

CLEARING MEMBER – PARTICIPANT AGREEMENT

This Agreement is made at _____ this day of 20..... by and between:

....., a Company formed and registered under the Companies Act, 1956/2013, having its Registered Office at (hereinafter referred to as the “**Clearing Member**”, which expression shall, unless repugnant to the context, or meaning thereof include its successors, legal representatives and permitted assigns)

AND

[•] (*insert name of the trustee of Mutual Fund*), a company formed and registered under the Companies Act, 1956/2013 having its registered office at [•], in the capacity as the a trustee of [•] (*insert name of the trustee of Mutual Fund*) organized and existing under the laws of India and registered with SEBI as a mutual fund and its schemes (hereinafter referred to as the “**Fund**” or “**Undersigned**” which expression shall, unless repugnant to or inconsistent with the context, mean and include its successors and permitted assigns) of the Third Part acting through asset management company [•] (*insert name of the AMC*) (hereinafter referred to as “**AMC**” give this Undertaking IN FAVOUR of AMC Repo Clearing Limited (“**AMC Repo**” or “**Clearing Corporation**”), a company incorporated under the Companies Act, 2013 and having its registered office at [•] (hereinafter referred to as the 'Clearing Corporation' which expression shall unless repugnant to the context include its successors, assigns and legal representatives);

The Clearing Member and the Participant shall wherever the context requires, be hereafter referred to individually as `Party` and jointly as `Parties`.

WHEREAS

The Clearing Member is registered as a Trading cum Self Clearing Member (TCM) of the AMC Repo Clearing Limited. (hereinafter referred to as the “**ARCL**” or “**Clearing Corporation**”) which carries on the activities of clearing and settlement of deals (hereinafter referred to as “**Deals**”) in repo transactions executed on the trading platform of Bombay Stock Exchange or National Stock Exchange, as the case may be, (hereinafter referred to as “**Concerned Exchange**”).

The Participant is desirous of effecting repo transactions on the Concerned Exchange through a Trading Member registered by the Concerned Exchange and wishes to avail of the clearing

and settlement facilities of ARCL, subject to the Rules, Bye Laws, Regulations and terms and conditions of ARCL and for the aforesaid purpose intend to enter into an agreement with the Clearing Member.

The Participant has approached the Clearing Member and requested to consent to be Clearing Member of the Participant to enable it to register as Participant of ARCL so as to undertake directly the clearing & settlement of its Deals and to discharge its duties and obligations towards ARCL and the Clearing Member has, in turn, agreed to be the Clearing Member of the Participant.

Now, therefore, in consideration of the mutual understanding as set forth in this Agreement, the parties have agreed to the terms and conditions, as follows:

1. The Parties shall be bound by the terms and conditions contained in this Agreement, the Rules, Byelaws and Regulations of ARCL, the terms and conditions of ARCL, guidelines, circulars issued, and processes put in place by ARCL from time to time, the Securities Contracts (Regulation) Act of 1956, the Securities Exchange Board of India Act of 1992 and Payment and Systems Settlement Act of 2007, or any other Act or Law as may be applicable from time to time.
2. The Clearing Member hereby undertakes to maintain the confidentiality of the details of the Participant and that it shall not disclose the same to any person / entity except as required by ARCL or as may be required by any Government / Statutory / Regulatory Body / Authority and any Court of Law.
3. The Clearing Member, however, shall be allowed to share the details of the Participant as mentioned in the registration form, know your client information or any other information pertaining to the Participant with parties / entities other than as required under law, only with the express permission of the Participant.
4. The Clearing Member hereby gives consent to the Participant to make application to ARCL for registration as Participant under the Bye-Laws, Rules and Regulations of ARCL and agrees to provide the KYC requirements procured by it from the Participant to ARCL for the purpose of such registration. It is the responsibility of the Participant to comply with the requirements of ARCL for registration as Participant.
5. The Clearing Member and the Participant agree that the Participant can directly clear and settle its repo transactions on ARCL subject to the Bye-Laws, Rules and Regulations of ARCL and the entire liability for discharge of any obligations in relation to such clearing

and settlement of its transactions shall lie with only the Participant and the Clearing Member shall not have any liability or obligation in relation to such transactions whatsoever.

6. The Participant undertakes and agrees to comply with all the applicable provisions of the Bye-Laws, Rules and Regulations of ARCL on registration as Participant.
7. Participant shall be liable to pay such Taxes as applicable under the Tax Laws or any such other levy, as the case may be, as applicable from time to time. The Participant will be solely responsible for complying with all the provisions and regulation of the Tax Laws as applicable from time to time.
8. The Clearing Member agrees, if so required under the Bye-Laws and Regulations of ARCL, to represent the Participant in any dispute resolution arising out of the clearing and settlement of repo transactions undertaken by the Participant on ARCL involving ARCL as a party under the Bye-Laws and Regulations of ARCL at the cost and consequences of the Participant. In such event, the Participant shall provide all the requisite documents and necessary writings to the Clearing Member as may be required to pursue or defend the cause of the Participant in the dispute resolution process. It is agreed between the Parties that in no event, the Clearing Member shall be liable for any loss or consequences arising from the outcome of such dispute resolution.
9. This Agreement may be terminated by mutual consent or by either of the Parties giving at least one- month notice to the other. Provided further, in the event of termination by the Clearing Member, the Clearing Member shall provide adequate and reasonable time to the Participant to enter into an agreement with another Clearing Member for retaining its registration as participant with ARCL.
10. Any communication between the Clearing Member and the Participant shall be in writing and shall be delivered in any one or more of the following ways:
 - a. an electronic mail or fax
 - b. delivering it by post
 - c. sending it by registered post
 - d. sending it under certificate of posting
 - e. sending it by express delivery post / courier services
 - f. affixing it in the door at the last known business or residential address
 - g. advertising it in at least once in any prominent daily newspaper.

11. Neither Party shall be entitled to assign or otherwise transfer this agreement or any benefits, rights, obligations or interests herein, whether in whole or in part, to any other agency without the prior written consent of the other Party.
12. No forbearance, delay or indulgence by either Party in enforcing the provisions of this Agreement shall prejudice or restrict the rights of that Party nor shall any waiver of its rights operate as a waiver of any subsequent breach and no rights, powers, remedies herein conferred upon or reserved for either Party is exclusive of any other right, power or remedy available to that Party and each right, power or remedy shall be cumulative.
13. All disputes, differences or questions arising out of or in relation to the Agreement including the interpretation of the terms contained herein with regard to the obligations, failure or breach thereof by any of the Parties and / or of any matter whatsoever arising out of the Agreement, shall in the first instance be resolved mutually by the Parties.
14. If the Parties fail to resolve the same mutually, then the same shall be referred to Arbitration in accordance with the Rules, Bye-Laws and Regulations of ARCL.

In WITNESS THEREOF, the parties to agreement have caused these presents to be executed as of the day and year first above written.

SIGNED for and on behalf of Clearing Member:

By:

Signature:

Title:

Witness:

SIGNED for and on behalf of Participant:

By: [•] Trustee Company Limited (the “**Trustee**”) of the [•] Mutual Fund for and on account of the Fund **OR** [•] **AMC** as agent of [•] Trustee Company Limited (the “**Trustee**”) of the [•] Mutual Fund for and on account of the Fund

Signature:

Title:

Witness (1) [•]

Witness (2) [•]

This Agreement is executed pursuant to the Resolutions passed at the Meeting of the Board of Directors of the Trustee Company/ AMC held on: