of a corporate / Partnership firm, all the Directors/ Partners have to give such undertaking individually for themselves and jointly for the company/firm.
8	Confirmation from sub-broker that he has not applied through any other TM & also he is not a member /Sub-broker of any of the Commodity Exchange (On the letterhead of the sub broker)#	The Sub-broker applicant is required to give confirmation that he has not applied through any other Trading Member. He is also required to confirm that he is not a member /sub-broker of any of the Commodity Exchange In case of a corporate / Partnership firm, all the Directors/ Partners have to give such undertaking individually for themselves and jointly for the company/firm
9	Annexure J or K – Letter from Trading Member to NSE giving Undertaking about dealing in fake and forged shares by the sub-broker	As per circular no 69 dated July 23, 1997 ref no NSE/MEMB/0311. To be given by Trading member on their letterhead.
10	Annexure I – Letter from trading member undertaking to settle the obligations of the sub-broker	As per circular no 63 dated June 25, 1997 ref no NSE/MEMB/0282. To be given by Trading member on their letterhead.
11	<i>Annexure O – Certificate from sub broker relating to shareholding pattern #</i>	As per circular no 513 dated February 9, 2006 ref no NSE/MEM/7157. This needs to be submitted by all sub-broker applicants including individuals on the letterhead.
12	Annexure 3– Undertaking for “Fit & Proper Person” in the name of entity & its partners/Directors	As per circular no 534 dated August 09, 2006 ref no NSE/MEM/7743. To be given by Trading member on their letterhead.
13	Proof of address of sub broker Telephone Bill(land line), Electricity bill, Voter ID, Driving License, Passport, MOA(Registration certificate), Rent agreement, Leave and License agreement, Ration Card.	All the addresses that are present in the documents should be same.
14	Annexure L – For Firms/Corporates – Sharing Pattern \$	As per circular no 168 dated May 19, 2000 ref no NSE/MEM/1708. It should be

		certified by C A & signed by all partners/directors. Fill the Annexure completely along with “Submitted By” and “Certificate date”. Share holding date on Annexure L should match with Annexure O.
15	Registered Partnership Deed and Registered partnership Certificate / MOA & AOA Along with the Certificate of Incorporation \$	Memorandum of Association of corporate should consist the object clause that corporate can act as a sub-broker. If the above mentioned business is mentioned in the Other Object Clause of the MOA instead in Main Object then a Board Resolution is required.
16	List of directors of sub broker as on specific date to be certified by CA/CS.\$	In case of any changes in directors from date of incorporation such list needs to be provided.
	Eligibility Criteria	
17	Qualifications proof –Minimum H.S.C.	In case of proprietor /partner/director copy of H.S.C. or above qualification passed mark sheet or Certificate(Final year) is the minimum requirement. For applicants having qualification less than H.S.C (i.e.SSC) proof of the educational qualification & experience certificate in Capital Market as Dealer for atleast 2 years. Below SSC Qualification not accepted for any proprietor /partner/director. If Diploma certificate is submitted then along with that SSC marksheet is also needed.
18	Proof of age (To be above 21 years of age for all the partners/ directors)	In case of proprietor/partner/director, copy of PAN Card/Driving Licence/School leaving certificate/SSC Certificate certified by Trading Member is required.
19	Proof of name change	If applicable (Certified Copy of Marriage Certificate or Affidavit mentioning the reason) An advertisement or Gazette is required if name changed for any reason other than marriage. Qualification proof lost affidavit- In case

		the applicant loses his qualification proof he can provide the affidavit for the same mentioning the degree, date of passing and name of university/institute and the reason for the lost of proof.
20	Applicant/ Any Shareholder/ Partner/ or Director holding 51% is:	
	Not a Trading Member of the Exchange	
	Not a registered Sub-broker of any other Trading Member	
	Not having a cross holding of 51% or more with any Sub-Broker/Authorised Person	
	Not a shareholder/ Partner of a registered Sub-broker	
21	Applicant/any director/partner/ is not a director/partner of any trading member of the Exchange	
22	Sub-Broker/ Any Shareholder/ Partner/ Director is:	
	Not a defaulter in any other Stock Exchange.	
	Not appearing in SEBI debarred Directors/ Vanishing Companies List	
22	Trading Member is not disabled or suspended or any disciplinary action has been taken	
23	Not appearing in CIS and Non CIS list	
24	Not appearing in CIBIL database	

Note –

#

To be signed by applicant/ all partners/ all directors

\$ These points are applicable only to Partnership Firm /Corporate.

All photocopies should be duly certified by the Trading Member/CA/Trading Member

All the documents should not be old more than six months.

FORM B
SECURITIES AND EXCHANGE BOARD OF INDIA
(Stock Brokers and Sub-Brokers) Regulations 1992
(Regulation 11)

APPLICATION FORM FOR REGISTRATION AS A SUB-BROKER
WITH SECURITIES AND EXCHANGE BOARD OF INDIA

- 1.Name of applicant sub-broker :
- 2.Trader name of sub-broker, firm, corporate body.
- 3.Form of organisation - sole proprietorship, partnership, corporate body. Please give names of proprietor, all partners, directors etc.

4.Educational qualifications of proprietor, partners, directors etc.

<u>Name</u>	<u>Status</u>	<u>Qualifications</u>
-------------	---------------	-----------------------

5.Name of the member-broker and the Stock Exchange to which applicant is affiliated.

6.Date of acquiring sub-brokership

7.Infrastructure arrangements - indicate fax, telex, phones, number of offices and residential numbers. Also indicate the number of employees.

Office Address

Phone No

Telex No

Fax No

Residential phone nos. of proprietor, partners, directors etc.

8.Number of branch offices and their location with phone, telex and fax numbers

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

Recommendation letter from the stock broker to whom I/we am/are affiliated and two references, including one from the banker as required are enclosed.

Signature _____

Date _____

Recommendation of the Stock Exchange

This is to certify that _____ is a recognised sub-broker affiliated to _____ member-broker of this Exchange.

The application is recommended/not recommended for registration by the Board.

AUTHORISED SIGNATORY

Signature

_____ Stock Exchange.

FORM C
SECURITIES AND EXCHANGE BOARD OF INDIA
(Stock Brokers and Sub-Brokers) Regulation 1992

**RECOMMENDATION LETTER TO BE GIVEN BY THE MEMBER WITH
WHOM THE SUB-BROKER IS AFFILIATED**

To,
The _____ Stock Exchange

Dear Sirs,

I/We understand that _____ son of _____ aged ___ years, residing at _____ and attached to me at _____ for carrying on the shares and securities business as a sub-broker. I/we confirm that _____ is transacting business through me for a period from _____ and he is a fit and proper person to be registered as a sub-broker.

I/We also confirm that he is known to me/us for well over ____ years and he has got good financial background, moral character and integrity. He has been transacting business frequently and was meeting the market commitments as and when they arise.

I/We hereby recommend his application for granting registration for carrying on shares and securities business as sub-broker.

I/We member/s of _____ Exchange hereby agree to recommend the above mentioned applicant.

Yours faithfully

Signature of Member/s

ANNEXURE 'I'

(LETTER TO BE SUBMITTED BY THE TRADING MEMBER)

To,

National Stock Exchange of India Ltd.
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai-400051.

Dear Sirs,

Sub. : Registration of my/our Sub-broker M/s. _____

I/We hereby undertake to comply with and abide by all the requirements of SEBI (Stock Brokers and Sub-Brokers) Regulations, 1992 as well as all the requirements of NSEIL in this regard as may be laid down from time to time.

I/We further undertake to ensure the settlement and honour of all the deals entered into by us as the trading member of the exchange which orders/deals may have originated from M/s. _____ whom we are recommending to NSEIL/SEBI to be accorded recognition as our sub-broker.

In the event of failure or otherwise of M/s. _____ to settle and honour the deals entered into by the said sub-broker i.e. M/s. _____ through me/us, we shall be liable to discharge the obligations/liabilities arising out of the said transactions.

I/We confirm that-----is /are not a Member /Sub-broker of any of the Commodity Exchange. I/We also wish to state that whatever 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 about the same.

Yours faithfully

Signature of the trading member
(SEBI Regn.No.: _____)

ANNEXURE 'J'
(on the letterhead of the trading member)

The Membership Department
National Stock Exchange of India Ltd. (NSEIL)
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai-400051.

Dear Sir,

Sub: Registration of my/our Sub-broker M/s. _____.

This has reference to our recommendation of M/s. _____ as our sub-broker to the NSEIL for registration of their application with the SEBI.

In this regard, I/We hereby declare and confirm that M/s. _____ has not, at any time in the course of his/their business with us, introduced or otherwise dealt with fake, forged, stolen, counterfeit, etc. shares and securities in the market.

I/We further undertake that if at a later date any additional material information in this regard comes to my knowledge, I/We shall forthwith communicate the same to the Exchange in writing.

