

Format of Undertaking to be submitted by RTGS Type 'D' Members
(to be stamped as an Undertaking in accordance with the State Stamp Law in force)

The Regional Director for Maharashtra and Goa
Reserve Bank of India
Main Building
Shaheed Bhagat Singh Marg
Mumbai - 400 001

Dear Sir,

We,..... ..,incorporated / constituted under the and having Registered Office at -----(hereinafter referred to as "the Member") hereby execute this Undertaking in favour of the Reserve Bank of India (hereinafter referred to as the "the Bank") .

Whereas the Bank is providing Participant Interface (PI) Application Software to the Members of the Real Time Gross Settlement (RTGS) System in terms of the RTGS (Membership) Regulations, 2004 and the RTGS (Membership) Business Operating Guidelines, 2004 framed there under to enable settlement of transactions as specified therein and for matters connected therewith or incidental thereto.

And whereas the Member has made an application in writing in the prescribed format to the Bank for grant of membership of the RTGS System.

And whereas the Bank has agreed to admit the Member provided the Member shall execute an Undertaking in its favour to be bound, inter alia, by the RTGS (Membership) Regulations, 2004 and the RTGS (Membership) Business Operating Guidelines,2004 as amended from time to time and also by such circulars, orders, notifications, instructions, press releases etc. as may be issued by the Bank in this behalf.

In consideration of the Bank having agreed to grant Membership of the RTGS System, the Member unconditionally and irrevocably undertakes and agrees as follows :

- i) The Member shall abide by and comply with the RTGS (Membership) Regulations, 2004 and the RTGS (Membership) Business Operating Guidelines,2004 as amended from time to time and also such circulars, orders, Notifications, press releases, instructions etc. as may be issued by the Bank in this behalf (hereinafter collectively referred to as "The Regulations").
- ii) The Member shall execute and sign such deeds, documents, agreements, bonds and/or Undertakings as required by the Bank from time to time in terms of the Regulations.
- iii) The Member shall follow and comply with such orders or instructions, be they are in the nature of penalty or otherwise as may be issued by the Bank or the Standing Committee set up under the RTGS (Membership) Regulations, 2004 or any Institution duly constituted and authorized by the Bank for the purpose, in the event of the Member committing any violation of the Regulations.
- iv) The Member agrees that the Bank shall have the absolute discretion to part with or disclose or disseminate such information concerning the Member's transactions settled or rejected through the RTGS System as deemed necessary by the Bank to Regulatory Authorities, Government and other appropriate authorities.
- v) The Bank shall not be held responsible or liable for any failure or malfunctioning of the computer system, including software, telecommunication network and other equipments, installed at the Member's office premises. The Bank shall have the right at all times to inspect and supervise all computer systems including software, telecommunication network and other equipments running

PI application software at the Member's end, both at the Primary Site and the Disaster Recovery Site. The Member agrees to set right the deficiencies pointed out by the Bank forthwith and consider implementation of its suggestions.

- vi) The Bank shall not be responsible for the loss, if any, that may be caused to the Member or its customers or any person, arising out of any action taken in good faith by the Bank's staff or the malfunctioning or break down of the Bank's computer systems, computer network, telecommunication network or any other equipment (inclusive of hardware and software) used in the RTGS system or any force majeure .
- vii) The Bank shall be at liberty to review the Member's continuance as a member of the RTGS System if, in the opinion of the Bank, any event or likely occurrence of an event has affected or is likely to affect directly or indirectly, the interests of the Bank or any of the policies of the Bank. The decision of the Bank in this regard shall be final and binding on the Member.
- viii) The Member agrees that in the event of occurrence of any of the circumstances specified in Regulation 14 of the RTGS (Membership) Regulations, 2004, its membership may be liable for suspension or termination as per the Regulations.
- ix) In the event of any change in the management of the Member, the Bank shall have a right to call for such information, data, documents etc. as may be deemed necessary and the Member shall provide the same to the Bank and also extend all necessary co-operation in this behalf.
- x) The Member agrees to use digital certificates provided by the Institute for Development and Research in Banking Technology, Hyderabad, the Certifying Authority or any other Certifying Authority as may be approved by the Standing Committee or the Bank.
- xi) The Member shall ensure that the transactions submitted are genuine, valid and are eligible under the RTGS according to the Regulations. The Member unconditionally and irrevocably agrees that any transaction submitted by it through the RTGS System shall be binding on it. The Member shall not repudiate the transaction(s) subsequently for any reason whatsoever and the Bank may act on such electronic instructions and put through the transactions, at the sole risk and responsibility of the Member.
- xii) The Member shall indemnify and keep indemnified the Bank against any loss or damage that may be suffered by it in consequence of its acting on the messages / transactions received electronically through the Member's PI for settlement. The Member will be solely liable for the consequences arising from duplicate messages / transactions.
- xiii) Without prejudice to the other rights and remedies available to the Bank, the Member hereby agrees to indemnify and keep indemnified the Bank against any loss or damage, cost or expenses suffered by the Bank arising out of any default, misconduct or negligence on the part of the Member or any employee, agent, servant or representative of the Member while availing of the facilities through PI.
- xiv) The Member agrees that the liabilities, responsibilities / obligations, if any, arising out of the use of the PI facilities for various activities under the RTGS System shall rest solely on the Member.
- xv) The Member undertakes to observe and comply with the license or sub-license agreement entered into with the Bank in connection with any computer software provided or licensed from the Bank relating PI and other components, if any, in connection with the operations of the RTGS System. The Member agrees to maintain the Infrastructural arrangements specified in Chapter 12 of RTGS (Membership) Business Operating Guidelines, 2004 in good order.
- xvi) The Member undertakes not to make any changes, alterations, modifications, deletions or otherwise in the PI Application software provided by the Bank without the knowledge and the

written consent of the Bank. The Member undertakes not to misuse or transfer the PI Application Software to any other entity. The Member also undertakes to bind itself with the guidelines issued by the Bank on the use of the PI Application software.

- xvii) The Member agrees that the Bank reserves the right to disable the PI Application software provided by it at its discretion for any reason whatsoever.
- xviii) The Member undertakes to ensure that its Disaster Recovery Site is functional when its Primary Site is not functioning.
- xix) In the event of any differences or disputes arising between the Member and the Bank or any other member of the RTGS System as to the interpretation, meaning or effect in consequence of this undertaking or as to the rights and responsibilities / liabilities of the member(s) or the Bank or as to any other matter, the Bank's decision shall be final.
- xx) The Member undertakes to install and maintain the Net Settlement Interface Software provided by the bank.
- xxi) The Member undertakes to submit Multilateral Net Settlement Batch/es to Control System for settlement.
- xxii) The Member undertakes not to cancel transactions once they have submitted to the Control System.

Yours faithfully

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Authorised Official Company Seal

Date :

Place :