

AMC REPO CLEARING LIMITED

Terms and Conditions for appointment of Independent Directors/Public Interest Director (the terms public interest director/independent director have been used interchangeably under different laws and mean the same)

The terms and conditions for appointment of the Public Interest Directors are governed by the provisions of the SEBI Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 [SECC Regulations 2018], Companies Act, 2013 and Rules made thereunder, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [Listing Regulations], Articles of Association of the Company and all such laws as may be applicable to the Company and any amendments thereon, from time to time (hereinafter referred to as 'Applicable laws').

The Company has also framed code of conduct and code of ethics for its Directors, Committee members and Employees based on the directive from SEBI. As per the requirements of the Code, all directors are required to disclose/furnish certain details of dealings in securities upon assuming office and also during their tenure in office.

1) Tenure:

As per SECC Regulations 2018 Public Interest Director (who are essentially independent directors) nominated by SEBI can hold office for a fixed term of three years from the date of approval from SEBI unless SEBI extends the same and shall not be liable to retire by rotation during the said term.

2) Board Committee:

During the tenure of Public Interest Director (PID), the Board may, if it deems fit, co-opt PID on one or more existing Board Committees or any such Committee that is set up in the future and PID shall perform such functions which is included in the scope of the respective Committee. Appointment of PID on such Committee(s) will be subject to the Applicable Laws.

PID shall not act simultaneously as a member on more than five committees of the company. The said limitation on maximum number of Committees that PID can be a member of, shall be applicable only to the statutory Committees prescribed by SEBI under SECC Regulations 2018, and circulars issued thereunder.

3) Role Duties, Responsibilities and Liabilities:

PID will be expected to perform their duties, whether statutory, fiduciary or common law, faithfully, efficiently and diligently applying their extensive knowledge, skills and experience. Role, Duties, Responsibilities and Liabilities of Public Interest Director shall be in accordance with the Applicable Laws.

PID shall peruse the relevant laws, code of conduct, code of ethics and submit an undertaking to the company about awareness of role, responsibilities and obligations.

PID shall endeavour to attend all the governing board meetings and shall be liable to vacate office if remain absent for three consecutive meetings of the governing board or do not attend seventy-five per cent of the total meetings of the governing board in a calendar year.

PID shall abide by the Code for Independent Directors under the Applicable Laws, Code of Conduct and Code of Ethics for the directors on the governing Board as specified in SECC Regulations 2018, Code of Conduct for Prevention of Insider Trading and Code of Practices & Procedures for Fair Disclosure of Unpublished Price Sensitive Information and any other Code as may be applicable in relation to the appointment, from time to time.

4) Separate meetings:

- a. The public interest directors of the company shall meet separately, at least once in six months to exchange views on critical issues, without the attendance of non-independent directors and members of management
- b. All the public interest directors of the company shall strive to be present at such meeting;
- c. The scope of such meeting shall be as prescribed in the Companies Act, 2013, SECC Regulations 2018, read with SEBI Circular no. SEBI/HO/MRD/DOP2DSA2/CIR/P/2019/13 dated January 10, 2019, Listing Regulation and/or as may be decided by the Board from time to time.

5) Remuneration

The Independent Director is entitled to a sitting fee of such sum as may be prescribed by the Board from time to time for each meeting of the Board or the Committee and such other meetings attended by him besides reimbursement of expenses of travel, stay and other incidental expenditure incurred for participation in the Board and other meetings.

6) Familiarisation programme

The Company shall familiarise the Public Interest Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company etc.

7) Evaluation

The performance evaluation of Public Interest Directors shall be done in the manner as may be specified by SEBI and in accordance with the applicable provisions of the Companies Act, 2013, Listing Regulation, SECC Regulation 2018.

On the basis of the report of performance evaluation as per the criteria prescribed by SEBI, it shall be determined whether to extend or continue the term of appointment of the Public Interest Director.

8) Disclosures, other directorships and business interests

PID shall not hold office as a director, including alternate directorship, in more than 20 (twenty)

companies, provided that maximum number of public companies in which the PID can be appointed as a director shall not exceed 10 (ten). No person shall be appointed in the place of PID to act as alternate director during his absence.

Further, PID cannot be a Director in more than seven listed entities, including alternate directorship. Provided that PID shall not serve as an independent Director in more than seven listed entities. Further, if PID are serving as a whole time director/managing director in any listed company he/she shall serve as an Independent Director in not more than three listed companies. For the purpose of this para, the count for the number of listed entities on which a person is a director / independent director shall be only those whose equity shares are listed on a stock exchange.

PID shall not act simultaneously as director on the board of subsidiary or on the board of any other recognized stock exchange or recognized clearing corporation or depository or on the board of subsidiary of such other recognized stock exchange or recognized clearing corporation or depository.

During your tenure as Public Interest Director of the Exchange, he / she shall not be associated with any trading member or clearing member or their associates and agents, irrespective of the stock exchange / clearing corporation of which they are members. For the purpose of this clause associate means an associate as prescribed in regulation 2(1)(b) read with regulation 23(7) of the SECC Regulations, 2018.

During the term, PID shall agree to promptly notify the Company of any change in your directorships, and provide such other disclosures and information as may be required under the Applicable Laws. PID shall also agree that upon becoming aware of any potential conflict of interest with your position as a Public Interest Director, you shall promptly disclose the same to the Chairman and the Company Secretary, which shall be disclosed to the Board at its next meeting. If any issue arises as to whether an assignment or position of a Public Interest Director is in conflict with their role, the decision of SEBI shall be final.

During your term, you agree to promptly provide a declaration under Section 149(7) of the Companies Act, 2013 and Applicable Laws, as and when required under the provisions of the Act and/or Applicable Laws.

9) Confidentiality

Any confidential information which may come to your knowledge in the performance of their duties as a Director of the Company must not be divulged, except so far as,

- a) may be necessary in connection with the proper performance of their duties to the Company
- b) as may be required by the law to disclose.

10) Termination

PID may resign from your position at any time in the manner as prescribed in the Companies Act, 2013 and Listing Regulation, SECC Regulations 2018.

In the event of resignation by Public Interest Director, he/she shall be required to give two months' notice to the Company. Provided that PID shall provide detailed reasons for the resignation along with a confirmation that, there is no other material reasons other than those provided.

In accordance with the provisions of the Companies Act, 2013, PID may file a copy of the resignation with the Registrar of Companies within thirty days from the effective date of resignation

In terms of the provisions of the SECC Regulations, 2018, SEBI may remove or terminate the appointment of a director, after providing him a reasonable opportunity of being heard, for any failure by the director to abide by the said Regulations or the Code of Conduct or Code of Ethics or in case of any conflict of interest, either upon a reference from the Company or suo moto.