

**Format of Application Form for stock broker seeking facility of Stock Broker Connect in RBI's NDS-OM electronic trading platform to facilitate access to its individual constituents / clients. To be franked with Stamp Duty prior to execution as per Maharashtra Stamp Act**

(To be stamped in accordance with the State Stamp Law in force)

**To:**

**The Chief General Manager,  
Financial Markets Regulation Department,  
9<sup>th</sup> Floor, Central Office Building,  
Reserve Bank of India,  
Shahid Bhagat Singh Marg, Fort,  
Mumbai – 400 001**

Madam / Dear Sir,

**Request for facility of Stock Broker Connect in Negotiated Dealing System-Order Matching (NDS-OM) electronic trading platform**

We hereby seek approval for the facility of Stock Broker Connect in Reserve Bank of India's Negotiated Dealing System – Order Matching (NDS-OM) electronic trading platform for both order matching and reported segments

2. The requisite particulars, as required, are as under:

<b>A. Name of Stock Broker</b>		
<b>B. SEBI Registration No.</b>		
<b>C. Settlement Arrangement</b> Name of the clearing member of CCIL with whom agreement is in place for settlement of transactions undertaken by the constituents/clients of the stock broker		
<b>D. Contact Details of Key Functionaries – Operations and IT</b>		
	Head of Operations	IT Head / Systems-in-Charge
Name		
Designation		

Postal Address		
Telephone Number (s)		
Mobile Number (s)		
Telefax Number (s)		
E-mail ID		
<b>Whether INFINET connection has been taken (yes/no)?</b>		

3. User request template would be sent after this application form is approved by RBI
4. We hereby undertake to install in our business premises at our cost, requisite IT and communication infrastructure as per specifications provided by RBI to facilitate our connectivity and smooth functioning of NDS-OM.
5. We undertake not to move/shift/relocate/transfer/replicate/duplicate any part of NDS-OM Application's software/hardware without RBI's prior written consent. We undertake to modify, upgrade or replace the above equipment at our cost as and when advised to do so. We further undertake not to modify, upgrade or replace the software/hardware without RBI's prior written consent;
6. We hereby affirm that –
  - (a) we are an active SEBI registered stock broker;
  - (b) all regulatory requirements are being duly complied with and there has been no penal action from regulators for non-compliance;
  - (c) adequate internal control and risk management systems are in place;
  - (d) we have not been subject to an order of disqualification by any statutory/regulatory authority or an order of similar effect nor have we been convicted for any criminal offence involving any transactions in government securities (including Treasury Bills);
  - (e) necessary approval(s) as laid down in terms of our internal rules and regulations has been obtained prior to making this request for Stock Broker Connect facility in NDS-OM;
  - (f) we have read and understood the "Guiding Principles" relating to NDS-OM. We shall abide by all rules, regulations, principles, terms and conditions that RBI may stipulate in respect of NDS-OM and that all such rules, regulations, principles, terms and conditions, as amended and applicable from time to time shall be

binding on us; We shall abide by the CCIL operational guidelines, as amended from time to time, at all times

- (g) we shall incorporate our NDS-OM Member Number and concerned NDS-OM User Number allocated to us at the time of approval for the Stock Broker Connect facility in NDS-OM in all our communications to RBI;
- (h) RBI and/or any of its officials shall not in any way be liable for any loss or damage or consequences that may arise on account of unauthorised and/or wrongful use of our NDS-OM Member Number and/or NDS-OM User Number;
- (i) we or any of our officials shall not have any right, title or interest with respect to NDS-OM, its facilities, software and/or information provided by RBI;
- (j) we are aware that we can only facilitate trades on NDS-OM by our individual constituents / clients and that we shall be liable for all trades executed on NDS-OM for orders entered into NDS-OM by our constituents / clients;
- (k) in so far as constituent orders/trades are concerned, the compliances as required under the “Know Your Customer” (KYC) Guidelines issued by RBI / SEBI are being strictly adhered to;
- (l) we have clear and comprehensive access control policies, systems and procedures in place in our organization and that these have been fully implemented and that the same is being continuously monitored for its strict compliance;
- (m) we shall not permit any of our officials or any other person(s)/entity/ies to –
  - I. use the software provided by RBI for any purpose other than approved and specified by RBI;
  - II. use software provided by RBI on any equipment other than the workstation/s approved by RBI
  - III. copy, alter, modify or make available to any other entity/person the software provided by RBI
  - IV. use the software in any manner other than as specified by RBI
  - V. install or operate a workstation from an unauthorised location
- (n) the intellectual property rights of such software shall be with RBI and any unauthorised use of the same shall render it to be treated as act of infringement and dealt with accordingly.
- (o) we agree that the Bank shall have the absolute discretion to part with/disclose or disseminate such information concerning the orders/trades settled or rejected

