|  |
| --- |
| **CHECKLIST FOR SUBMISSION OF DOCUMENT FOR ACTIVATION –** **PROFFESIONAL CLEARING MEMBER (PCM)** |
| **SR. NO** | **LIST OF DOCUMENT** | **ANNEXURE** | **SUBMITTED (YES/NO)** |
| **1** | **Clearing Member (CM) Undertaking** | PCM-I |  |
|  | **Instructions for CM undertaking*** *Undertaking should be on a stamp paper of Rs. 300/- or franking of Rs. 300/- duly Notorized*
* *The Stamp Paper must be in the name of the member executing the undertaking*
* *The validity of the Stamp Paper being 6 (six) months, must be executed within that period.*
* *Signature on all the pages by the authorised signatories as per Exchange records*
* *Notary date should not be before the date of Execution of agreement. The Notary Stamp is stamped on all the pages*
* *The Notary’s name and address along with his signature appears on the last page*
* *Signatures and addresses of two witnesses required.*
* *Any corrections made have to be initialed by both the Member*
* *Common seal should be affixed in-case of a corporate*
* *If more than one stamp paper is used, the details given during starting of the undertaking must be typed and signed. The same must be stated on each Stamp Paper*
 |  |  |
| **2** | **Bank Account Details*** *This is to be given on the letterhead of the Member/Bank. along with the bank account number and the date of opening of differed type of accounts should be mentioned against each account type.*
* *1)Settlement A/c ,2) Exchange Dues A/c*
 | PCM-II |  |
| **3** | **Member Authorization Letter for Settlement a/c*** *Duly acknowledged by Bank*
 | PCM-III |  |
| **4** | **Member Authorization Letter for Exchange Dues a/c*** *Duly acknowledged by Bank*
 | PCM-IV |  |
| **5** | **Details of Compliance officer** | PCM-V |  |
| **6** | **Confirmation on Base Minimum Capital (BMC)** | PCM-VI |  |
| **7** | **BMC Deposit and Interest Free Deposit to Exchange** * *Refer to Exchange web site for Deposit Structure*
* *Pay by Cheque/DD in favour of Indian Commodity Exchange Limited or NEFT/RTGS*
 | <http://www.icexindia.com/static/dwd-clearingandsettlement.aspx>  |
| **8** | **Proof of Insurance** * *to be taken from any of IRDA approved Insurance Company*
 | - |  |
| **9** | **Latest Audited Balance Sheet, Profit & Loss Statement with schedules & Networth certificate and computation** *(Not applicable if already submitted to Exchange)* | - |  |

**Annexure-PCM-I**

**CLEARING** **MEMBER UNDERTAKING**

This Non-Judicial Stamp paper of Rs.\_\_\_\_\_ forms part and parcel of this Undertaking submitted to Indian Commodity Exchange Limited executed by

Mr./Mrs./M/s. on day of , 20 .

Signature 1……………… Signature 2…………………

Rubber Stamp Rubber Stamp

Notary (Stamp & Seal)

**CLEARING MEMBER UNDERTAKING**

This undertaking is given at ……………….this ……… day of …………, 20….

To

Managing Director & CEO
Indian Commodity Exchange Limited (ICEX).

B-403A, Reliable Tech Park,

4th Floor, Gut No. 31, Thane-Belapur Road

Airoli, Navi Mumbai – 400 708

Hereinafter called “ICEX” (Which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include their successors and assigns)

BY.

…………………………………………………………………………………………….

Regd. Office:

……………………………………………………………………………………………..

……………………………………………………………………………………………..

Hereinafter called “the Undersigned” (which expression shall unless repugnant to the context or meaning thereof be deemed to include its successors and permitted assigns).

WHEREAS ICEX has agreed to admit the Undersigned as Professional Clearing Member (PCM) on ICEX in accordance with the Bye-Laws, Rules and Regulations of ICEX in force from time to time.

