

**Trading-cum-Clearing Member Undertaking /
Integrated Trading-cum-Clearing Member Undertaking,
Representations and Warranties.**

(Commodity Derivatives Market Segment)

This Undertaking is executed at _____ this ____ day of ____, 20__.

BY

..... **(Insert name of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member)** having its Registered Office at
.....
.....
.....
.....

Hereinafter referred to as **"Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member"** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and permitted assigns).

IN FAVOUR OF

The Global Board of Trade Ltd, having its **Registered and Corporate office** at 1st Floor, Ebene House, 33, Cybercity, Ebene, Republic of Mauritius.

Hereinafter referred to as **"GBOT"** (which expression shall unless it be repugnant to the context or meaning thereof be deemed to mean and include its successors and assigns)

WHEREAS:

A GBOT has pursuant to an application of the Member seeking to be admitted as a Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member, in the Commodity derivatives agreed to admit the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member on GBOT in accordance with the Laws of the Republic of Mauritius, Rules, Circulars and/or Notices of GBOT relating to the Commodity Derivatives and Regulations of the

Financial Services Commission of Mauritius (FSC) in force and as may be amended from time to time.

- B** The Board of Directors of the Member has accepted the offer made by GBOT to admit the Member to the Membership of GBOT.
- C** Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member is admitted as a Member on GBOT and shall have rights to trade and clear trades on its own account as well as on account of its Clients, through GBOT. The Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member can also clear and settle trades on behalf of other Trading Members and other Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member at their request, subject to the terms and conditions specified by GBOT. It may also choose to affiliate itself with other Professional Clearing Members for clearing and settling their trades, if it so desires.
- D** GBOT has a precondition for the Member to be admitted as a Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member. It requires that the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall provide an Undertaking as well as Representations and Warranties in the form and on the terms herein below.
- E** The Board of Directors of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member has by resolution dated authorised Mr./Ms. and Mr./Ms. to sign, execute and furnish this Trading-cum-Clearing Membership/Integrated Trading-cum-Clearing Membership Undertaking, Representations and Warranties to GBOT on its behalf.

Now the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member **unconditionally and irrevocably undertakes and agrees as follows,**

- 1.** it shall comply with all such requirements, existing and future with regard to and in connection with its admission to GBOT as a Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member,
- 2.** it shall adhere and abide to the Rules, Notices and/or Circulars issued by GBOT and as may be amended from time to time with and/or without prior notice,

3. it shall abide by and adopt the Rules, Notices and/or Circulars of GBOT, Regulations of the FSC pertaining to the trading, clearing and settlement systems of GBOT and any other agencies and/or institutions appointed by GBOT for this purpose and any amendments made thereto from time to time,
4. GBOT shall be entitled to amend its Rules, Notices and/or Circulars, unilaterally and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall be deemed to have consented to them, and accordingly be bound by the Rules, Notices and/or Circulars prevailing from time to time and GBOT shall be entitled to all powers vested in them under the Rules, Notices and/or Circulars by which the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member unconditionally agreed to be bound,
5. all its directors, employees, officers or agents shall abide by the Code of Conduct as may be laid down by GBOT and also any Regulations, Circulars, Notices, codes, guidelines etc. framed by the FSC or other regulatory authorities from time to time relating to the conduct of the Members,
6. it shall maintain and preserve all information, financial statements, data, forms, books, records, client complaints, reports in physical form or electronically and filings in relation to its business with GBOT in such manner and for such period as may be specified by GBOT from time to time,
7. it shall permit GBOT or any other authority or agency appointed by it for inspection and/or investigation, access to all its records, books, information, documents as may be required thereof,
8. it shall secure the attendance of any of its directors, employees, officers or agents at a specified date, time and place as specified by GBOT to answer questions, provide explanations and/or present information, documents and evidence to GBOT,
9. it shall not do anything to frustrate any of its directors, employees, officers or agents from co-operating with GBOT's investigation or inspection and shall use its best efforts to make sure that its directors, officers, employees or agents co-operate with GBOT,
10. it shall be responsible to GBOT for the conduct of its directors, employees, officers or agents,

- 11.** it shall submit periodic reports, statements, certificates and such other documents as may be required by GBOT and shall comply with such audit requirements as may be framed by GBOT from time to time,
- 12.** it shall follow and comply with such orders or instructions including any such order or instruction, whether being in the nature of a penalty or remedial action or otherwise, as may be prescribed by GBOT or any committee of GBOT duly constituted, in the event the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member commits any violation of any Laws of the Republic of Mauritius, Rules, Notices and/or Circulars issued by GBOT, Regulations of FSC or practice or Code of Conduct as may be prescribed by GBOT in respect of conduct of business on GBOT,
- 13.** it shall conduct business on GBOT prudently and shall ensure that it will not be acting in a manner which will be prejudicial or detrimental to public interest in general and to GBOT in particular,
- 14.** it shall pay within the prescribed time all the costs and expenses including fees prescribed by GBOT from time to time, arising from or incidental to the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member operating on GBOT and to establish systems in accordance with the specifications as may be prescribed by GBOT from time to time,
- 15.** it shall comply with such standards of infrastructure as may be prescribed by GBOT from time to time,
- 16.** it shall not engage in a conduct which is likely to impair the operation of GBOT Systems. Such conduct shall include, but are not limited to, submitting unwarranted or excessive electronic messages or requests to GBOT Systems provided that the use of an electronic trading engine shall not of itself be considered to give rise to excessive electronic messages,
- 17.** it shall furnish deposits including but not limited to initial deposit/base capital, contributions or other levies, bank guarantees, fixed deposits, monies, margins, pledge securities, create lien on bank accounts or furnish such other collaterals as may be required by GBOT from time to time and do all acts, deeds and things to enable GBOT to secure recovery of default in payment and other incidental charges relating to default and other dues of GBOT, if any,

- 18.** it shall furnish fees or charges, including but not limited to, application processing fee, admission fee, trading and clearing fees, annual fees, charges or other fees as may be prescribed by GBOT from time to time,
- 19.** it shall pay such penalty or interest as prescribed by GBOT on any amount or financial obligations not met by it on the due date,
- 20.** it may be asked to contribute to or provide deposit to be maintained towards the Settlement Guarantee Fund at the sole discretion of GBOT, in the form of either cash, fixed deposit receipts, bank guarantees, letter of guarantees or in such other form or method and subject to such terms and conditions as may be notified by GBOT from time to time and it undertakes to make such contributions to the Settlement Guarantee Fund as and when required by GBOT and also to comply with all requirements of GBOT in respect thereof,
- 21.** it shall be an active participant on GBOT on being admitted as a Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member,
- 22.** it shall bring in additional deposits and monies as and when required to maintain the level of capital adequacy norms as may be decided from time to time to operate on GBOT,
- 23.** it is aware that it shall not be entitled to make any claim for refund, except when it surrenders its Trading-cum-Clearing Membership/Integrated Trading-cum-Clearing Membership to GBOT, that too only for the amount lying to its credit after appropriation of amounts due towards its liabilities or obligations to GBOT and in no circumstances, its application processing fee and admission fee are refundable,
- 24.** it is aware that it may seek to resign from Membership of GBOT only after an initial lock in period of three years from the date of final admission,
- 25.** without prejudice to the foregoing, the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall forfeit any funds, amounts, deposits, margins or other sums lying with GBOT in such events or contingencies as may be stipulated in the Rules, Circulars and/or Notices issued by GBOT as in force from time to time,
- 26.** GBOT shall not be held responsible or liable for any failure of computer systems, telecommunication network and other

equipment that may be installed at the offices of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member and GBOT shall also not be held responsible for any misuse, mishandling, damage, loss, defect etc. and GBOT has the right to inspect and supervise all computer systems, software programs, tele-communications equipment, etc. which may be provided by GBOT at the office of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall not make any alterations, modifications and changes without prior written consent of GBOT,

- 27.** it shall not disclose, reveal, publish and advertise any material information relating to operations, Membership, software, hardware, etc. of GBOT without prior written consent of GBOT except and to the extent as may be required in the normal course of its business,
- 28.** it shall inform GBOT of any change in the Controlling Shareholding Group (CSG) as prescribed by GBOT in the Rules, Circulars and/or Notices and where in the opinion of GBOT, any change in the composition of the Board of Directors of the Member has resulted or is likely to result due to any direct or indirect change in the controlling shareholding group of the Member, GBOT shall be entitled to review continuation of the Member as an Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member and the Member shall be bound by any decision taken by GBOT in this regard which shall be final,
- 29.** it shall inform GBOT at the earliest of any change in its Board of directors or shareholders or death, dissolution or bankruptcy of any of the foregoing persons or any change in the composition of its Board of directors, and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall notify GBOT of any approval or refusal to transfer the shares or securities forming part of the issued capital of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member, if such transfer has or is likely to result in any change in the composition of the CSG or the Board of Directors of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member,
- 30.** it shall execute, sign, subscribe to such documents, papers, agreements, covenants and/or Undertakings whether legal or otherwise as may be required by GBOT from time to time,
- 31.** it shall abide and be bound by the provisions of Chapter 10 of the Rules of GBOT even after he has been declared a defaulter or has

been expelled from the Membership of GBOT or has surrendered its Trading-cum-Clearing Membership/Integrated Trading-cum-Clearing Membership, for all disputes with respect to dealings, contracts and transactions entered into prior to the date of such declaration as defaulter, expulsion or surrender of Trading-cum-Clearing Membership/ Integrated Trading-cum-Clearing Membership,