Date: _____

Place: _____

Name, Signature & Seal *
(SEBI Regn. no. _____)

* Should be signed by the Proprietor/Partner/Director of trading member

ANNEXURE 'K'
(on the letterhead of the trading member)

The Membership Department
National Stock Exchange of India Ltd. (NSEIL)
Exchange Plaza
Bandra Kurla Complex
Bandra (East)
Mumbai-400051.

Dear Sir,

Sub: Registration of my/our Sub-broker M/s. _____.

This has reference to our recommendation of M/s. _____ as our sub-broker to the NSEIL for registration of their application with the SEBI.

In this regard, I/We hereby declare and confirm that M/s. _____ has in the course of his/their business with us, introduced or otherwise dealt with fake, forged, stolen, counterfeit, etc. shares and securities in the market, details of which are as follows:

Security details	Exchange on which introduced	Settlement no. (period)	No. of shares	Amount	Reasons for return	Action taken whether defect rectified (give details)	Explanation given by sub-broker applicant (give details)

I/We further undertake that if at a later date any additional material information in this regard comes to my/ our knowledge, I/We shall forthwith communicate the same to the Exchange in writing.

Date: _____

Place: _____

Name, Signature & Seal *

(SEBI Regn. no. _____)

- Should be signed by the Proprietor/Partner/Director of trading member

ANNEXURE 'O'

FORMAT OF CERTIFICATE TO BE FURNISHED BY SUB-BROKER

(on the letter head of the sub-broker)

From:

The name and address of the sub-broker

To:

The Manager,
Membership Department,
National Stock Exchange of India Limited,
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex,
Bandra (E). Mumbai – 400 051.

Dear Sir,

The share holding pattern/sharing pattern of the company/Firm as on _____ is given in Annexure: L1. There has been no change in the shareholding/sharing pattern of the Company/Firm after this date. (for Firms and Corporates).

The applicant, any of the shareholders of the company do not directly or indirectly, singly or jointly, have an equity holding of 51% or more and /or any share in his/her name and/or jointly with any of his/their close relatives in any sub broker of a member of NSE or vice-versa. (For Corporates)

OR

Any of the Partners in the Firm, or do not directly or indirectly, singly or jointly, have an equity holding of 51% or more and /or any share in his/her name and/or jointly with any of his/their close relatives in any sub broker of a member of NSE or vice-versa. (For Firms)

OR

Myself / any of the partners of the firm in which I am a partner/any of the promoters or dominant shareholders of the company in which I have a controlling interest, do not directly or indirectly, singly or jointly, have an equity holding of 51% or more and /or any share in my name and/or jointly with any of my close relatives in any sub-broker of a member of NSE. (for Individuals)

We hereby state that the information given above is true, correct and complete to the best of our knowledge and information. We also state that no relevant material fact has been suppressed. We agree that in the event of any of the above statements being found false, incorrect or incomplete, we recognise that NSE may take any action as it may deem fit, including recommending to SEBI for cancellation of our registration as sub-broker. We also agree to provide NSE with all such documents as may be called for and be required from time to time by NSE or the member with whom we are affiliated as a sub-broker.

Place:

Date :

** Signature(s)

ANNEXURE: L (FOR CORPORATES)

Certificate dated _____
submitted by _____ to NSEIL

SHARE HOLDING PATTERN of M/s. (name of sub-broker) as on _____

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					
TOTAL					100%

\$ All initials to be expanded

NOTES:

1. In case of bodies corporate holding 2% or more of the paid up capital in the trading member entity, the details of their shareholding shall also be furnished in the same format as given above
2. HUF give names of Karta and co-parceners.
3. Persons holding 2% or more of the paid up capital should be shown separately and not clubbed in Others.

Date:

Place:

Authorised Signatory/Director (s)

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.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner

Chartered Accountant

Membership Number

ANNEXURE : L (FOR FIRMS)

Certificate dated _____
submitted by _____ to NSEIL

SHARING PATTERN of. M/s. (name of sub-broker) as on _____

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

\$ All initials to be expanded

Date:

Place:

Signature(s) of partner(s)

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.

Place:

Date:

For (Name of Accounting Firm)

Name of Partner
Chartered Accountant
Membership Number

Annexure 3

Format of Undertaking to be furnished on the letterhead of Trading Member

To
The Manager,
Membership Department,
National Stock Exchange of India Limited,
'Exchange Plaza', C-1, Block G,
Bandra-Kurla Complex,
Bandra (E). Mumbai – 400 051.

