



MINIMUM REQUIREMENTS HANDBOOK

FOR

**INTERNET BASED TRADING THROUGH
ORDER ROUTING SYSTEM (ITORS)**

Bombay Stock Exchange Ltd

July, 2006

Registered Office

Phiroze Jeejeebhoy Towers, 25th Floor, Dalal Street, Mumbai – 400 001.

Tel No. 22721233/34

Email Address: info@bseindia.com

Visit us at www.bseindia.com

Introduction

On January 25, 2000, the Securities and Exchange Board of India (SEBI) approved the report of the *Standing Committee on Internet Based Trading and Services*, permitting Internet Based Trading through Order Routing System (ITORS) undertaken by Trading Members, subject to approval by the Stock Exchange concerned.

SEBI vide its Circular (SMDRP/POLICY/CIR-06/2000) dated January 31, 2000, and Circular (SMDRP/Policy/Cir-48/2000) dated October 11, 2000 notified all the stock exchanges of the same while requiring the exchange concerned to ensure that minimum requirements and conditions specified in the report be satisfied prior to initiation of such services.

Pursuant to the above, Bombay Stock Exchange Ltd (BSE Ltd) hereby permits its Trading Members to offer ITORS subject to the rules contained herein.

This document has been prepared by BSE Ltd. It contains proprietary information and has been prepared for the express purpose of allowing BSE Ltd to permit and enable their Trading Members to offer services of internet based trading through order routing system. Except as otherwise permitted by BSE Ltd, it may not be reproduced, in part or in whole. BSE Ltd holds all the Intellectual Property Rights including Copyrights in this Document called the Minimum Requirements Handbook for Internet Based Trading through Order Routing System.

For any further Queries, please contact

Member Services & Development Department / Department of Operations & Trading (DOT)

Tel No. 22721233 / 34

Email Address: info@bseindia.com

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Chapter One

1 Definitions

- 1.1 **"BOLT"** means BSE Online Trading System.
- 1.2 **"Trading Member Client Agreement"** means an agreement to be entered into between the Trading Member and his Client as prescribed by SEBI.
- 1.3 **"Exchange"** or **"BSE"** means BSE Ltd .
- 1.4 **"Firewall"** means a mechanism that includes hardware and or software to protect the System from unauthorized access through public/private networks.
- 1.5 **"Hyperlinks"** means electronic links to other Websites or Webpages
- 1.6 **"ITORS Trading Member ITORS Sub-Broker Agreement"** means an agreement between the ITORS Trading Member and ITORS Sub-Broker detailing the rights, liabilities and obligations of both the parties for availing the Service as defined hereinafter.
- 1.7 **"ITORS Client"** means a client registered with an ITORS Trading Member or an ITORS Sub-Broker for availing the Service as defined hereinafter.
- 1.8 **"ITORS Client Agreement"** means an agreement between the ITORS Trading Member or ITORS Sub-Broker and ITORS Client detailing the rights, obligations and liabilities of the parties in respect of the Service as defined hereinafter.
- 1.9 **"ITORS Trading Member"** means Trading Member of the Exchange who has received Approval or who has made an application in FORM A.
- 1.10 **"ITORS Sub-Broker"** means an ITORS Sub-Broker of the ITORS Trading Member.

- 1.11 **"Internet Based Trading"** means trading in securities using the Internet as a medium and includes trading through an Order Routing System.
- 1.12 **"Model Agreement"** means the draft of the ITORS Supplemental Trading Member - Client Agreement provided in Schedule C.
- 1.13 **"Operational Audit"** means an audit conducted by the Exchange or a third party nominated by the Exchange, to ensure the System's and services compliance with the Rules and guidelines issued by SEBI/Exchange from time to time.
- 1.14 **"Order"** means an instruction to buy or sell securities.
- 1.15 **"Order Routing System"** includes inter alia all activities pertaining to order management like, capturing of an Order, Validation, Routing of the Order to the Exchange, Order Cancellation, Order Confirmation and Risk Management System.
- 1.16 **"Password"** means an alphanumeric code used by the ITORS Client (or ITORS sub-broker) to validate his identity and to access the Service (as defined hereinafter).
- 1.17 **"Rules"** means all the Rules, Byelaws, Regulations, procedures and notices of the Exchange, resolutions by the Governing Board, including the Minimum Requirements Handbook.
- 1.18 **"SEBI"** means the Securities and Exchange Board of India.
- 1.19 **"Service"** means the service of Internet Based Trading, rendered by the ITORS Trading Member, through Order Routing System (hereinafter referred as ITORS).
- 1.20 **"Site"** means the Website of the ITORS Trading Member.
- 1.21 **"Software Application"** means all object codes and/or source codes associated with implementation of the Order Routing System.

- 1.22 **"System"** includes the Software Application(s), Hardware and Networking components used to implement the Order Routing System and the Site.
- 1.23 **"Vendor"** means third-party developer(s) or supplier(s) of the System.
- 1.24 **"Webpage"** means a compilation of information available in electronic form on the World Wide Web.
- 1.25 **"Website"** means a Compilation of Webpages. References to a Website shall include a WebPage comprised in such website.
- 1.26 Words/Expressions not defined above shall have the same meaning as attributed to them under the Securities and Exchange Board of India Act 1992, Securities Contracts (Regulation) Act, 1956, Rules, and regulations prescribed under the aforesaid Acts and the Rules.

2 Eligibility

Trading members satisfying the following criteria will be eligible to apply for approval to render the Service:

- 2.1 Minimum Net worth, per Trading member, of Rs. 50 lacs to be calculated in accordance with provisions of SEBI circular number FITTC/DC/CIR-1/98, dated June 16, 1998.
- 2.2 All requirements mentioned in Chapter Two of this Minimum Requirements Handbook.

3 Approval by Exchange

3.1 Trading members who satisfy the requirements of rule 2, mentioned above, may render the Service only after obtaining the written approval of the Exchange (hereinafter referred to as "Approval") and subject to their continued compliance with the Rules.

3.2 Trading members desirous of implementing multiple Systems inter-alia for sub-brokers, for Order Routing shall apply separately to the Exchange for the Approval in respect of each of these Systems.

4 Application for Approval

Application for obtaining Approval should be made in the form specified in Schedule A (hereinafter referred to as "**Form A**") to the Exchange.

5 Response to Application

5.1 The Exchange shall, within 30 days from the date of receipt of a complete Application, communicate its acceptance of the Application in the form specified in Schedule B (hereinafter referred to as "Form B"), or rejection as the case may be.

5.2 An Application will be complete on the satisfaction of all requirements specified in Form A and all such information and clarification that the Exchange may call for during the Approval process.

5.3 The decision of the Exchange shall be final and binding.

6 Certification and Operational Compliance

6.1 The ITORS Trading member shall ensure that at all times his System complies with the operational, technical and other parameters as prescribed by the Exchange and SEBI from

time to time. In order to ensure the above, the Exchange may require ITORS Trading member to furnish certificates from time to time.

6.2 The Exchange for this purpose may conduct an Operational Audit at any time.

7 Termination or Suspension of Approval

The Exchange reserves the right to terminate or suspend the Approval so given, where it finds the ITORS Trading member in violation of :

7.1 Any requirements mentioned in Chapter Two of the Minimum Requirements Handbook.

7.2 Other Provisions of the Minimum Requirements Handbook.

7.3 Any other criteria that the Exchange or SEBI may prescribe, from time to time.

8 Initiation of Service

8.1 ITORS Trading members shall ensure that they initiate the Service within 90 days of receiving the Approval. In case, the ITORS Trading member fails to commence the Service within 90 days of receiving the Approval, he/she shall seek Exchange's approval for extension of period for commencement of the Service.

8.2 ITORS Trading members shall notify the Exchange before commencement of the Service.

9 Material Alterations

Any change to the System with respect to Features and Functionality, as specified in Rule 10 of this Minimum Requirements Handbook, should be informed to the Exchange within 48 hours, in the format specified in Schedule D of this Minimum Requirements Handbook. Further, the ITORS Trading member should certify that such changes do not dilute the

requirements mentioned in Rule 10 of the Minimum Requirements Handbook. The Exchange may at its own discretion conduct an Operational Audit of the System and direct the ITORS Trading member / ITORS Sub-Broker to alter the System.

Chapter Two

10 System Features and Functionality Requirements

ITORS Trading members should ensure that the System should have following minimum features and functions:

10.1 Order Tracking System that allows the ITORS Client to

- 10.1.1 Place an order
- 10.1.2 Modify and/ or delete orders pending execution
- 10.1.3 View order status
- 10.1.4 Order/Trade Confirmation

The ITORS Trading member shall ensure that order acceptance or rejection by the System is communicated to the ITORS Client within a reasonable period. The trade confirmation should be sent to the ITORS Client online. Trade confirmation shall also be sent to the ITORS Client through email. The ITORS Client should have the facility to choose the interval (daily/hourly) to receive such emails.

10.2 Order Status should display:

- 10.2.1 Order ID generated by the BOLT
- 10.2.2 Date and Time of order placement
- 10.2.3 Scrip name
- 10.2.4 Scrip code

- 10.2.5 Action (Buy/Sell)
- 10.2.6 Quantity
- 10.2.7 Order type (Market Order / Limit Order etc.)
- 10.2.8 Order validity (EOSESS, EOTODY, GTC etc.)
- 10.2.9 Price
- 10.2.10 Classification of Order (Carry Forward, For Delivery)
- 10.2.11 Execution status

10.3 Order Capture including Validation feature that comprises among others, the following:

- 10.3.1 ITORS Client ID and type of ITORS Client
- 10.3.2 Scrip Name / Code
- 10.3.3 Buy / Sell
- 10.3.4 Quantity (ensure market lot depending on physical/dematerialization stock)
- 10.3.5 Type of order (market order/ limit order/ or such orders as allowed by BOLT)
- 10.3.6 Order validity (type as permitted by BOLT such as, EOTODY, EOSESS, GTC.)
- 10.3.7 Price (Ensure price band/circuit limit and minimum tick size as allowed by BOLT)
- 10.3.8 Classification of order - For Delivery or Carry Forward
- 10.3.9 Facility to prompt the ITORS Clients when he puts in orders that are over and above the normal limits set by the ITORS Trading member.
- 10.3.10 System shall generate a unique number for each Order.
- 10.3.11 ITORS Trading member shall ensure that logic / priorities used by the Exchange are followed by the System for treating ITORS Client Orders.