AND WHEREAS ICEX, as a precondition to the Undersigned being admitted as Professional Clearing Member, requires the Undersigned to furnish the undertaking in the manner and on the terms specified herein below:

Signature 1……………… Signature 2…………………

Rubber Stamp Rubber Stamp

Notary (Stamp & Seal)

NOW THEREFORE in consideration of ICEX admitting the Undersigned as an Professional Clearing Member of ICEX, the Undersigned hereby undertakes and agrees that:-

1. The Undersigned shall comply with all such requirements, existing and future, with regard to and in connection with appointment and continuance as Professional Clearing Member;
2. On being admitted as Professional Clearing Member, the Undersigned shall be active participant of ICEX;
3. The Undersigned shall abide by, comply with and be bound by the Bye- Laws, Rules and Regulations of ICEX as in existence or in force from time to time and any modification through any circular, order, direction, notice, instruction issued and in force from time to time;
4. The Undersigned shall abide by all rules and the code of conduct as laid down by ICEX from time to time for all members and their authorized representatives or approved users or sub- brokers/Authorised Person (AP).
5. The Undersigned agrees that ICEX shall be entitled to amend its Bye-laws, Rules and Regulations unilaterally and the Undersigned shall be deemed to have consented to them, and accordingly be bound by the Bye-laws, Rules and Regulations prevailing from time to time and ICEX shall be entitled to all powers vested in them under its Rules, Regulations and Bye-laws, by which the Undersigned unconditionally agrees to be bound;
6. The Undersigned shall maintain and preserve such information, records, books and documents pertaining to the working of the Undersigned as Professional Clearing Member for such period as may be specified by ICEX from time to time;
7. The Undersigned shall permit ICEX or any other authority appointed by it for inspection, access to all records, books, information, documents as may be required;
8. The Undersigned shall submit periodic reports, statements, certificates and such other documents as may be required by ICEX, and shall comply with such audit requirements as may be framed specially by ICEX from time to time;
9. The Undersigned shall follow and comply with such orders or instructions, whether being in the nature of a penalty or otherwise, as may be issued by ICEX or any committee of ICEX duly constituted for the purpose, in the event of the Undersigned committing any violation of any rules, regulation or practice or code of conduct prescribed by ICEX in respect of conduct of the business in ICEX

Signature 1……………… Signature 2…………………

Rubber Stamp Rubber Stamp

Notary (Stamp & Seal)

1. The Undersigned shall conduct business at ICEX prudently and shall ensure that it will not be prejudicial or detrimental to public interest in general, and to ICEX in particular;
2. If any difference/dispute shall arise as to the interpretation, meaning or effect of this undertaking or as to the rights and liabilities of the parties to this Undertaking or in respect of any other matter relating to ICEX operations, the decision of ICEX shall be final, conclusive and binding on the undersigned;
3. The Undersigned shall abide by and adopt the Rules and Regulations of the clearing and settlement systems of ICEX and any other agencies appointed by ICEX for this purpose and any amendments made thereto from time to time;
4. The Undersigned shall pay the costs and expenses including fees prescribed by ICEX from time to time, as communicated by ICEX forthwith on receipt of notice to the effect;
5. The Undersigned shall use ICEX infrastructure facilities and equipment only for the purpose for which they are permitted to be used so;
6. The Undersigned shall furnish security deposits, pledge of securities, hypothecation of movables, lien on bank accounts or such other security as may be required by ICEX from time to time and to do all acts, deeds and things to enable ICEX to exercise all or part of the above mentioned securities to secure recovery of default in payment and other incidental charges relating to default and other dues of ICEX and clearing house, if any;
7. The Undersigned shall bring in additional margin deposits and funds as and when required as decided from time to time to participate in the trading & clearing operations on ICEX;
8. The Undersigned are aware that the Undersigned would be/are admitted as an Professional Clearing Member of ICEX on paying the prescribed membership fee and security deposit and that the membership is not transferable for a minimum period of three years or any minimum period as may be stipulated from time to time by ICEX and the Undersigned do unequivocally undertake that the Undersigned shall not be entitled to make any claim for refund of the security deposit for a minimum period of three years even if the Undersigned intend to cease or to discontinue to trade on ICEX;
9. Without prejudice to the foregoing, ICEX shall be entitled to forfeit any property, funds, amounts, deposits or other sums due to the Undersigned or to the credit of the Undersigned in such events or contingencies as may be stipulated in its Rules, Regulations and Bye-laws of ICEX in force from time to time;

