

**Supplemental Member Client Agreement (For Internet Trading for Commodities Clients Only)**

This Supplemental Agreement (hereinafter referred to as the "Agreement") is executed on this \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_

**Between**

Indiabulls Commodities Limited ("IBCL") a company incorporated under the Companies Act, 1956 having its registered office at F-60, Malhotra Building, IInd Floor, Connaught Place, New Delhi – 110001 hereinafter referred to as the "Member", (which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include its heir(s), executor(s), administrator(s) and legal representative(s)) of the **ONE PART**;

**And**

Mr./Ms./Mrs./M/s. \_\_\_\_\_ an individual/sole proprietary concern of \_\_\_\_\_ /a partnership firm registered under the provisions of the Indian Partnership Act, 1932/a company / body corporate incorporated under the provisions of the Companies Act, 1956/having its principal office/residence at \_\_\_\_\_ hereinafter referred to as the "Client", (which expression shall, unless repugnant to the context or meaning thereof, be deemed to mean and include the his/her/its heir(s), executor(s), administrator(s), legal representative(s) and assign(s)) of the **OTHER PART**

**Whereas:**

- (i) The Member is a member of Multi Commodity Exchange of India Limited ("MCX") and National Commodity & Derivative Exchange Limited ("NCDEX"), (hereinafter referred to as the "EXCHANGES").
- (ii) The Client is a client/constituent of the Member and has entered into a Member-Client Agreement with the Member.
- (iii) The Member offers and /or proposes to offer the internet/online trading in commodities enabling its Clients to place their orders to their Member-brokers over the internet ("IT Service") to its clients; and the Client desires to avail of the Member's IT Service for purchasing, selling or otherwise dealing in commodities.
- (iv) The Member and the Client desire to enter into this Supplemental Agreement to the Main Member-Client Agreement in order to record the agreement between them relating to the Member's IT Service to be availed by the Client.

**It is hereby agreed between the member and client as follows:**

**1. Definitions**

- 1.1 "IT Account Application" means the application submitted by the Client to the Member to permit the Client to avail the Member's IT Services.
- 1.2 "Member's IT System" or "Member's IT Website" means the web site hosted by the Member on the internet through which the Member offers the IT Service and includes the hardware and software used for hosting and supporting the Website
- 1.3 "Password" means an alphanumeric code used by the Client to access the IT Service
- 1.4 "Username" means an alphanumeric login identification used by the Client for accessing the IT Service

**2. Agreement to provide and avail of the IT Service**

The Member agrees to provide the Member's IT Service to the Client, and the Client agrees to avail of the Member's IT Service, on and subject to the terms and conditions of this Agreement and the Main Member-Client Agreement, the terms and conditions prescribed by Exchanges besides corporate policy of the Member along with the terms of use of the Member's IT Website

**3. Username and Password**

- 3.1 The Client shall be entitled to a Username and Password, which shall enable him/her/it to access the Member's IT System for availing of the IT Service. The Client is aware that the Member's IT System itself generates the initial Password and that the Member is aware of the same.

IBCL Authorised Signatory X .....

- 3.2 The Client agrees and undertakes to immediately change his/her/its initial Password upon first receipt thereof. The Client is aware that subsequent Passwords are not known or available to the 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 whatsoever through the Member's IT System using the Client's Username and/or Password whether or not such person was authorized to do so.
- 3.4 The Client shall forthwith inform the Member of any unauthorized use of the Client's Username or Password along with the details of such unauthorized use including the date, the manner and the transactions effected pursuant to such unauthorized use, etc. Such information should be provided within 24 hours of such unauthorized use
- 3.5 The Client acknowledges that he/she/it is fully aware of and understands the risks associated with availing of IT Service for routing orders over the internet including the risk of misuse and/or unauthorized use of his/her/its/their Username and/or Password by a third party and the risk of a person hacking into the Client's account on the Member's IT System and unauthorizedly routing orders on behalf of the Client through the System. The Client agrees that he/she/it shall be solely and absolutely liable and responsible for all and/or any unauthorized use and/or misuse of his/her/its/their Password and/or Username and also for any and/or all acts done by any person through the Member's IT System on the Client's Username in any manner whatsoever.
- 3.6 The Client agrees that the Client shall be solely and absolutely liable and shall not hold the Member responsible for any loss, damage, cost(s), expense(s), by whatever name called, whether actual or notional, direct or indirect, incurred by the Client for all orders entered and transactions done by any person whatsoever through the Member's IT System using the Client's Username and/or Password whether or not such person was authorized to do so and/or any use/misuse of the Client's Username and/or Password by any person other than the Client.

#### 4. Transactions and Settlements

- 4.1 All orders for purchase, sale or other dealings in commodities and other instructions routed through the Member's IT System via the Client's Username shall be deemed to have been given by the Client.
- 4.2 The orders/instructions and all contracts and/or transactions entered into pursuant thereto and the settlement thereof shall be in accordance with the rules and regulations of the Exchanges from time to time ("**Exchanges Provisions**")
- 4.3 The Member may from time to time impose and vary limits on the orders which the Client can place through the Member's IT 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.)

#### 5. Cancellation Requests

- 5.1 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 well in advance before the execution of the order and the order is successfully cancelled before it is executed
- 5.2 The Client shall not presume an order as having been executed or cancelled until a confirmation from the Member is received by the Client.
- 5.3 Unless otherwise specified by the Member, any order not executed at the end of the relevant Exchange trading day shall stand cancelled. To remove any doubt, it is hereby clarified that an order placed prior to or during the trading day at the Exchanges, shall not remain valid for execution at any subsequent trading day at the Exchanges. The Client shall not hold the Member responsible for any loss, damage, expense, cost etc., whether actual or notional, direct or indirect, arising out of the aforesaid cancellation in any manner whatsoever.

#### 6. Confirmations

Online confirmation will be available to the Client upon execution or cancellation of an order placed by him through the Member's IT 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/her/it online, by postal mail, by electronic mail, or other electronic means, all confirmations of transactions or cancellations. All information contained therein shall be binding on the Client. If the Client does not object either in writing, within 24 hours after such confirmation is sent to the Client, the same shall be deemed to have been correct and the same would be binding on the Client. However, the Member reserves the right, in its absolute discretion, to determine the validity of the Client's objection to the transaction, even though such objection is received after the expiry of 24 hours. The Client agrees that the Member shall not be responsible for non-receipt of the said confirmation sent via electronic/physical delivery due to change in email address/postal address of the Client. The Client also agrees that the Member shall not take cognizance of out of-office/out-of-station auto replies and the Client is deemed to have received such electronic mails.

#### 7. Supplemental to Main Member-Client Agreement

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

#### 8. Representations and Warranties of Client

The Client represents and warrants to the Member that:

- 8.1 All the information provided and statements made in the Client's IT Account Application are true and correct and are not misleading and/or false (whether by reason of omission to state a material fact or otherwise) and the Client is aware that the Member has agreed to provide the Member's IT Service to the Client on the basis, inter alia, of the statements made in the Client's IT Account Application.
  - 8.1.1 The Client is aware and acknowledges that trading over the internet involves many uncertain factors and complex complex hardware, software, systems, communication lines, peripherals, etc. which are susceptible to interruptions and dislocations; and the Member's IT Service may at any time be unavailable and/or withdrawn without notice. The Client shall not hold the Member responsible for any loss, damage, expense, cost etc., whether actual or notional, direct or indirect, arising out of the aforesaid unavailability and/or withdrawal in any manner whatsoever.
- 8.2 The Client has the requisite legal capacity and is authorized to, enter in to this Agreement and is under no legal disability and as such is capable of performing his/her/its obligations and undertakings hereunder. The Agreement has been executed without any coercion, undue influence and after understanding all the risks involved in using the Member IT Services
- 8.3 All actions required to be taken to ensure compliance of all the transactions, which the Client may enter in to pursuant to this Agreement with all applicable laws, shall be completed by the Client prior to such transaction is entered into.
- 8.4 The Client shall abide by the Exchange Provisions and the terms posted on the Member's IT Website and in force from time to time.
- 8.5 Any instructions given by an authorized representative of the Client to the Member (or to the Member's representative) shall be absolutely binding on the Client.

**9. Extraordinary Events**

The Member and/or its agents shall 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 condition(s) beyond the Member's control.

**10. Amendment/Alteration**

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

**11. Termination of Agreement**

11.1 The Client agrees that the Member may at any time in its sole and absolute discretion; terminate this Agreement without assigning any reason. The Client is aware and accepts that in view of the nature of the transactions and dealings involved in providing the IT Service it may not be possible for the Member to give advance notice of such termination or suspension to the Client

11.2 The Client may at any time terminate this Agreement by giving written notice of not less than seven (7) days to the Member, provided that unless the Member otherwise permits, the Client shall not be entitled to terminate this Agreement so long as any amount, by whatsoever name called is payable or any deliveries are due from the client.

11.3 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.

11.4 This agreement is co-extensive and co-terminus with the Member-Client Agreement and on termination of the Member-Client Agreement, this Agreement shall per se come to an end.

**12. Prevention of unauthorized use**

The Client shall install the necessary safeguards and access restrictions to prevent unauthorized use of IT Service, or related computer systems and ensure that no unauthorized person can gain access to the IT Service or computer systems.

**13. Severability**

In the event of any provision of this Agreement being held to be or becoming invalid, unenforceable or illegal for any reason whatsoever, this Agreement shall remain otherwise in full force apart from the said provision which shall be deemed to have been deleted.


**14. 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 by both the parties.

**15. Law, Jurisdiction & Dispute Resolution**

Any claim, dispute or difference arising between the parties hereto in respect to 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 Exchanges and shall be subject to the arbitration procedure as prescribed by the Exchange Provisions. This Agreement shall be governed by and construed in all respects in accordance with the laws of the Republic of India and the courts at Mumbai (India) shall have exclusive jurisdiction over this Agreement and the arbitration proceedings in relation to the Agreement

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

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|--|---|--|---|---|---|---|---|---|--|
| Client Name  |   | Witness Name:  |   |   |   |   |   |   |  |
| Client Address   |   | Witness Address:   |   |   |   |   |   |   |  |
| Client Signature  |   | Witness Signature:  |   |   |   |   |   |   |  |
| For <b>INDIABULLS COMMODITIES LIMITED</b>  |   | Witness Name:  |   |   |   |   |   |   |  |
| Authorized Signatory   |   | Witness Address:   |   |   |   |   |   |   |  |
| Place  |   |  |   |   |   |   |   |   |  |
| Date   | D | D  | M | M | Y | Y | Y | Y | Witness Signature:  |