10.4 Risk Management

The ITORS Trading member shall ensure that adequate risk monitoring and control measures including System-based control on the pre-defined trading limits set by the ITORS Trading member and exposures taken by the ITORS Clients have been implemented in the Risk Management Module of the System. The System shall have a facility for review and release by the ITORS Trading member of orders that are not validated by the System.

10.5 Security

- 10.5.1 The System shall authenticate ITORS Clients with a User Name and password as first level of security. The password shall either be created by the ITORS Client or be automatically generated by the System and such password should be stored in encrypted form.
- 10.5.2 The System should ensure that the ITORS Client changes the password, the first time he logs into the System, before commencement of trading for the first time.
- 10.5.3 The system should provide for automatic expiry of passwords at the end of 6 (six) months. In the event the password has expired, the system will re-initialize access on the entry of a fresh password. Prior intimation will be given to the ITORS client before such expiry. During such change, System should not allow the ITORS Client to retain the same password.
- 10.5.4 The ITORS Client account shall be deactivated if the same is not used for a continuous period of 12 (Twelve) months from date of last use of the account.
- 10.5.5 The System shall allow ITORS Clients to change their passwords at their discretion and frequency.
- 10.5.6 The System shall provide for a transactional level password to ensure second level of security.
- 10.5.7 The System shall / may have a facility by which ITORS Clients are logged out from the System after a configurable (as determined by the System) period of inactivity.

10.6 System Capacity

ITORS Trading member shall ensure that:

- 10.6.1 The System can handle his/her expected peak load.
- 10.6.2 Data Storage and Backup facilities are adequate to meet the operational requirement.
- 10.6.3 Proper archival and retrieval process is in place.
- 10.6.4 Data is readily available for query to ITORS Clients at least till the payout date of the transaction. Archive shall be maintained at least for a period of 5 continuous years.
- 10.6.5 Adequate un-interrupted power supply for smooth operation of the System is available at the Site.
- 10.6.6 Service has adequate bandwidth and multiple links to the Internet to ensure reliability and redundancy.

10.7 Cross Trades

The ITORS Trading member shall ensure that the System passes all the Orders to the trading platform of the Exchange for execution and does not allow any crossing of orders that are routed through it.

10.8 Operational Integrity

ITORS Trading member shall ensure that the following minimum security requirements are adhered to :

- 10.8.1 The System shall use at least 40 bit Secure Socket Layer (SSL) to transport sensitive information such as User name, Password, personal information, and transactional information. System should be capable of deploying 128 bit SSL or more as and when SEBI/ the Exchange mandate the use of such technologies.
- 10.8.2 The Webserver shall be kept separate of the Application and Database server. Further, Firewalls between the web server and Internet and between webserver and the Order Routing System shall be deployed.

10.8.3 The System's data management component shall ensure data integrity and confidentiality. The System shall also generate appropriate audit logs and trails so as to facilitate tracking of events such as orders and trades with timestamp.

11 Software Application Version

ITORS Trading Member should ensure that software version number is used to identify the system being approved by the Exchange.

12 Contingencies

In case of System failure, alternative facility including contact over telephone shall be provided.

13 Qualified Personnel

The ITORS Trading Member shall ensure that the service is supported by at least two persons, each having Bachelors degree OR Diploma in Engineering OR such other equivalent qualification. The Trading Member shall certify that the persons supporting the service possess requisite skills for technical support, System administration and other related functions pertaining to the System.

14 Written Procedures

The ITORS Trading Member shall have a written procedure in place addressing among others:

- 14.1 Access Control for users of the service.
- 14.2 Encryption control for communication between ITORS Client and the System.
- 14.3 Backup and Archival process.
- 14.4 Disaster Recovery procedures.
- 14.5 Specific email id to receive mails from ITORS Clients. Procedure to escalate the issue if the email is not responded within one working day.

Chapter Three

15 Registration of ITORS Clients

Prior to offering the Service to an ITORS Client, the ITORS Trading Member shall ensure the following

- 15.1 The ITORS Client has submitted ITORS Client registration form as prescribed by SEBI vide its circular SMD/Policy/CIR/5-97, dated April 11, 1997.
- 15.2 Execution of a Trading Member-Client Agreement as prescribed by Exchange vide notice number 1798/97, dated April 24, 1997.
- 15.3 Execution of the ITORS Trading Member - Client Agreement
- 15.4 ITORS Trading Members should note that while executing ITORS Client Agreements, they are required to ensure that they do not in any manner modify the Model Agreement as a result of which the terms and conditions of their agreement become less stringent or contrary to those laid down in the Model Agreement.

16 Site Policy

ITORS Trading Member shall ensure that the Site displays prominently, the following, or links to the following:

- 16.1 Disclaimers, if any. No disclaimer by the ITORS Trading Member, shall state anything contrary to the provisions of the Model Agreement or the liabilities/responsibilities imposed on the ITORS Trading Member by the Rules, Bye-laws and Regulations, procedures and notices of the Exchange, Rules, Regulations and Circulars of SEBI and any other law for the time being in force.
- 16.2 Terms of Use of the Site, if any.

16.3 Rules and regulations affecting Client Trading Member relationship, including rules related to arbitration and investor protection.

16.4 Hyperlink to investor complaint form on Website of the Exchange.

16.5 ITORS Trading Member shall display the following, prominently, on the Site:

"Bombay Stock Exchange Ltd" is not in any manner answerable, responsible or liable to any person or persons for any acts of omission or commission, errors, mistakes and/or violation, actual or perceived, by us or our partners, agents, associates etc., of any of the Rules, Regulations, Bye-laws of the Bombay Stock Exchange Ltd, SEBI Act or any other laws in force from time to time.

Bombay Stock Exchange Ltd is not answerable, responsible or liable for any information on this Website or for any services rendered by us, our employees, and our servants. "

16.6 Hyperlink to Website of the Exchange.

17 Misrepresentation of Exchange

17.1 The ITORS Trading Member shall exercise extreme care and caution while displaying the information on the Site. The Exchange shall not be responsible for the accuracy or completeness of the information on the Site.

17.2 The ITORS Trading Member, while displaying the information on the Site, shall not represent itself to be an agent or partner of the Exchange.

17.3 The ITORS Trading Member shall ensure that the Site does not contain any material or information that is defamatory or libelous or in anyway harmful to the interests of the Exchange, or SEBI, or any other Trading Member.

- 17.4 The Exchange reserves the right to penalize the ITORS Trading Member in case of violation of this rule in any manner it deems necessary including termination or suspension of Approval.

18 Name of Site or Service

The ITORS Trading Member shall ensure that no false or misleading names are used for the Site, which may cause an incorrect perception amongst people that the Site is sponsored/partnered by or associated with the Exchange.

19 Investor Information

- 19.1 Ticker provided by the ITORS Trading Member on the Website shall mention the timestamp and the source of the information.
- 19.2 Reports on margin requirements, payment and delivery obligations shall be informed to the ITORS Client through the System.

20 Advertisement

Subject to the Rules, Byelaws and Regulations of the Exchange, ITORS Trading Members can advertise their Service on the Site or other Websites. ITORS Trading Members are, however, prohibited from soliciting advertisements from or displaying advertisements of third parties. ITORS Trading Member should ensure that, at all times, he has sole and complete ownership over his Website.

21 Communication of Contract Notes

- 21.1 Contract notes shall be issued to ITORS Client as per existing regulations, within 24 hours of the trade execution.
- 21.2 The System should be capable of issuing online contract notes as and when permitted by SEBI.

22 Indemnification

The Exchange shall not be responsible or liable for any loss, damage or expenses, incurred to any persons, whether directly or indirectly, from any errors or omissions in the information on the Site, whether arising in contract, tort or otherwise. The ITORS Trading Member shall indemnify the Exchange in case any expenses are incurred by the Exchange in defending any suit or proceeding filed against it in respect of the same.

SCHEDULE A – Form A

I/We _____ (Name), Trading Member of Bombay Stock Exchange Ltd, having Clg. Number, _____, hereby apply for approval for the Internet Based Trading Through Order Routing System, to be provided by me/us, subject to the Rules, Bye-laws and Regulations of the Exchange and the Minimum Requirements Handbook, which now are or may, from time to time, be in force.

I/We have read the Rules, Bye-laws and Regulations of the Exchange and the rules as defined herein and agree to abide by the same.