- 32.** it shall where requested arrange to get itself registered with the relevant tax bodies,
- 33.** it shall take prior approval from GBOT before forming any subsidiary or acquiring any other company,
- 34.** it shall forthwith inform GBOT in writing as and when any notice is received by the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member in connection with any institution of winding up proceedings against it and that the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall also inform GBOT in writing before the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member initiates any winding up proceedings to be wound up. The Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member further undertakes that it shall inform GBOT in writing on the onset of any circumstances which is likely to or may render it to be wound up or which is likely to or may render it liable to be subject to winding up proceedings,
- 35.** the fees, initial deposit and or base capital, other monies and any additional deposits and/or margins paid by it to GBOT, whether in the form of cash, bank guarantee, securities or otherwise from time to time, shall be subject to a first and paramount lien for any sum due to GBOT and all other claims against the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member for due fulfilment of engagements, obligations and liabilities of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member arising out of or incidental to any dealings made subject to the Rules, Notices and/or Circulars of GBOT. It is understood and acknowledged that GBOT shall be entitled to adjust or appropriate such fees, deposits, margins and other monies for such dues and claims, to the exclusion of the other claims against the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member, without any reference to the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member,

36. without prejudice to the rights, remedies whether legal or otherwise available to GBOT upon the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member non-compliance with this Undertaking, the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member shall indemnify and keep indemnified GBOT against any loss/damage suffered by it whether legal or otherwise arising due to its non-compliance with the provisions of this Undertaking, .
37. it shall ensure that the data communication link between GBOT' s equipment and its Trader Work station shall be used on point-to-point basis only. It shall further ensure the above link will not be connected to any other telecommunication network,

38. Representations And Warranties

The Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member makes the Representations and Warranties set out in this Clause to GBOT and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member acknowledges that GBOT has admitted it as an Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member in full reliance on such Representations and Warranties by the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member in the following terms and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member now warrants to GBOT that:

- (a) The Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member is a company duly incorporated and validly existing under the laws of It has the licence, power and authority to own its assets and to conduct the business and operations which it conducts and /or proposes to conduct.
- (b) It has the power to enter into, exercise its rights and perform and comply with its obligations under the Rules, Notices and/or Circulars of GBOT.
- (c) All actions, conditions, approvals and things required to be taken, fulfilled, given and done (including the obtaining of any necessary licence, approval and consents whether Governmental or otherwise) in order to enable it lawfully to enter into, exercise its rights and perform and comply with its obligations, under this Undertaking, Rules, Notices and/or Circulars of GBOT, Financial Services Act and Securities Act of Mauritius have been taken, fulfilled, given and done.

- (d) Its entering into, exercise of its rights and/or performance of, or compliance with its respective obligations under this Undertaking, do not and will not violate any law to which it is subject; or any of its constitutive documents, or any agreement to which it is a party or which is binding on it or its respective assets.
- (e) Its respective obligations under this Undertaking are valid, binding and enforceable in accordance with their terms and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member is not in default under any borrowings taken by it from other sources.
- (f) No deduction or withholding (whether on account of tax or otherwise) will be required to be made from any payment to be made by the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member under this Agreement and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member undertakes that GBOT shall receive the full amount of any sum due under this Undertaking on the due date for payment thereof in all cases without any deduction whatsoever.
- (g) No registration, recording, filing or notarisation of this Undertaking or any of the documents related to this Undertaking, no payment of any duty or tax and no other action whatsoever is necessary or desirable to ensure the validity, enforceability or effectiveness in Mauritius of the liabilities and obligations of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member or the rights of GBOT under this Undertaking.
- (h) No litigation, arbitration or administrative proceeding is current or pending or, so far as it is aware, threatened to restrain its entering into, exercise of rights under and/or performance or enforcement of or compliance with its obligations under this Undertaking and which has or could have a material adverse effect.
- (i) The Integrated Trading-cum Clearing Member has fully disclosed in writing to GBOT, all facts relating to the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member, which the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member knows or should reasonably know and which are material for disclosure to GBOT, in the context of this Undertaking.

The (Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member) does hereby confirm that the information provided in its application form for the Trading-cum-Clearing Membership/ Integrated Trading-cum-Clearing Membership on GBOT is true and correct to the best of the knowledge and belief of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member and that the above Undertakings shall be binding upon the heirs, legal representatives, successors and assigns of the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member.

Signed by)

Name of person)

being the authorised person in terms of)
the resolution of the Board of Directors)
at the duly convened meeting)
held on)
in the presence of)

WITNESSES

Signature

(1) Name :
ADDRESS

Signature

(2) NAME :
ADDRESS

Signature

This Undertaking, Representations and Warranties shall be executed in two copies and the Trading-cum-Clearing Member/Integrated Trading-cum-Clearing Member and GBOT shall each retain one copy.