Signature 1……………… Signature 2…………………

Rubber Stamp Rubber Stamp

Notary (Stamp & Seal)

1. ICEX shall not be held responsible or liable for any failure of computer systems, telecommunication network and other equipment installed at the offices of the undersigned and ICEX shall also not be held responsible for any misuse, mishandling, damage, loss, defect etc, and ICEX has the right to inspect and supervise all computer systems, software programmes, tele-communications equipment etc., which are provided by ICEX at the office of the Undersigned and the Undersigned shall not make any alterations, modifications and changes without prior written consent of ICEX.
2. The Undersigned shall not disclose, reveal, publish and advertise any material information relating to operations, membership, software, hardware, etc. of ICEX without prior written consent of ICEX except and to the extent as may be required in the normal course of its business. Similarly the undersigned hereby agrees not to use without express permission of ICEX, the name of ICEX to directly or indirectly promote business.
3. Where in the opinion of ICEX any change in the composition of the Board of Directors of the Undersigned has resulted or is likely to result due to any direct or indirect transfer of shares or securities in the share capital of the Undersigned, ICEX will be entitled to review continuation of the Undersigned as Professional Clearing Member of ICEX and, the Undersigned shall be bound by any decision taken by ICEX in this regard which shall be final.
4. The Undersigned hereby confirms and undertakes that he is competent in all respects to become Professional Clearing Member of ICEX and to participate in futures trading. The undersigned further confirms that in case of any doubt or reference in future regarding validity of his candidature to become Professional Clearing Member, the onus to prove the same shall lie on the undersigned himself and ICEX shall not be liable for any matter in case of such eventuality.
5. The Undersigned hereby confirms that in case of default of the undersigned or its Trading Members, he shall be liable to pay the dues of ICEX.
6. The Undersigned shall execute, sign, subscribe to such other documents, papers, agreement, covenants, bonds, and/or undertakings as may be prescribed or required by ICEX from time to time.
7. The Undersigned undertakes to make such contributions to such Clients’ Fund pertaining to ICEX as and when required by the exchange and also comply with all requirements of the exchanges in respect thereof.
8. The Undersigned shall arrange to get itself registered with respective relevant authorities under the law of land for the purpose of participating in the trading & clearing operation of the exchange (ICEX).

Signature 1……………… Signature 2…………………

Rubber Stamp Rubber Stamp

Notary (Stamp & Seal)

1. The Undersigned undertakes to subscribe to at his / its cost the insurance cover as required by the exchange for the Professional Clearing Members in ICEX to pay the insurance premium as may be required by the exchange and also to comply with all requirements of the exchange in respect thereof.
2. That the Undersigned shall forthwith inform ICEX in writing as and when any notice is received by any one or more of the Undersigned in connection with any institution of insolvency proceedings against any one or more of the Undersigned and that it shall also inform ICEX in writing before any one or more of the Undersigned initiate(s) any insolvency proceedings to be declared to be insolvent(s). The Undersigned further undertakes that it shall forthwith inform ICEX in writing on the onset of any circumstance which is likely to or may render any one or more of the Undersigned to be declared to be insolvent(s) or which is likely to or may render any one or more of the Undersigned liable to be subject to insolvency proceedings.
3. That the fees, security deposits, other monies and any additional deposits paid, whether in the form of cash, bank guarantee, securities or otherwise, with ICEX, by the Undersigned from time to time, shall be subject to a first and paramount lien for any sum due to ICEX and all other claims against the Undersigned for due fulfillment of engagements, obligations and liabilities of the Undersigned arising out of or incidental to any dealings made subject to the Byelaws, Rules and Regulations of ICEX. ICEX shall be entitled to adjust or appropriate such fees, deposits and other monies for such dues and claims, to the exclusion of other claims against the Undersigned, without any reference to the Undersigned;
4. That without prejudice to the rights, remedies whether legal or otherwise available to ICEX upon the Undersigned's non-compliance with this Undertaking, the Undersigned shall indemnify and keep indemnified ICEX against any loss/damage suffered by it whether legal or otherwise arising due to its non-compliance with the provisions of this Undertaking.
5. That this Undertaking shall be binding upon the heirs, legal representatives, successors and assigns of the Undersigned.
6. The undersigned further agrees that ICEX reserves the right to terminate the membership of the applicant at any time in the event of non-compliance of any clause of this undertaking.