(Please Attach Annexures, wherever necessary)

1.	Application Number	
2.	Name of Applicant (refer note 1 and 4)	
3.	Registered / Office Address	
4.	Telephone Number(s)	
5.	Fax Number(s)	
6.	PAN (of applicant corporate entity)	
7.	Address of IML Location (where ITORS Audit to be conducted by Auditors)	
8.	Email ID for further correspondence (Please give all email id's)	
9.	URL	//http:
10.	Clearing Number	
11.	SEBI Registration Number	
12.	Are you a Trading Member of any other Stock Exchange?	Yes/ No. If Yes, please provide details Trade Name: Name of the Exchange: Clearing Number:

13.	If you are, are you providing or do you intend to provide the same service on the other Exchange(s)? if yes, Are you using the same System to route orders to other exchanges?	Yes/No. If Yes, please provide details
14.	Are you sharing this System with any other person or entity, including but not limited to Trading Members, sub-brokers etc to route the Orders to BSE Ltd or other exchanges?	Yes/No. please provide details
15.	Whether you have been rejected, suspended, expelled or declared a defaulter by the Exchange or by any other exchange.	Yes / No. If Yes, provide details.
16.	Net Worth as on _____ (Refer to note 2 and 3)	
17.	Please provide following ▪ Vendor Name(s) ▪ Product name ▪ Version number ▪ ISP details ▪ H/W provider ▪ Third Party Tools ▪ Any other details	
18.	a) Has the System in its entirety or in part already been Approved by the Exchange for other Trading Member/s? b) Is there any change to the approved parts? If yes, provide details of functional changes made to the requirements mentioned in Chapter Two of the Minimum Requirements Handbook, for the specific installation. if no, provide certificate from the Vendor to this effect.	Yes/No/Don't Know, If yes, provide details of the Trading Member using the same System. Provide details of the parts already approved.

I/We shall at all times comply with such rules, requirements and norms as may be specified by the Exchange or SEBI for approval by the Exchange for Internet Based Trading through Order Routing System.

I/We submit herewith a certificate in the format annexed hereto as Annexure I and II to Form A.

I/We undertake to inform the Exchange, as early as possible, if I am applying for any Membership with any of the other exchanges.

I/We am/are aware and agree that the Exchange may in its absolute discretion reject any application for registration on such grounds, as it considers fit and proper without assigning any reason

I _____ being a wholetime director/partner/sole proprietor, *(strike out whatever is not applicable)* of _____

(Trading Member Name) having Clearing No. _____, applying for approval of the ITORS to the Bombay Stock Exchange Ltd do hereby solemnly declare and affirm that what is stated above is true to the best of my knowledge and belief.

For _____

Authorised Signatory(ies)

Dated this _____ day of _____ 200

Place:

Notes:

1. In case, Trading Members collectively approach a service provider for providing ITORS, each Trading Member must fill the application form individually and shall meet all the Net worth requirements including the requirement of minimum Net worth of Rs. 50 Lacs.
2. Net Worth certificate from a Chartered Accountant not older than six months from the date of submission of this application form to the Exchange.
3. Net worth to be calculated in accordance with provisions of Exchange/SEBI circular issued from time to time.
4. Trading Members who are Corporate Bodies are required to ensure that they obtain appropriate Resolutions from their Boards permitting them, inter alia, to offer the facility of the System to their ITORS Clients and authorise particular person(s) to act as authorised signatories.

Annexure I to Schedule A (Form A)

Format for Self-Certification

I/We hereby solemnly declare and certify:

- a) That adequate personnel possessing requisite skills for technical support, system administration and other related functions pertaining to Internet Based Trading through Order Routing System have been deployed.
- b) That this system fully complies with the System Feature and Functionality requirements as mentioned under Rule 10 and other Rules of the Minimum Requirements Handbook on Internet Based Trading through Order Routing System.
- c) That the written procedures as required by Rule 14 of the Minimum Requirements Handbook on Internet Based Trading through Order Routing System are in place.
- d) That adequate risk monitoring and control measures have been incorporated in my/our system and are in compliance with the Rules as given in the Minimum Requirements Handbook on Internet Based Trading through Order Routing System.

I/We hereby undertake to notify the Exchange of any change in the system that would result in dilution of mandated functionality as prescribed under Chapter Two and other provisions of The Minimum Requirements Handbook.

For _____

Authorised Signatory(ies)

Date:

Place:

Annexure II to Schedule A (Form A)

Format for Vendor Certification

I/We hereby solemnly declare and certify:

That the Internet Based Trading through Order Routing System (ITORS) developed for _____ (Trading Member Name) fully complies :

a. With the System Feature and Functionality requirements as mentioned under Rule 10 and other Rules of the Minimum Requirements Handbook of Internet Based Trading through Order Routing System.

b. That adequate risk monitoring and control measures have been incorporated in the system and are in compliance with the Rules as given in the Minimum Requirements Handbook of Internet Based Trading through Order Routing System.

c. Software Application version compliance as mentioned in Rule 11 of the Minimum Requirements Handbook.

d. That the written procedures as required by Rule 14 of the Minimum Requirements Handbook of Internet Based Trading through Order Routing System.

I/We hereby undertake to ensure adherence to the above Rules for any change in the system.

For _____

Authorised Signatory(ies)

Date:

Place:

SCHEDULE B – Approval Notice
Bombay Stock Exchange Ltd

Date: _____

With reference to your application regarding approval for ITORS (_____) an audit of your system/s was conducted by the Exchange appointed I.S. Auditors on _____ at the aforesaid address and as per the scope of the Minimum Requirements Handbook for ITORS.

Based on the information submitted by you and the audit findings, so also based on the self-declaration and undertakings given by you, we are pleased to inform you that you are permitted to go live on the aforesaid ITORS system subject to your :

- i) Implementing the necessary Rules as prescribed under the Minimum Requirements Handbook for ITORS as published by the Exchange, the Rules, Bye-laws, Regulations and procedures of the Exchange & SEBI Regulations / Guidelines as amended from time to time and as per the undertaking given by the Co. for the same.
- ii) Rectifications / Corrections / Enhancement of the controls as observed by the IS Auditors “_____” and implementing the recommendation/s for comments / observations as per their review reports dated _____ (Copy's Enclosed) for the aforesaid product (Copy's Enclosed).

You will also ensure that the service is commenced within 90 days from the date of grant of approval. **Please indicate the date on which you will be going live with your application along with the declaration that the company has complied / rectified the observations / deviations as pointed out by our auditors.**

Further, the member is required to submit to the Exchange on a monthly basis the turnover done through ITORS as per the attached format.

We wish you the very best in your new endeavor.

SCHEDULE C – Model Agreements

- 1. Supplemental ITORS Trading Member- Client Agreement**
- 2. ITORS Trading Member -Sub-Broker Agreement**
- 3. Sub-Broker-Client Agreement**

SUPPLEMENTAL ITORS TRADING MEMBER CLIENT AGREEMENT

BETWEEN

_____ (Trading Member Name) _____

And

_____ (Client Name) _____

SUPPLEMENTAL TRADING MEMBER-CLIENT AGREEMENT

(ITORS TRADING)

THIS SUPPLEMENTAL AGREEMENT ("this Agreement") is executed at _____ on this _____ day of _____, 200__

BETWEEN

_____, an individual, having his/her office at _____, hereinafter referred to as **"the Trading Member"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his / her heirs, executors, administrators and legal representatives) of the ONE PART;

OR

M/s. _____, a sole proprietary concern of Mr./Ms./Mrs. _____, having its principal office at _____, hereinafter referred to as **"the Trading Member"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include the sole proprietor's heirs, executors, administrators and legal representatives) of the ONE PART;

OR

M/s. _____, a partnership firm registered under the provisions of the Indian Partnership Act, 1932, having its address at _____, hereinafter referred to as **"the Trading Member"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include the partners or partner for the time being of the said firm, the survivors or survivor of them and its/his/her/their respective heirs, executors, administrators and legal representatives) of the ONE PART;

OR

M/s. _____, a company / body corporate incorporated under the provisions of the Companies Act, 1956 having its registered office at _____, and a branch office in Mumbai at _____, hereinafter referred to as **"the Trading**

Member", (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the ONE PART;

AND

_____, an individual, having his/her office at _____, hereinafter referred to as **"the Client"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include his/her heirs, executors, administrators and legal representatives) of the OTHER PART;

OR

M/s. _____, a sole proprietary concern of Mr./Ms./Mrs. _____, having its principal office at _____, hereinafter referred to as **"the Client"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include the sole proprietor's heirs, executors, administrators and legal representatives) of the OTHER PART;

OR

M/s. _____, a partnership firm registered under the provisions of the Indian Partnership Act, 1932 having its address at _____, hereinafter referred to as **"the Client"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include the partners or partner for the time being of the said firm, the survivors or survivor of them and its/his/her/their respective heirs, executors, administrators and legal representatives) of the OTHER PART;

OR

M/s. _____, a company / body corporate incorporated under the provisions of the Companies Act, 1956 having its registered office at _____, and a branch office in Mumbai at _____, hereinafter referred to as **"the Client"**, (which expression shall, unless it be repugnant to the context or meaning thereof, be deemed to mean and include its successors) of the OTHER PART;

WHEREAS:

- (i) The Trading Member is a Trading Member of Bombay Stock Exchange Ltd, (**"the Exchange"**) and is also registered with the Securities & Exchange Board of India (**"SEBI"**) as a stock broker with SEBI Registration No._____;
- (ii) The Client is a client/constituent of the Trading Member, and the Trading Member and the Client have entered into a Trading Member-Client Agreement dated the ____ day of _____, _____ in accordance with the model agreement prescribed by SEBI (**"the Main Trading Member-Client Agreement"**);
- (iii) The Trading Member offers and/or proposes to offer the ITORS Service to its clients; and the Client desires to avail of the Trading Member's ITORS Service for purchasing, selling or otherwise dealing in securities;
- (iv) The Trading Member and the Client desire to enter into this Supplemental Agreement to the Main Trading Member-Client Agreement in order to record the agreement between them relating to the Trading Member's ITORS Service to be availed of by the Client.

IT IS HEREBY AGREED BETWEEN THE TRADING MEMBER AND CLIENT as follows:

1. Definitions:

1.1 In this Agreement (including the Recitals above), unless the context otherwise requires the following words shall have the following meanings:-

- (i) **"the Exchange"** means the Bombay Stock Exchange Ltd and includes a segment of the Exchange.
- (ii) **"Exchange Provisions"** means the Rules, Bye-laws, Regulations, Business Requirement, Specifications, handbooks, notices, circulars and resolutions of the Exchange or any segment of the Exchange in force from time to time and includes the Minimum Requirements Handbook for ITORS prescribed by the Exchange, as amended from time to time.