Dear Sir,

Ref: Applications for registration of Sub-brokers – Confirmation regarding 'fit and proper person'

We submit the applications for sub-brokers to Exchange for registration with SEBI. The detailed list of applications submitted is attached as 'Annexure'

Further, we have verified the relevant databases of SEBI & RBI available on their respective websites and hereby confirm that names of the applicant/directors/promoters of these applicants do not appear in the CIS, non-CIS cases and vanishing company database of SEBI as per the information available at sebi.gov.in and in the suit filed cases as per the information available at cibil.com. Further, we confirm that, the applicants are eligible for registration as per criteria specified in Section 11(5) of SEBI (Brokers and Sub Brokers) Regulations, 1992.

Yours faithfully,
For TM Name

Director /Authorised Signatory
(Name of the person)

ANNEXURE II

MODEL STOCK BROKER AND SUB-BROKER AGREEMENT

This Agreement entered into this _____ day of _____ 200_ at _____ between _____, Member of the _____ Stock Exchange, ordinarily carrying on business in sale and purchase of shares and securities in the name and style of

_____ from _____ (hereinafter referred to as "the stock broker") 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 entity desiring to start business as a sub broker in shares and securities in the name and style of _____ (hereinafter referred to as "the subbroker".) 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 the said stock broker is a member of _____ Stock Exchange {(hereinafter referred to as "the said exchange")} and also holds a certificate of registration granted under Rule 4 of the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Rules, 1992 (hereinafter referred to as "the said Rules) & the Securities and Exchange Board of India (Stock Brokers and Sub-Brokers) Regulations, 1992 (hereinafter referred to as "the said Regulations"); bearing SEBI Registration Number.-----

AND

WHEREAS the sub-broker is desirous of affiliating to the stock broker and is hereby eligible for making an application for seeking recognition of the stock exchange and for grant of a certificate of registration under rule 5 of the said rules;

WHEREAS in terms of item (C) (4) the Code of Conduct for sub brokers prescribed under of Schedule II read with regulation 15 (1) (c) and regulation 17(1) (m) of the Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992, the stock broker and the sub-broker are required to enter into an agreement with each other specifying the scope of their authority & responsibility, in relation to the business of dealing in securities between them; AND

WHEREAS the sub-broker has declared:

(a) that he/it is presently affiliated as a sub broker with the stock broker(s) of the following stock exchanges other than the said exchange:

Name of the affiliated stock broker	Name of the stock exchange	SEBI Registration number of the stock broker	SEBI Registration number of the sub broker

and the broker(s) mentioned under column (1) of the above table has/have given 'No Objection Certificate(s)(NOC)' to the present Sub-broker to get affiliated to the stock

broker & seek recognition with the said exchange and registration with SEBI.

(b) that he is not affiliated to any other stock broker of the said exchange; and

(c) that he/it has direct/indirect interest in the stock brokers/ sub brokers of stock exchange detailed hereunder:

Name & SEBI Reg. No. of Broker(s) directly or indirectly related to the subbroker	Name & SEBI Reg. No. of sub broker(s) directly or indirectly related to the sub broker	Name & SEBI Reg. No. of broker(s) with whom the sub broker mentioned at column (2) is affiliated	Name of the stock exchange	Nature of interest (i.e. as director or shareholder) Also state % of shareholding

Note 1: A Sub-broker is deemed to have direct/indirect interest in other Sub-broker (Stock Broker) for purposes of this clause, in the following circumstances:

- (i) Where he is an individual, he or any of his relatives being a Sub-broker (Stock Broker), he or any of his relative being partner in a Sub-Broking firm (Stock Broking Firm), he or any of his relative being a director in a Sub-broking Company (Stock Broking Company) or he or any of his relatives clubbed together holding substantial equity in any Sub-broking Company.
- (ii) Where it is Partnership Firm/Company, the relative(s) of partners/directors in the Firm/Company being a Sub-broker (Stock Broker) or being partner(s)/director(s) in a Sub-broking Firm/Company (Stock Broking Firm/Company) or the same set of shareholders holding substantial equity in other Sub-broking(Stock Broking) entity.

Note 2 : Relative for the above purpose shall mean husband, wife, brother, unmarried sister or any linear ascendant or descendent of an individual.

NOW THEREFORE this agreement witnesseth as follows:

1. The stock broker and the sub broker hereby acknowledge and confirm that the sub broker is affiliated to the stock broker and that the sub-broker shall within the scope of the authority given under these presents, be entitled to act as a 'sub-broker' within the meaning and subject to SEBI (Stock Brokers & Sub-Brokers) Rules, 1992 and SEBI (Stock Brokers & Sub-Brokers) Regulations 1992 (the said "Rules" and "Regulations" respectively) as amended from time to time, for assisting the client in buying, selling or dealing in securities through the stock broker.

2. The stock broker and the sub broker agree that irrespective of the date of agreement, the sub broker will commence business only after receipt of registration certificate from SEBI, continue business during currency of the certificate and will stop business as a sub broker from the date of termination of the agreement.
3. The stock broker agrees that he/it shall not, except with the previous consent of the sub-broker, commit on the latter's behalf transactions in securities in excess of the amount mutually agreed upon in writing from time to time. The sub broker also agrees that he/it shall not commit transactions in securities through the stock broker in excess of the amount mutually agreed upon in writing from time to time.
4. The stock broker agrees that he/it shall not resort to unfair means of weaning away the clients of the sub broker.
5. The stock broker and the sub broker agree to share the brokerage/commission between them in terms of their mutual understanding. Provided however, the brokerage/commission payable to the sub-broker shall not exceed one and one half percent of the value of transactions carried out by the sub broker for clients.
6. The stock broker agrees to 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 each of the sub brokers.
7. If any dispute arises between the stock broker and the sub-broker, the same shall as far as possible be settled with the help of the officials of the said exchange and if no such settlement is possible the parties hereby agree to refer such dispute to arbitration in accordance with the Rules, Bye-laws and Regulations of the said exchange. The stock broker and the sub-broker hereby agree that they shall cooperate with the said exchange officials and provide all relevant documents in their possession or control so as to expedite the settlement or adjudication through arbitration process.
8. The sub-broker shall inform the stock broker of any proposed material change in its status and constitution, before seeking prior approval for the same from SEBI.
9. The sub broker agrees not to carry on securities business either directly or through his/its relatives otherwise than on behalf of the stock broker.
10. The sub-broker agrees not to issue any documents like bill, confirmation memo, statement of funds/securities in any other capacity except as authorized by the stock broker.
11. The sub broker agrees to produce copies of transactions of Statement of DP and bank accounts belonging to himself/itself and his/its relatives whose accounts have been registered with the stock broker on demand.
12. The sub broker agrees that the stock broker be authorized to establish additional internal controls like deposit, verification of identity of clients registered, review of transactions in respect of clients contributing large volumes, power to scrutinize sub broker related documents etc., at any time during the period of the agreement in force.
13. The sub broker agrees that he would display at each of his branch, in prominent location, Display Board provided by the Trading Member which would contain guidelines to investors including particulars of Trading Member, Compliance Officer Details, manner of payment/receipt of funds and securities.
14. In case of receipt of complaint/s from the investors revealing activities by the sub broker otherwise than the manner authorized by Trading Member, the sub broker agrees that the

stock broker would be entitled to withhold money due to the sub-broker, till the complaints are resolved.

15. The sub broker agrees that the stock broker would be entitled to establish any other additional control that it desires to ensure safe and secure dealing of investors with the sub broker.
16. The stock broker and the sub-broker 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 below. Provided however that, in the event of the sub broker terminating the agreement and/or termination of the sub broker by the stock broker, for any reason whatsoever, all his clients shall be deemed to be the direct clients of the stock broker and all clauses in the tripartite agreement between the stock broker, the sub broker and client governing the client and stock broker shall continue to be in force as it is, unless any client intimates to the stock broker or the stock broker intimates to the client his/its intention to terminate the agreement by giving a notice in writing of not less than one month.
17. Where the stock broker has terminated his/its agreement with the sub broker, the stock broker shall inform the relevant stock exchange (s).
18. This agreement shall forthwith stand terminated;
 - if the stock broker for any reason ceases to be a member of the stock exchange including by cessation of membership by reason of the stock broker's, death, resignation, expulsion or having being declared a defaulter or if the certificate issued by the Board is cancelled;
 - upon the demise/insolvency of the sub-broker or the cancellation of his/its registration with the Board or /withdrawal of recognition of the sub-broker by the stock exchange.
19. On termination of the agreement by the stock broker, it shall be the duty of the stock broker to collect and forward the registration certificate of the sub-broker to SEBI through the stock exchange along with all the fees in arrears in respect of the sub broker's registration as required under Part II of schedule III of SEBI (Stock Broker and Sub-broker) Regulations 1992 and the sub-broker agrees to co-operate with the stock broker in carrying out the said duty.
20. In the event of surrender of the sub broker registration, the affiliating broker shall ensure that investors/general public is informed about surrender of registration of the sub broker. A public advertisement to that effect shall be required to be issued by the stock broker in a local newspaper where the sub broker's registered office, Head Office/Corporate office is situated and another in English daily news paper with wide circulation.

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