Signature 1……………… Signature 2…………………

Rubber Stamp Rubber Stamp

Notary (Stamp & Seal)

1. That the undersigned shall forthwith inform ICEX of any change in its constitution.

The Undersigned do hereby confirm that the information provided in the application form of the Undersigned for the Professional Clearing Member of ICEX is true and correct to the best of the knowledge and belief of the Undersigned and that the above undertakings will be binding on the successors and permitted assigns of the Undersigned.

Signed and delivered by the within named Professional Clearing Member

**Name of the Professional Clearing Member:**

Signature 1 ……………… Signature 2 ………………

Rubber Stamp Rubber Stamp

Witnesses:

1. Name: ……………………… Signature: ……………………..

Address:…........................…………………………………………………………………………………

………………………………………………………………………………………………………………

2. Name: ……………….……… Signature: …………………………

Address:………………...…………………………………………………………………………………

**Annexure-PCM-II**

**(ON THE LETTERHEAD OF MEMBER OR BANK)**

Date:

To,

The Membership Department

Indian Commodity Exchange Limited (ICEX).

Reliable Tech Park, B wing -403A,

4th Floor, Gut No. 31, Thane-Belapur Road

Airoli, Navi Mumbai – 400 708

Dear Sir,

**Sub: Details of Bank Accounts.**

Please note the details of Bank Accounts are as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| **Name and address of the Bank** | **Name of the Branch** | **Account Number** | **IFSC Code** | **Name of Account** | **Purpose of Account** | **Date of Opening** |
|  |  |  |  | Name of Member - Settlement  Account | Settlement A/c |  |
|  |  |  |  | Name of Member - Exchange Dues Account | Exchange Dues A/c |  |

Thanking you,

**For,\_\_\_\_\_\_\_\_\_\_\_\_\_(Name of Member)**

**Name & Signature of Designated Director/Designated Partner/Individual/Authorised Signatory under rubber stamp**

**Annexure-PCM-III**

**(On letter head of member)**

**Format of letter to be submitted by Clearing Member to Clearing Bank for operation of Clearing Account**

Date:

To: [Clearing bank name and address]

Dear Sir,

**Sub: Operation of Clearing Bank Designated Settlement Account for Indian Commodity Exchange Limited (ICEX)**

|  |  |
| --- | --- |
| **Settlement A/C No:**  |  |
| **Bank/Branch/Address** |  |
| **Segment** | Commodity Derivatives |

With reference to the above, we note that:

1. ICEX undertakes clearing and settlement activity for its Members. ICEX has established a clearing and settlement system, whereby its members will be able to undertake the clearing and settlement of deals admitted on the Exchange.

2. The bank has been nominated / appointed/ empanelled as a Clearing Bank by ICEX for the purpose of undertaking Clearing and Settlement activities.

3. As per the Byelaws, Rules and Regulations of the ICEX, member shall authorize the Clearing Bank to access their clearing account for debiting & crediting as per the instructions received from ICEX, from time to time.

4. Having due regard to the above, we hereby irrevocably authorise the Clearing bank to debit and/or credit our above mentioned account number as per the instructions received from ICEX from time to time. Further, we authorise the Clearing Bank to report balances and other information relating to this account to ICEX as may be required by ICEX from time to time. This irrevocable undertaking will be effective from the date of commencement of operation of the clearing account by the ICEX.

5. We further hereby undertake to abide by such other or further guidelines / instructions as may be communicated / decided ICEX.