- (iii) **"ITORS"** means Internet based Trading Through Order Routing System, being a system approved by the Exchange for enabling clients to route their orders to their Trading Member/s over the internet.
- (iv) **"ITORS Account Application"** means the application submitted by the Client to the Trading Member to permit the Client to avail of the Trading Member's ITORS Service.
- (v) **"ITORS Service"** or **"Service"** means the service offered by the Trading Member to its clients through ITORS whereunder the clients can route their orders for purchase, sale and other dealings in securities through the Trading Member's ITORS System.
- (vi) **"Trading Member's ITORS System"** or **"Trading Member's ITORS WebSite"** means the web site hosted by the Trading Member on the internet through which the Trading Member offers the ITORS Service and includes the hardware and software used for hosting and supporting the WebSite.
- (vii) **"Password"** means an alphanumeric code used by the Client to validate his/her username and access the Service.
- (viii) **"SEBI"** means the Securities & Exchange Board of India.
- (ix) **"Username"** means an alphanumeric login identification used by the Client for accessing the Service.

1.2 In this Agreement, headings are used for convenience and ease of reference only and shall not affect the construction or interpretation of any provision of this Agreement.

1.3 In this Agreement, unless the context otherwise requires, reference to the singular includes a reference to the plural and vice-versa, and reference to any gender includes a reference to all other genders.

1.4 In this Agreement, unless the context otherwise requires, references to Recitals and Clauses shall be deemed to be a reference to the recitals and clauses of this Agreement.

1.5 References to any enactment are to be construed as referring also to any amendment or re-enactment thereof and to any rule, bye-law, regulation, business requirement, specification, order or other provision made under it.

2. **AGREEMENT TO PROVIDE AND AVAIL OF THE ITORS SERVICE:**

The Trading Member agrees to provide the Trading Member's ITORS Service to the Client, and the Client agrees to avail of the Trading Member's ITORS Service, on and subject to the terms and conditions of this Agreement, the Exchange Provisions and the terms of the Trading Member's ITORS Web Site.

3. **USER NAME AND PASSWORD:**

- 3.1 The Client will be entitled to a username and password, which will enable him to access the Trading Member's ITORS System for availing of the Service.
- 3.2 The Client is aware that the Trading Member's ITORS System itself generates the initial password and that the Trading Member is aware of the same. The Client agrees and undertakes to immediately change his initial password upon receipt thereof. The Client is aware that subsequent passwords are not known or available to the Trading Member.
- 3.3 The Client shall be responsible for keeping the Username and Password confidential and secure and shall be solely responsible for all orders entered and transactions done by any person whosoever through the Trading Member's ITORS System using the Client's Username and/or Password whether or not such person was authorised to do so.
- 3.4 The Client shall immediately inform the Trading Member of any unauthorised use of the Client's Username or Password with full details of such unauthorised use including the date of such unauthorised use, the manner in which it was unauthorisedly used, the transactions effected pursuant to such unauthorised use, etc.
- 3.5 The Client acknowledges that he is fully aware of and understands the risks associated with availing of a service for routing orders over the internet including the risk of misuse and unauthorised use of his Username and/or Password by a third party and the risk of a person hacking into the Client's account on the Trading Member's ITORS System and unauthorisedly routing orders on behalf of the Client through the System. The Client agrees that he shall be fully liable and responsible for any and all unauthorised use and misuse of his Password and/or Username and also for any and all acts done by any person through the Trading Member's ITORS System on the Client's Username in any manner whatsoever.

- 3.6 The Client shall log off from the ITORS Service at any time the Client is not accessing or using the Service and any liability incurred to the Client as a consequence of the Client not logging off the Service shall borne solely by the Client.
- 3.7 Without prejudice to the provisions of Clause 3.5, the Client shall immediately notify the Trading Member in writing with full details if :
- (i) he discovers or suspects unauthorised access through his Username, Password or account,
 - (ii) he notices discrepancies that might be attributable to unauthorised access,
 - (iii) he forgets his password or
 - (iv) he discovers a security flaw in the Trading Member's ITORS System.
- 3.8 In any of the above events specified in Clause 3.7, the Client shall immediately change his Password. However, if the Client is unable to change his Password by reason of his having forgotten his Password or his Password having been unauthorisedly changed by some other person or for any other reason then the Client shall immediately request the Trading Member in writing to discontinue his old Password; and thereupon the Trading Member shall cause the Trading Member's ITORS System to discontinue the use of the Client's old Password and the Trading Member's ITORS System shall generate a new Password for the Client which shall be communicated to the Client. At no point in time shall the Trading Member be liable for any loss, whether notional or actual, that may be suffered by the Client on account of the misuse of the Password.

4. TRANSACTIONS AND SETTLEMENTS:

- 4.1 All orders for purchase, sale or other dealings in securities and other instructions routed through the Trading Member's ITORS System via the Client's Username shall be deemed to have been given by the Client.
- 4.2 The orders and instructions and all contracts and transactions entered into pursuant thereto and the settlement thereof will be in accordance with the Exchange Provisions.
- 4.3 The Trading Member may from time to time impose and vary limits on the orders which the Client can place through the Trading Member's ITORS

System (including exposure limits, turnover limits, limits as to the number, value and/or kind of securities in respect of which orders can be placed, the companies in respect of whose securities orders can be placed, etc.). The Client is aware and agrees that the Trading Member may need to vary or reduce the limits or impose new limits urgently on the basis of the Trading Member's risk perception and other factors considered relevant by the Trading Member, and the Trading Member may be unable to inform the Client of such variation, reduction or imposition in advance. The Client agrees that the Trading Member shall not be responsible for such variation, reduction or imposition or the Client's inability to route any order through the Trading Member's ITORS System on account of any such variation, reduction or imposition of limits. The Client understands and agrees that the Trading Member may at any time, at its sole discretion and without prior notice, prohibit or restrict the Client's ability to place orders or trade in securities through the Trading Member.

- 4.4 Though orders will generally be routed to the Exchange's computer systems within a few seconds from the time the order is placed by the Client on the Trading Member's ITORS System, the Trading Member shall not be liable for any delay in the execution of any order or for any resultant loss on account of the delay.
- 4.5 The Client agrees that the Trading Member may, at its sole discretion, subject any order placed by a Client to manual review and entry, which may cause delays in the processing of the Client's order or may result in rejection of such order.
- 4.6 In case of a market order, the Client agrees that he will receive the price at which his order is executed by the exchange's computer system; and such price may be different from the price at which the security is trading when his order is entered into the Trading Member's ITORS System.

5. **MARGIN:**

The Client agrees and undertakes to immediately deposit with the Trading Member such cash, securities or other acceptable security, which the Trading Member may require as margin. The Client agrees that the Trading Member shall be entitled to require the Client to deposit with the Trading Member a higher margin than that prescribed by the Exchange. The Trading Member shall also be entitled to require the Client to keep permanently with the Trading Member a margin of a value specified by the Trading Member so long as the Client desires to avail of the Trading Member's ITORS Service.

6. CANCELLATION REQUESTS

- 6.1 When the Client places a request to cancel an order, the cancellation of that order is not guaranteed. The order will only be cancelled if the Client's request for cancellation is received and the order is successfully cancelled before it is executed.
- 6.2 The Client shall not be entitled to presume an order as having been executed or canceled until a confirmation from the Trading Member is received by the Client.
- 6.3 The Exchange may annul a trade suo-moto without giving a reason therefor. In the event of such annulment, the Trading Member shall be entitled to cancel the relative contract(s) with the Client.

7. BROKERAGE, COMMISSIONS AND FEES

- 7.1 The Client agrees to pay the Trading Member brokerage, commission, fees, service tax and other taxes and transaction expenses as they exist from time to time and as they apply to the Client's account and transactions, and the services that he receives from the Trading Member.
- 7.2 A schedule of brokerage, fees and commissions, applicable service and other taxes and other transaction expenses shall be provided by the Trading Member to the Client from time to time upon request by the Client.

8. CONFIRMATIONS

Online confirmation will be available to the Client upon execution or cancellation of an order placed by him through the Trading Member's ITORS System. This shall be followed by a confirmation, which may be sent by postal mail, electronic mail or other electronic means. It is the responsibility of the Client to review upon first receipt, whether delivered to him online, by postal mail, by electronic mail, or other electronic means, all confirmations of transactions or cancellations.

9. INVESTMENT ADVICE

- 9.1 The Client acknowledges that the Trading Member shall not be liable to provide him with any legal, tax, investment or accounting advice or advice regarding the suitability or profitability of a security or investment.
- 9.2 The Client also acknowledges that the Trading Member's employees are not authorized to give any such advice and that the Client will not solicit or rely upon any such advice from the Trading Member or any of its employees.
- 9.3 The Client agrees that in the event of the Trading Member or any employee or official of the Trading Member providing any information, recommendation or advice to the Client, the Client may act upon the same at the sole risk and cost of the Client, and the Trading Member shall not be liable or responsible for the same.
- 9.4 The Client assumes full responsibility with respect to his investment decisions and transactions.
- 9.5 The Trading Member, its officers, directors, partners, employees, agents and affiliates will have no liability with respect to any investment decisions or transactions of the Client.

10. SUPPLEMENTAL TO MAIN TRADING MEMBER – CLIENT AGREEMENT:

This Agreement is supplemental to, and does not supersede, the Main Trading Member-Client Agreement. Save and except as modified expressly or by implication by this Agreement the Exchange Provisions or the terms of the Trading Member's ITORS WebSite, the provisions of the Main Trading Member-Client Agreement shall apply *mutatis mutandis* to the extent applicable to dealings between the Trading Member and the Client pursuant to or otherwise relating to the Trading Member's ITORS Service.

11. REPRESENTATIONS AND WARRANTIES OF CLIENT

The Client represents and warrants to the Trading Member that:

- 11.1 All the information provided and statements made in the Client's ITORS Account Application are true and correct and are not misleading (whether by reason of omission to state a material fact or otherwise) and the Client is aware that the Trading Member has agreed to provide the Trading Member's ITORS Service to the Client on the basis, *inter alia*, of the statements made in the Client's ITORS Account Application.

- 11.2 The Client is aware and acknowledges that trading over the internet involves many uncertain factors and complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions and dislocations; and the Trading Member's ITORS Service may at any time be unavailable without further notice. The Trading Member and the Exchange do not make any representation or warranty that the Trading Member's ITORS Service will be available to the Client at all times without any interruption. The Client agrees that he shall not have any claim against the Exchange or the Trading Member on account of any suspension, interruption, non-availability or malfunctioning of the Trading Member's ITORS System or Service or the Exchange's service or systems for any reason whatsoever.
- 11.3 The Client has the required legal capacity to, and is authorised to, enter into this Agreement and is capable of performing his obligations and undertakings hereunder.
- 11.4 All actions required to be taken to ensure compliance of all the transactions, which the Client may enter into pursuant to this Agreement with all applicable laws, shall be completed by the Client prior to such transaction being entered into.
- 11.5 The Client shall abide by the Exchange Provisions and the terms of the Trading Member's ITORS WebSite in force from time to time.
- 11.6 Any instructions given by an authorised representative of the Client to the Trading Member (or to the Trading Member's representative) shall be binding on the Client.

12. REPRESENTATIONS AND WARRANTIES OF THE TRADING MEMBER:

The Trading Member represents and warrants to the Client that :-

The Trading Member's ITORS System has been approved by the Exchange. Where the ITORS system has not been approved by the Exchange, the Trading Member has applied/ proposes to apply to the Exchange to approve the said ITORS System and the Trading Member will commence the Trading Member's ITORS Service only after the Exchange has approved the Trading Member's ITORS System.

13. MARKET DATA

- 13.1 The Client understands that the Exchange asserts a proprietary interest in all of the market data it furnishes, directly or through the Trading Member or otherwise. The Client understands that the Exchange does not guarantee the timeliness, sequence, accuracy or completeness of market data or any other market information, or any messages disseminated by it. Neither the Trading Member nor the Exchange shall be liable in any way for incorrect, misleading, incomplete or dated data or information and, if the Client acts on the basis of the same, he shall do so at his own risk and cost.
- 13.2 The Client shall not furnish market information provided by the Exchange to any other person or entity for consideration or otherwise and in the event the Client uses such information he shall do so at his own risk and cost.

14. NOTICES

- 14.1 Any notice or other communication to be given by any party to the other in connection with this Agreement shall be in writing and shall be deemed duly served if delivered personally or sent by facsimile transmission or by prepaid registered post or by e-mail to the addressee at the address or (as the case may be), the e-mail or facsimile number (if any), of that party set opposite its name below:

To the Trading Member at:

Name of the person concerned :

Address :

Fax # :

e-mail :

To the Client at:

Name of the person concerned :

Address :

Fax # :

e-mail :

or at such other address, facsimile number or e-mail address as the party to be served may have notified the other in accordance with the provisions of this Clause.

Notwithstanding anything stated above, communication relating to orders, margins, maintenance calls and other similar matters in the ordinary course of dealings between the Trading Member and the Client may be communicated orally.

15. EXTRAORDINARY EVENTS

The Trading Member and/or its agents will not be liable for losses caused directly or indirectly by government restriction, Exchange or market rulings, suspension of trading, computer, communication, telephone or system failure, war, earthquakes, flood, accident, power failure, equipment or software malfunction, strikes or any other conditions beyond the Trading Member's control.

16. AMENDMENT TO AGREEMENT

The Client understands and agrees that the Trading Member may discontinue his ITORS Service in part or in its entirety and change the terms of the Service (including the terms on the Trading Member's ITORS WebSite) at any time and from time to time, without prior notice.

17. TERMINATION OF AGREEMENT:

- 17.1 The Client agrees that the Trading Member may at any time terminate this Agreement. The Client is aware and accepts that in view of the nature of the transactions and dealings involved in providing the Service it may not be possible for the Trading Member to give advance notice of such termination or suspension to the Client.
- 17.2 The Client may at any time terminate this Agreement by not less than seven days notice to the Trading Member, provided that unless the Trading Member otherwise permits, the Client shall not be entitled to terminate this Agreement so long as any amount is payable or securities are deliverable by the Client to the Trading Member.

- 17.3 The termination of this Agreement shall not affect any rights or obligations of either party which have accrued prior to the termination or which may arise out of or in connection with acts done or omitted prior to the termination.
- 17.4 The provisions of Clauses 14, 20 and 21 of this Agreement shall survive the termination of this Agreement.

18. SEVERABILITY

In the event of any provisions of this Agreement being held to be or becoming invalid, unenforceable or illegal for any reason, this Agreement shall remain otherwise in full force apart from the said provision which will be deemed deleted. The parties shall however attempt to replace the deleted provision with a legally valid provision that reflects the same purpose as the deleted provision to the greatest extent possible.

19. WAIVER

No forbearance, relaxation or inaction by any party at any time to require the performance of any provision of this Agreement shall in any way affect, diminish, or prejudice the right of such party to require the performance of that or any other provision of this Agreement or be considered to be a waiver of any right, unless specifically agreed in writing.

20. LAW AND JURISDICTION

20.1 This Agreement shall be governed by and construed in all respects in accordance with the laws of the Republic of India and, subject to the provisions of Clause 21, the courts at Mumbai, India shall have jurisdiction over this Agreement and the arbitration proceedings in relation to the Agreement.

20.2 This Agreement and all contracts and transactions between the Trading Member and the Client pursuant hereto shall be subject to the Exchange Provisions, the Rules, Bye-Laws, Regulations, and other provisions of its clearing house, if any, the provisions of the Securities and Exchange Board of India Act, 1992, the Securities Contracts (Regulation) Act of 1956 and the rules and regulations made thereunder and as amended from time to time.

21. DISPUTE RESOLUTION

Any claim, dispute or difference arising between the Parties hereto in respect of this Agreement or any contracts, dealings or transactions pursuant hereto or any rights, obligations, terms or conditions as contained in this Agreement or the interpretation or construction of this Agreement shall be subject to the grievance redressal procedure of the Exchange and shall be subject to the arbitration procedure as prescribed by the Exchange Provisions.

IN WITNESS WHEREOF, **the Parties hereto have executed this Agreement as of the day and year first above written.**

SIGNED SEALED AND DELIVERD)

By the withinamed Trading Member)

Through the hands of its)

_____)

in the presence of ...)

1. **Signature**)
2. **Name**)
3. **Address:**)
 _____)

 _____)

 _____)

SIGNED SEALED AND DELIVERD)

By the withinamed Client)

Through the hands of its)

_____)

in the presence of ...)

1. **Signature**)
2. **Name**)
3. **Address:**)
 _____)
 _____)
 _____)

=====

DATED THIS ____ DAY OF _____, 200__

=====

BETWEEN

_____ ... the Trading Member

AND

_____ ... the Client

SUPPLEMENTAL
Trading MEMBER - CLIENT AGREEMENT
(ITORS TRADING)

ITORS TRADING MEMBER SUB-BROKER AGREEMENT

BETWEEN

_____ (Trading Member Name) _____

And

_____ (Sub –Broker Name) _____

AGREEMENT

This Agreement entered into this _____ day of _____ 2000_ at _____ between _____, Trading Member of the _____ 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 Trading Member ") and _____ a sub-broker ordinarily carrying on/ desiring to start business in shares and securities in the name and style of _____ from _____ (hereinafter referred to as "the sub-broker").

WHEREAS the said Trading Member is a Trading Member of _____ Stock Exchange (hereinafter referred to as "the 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 & Regulations, 1992 (hereinafter referred to as "the said Rules and Regulations");

AND

WHEREAS the sub-broker is affiliated to the Trading Member Shri _____ and is eligible for grant of a certificate of registration granted under rule 5 of the said rules; AND

WHEREAS in terms of item (C) (4) of Schedule II under regulation 15(b) and item (m) of regulation 17(1) of the Securities and Exchange Board of India (Stock Brokers and Sub-brokers) Regulations, 1992 the sub-broker is required to enter into an agreement with the said Trading Member specifying the scope of their authority & responsibility, in relation to the business of dealing in securities between them.

NOW THEREFORE this agreement witnesseth as follows:

1. The Trading Member hereby acknowledges and confirms that the sub-broker is affiliated to him 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 as amended from time to time, between the said Trading Member and the investors for assisting the latter in buying, selling or dealing in securities through the said Trading Member.

2. The sub-broker may conduct business on behalf of his client with the Trading Member as may be mutually agreed upon and subject to such conditions as may be agreed to mutually between the Trading Member and the sub-broker. Such agreement shall not contravene any provisions of this agreement and said rules and regulation.

3. The Trading Member agrees that he 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, being the aggregate value of such transactions agreed to be transacted during any settlement period of the exchange.

4. (a) The Sub Broker has declared that he/it is also presently affiliated as Sub-Broker with the Broker(s) detailed hereunder-

1	2	3	4
Name of the affiliated Trading Member	Name of Stock exchange	SEBI Reg. No. of the Broker.	SEBI Reg. No. of Sub-broker

(b) The Sub-broker has also declared that he/it has direct/indirect interest in the Trading Member (s)/Sub-broker(s) detailed hereunder:

Name & SEBI Reg. No. of Trading Member(s) directly or indirectly related to the present Sub-broker.	Name & SEBI Reg. No. of Sub-broker(s) directly or indirectly related to the present Sub-broker.	Name & SEBI Reg. No. of Trading Member(s) with whom the Sub broker mentioned at column(2) is affiliated.	Name of the stock exchange.	Nature of interest.

The Trading Member(s) mentioned under column (1) of para 4(a)& column(3) of para 4(b) has/have given No objection certificate(s)(NOC)to the present Sub-broker to get affiliated to the new Trading Member M/S-----& seek registration with SEBI.

A Sub-broker is deemed to have direct/indirect interest in other Sub-broker(Broker) in following condition.

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

- (iii) Relative shall mean husband, wife, brother, unmarried sister or any linear ascendant or descendent of an individual.

The affiliated Trading Member through whom the Sub-broker has obtained registration with SEBI may withdraw his/its consent. It shall be the duty of the affiliated Trading Member withdrawing his/its consent to inform all the Trading Member/s mentioned in the column 1 of para 4 (a), Column 3 of Para 4 (b) and the concerned Stock Exchange regarding his/its withdrawal of consent and details of the reason thereof. Information about default in payment/delivery and related aspects by the sub-broker shall also be brought to the notice of all these Trading Members and the concerned Stock Exchange by the affected affiliated Trading Member. In case where defaulting sub-broker is corporate entity/partnership firm or any other artificial legal entity, then the name(s) of director(s)/promoter(s)/Partner(s) as the case may be, shall also be communicated to all the Trading Members mentioned under column 1 of Para 4(a) and Column 3 of Para 4(b) and the concerned Stock Exchange(s).

On withdrawal of consent, the sub-broker shall surrender his/its SEBI registration certificate which shall be forwarded to SEBI by the main Trading Member alongwith all the fees in arrears in respect of sub-brokers registration as required under Part II of schedule 3 of SEBI (Stock Broker & Sub-broker) Regulation 1992. (Regulation 10).

5. The sub-broker shall maintain separate books of accounts in respect of his dealings with each of affiliating Trading Members and under no circumstances, he shall mix the funds received from or payable to the one Trading Member with that of another Trading Members.
6. The Trading Member and the sub-broker agree that they shall abide by all the statutory responsibilities and obligations imposed on them by the said regulations and/or any other rules or regulations applicable to the Trading Members and sub-brokers in general either framed by the said Board or by the Exchange.
7. The Trading Member and the sub-broker shall abide by the code of conduct as specified in Schedule II of the said regulations or any amendment thereof;

8. The Trading Member can having regard to the size of the business handled on behalf of the sub-broker ask the sub-broker to deposit such amount as may be mutually agreed upon for securing sub-broker's obligations to his clients and to the Trading Member. The deposit of the Sub-broker shall be utilised by the Trading Member only for discharging the liabilities of the sub-brokers. On termination of the agreement, deposit shall be refunded to the Sub-broker. If the Trading Member wants to retain a part of the deposit to meet the anticipated future liabilities on account of past transactions of the Sub-broker the same shall be immediately transferred by the Trading Member to the stock exchange by way of deposit.
9. The sub-broker and the Trading Member shall co-operate and help each other in removing objections for bad delivery of shares, rectification of bad delivery, etc. in respect of shares and securities delivered/to be delivered or received/to be received by the sub-broker from the Trading Member and vice-a-versa.
10. The said Trading Member and the sub-broker agree that each of them shall ensure due protection to the investors regarding their rights to dividends, rights or bonus shares, etc. and neither of them shall jointly or severally do anything which is likely to harm the interest of investors with whom and for whom they may have had transactions in securities.

The said Trading Member and the sub-broker agree that each of them shall ensure due protection to the investors regarding their rights to dividends, rights or bonus shares, etc. and neither of them shall jointly or severally do anything which is likely to harm the interest of investors with whom and for whom they may have had transactions in securities.
11. It shall be the responsibility of the Trading Member to inform the sub-broker and keep him apprised about trading/settlement cycles, delivery/payment schedules, any changes therein from time to time, and it shall be the responsibility in turn of the sub-broker to comply with such procedures of the said exchange of which the Trading Member is a Trading Member.
12. The Trading Member shall maintain a separate record including accounts in respect of the dealings in securities entered into on behalf of the Sub-broker. The Sub-brokers if he holds or

receives money on account of a client shall forthwith pay such money to current or deposit account at bank to be kept in the name of Sub-broker in the title of which the word "client" shall appear (hereinafter referred to as "client account"). The Sub broker may if he/it desires, keep one consolidated clients account for all the clients or account in name of each client as he thinks fit. If the Sub-broker receives a cheque or draft representing in part money belonging to client, and in part money belonging to sub-broker, he shall pay the whole of such cheque or draft into the client account and effect subsequent transfer to his own account of such amount that rightly belongs to him.

The Trading Member and sub-broker shall reconcile their accounts at the end of each Quarter with reference to all the settlements where payouts have been declared during the quarter.

13. The Trading Member shall issue consolidated scrip-wise contract notes to the sub-broker in respect of all the scrips traded on behalf of the latter showing execution price of transaction and brokerage separately. The sub-broker, in turn, shall issue split confirmation memos to each of his clients within 24 hours of receipt of contract note from the main Trading Member, wherein Sub-brokers SEBI registration number, the name of the Trading Member who has executed the order and Trading Members SEBI registration number, the name of Stock Exchange, reference number of the consolidated contract notes of the Trading Member, the rate at which the sale or purchase is made and the brokerage shall be shown separately. There shall be a clear mention on the face of the confirmation memo that disputes with the sub-broker shall be brought to the notice of main Trading Member by the client within 6 months from the date of dispute. Commission if any charged by the Sub-Broker shall not exceed one and one-half of one percent of the value mentioned in the respective sale or purchase note as required by Clause B(4)(C) of code of conduct under Regulation 15 of said Rules and Regulation, 1992. Also the Sum total of commission & Brokerage charged by the Sub Broker and the Trading Member shall not exceed the maximum brokerage as prescribed under the bye-laws of the Stock exchange(s).
14. The Trading Member and the sub-broker hereby agree that they will assist and co-operate with each other in ensuring faster settlement of any arbitration proceedings arising out of the

transactions entered into on behalf of the sub-broker and would accept arbitration awards in respect of the transactions entered into on his behalf.

15. The Trading Member and the sub-broker agree that they shall mutually decide from time to time the volume of business which will be transacted during a settlement period by the Trading Member with the sub-broker and if the sub-broker is dealing with more than one Trading Member, then the agreed aggregate volume of business of the sub-broker including that with the other Trading Member(s), shall also be informed to all the affiliating Trading Members.
16. The Trading Member and the sub-broker hereby mutually agrees that :-
 - (a) all transactions in securities on behalf of the clients of the sub-broker shall be settled by delivery and/or payment, between the contracting parties in accordance with the provisions and bye-laws of the said exchange and subject to the procedures for settlement of transactions laid down by the authorities of the said exchange from time to time.
 - (b) The Trading Member and sub-broker shall not encourage sales/purchase with the object of generating brokerage/ commission.
17. If any dispute arises between the Trading Member and sub-broker shall not encourage sales/purchase with the object of generating brokerage/ commission. Trading Member 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, byelaws and regulations of the said stock exchange. The Trading Member and the sub-broker hereby agree that they shall co-operate with the exchange officials and provide all relevant documents in their possession so as to expedite the settlement through arbitration process. If any dispute arises between Sub-Broker and client the same shall be brought to the notice of Trading Member within 6 months from the date of dispute and same shall as far as possible be settled with the help of Trading Member failing which it shall be brought to the notice of exchange officials for resolution. If the dispute persists, the same shall then be referred to the arbitration in accordance with the rules, by-laws and regulations of the said stock exchange. The Trading member shall

continue to be responsible for replacing bad deliveries in accordance with applicable "Good & bad delivery norms" even after termination of the agreement.

18. Either party shall be entitled to terminate this agreement at will and without giving any reasons to the other party notice in writing of not less than six months at their respective addresses mentioned above. The above shall also be intimated to stock exchange and SEBI.
19. This agreement shall forthwith terminate;
 - (i) if the Trading Member for any reason ceases to be a Trading Member of the Exchange including cessation of Trading Membership by reason of the Trading Member's death, resignation or expulsion or if the certificate issued by the Board is cancelled or suspended.
 - (i i) upon the demise/insolvency of the sub-broker or the cancellation or suspension of his/its registration with the Securities and Exchange Board of India.
 - (i i i) notwithstanding any such termination, all rights, liabilities and obligations of the parties arising out of or in respect of transactions entered into prior to the termination of this agreement shall continue to subsist and vest in/be binding on the respective parties or his/her/its respective heirs, executors, administrators, legal representatives or successors, as the case may be.
20. The sub-broker agrees that he/it shall enter into detail agreement with all his/its clients & maintain database on the pattern of enclosed format specified in SEBI circular no. SMD/POLICY/CIR/5-97 dated April 11, 1997 and abide by the same.

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

Signed for and on behalf of

Trading Member :

Sub-Broker :

By :

By :

Signature :

Signature :

Title :

Title :

Witness :

Witness :

INDIVIDUAL CLIENT REGISTRATION APPLICATION FORM

To,

XYZ (SUB-BROKER AFFILIATED WITH ABC TRADING MEMBER OF THE ____ BOMBAY STOCK EXCHANGE LTD HAVING SEBI REGISTRATION NO INB_____)

Name :

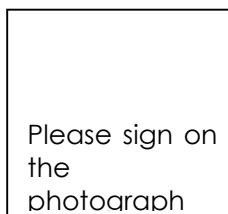
Address :

SEBI Registration No :INS_____.

