

Circular No: PXI/MEMB/2008/003

Date of Issue: 19/11/2008

Subject: Enablement of Client under a Member.

A Trading Cum Clearing Member as well as a Trading Member can enroll clients under them and can trade and/or clear on behalf of them. In order to enable a Client, a Member has to collect various documents from the Client and also submit some documents to the Exchange. A Checklist for the same is attached herewith for your reference.

| <b>SR. NO.</b> | <b>DOCUMENTS REQUIRED TO BE SUBMITTED TO THE EXCHANGE</b>                     |
|----------------|---|
| 1              | Client Registration Form (Member to Exchange)                                 |
| 2              | Undertaking as specified in Annexure II (with a copy of authorization letter) |
|                |   |
|                | <b>DOCUMENTS TO BE COLLECTED BY MEMBER FROM CLIENT</b>                        |
| 1              | Client Registration Form (Client to Member)                                   |
| 2              | Member Client Agreement   |
| 3              | Risk Disclosure Document  |

*(All the above documents are attached herewith for ready reference)*

Chapter 6 of the Business Rules underlines the Member Client Relationship and also states that a Client can authorize the Member to trade on its behalf if it feels so. The format for the same is attached herewith as Annexure I.

Based on the above, the Member also has to provide an undertaking to the Exchange to ensure that the Member will take all the orders from the client in writing prior to the execution of orders. The format of the Undertaking is attached herewith as Annexure II.

All the Members are requested to take note of the above and provide the same at the time of enrolment of client under them.

**For and on behalf of**

**Power Exchange India Limited**

**Sd/-**

**Prabhajit Kumar Sarkar**  
**Asst. Vice President**

**Annexure I**

**Authorisation from Client to Member to trade on its behalf**

I/We hereby agree to authorize Mr./ M/s. \_\_\_\_\_ a Member of Power Exchange India Ltd. (PXIL) to submit orders on our behalf. I/We shall ensure that I/We will give prior approval in writing to M/s. \_\_\_\_\_ for placing the trade order so that the same can be executed in the Exchange Trading System.

I/We hereby declare that I/We am/are aware about the Rules, Bye Laws and Business Rules and Circulars issued thereunder by PXIL that may be in force from time to time and understand that appropriate action may be initiated by PXIL in case of violation of the Rules, Regulations and Bye-laws and Circulars issued by PXIL.

*(To be Stamped & Signed by authorised signatories)*

*Date:*

## **Annexure II**

### **Undertaking from Member to Exchange**

I/We hereby declare that Mr. / M/s. \_\_\_\_\_ has enrolled as our client to trade in PXIL.

I/We hereby agree and bind myself/ourselves to be responsible for all acts, quotations made and transactions done, trades made, or effected by us on behalf of Mr. / Ms. \_\_\_\_\_ as they have authorized us to trade on their behalf (copy of authorization letter attached). We shall ensure that we will not execute any order on the client's account without such order having their prior approval in writing

We will not function / place orders / deal on the trading system in any manner that would represent that the trades have been placed on behalf of the client unless he is registered as a client of the Exchange. In case of Mr./M/s. \_\_\_\_\_ ceasing to be associated with us as a client, we shall communicate to you and seek the disablement of the User ID so allotted.

I/We hereby declare that I/We am/are aware about the Rules, Bye Laws and Business Rules and Circulars issued thereunder by the Exchange that may be in force from time to time and understand that appropriate action may be initiated by the Exchange in case of violation of the Rules, Regulations and Bye-laws and Circulars issued by the Exchange.

*(To be Stamped & Signed by authorised signatories)*

*Date:*