Yours faithfully,

Authorised Signatory

Member Id:

**Annexure-PCM-IV**

**(On letter head of member)**

**Format of letter to be submitted by Member to Bank for operation of Exchange Dues Account**

Date:

To: [bank name and address]

Dear Sir,

**Sub: Operation of Exchange Dues for Indian Commodity Exchange Limited (ICEX)**

|  |  |
| --- | --- |
| **Exchange Dues A/C No:**  |  |
| **Bank/Branch/Address** |  |
| **Segment** | Commodity Derivatives |

With reference to the above, we note that:

1. ICEX undertakes clearing and settlement activity for its Members. ICEX has established a clearing and settlement system, whereby its members will be able to undertake the clearing and settlement of deals admitted on the Exchange.

2. As per the Byelaws, Rules and Regulations of the ICEX, member shall authorize the Bank to access their Exchange Dues account for debiting & crediting as per the instructions received from ICEX, from time to time.

3. Having due regard to the above, we hereby irrevocably authorise the bank to debit and/or credit our above mentioned account number as per the instructions received from ICEX from time to time. Further, we authorise the Bank to report balances and other information relating to this account to ICEX as may be required by ICEX from time to time. This irrevocable undertaking will be effective from the date of commencement of operation of the clearing account by the ICEX.

4. We further hereby undertake to abide by such other or further guidelines / instructions as may be communicated / decided ICEX.

Yours faithfully,

Authorised Signatory

Member Id:

**Annexure-PCM-V**

**Details of Compliance Officer**

(On the letter head of the member)

To,

The Membership Department, Date:

Indian Commodity Exchange Limited (ICEX).

Reliable Tech Park, B Wing, 4th Floor-403A

 Gut No. 31, Thane-Belapur Road

Airoli, Navi Mumbai – 400 708

Name of Member: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

SEBI Registration No \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Mem ID. \_\_\_\_\_\_\_\_\_\_\_\_

|  |
| --- |
| **Details of Compliance Officer**  |
| Name  |  |
| Father’s Name |  |
| Office Address details |  |
| Contact Numbers |  |
| Fax No: |  |
| Residence Address details |  |
| Mobile Number |  |
| Date of Appointment |  |
| Date of Birth |  |
| PAN |  |
| Educational Qualifications |  |
| Email and Website address, if any, |  |
| Previous Employment Details, if any, |  |

I / we hereby confirm that all the above details are true and correct. I / We undertake to intimate the Exchange as and when there is any change in the aforesaid information submitted to the Exchange

**For,\_\_\_\_\_\_\_\_\_\_\_\_\_(Name of Member)**

**Name & Signature of Designated Director/Designated Partner/Individual/Authorised Signatory under rubber stamp**

**Annexure-PCM-VI**

**(On letter head of Member)**

To, Date:

Clearing & Settlement Department

Indian Commodity Exchange Limited (ICEX).

Reliable Tech Park, B-Wing 4th Floor – 403A

Gut No. 31, Thane-Belapur Road

Airoli, Navi Mumbai – 400 708

Sir,

**Subject: Confirmation of Trading Profile with respect to Base Minimum Capital (BMC)**

Reference: Member ID\_\_\_\_\_\_\_\_\_\_ & Type \_\_\_\_\_\_\_\_\_\_\_\_\_(TM/SCM/TCM/PCM)

I/We hereby undertake to conform to the below trading profile in respect of our membership with ICEX.

|  |  |  |
| --- | --- | --- |
| **Trading Profile** | **BMC Deposit****(Rs in lakhs)** | **Tick (✓) whichever applicable** |
| Non Algorithmic trading (Non-Algo) | 10 |  |
| Applicable to those clearing member (TCM/PCM) who intent to clear only non algo trades of trading members affiliated with them | 25 |  |
| Algorithmic trading (Algo) | 50 |  |

*\* Note: BMC will be in form of 25% in Cash and balance 75% in Cash equivalents such as Fixed Deposit/ Bank Guarantee*

I/We further confirm that:

1. I/We will immediately inform to the Exchange in case of any change in our trading profile.
2. I/we hereby give our consent to the Exchange to block our deposits (if any) towards any shortfall in the BMC

1. I/We understand that only the balance deposit remaining free after adjustment towards BMC requirements shall be treated as collaterals for purpose of trading.

**For,\_\_\_\_\_\_\_\_\_\_\_\_\_(Name of Member)**

**Name & Signature of Designated Director/Designated Partner/Individual/Authorised Signatory under rubber stamp**