Dear Sir,

We request you to register us as your client. In this regard the following information is furnished :

1. Name :
2. Address, Telephone/Fax numbers :
 - a. Residence :
 - b. Office :



3. Date of Birth :
4. Sex : Male/ Female
5. Educational Qualification :
6. Occupation :
7. Residential Status : Resident Indian/ Non- Resident Indian/Others
8. Particulars of the Bank Account
 - Name of the Bank
 - Branch (Address & Tel No)
 - Bank Account Number

Photograph

(Please submit a letter from the banker certifying account number and the period from which this account is in operation)

9. Annual Income in last three years :

10. Income Tax No. (PAN/GIR) :

11. Market Value of portfolio as on _____ :

12. Whether registered with any other broker - Trading Member/Sub-broker :

Name of Trading Member/Sub-broker & affiliated broker:

Name of Exchange :

Client Code No. :

13. Introduced by :

- Name and Address :
- Signature

14. Copy of any two of the following proof of identity should be submitted :

- Passport No, Place of Issue, Expiry Date
- Driving License
- Ration Card
- Voters Identity Card
- Copy of income tax return

The information furnished above is true to the best of my knowledge and belief, and I undertake to inform you of any changes therein immediately in writing. I am agreeable to enter into an agreement to abide by your terms and conditions.

Place :

Signature :

Date :

Name :

Note :

1. Each client has to use one registration form. In case of joint names/family Trading Members please submit separate form for each person.
2. Original documents may be verified at the time of filing of application.
3. The information given above would be confidential. However, if the information is required by any government agency, it may be given to them.

NON- INDIVIDUAL CLIENT REGISTRATION APPLICATION FORM

To,

XYZ (SUB-BROKER AFFILIATED TO ABC TRADING MEMBER OF THE _____ BOMBAY STOCK EXCHANGE LTD HAVING SEBI REGISTRATION NO. INB _____)

Name :

Address :

SEBI Registration No : INS _____.

Dear Sir,

We request you to register us as your client. In this regard the following information is furnished :

1. Name of the Company/Firm :
2. Address, Telephone/Fax numbers :
 - a. Registered Office
 - b. Correspondence Office
3. Date of Incorporation :
4. Date of Commencement of Business :
5. Copy of Memorandum and Articles of Association/Partnership Deed :
6. Details of Promoters/ Partners/ Key Managerial Personnel of the Company/Firm : (as per Annexure - A)
7. Copies of the Annual Report of last three years: (If company has not completed three financial years of its operation, copy of annual reports for such completed financial years.)
8. Net Worth (certified) as on _____ (Excluding Revaluation Reserves) :
9. Particulars of the Bank Account from which the Company will carry out the transactions :
 - Name of the Bank

- Branch (Address & Tel No)
- Bank Account Number

(Please submit a letter from the banker certifying account number and the period from which this account is in operation)

10. Income Tax Number of the Company :

11. Annual Income in the past three years :

12. Market Value of the Portfolio as on _____ :

13. Whether registered with any other broker - Trading Member/sub-broker :

Name of Trading Member/Sub-Broker & affiliated Trading Member :

Name of Exchange :

Client Code No. :

The information furnished above is true to the best of my knowledge and belief, and I undertake to inform you of any changes therein immediately in writing. I am agreeable to enter into an agreement to abide by your terms and conditions.

Place : Authorized Signatory with Seal :

Date : Name :

Note :

1. Original documents may be verified at the time of filing of application.
2. The information given above would be confidential. However, if the information is required by any government agency, it may be given to them.

Annexure - A (enclosed to the application form of _____)

1. Name :

Designation :

Residential Address & Telephone No. :

Qualification :

Experience :

Equity Stake :



Photograph

Income Tax No. (PAN/GIR) :

Bank Account Details : (Name of the Bank, Address, Account No.)

(Any one of the following proof of identity should be submitted)

Passport No.:

- Place of Issue :
- Expiry Date :

Driving License No :

Ration Card No. :

Voters Identity Card :

Place :

Signature :

Date :

Name :

Checklist of Enclosures for Corporate Clients:

Details of the Corporate Entity :

1. Copy of Memorandum and Articles of Association.
2. Copies of Annual Reports of last three years.
3. Net Worth Certificate by a Chartered Accountant.

4. Letter from the Banker, certifying the Account Number and the period from which this Account is in operation.
5. Copy of Income Tax return.

Personal Details of Promoters/Directors :

1. Copy if Income Tax return.
2. Salary Certificate.
3. Proof of Residence (Copy of Passport/ Ration Card/ Driving Licence/ Voters Identity Card)
4. Letter from the Banker certifying the Account Number.

SUB-BROKER - CLIENT AGREEMENT

This agreement is made at _____ this ____ day of _____ between XYZ (Sub-broker affiliated with ABC Trading Member of _____ Bombay Stock Exchange Ltd having SEBI Registration No.: INS _____), hereinafter called Sub-broker and having his registered office at _____, and _____ - a individual/ company/ trust/ firm or any other body duly formed and registered under the relevant Act, hereinafter called the CLIENT, having it's residence/registered office at _____ .

WITNESSETH :

Whereas the Sub-broker is affiliated to _____ TRADING MEMBER of _____ Bombay Stock Exchange Ltd having SEBI Registration No. : _____ .

Whereas the CLIENT is desirous of investing/ trading in those securities admitted for dealing on the Exchange as defined in the Bye-Laws of the Exchange.

Whereas the CLIENT has satisfied itself of the capability of the Sub-broker to deal in securities and wishes to execute his orders through him and the CLIENT shall continue to satisfy itself of such capability of the Sub-broker before executing orders through him.

Whereas the Sub-broker has satisfied and shall continuously satisfy himself about the genuineness and financial soundness of the CLIENT and investment objectives relevant to the services to be provided.

Whereas the Sub-broker has taken steps and shall take steps to make the CLIENT aware of the precise nature of the Sub-broker liability for business to be conducted, including any limitations on that liability and the capacity in which it acts.

In consideration of the mutual understanding as set forth in this agreement, the parties thereto have agreed to the following terms and conditions:

1. The provisions of this agreement shall always be subject to Government notifications, any rules, regulations and guidelines issued by SEBI and Stock Exchanges rules, regulations and bye-laws that may be in force from time to time.
2. In the event of death or insolvency of the client or his otherwise becoming incapable of receiving and paying for or delivering or transferring securities which the client has ordered to be bought or sold, Sub-broker may close out the transaction of the client and the client or his legal representative shall be liable for any losses, costs and be entitled to any surplus which may result therefrom.
3. The agreement entered into between the Sub-broker and the CLIENT shall stand terminated by mutual consent of the parties by giving at least one month written notice. Such cancellation or termination shall not have any effect on transaction executed before the date of such notice of termination and the parties shall enjoy the same rights and shall have same obligations in respect of such transactions.
4. The instructions issued by an authorized representative of the client shall be binding on the client in accordance with the letter authorizing the said representative to deal on behalf of the client.
5. The Exchange may cancel a trade suo-moto without giving any reason thereof. In the event of such cancellation, Sub-broker shall be entitled to cancel relative contract(s) with CLIENT.
6. All trades, transactions and contracts are subject to the Rules and Regulations of the Exchange and shall be deemed to be and shall take effect as wholly made, entered into and to be performed in the city of _____ and the parties to such trade shall be deemed to have submitted to the jurisdiction of the Courts in _____ for the purpose of giving effect to the provisions of the Rules and Regulations of the Exchange. If any dispute arises between Sub-Broker and client the same shall be brought to the notice of Trading Member within 6 months from the date of dispute and same shall as far as possible be settled with the help of Trading Member failing which it shall be brought to the notice of exchange officials for

resolution. If the dispute persists, the same shall then be referred to the arbitration in accordance with the rules, by-laws and regulations of the said stock exchange. The Trading Member shall continue to be responsible for replacing bad deliveries in accordance with applicable "Good & bad delivery norms" even after termination of the agreement.

IN WITNESS THEREOF, the parties to agreement have caused these presents to be executed as of the day and year first above written.

Signed for and on behalf of

Sub-broker :

By :

Signature :

Title :

Witness :

CLIENT :

By :

Signature :

Title :

Witness :

SCHEDULE D – Format for Informing Post Approval Changes

Please refer to the Approval Notice issued by the Exchange, dated _____, informing us to commence Internet Based Trading through Order Routing System.

Subsequent to the Exchange Approval of the System, we have carried out the following changes to the System (Please list the changes made to the System. Provide enclosures wherever necessary).

- 1.
- 2.
- 3.

The Software Application Version Number, after the following changes is: _____

I/We hereby certify that the above changes carried out by us on the System do not in any manner dilute and/or eliminate any of the System features or Functionality requirements mentioned in the Minimum Requirements Handbook. Further, I/We also certify that the above changes do not in any manner dilute and/or eliminate requirements in terms of Contingencies, Qualified personnel, and Written Procedures and the System would continue to support expected peak load on the System.

For _____

Authorised Signatory(ies)

Place:

Date:

SCHEDULE 'E' – Checklist for ITORS Application

1.	Schedule A- of Minimum Requirements Handbook for ITORs duly filled in & signed by an authorized signatory along with the Organisation Stamp.	
2.	Member Self Certification – Annexure I to Schedule A	
3.	Vendor Certificate(s) for system capacity duly signed – Annx. II to Schedule A	
4.	ITORS Audit Checklist, this document needs to be filled up and given to BSE Ltd on your letterhead as an undertaking certifying all the points mentioned. Along with ITORS Check list following documents also to be given : i) Clear architecture diagram of the system. Also specify where infrastructure is hosted with all components. ii) Connectivity and Bandwidth between ISP and IML location* iii) Sizing of system (hits/transaction)**	
5.	Net worth Certificate certified by Chartered Accountant (Minimum Rs.50 Lacs)	
6.	Board Resolution permitting the company, inter alia to offer the facility of the system to their ITORs Clients and authorised particular person(s) to act as authorised signatories	
7.	Copy of the agreement entered between the ITORS member and the Application Service Providers (ASP's)	

***Format for Connectivity & Bandwidth between ISP, IML Location :**

We have lease line connection that is burstable upto _____ Mbps, between IML location (_____) to ISP- (_____). Firewall is located at _____.

Broadcast server (Internet Quote Server) will be hosted at ISP _____ and will be connected to IML. Receiver through Internet cloud. Client Application will connect to Internet Quote Server through the Internet to receive broadcast data.

**** Format for Sizing of the system**

Each client connection will require about _____ kbps (for all segment) of bandwidth for interactive traffic. Our lease line connectivity to _____ provides us with adequate bandwidth to connect more than _____ users concurrently. We can increase bandwidth as required in future if the number of concurrent connections increases.

Broadcast will be sent as a single stream of data and will require about _____ kbps (for BSE Data). This will be sent to broadcast server hosted at another ISP over the internet cloud. Client application will be served with broadcast data from this server using the ISP's bandwidth.

Connection with client application is done on sockets. Each sockets has capacity to take _____ connection. When the number of connection exceed this limit a new socket will be assigned

[The Trading Member should submit the aforesaid as per their Hardware/Software specifications]

SCHEDULE 'F' – ITORS Audit Checklist

Policy No.	Policy	Adherence to Requirement (Y/N)	Remarks
1.	Minimum Net worth, per Trading Member, of Rs. 50 lacs to be calculated in accordance with provisions of Exchange circular issued from time to time.		
2.	Has the Trading Member implemented multiple Systems inter-alia for sub-brokers? (Mark 'N' if the Trading Member wants to operate ITORS at his place & not at sub-brokers place)		
3.	Order Tracking which allows:		
	1. ITROS Client to place an Order		
	2. Modify an Order		
	3. Delete an Order		
	4. View Order status		
	5. Order / Trade Confirmation		
4.	Acceptance / rejection is communicated to the ITORS client		
5.	Is the confirmation sent online?		
6.	Is the trade confirmation sent to the client via e-mail?		
7.	Can the ITORS client choose the interval of receiving the e-mail?		
8.	Order Status displays:		
	1. Order ID generated by the BOLT		
	2. Scrip code / Scrip Name / Symbol		
	3. Action (Buy/Sell)		
	4. Quantity		
	5. Order type (Market Order / Limit Order etc.)		
	6. Order validity (EOTODY)		
	7. Price		
	8. Execution status		
9.	Order Capture should capture the following information:		
	1. ITORS Client ID and type of ITORS Client		
	2. Scrip Name / Code		
	3. Buy / Sell		
	4. Quantity (ensure market lot depending on physical/dematerialization stock)		

	5. Type of order (market order/ limit order/ or such orders as allowed by BOLT)		
	6. Order validity (type as permitted by BOLT such as, EOTODY)		
	7. Price (Ensure price band/circuit limit and minimum tick size as allowed by BOLT)		
	8. Facility to prompt the ITORS Clients when he puts in orders that are over and above the normal limits set by the ITORS Trading Member.		
	9. System should generate a unique number for each Order.		
	10. ITORS Trading Member shall ensure that logic / priorities used by the Exchange are followed by the System for treating ITORS Client Orders.		
10.	Risk Management		
	1. System-based control on the pre-defined trading limits set by the ITORS Trading Member?		
	2. Exposures taken by the ITORS Clients have been implemented?		
	3. System shall have a facility for review and release by the ITORS Trading Member of orders that are not validated by the System		
11.	Security		
	1. System authenticates ITORS Clients with a User Name and password as first level of security?		
	2. Password is stored in an encrypted form?		
	3. System ensures that the ITORS Client changes the password, the first time he logs into the System, before commencement of trading for the first time?		
	4. System provides for automatic expiry of passwords at the end of 6 (six) months?		
	5. Prior intimation is given to the ITORS client before such expiry?		
	6. In the event the password has expired, the system reinitializes access on the entry of a fresh password?		
	7. During such change, System does not allow the ITORS Client to retain the same password?		
	8. ITORS Client account is deactivated if the same is not used for a continuous period of 12 (Twelve) months from date of last use of the account?		
	9. System allows ITORS Clients to change their passwords at their discretion and frequency?		
	10. System has a facility by which ITORS Clients are logged out from the System after a configurable (as determined by the System) period of inactivity?		

12.	System Capacity		
	1. System can handle his/her expected peak load?		
	2. Data Storage and Backup facilities are adequate to meet the operational requirement?		
	3. Proper archival and retrieval process is in place?		
	4. Data is readily available for query to ITORS Clients at least till the payout date of the transaction?		
	5. Adequate un-interrupted power supply for smooth operation of the System is available at the Site?		
	6. Service has adequate bandwidth and multiple links to the Internet to ensure reliability and redundancy?		
13.	Cross Trades Does the System pass all the Orders to the trading platform of the Exchange for execution and not allow any crossing of orders that are routed through it?		
14.	Operational Integrity		
	1.The System shall use atleast 128 bit Secure Socket Layer (SSL) to transport sensitive information such as User name, personal information, and transactional information.		
	2.Firewalls between the web server and Internet and between webserver and the Order Routing System shall be deployed. It is advisable that Webserver is kept separate of the Application and Database server.		
	3.The System's data management component ensures data integrity and confidentiality.		
	4.The System generates appropriate audit logs and trails so as to facilitate tracking of events such as orders and trades with timestamp.		
15.	Version No. : ITORS Trading Member ensures that software version no. is used to identify the system being approved by the Exchange.		
16.	Contingency Plan: In case of System failure, alternative facility including contact over telephone shall be provided.		
17.	Qualified Personal: The ITORS Trading Member ensures that the service is supported by at least two persons, each having Bachelors degree OR Dipl.in Engineering OR such other equivalent qualification. The Trading Member shall certify that the persons supporting the service possess requisite skills for technical support, System administration and other related functions pertaining to the System		
18.	Written Procedures:		
	1. Access Control for users of the service		
	2. Encryption control for communication between ITORS Client and the System		

	and the System.		
	3. Backup and Archival process		
	4. Disaster Recovery procedures		
	5. Specific email id to receive mails from ITORS Clients.		
	6. Procedure to escalate the issue if the email is not responded within one working day.		
19.	Registration of ITORS Clients Prior to registration the ITORS Trading Member shall ensure the following: 1. The ITORS Client has submitted ITORS Client registration form as prescribed by SEBI vide its circular SMD/Policy/CIR/5-97, dated April 11, 1997		
	2. Execution of a Trading Member- Client Agreement as prescribed by Exchange vide notice number 1798/97, dated April 24, 1997.		
	3. Execution of the ITORS Trading Member - Client Agreement		
20.	Site Policy 1. Displays disclaimers, if any. No disclaimer by the ITORS Trading Member, shall state anything contrary to the provisions of the Model Agreement or the liabilities/responsibilities imposed on the ITORS Trading Member by the Rules, Bye-laws and Regulations, procedures and notices of the Exchange, Rules, Regulations and Circulars of SEBI and any other law for the time being in force.		
	2. Terms of Use of the Site, if any.		
	3. Rules and regulations affecting Client - Trading Member relationship, including rules related to arbitration and investor protection.		
	4. Hyperlink to investor complaint form on Website of the Exchange.		
	5. ITORS Trading Member shall display the following, prominently, on the Site: <i>“Bombay Stock Exchange Ltd” is not in any manner answerable, responsible or liable to any person or persons for any acts of omission or commission, errors, mistakes and/or violation, actual or perceived, by us or our partners, agents, associates etc., of any of the Rules, Regulations, Bye-laws of the Bombay Stock Exchange Ltd, SEBI Act or any other laws in force from time to time.</i> <i>Bombay Stock Exchange Ltd is not answerable, responsible or liable for any information on this Website or for any services rendered by our employees, our servants, and us. ”</i>		
	6. Hyperlink to Website of the Exchange.		

21.	Misrepresentation of Exchange 1. The ITORS Trading Member exercises extreme care and caution while displaying the information on the Site.		
	2. The ITORS Trading Member, while displaying the information on the Site, does not represent itself to be an agent or partner of the Exchange.		
	3. The ITORS Trading Member ensures that the Site does not contain any material or information that is defamatory or libelous or in anyway harmful to the interests of the Exchange, or SEBI, or any other Trading Member.		
22.	Name of Site: No false or misleading name is used for the Site, which may cause an incorrect perception amongst people that the Site is sponsored/partnered by or associated with the Exchange.		
23.	Investor Information 1. Ticker provided by the ITORS Trading Member on the Website shall mention the timestamp and the source of the information.		
	2. Reports on margin requirements, payment and delivery obligations shall be informed to the ITORS Client through the System.		
24.	Advertisement Subject to the Rules, Byelaws and Regulations of the Exchange, ITORS Trading Members can advertise their Service on the Site or other Websites. ITORS Trading Members are, however, prohibited from soliciting advertisements from or displaying advertisements of third parties.		
25.	ITORS Trading Member should ensure that, at all times, he has sole and complete ownership over his Website		
26.	Communication of Contract Notes 1. Contract notes shall be issued to ITORS Client as per existing regulations, within 24 hours of the trade execution.		
	2. The System should be capable of issuing online contract notes as and when permitted by SEBI		
27.	The ITORS Trading Member shall indemnify the Exchange in case any expenses are incurred by the Exchange in defending any suit or proceeding filed against it in respect of the same.		