and cleared and settled through the Clearing Corporation of India Limited relating to government securities and all other instruments traded or reported on NDS-OM as deemed necessary by the Bank to regulatory authorities, government, other agencies and press and media.

- (p) the Bank shall not be held responsible or liable for any failure of computer system, telecommunication network and other equipment installed at the stock brokers office premises. The Bank shall have right to inspect and supervise all computer systems, systems software, telecommunication equipments running NDS-OM application software at the stock brokers end.
- (q) the Bank is authorised to review the continuation of the Stock Broker Connect facility to the stock broker to access NDS-OM if in the opinion of the Bank any event or likely occurrence of an event where the stock broker has resulted/ likely to result or affect directly or in any other manner the interests of the Bank or any policy changes of the Bank. The decision of the Bank in this behalf shall be final and binding upon the stock broker.
- (r) we agree that in case we undergo any corporate reorganization including any amalgamation, demerger or acquisition of any undertaking, the provision of the Stock Broker Connect facility shall be liable for suspension/ termination as per the Regulations.
- (s) in the event of any corporate change in the management of the stock broker, the Bank shall have a right to call for such information, data and documents as may be deemed necessary and we shall provide the same to the Bank and also extend all necessary cooperation in this behalf.
- (t) we agree to use digital signature currently provided by the IDRBT or digital signature provided by a Certifying Authority appointed under the Information Technology Act, 2000 or any requirement prescribed by RBI in this regard.
- (u) we unconditionally and irrevocably agree that any transaction made by on behalf of our client / constituent using the Stock Broker connect facility shall be binding on us. The stock broker will not repudiate the transaction/s subsequently for any reason whatsoever and the Bank may act on such electronic forms and put through the transactions without any risk and responsibility.
- (v) we agree to indemnify the Reserve Bank against any possible loss/damage suffered in consequence of its acting on electronically reported trades through NDS-OM for settlement.

- (w) without prejudice to the other rights and remedies available to the Bank, we hereby agree to indemnify and keep indemnified the Bank against any loss/damage suffered by the Bank while availing of the Stock Broker Connect facility and any loss, damage, cost, expenses arising due to any default, misconduct or negligence on the part of the stock broker or any employee, agent, servant or representative of the stock broker.
  - (x) we agree that the liabilities for providing the NDS-OM facilities to our constituents / clients for their transaction in government securities shall rest solely on us. We acknowledge that we are well aware of the consequences of signing this undertaking and fully comprehends the terms of using Stock Broker Connect facility.
  - (y) in the event of any differences/dispute arising between us and the Bank /any other member as to the interpretation, meanings or effect of this undertaking or as to the rights and liabilities of the stock broker or the Bank or as to any other matter, the Bank's decision in this behalf shall be final.
7. We further undertake to execute, sign and subscribe to all such deeds, undertakings, indemnities and/or bonds and provide RBI with all information/documents as may be called for and be required by RBI from time to time.
  8. We hereby declare that the information given above is true, correct and complete to the best of our knowledge and information. If any of the above statements is found to be false, incorrect, misrepresented or if there is breach of any undertaking or condition stipulated, RBI may take such action as it may deem fit, including termination of our Stock Broker Connect facility.
  9. We also hereby undertake to inform RBI about any change in the above mentioned facts within 15 days of the same taking place/coming to our knowledge, whichever is earlier.
  10. We hereby confirm that this Application form seeking Stock Broker Connect facility in NDS-OM (of the business segment as indicated on Page1) has been submitted by us in terms of requisite internal approvals obtained by us for this purpose and that the same has been signed by a Senior Official in our Organization who is duly authorised to make such a request.

Place:

Signature:

Date:

Name:

Designation: