

Format – ComRIS Participant- ComRIS Account Agreement

This agreement made and entered and executed at..... on this day of.....

Between an _____ Individual/firm/ company registered under the _____ and having its office/registered office at _____ (hereinafter called `the Client')

KEDIA CAPITAL SERVICES PVT LTD a company registered under the Companies Act, 1956 and having its registered office at **office no 1, first floor tulip flower valley khadakpada circle kalyan west - 421301** (hereinafter called as "ComRIS Participant"). The Client and ComRIS Participant (ComRIS) hereinafter individually termed as party and jointly as parties. The expressions the Client and the ComRIS Participant include their respective successors.

Witnesses

WHEREAS "ComRIS" shall mean the web based application owned and maintained by Multi Commodity Exchange of India Ltd. (MCX) or any entity appointed by MCX, on which the ComRIS Accounts of Clients are opened and maintained through ComRIS Participants;

WHEREAS Multi Commodity Exchange Clearing Corporation Ltd. (MCXCCL), a duly registered Clearing Corporation, has been appointed by MCX to clear and settle all the trades executed on MCX;

WHEREAS the ComRIS Participant is authorized by MCXCCL/ MCX to open ComRIS Account to open and maintain ComRIS Accounts of participants /Clients, for the purpose of holding electronic credits of underlying commodities and dealing therein including transfers thereof in the manner prescribed;

WHEREAS the Client is desirous of opening an account on ComRIS and has furnished to the ComRIS Participant the duly filled in application form requesting therein to open an account (hereinafter referred to as `the ComRIS Account') with the ComRIS Participant to maintain its commodity holdings corresponding to the quantity of commodity stored/accumulated by the Client in the accredited warehouses, in electronic form.

NOW THEREFORE in consideration of the ComRIS Participant having agreed to open a ComRIS account for the Client, both the parties to the agreement hereby covenant and agree as follows:

1. For the purposes of this agreement and the performance thereof, the following terms shall have the meaning as detailed there against:

"Accredited/Approved Warehouse" shall mean the warehouse/vault or a place accredited by MCXCCL where the Clients who intend to give delivery of goods pursuant to any transaction on MCX, may deposit or keep goods in the manner and as per process prescribed by MCXCCL from time to time;

ComRIS Account" shall mean the electronic account of a Client opened and maintained in ComRIS reflecting the record of ownership and transactions of transfers in respect of commodity deposited in the accredited/ approved Warehouse and also showing the details of commodity, quantity, place of storage and validity certification and other details and parameters as may be prescribed or modified from time to time";

"ComRIS Service Provider" shall mean MCXCCL or such other entity authorized or appointed by MCX for operating and maintaining the ComRIS;

“Exchange” shall mean Multi Commodity Exchange of Limited (MCX);

Clearing Corporation shall mean Multi Commodity Exchange Clearing Corporation Limited (MCXCCL);

“Final Expiry Date” shall mean the final date up to which the validity date of commodity can be extended.

“Validity Date” shall mean the date assigned to the commodity by the approved assayer of the Accredited Warehouse at the time of acceptance of commodity for credit to the ComRIS Account up to which a commodity is valid for delivery settlement of deal admitted on MCXCCL for settlement.

2. The Client agrees to pay such charges as may be prescribed by the ComRIS Participant in respect of his/its ComRIS Account for the purpose of opening and maintaining his account, for carrying out the instructions of the Client and for rendering such other services as may be agreed to from time to time between the ComRIS Participant and the Client in respect of his/its ComRIS Account. The ComRIS Participant reserves the right to revise the charges at any time by giving not less than thirty days’ notice in writing to the Client. In case the Client fails to make the payment of any of the amounts as aforesaid, within a period of thirty days from the date of demand or the immediate succeeding billing date whichever is earlier, the ComRIS Participant shall have the right to discontinue the services after giving five working days’ notice to the Client, till such time the Client makes the payment along with interest, if any. The Client further agrees that in the event of the Client committing such default in payment, the ComRIS Participant will charge interest at a rate not exceeding 18% p.a. for the period of such default without prejudice to its right to suspend operations in the ComRIS Account or close the ComRIS Account of the Client.
 3. Upon opening of the ComRIS Account as requested, the Client shall have the right to get the quantity of those of its commodities physically deposited by it with and received by the Accredited Warehouse, duly recorded and credited in electronic form (hereinafter referred to as `electronic holding’) in its ComRIS Account. Provided however that such credit in the electronic account shall be subject to acceptance of the commodities by the Accredited Warehouse for credit to the ComRIS Account in the manner and as may be specified by MCXCCL, as valid deposit for storage and delivery. The Client further understands and agrees that the record of electronic holding of commodities held by him is for the purpose of transaction on MCX to be settled through MCXCCL and that it shall be entitled to hold its commodities in electronic form only till the Final Expiry date as assigned by the assayer approved for the purpose or such other date as may be specified by MCXCCL or ComRIS Service Provider and that the Client shall not be entitled to issue of any warehouse receipt by the accredited warehouse except under circumstances and in the manner prescribed by MCXCCL.
 4. The Client understands and agrees that the electronic credit of commodity holdings in the ComRIS Account pursuant to deposit of the underlying physical commodity at the Warehouse concerned or as a consequence of transfer, is only a record of deposit and entitlement thereof and that the ComRIS Participant and MCXCCL or ComRIS Service
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Provider are mere facilitators of such account keeping while the liability in respect of the actual commodity/ies stored in the Accredited Warehouse is that of the Warehouse Service Provider. The Client further understands and agrees that once electronic credit of commodities is transferred from its ComRIS Account, the Client is not entitled to receive or deal with the corresponding commodities and that the right to receive the commodities and deal therein shall then rest with the respective transferee/s of the electronic credit except in cases of frauds/erroneous transfers subject to being reported and rectified immediately after detection.

5. The Client is aware and agrees that the existence of electronic credit of the commodity holdings in its ComRIS Account does not imply that the actual commodity deposited by it in the Accredited Warehouse shall be available at all times as long as the commodity holdings in ComRIS account subsist. The Client understands that the electronic credit of its commodity holdings is subject to the validity period or extended validity period if any, as may be prescribed for the relevant commodity by MCXCCL and understands that commodity cannot be delivered on MCXCCL after expiry of validity date unless revalidated on or before such validity date, or the Final Expiry Date, as the case may be and that holding of commodity in the Accredited Warehouse after expiry of such date/s shall be entirely and absolutely at the risks and consequences of the Client.
 6. The Client undertakes that upon expiry of validity date unless the commodity/ies are revalidated on or before such validity date, or the Final Expiry Date, as the case may be, the Client shall take out the commodity from the Accredited Warehouse by complying with the process as prescribed by MCXCCL or the ComRIS Service Provider. The Client understands that the Accredited Warehouse shall be entitled to issue physical warehouse receipt in respect of electronic holding of commodities after the expiry of validity date unless revalidated as aforesaid or the Final Expiry Date, as the case may be, by reducing or debiting the credit balance in the electronic holdings equivalent to such quantity of commodity and it shall be the responsibility of the Client to collect such physical warehouse receipt from the Accredited Warehouse.
 7. The Client agrees that any transaction in respect of its electronic commodity holding shall subsist only till the period or date if any, stipulated by MCXCCL up to which such commodity is deliverable on MCXCCL. The Client further agrees that the ComRIS Service Provider or MCXCCL or the ComRIS Participant shall be free to freeze or stop transactions pertaining to commodity holding belonging to the Client or in respect of its holdings in the ComRIS Account completely or partly as may be deemed appropriate by MCXCCL or ComRIS Service Provider upon the coming to end of validity period unless revalidated on or before such validity period or upon the Final Expiry Date of a commodity or if for any reason or circumstances which in the opinion of MCXCCL or ComRIS Service Provider, the freezing of ComRIS Account is warranted. Such opinion of MCXCCL or ComRIS Service Provider shall be final, conclusive and binding on the Client.
 8. The Client also agrees and undertakes that it shall not hold the ComRIS Participant or MCXCCL or the ComRIS Service Provider responsible and/or liable for any deterioration or deviation in quality or in quantity of the actual commodity deposited in the Accredited
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Warehouse and will not have any claim for the same from against the ComRIS Participant or the ComRIS Service Provider or MCXCCL.

9. The ComRIS Participant further undertakes that it shall not create or permit to subsist any mortgage, charge or other encumbrance over the commodity holdings of the Client except on the instructions of the Client.
 10. The ComRIS Participant shall maintain a separate ComRIS Account for holding its own commodities in electronic form.
 11. The ComRIS Participant undertakes to provide a transaction statement including statement of accounts, if any, to the Client at such intervals as may be agreed between the Client and the ComRIS Participant.
 12. The ComRIS Participant shall have the right to terminate this agreement, for any reasons whatsoever, provided the ComRIS Participant has given a notice in writing of not less than thirty days to the Client. Similarly, the Client shall have the right to terminate this agreement and close his account held with the ComRIS Participant, provided no charges or dues are payable/ remaining to be paid by him to the ComRIS Participant and no instructions of MCXCCL/ MCX if any, concerning its holding/s are pending for compliance and provided that any encumbrance if subsisting, has been fully satisfied and discharged. In the event of closure of its account, the Client shall transfer the balances in its account to any other account of the Client held with another ComRIS Participant or to withdraw the commodity holding balances held. Based on the instructions of the Client, the ComRIS Participant shall initiate the procedure for transferring such commodity holding balances or process for withdrawal of such balances as per the procedure laid down by MCXCCL or by the ComRIS Service Provider. Provided further, the termination of this agreement shall not affect the accrued rights, liabilities and obligations of either party and shall continue to bind the parties till their satisfactory completion.
 13. The charges related to the warehousing service such as warehouse charges, assaying charges etc. shall be settled in accordance with the arrangement agreed to by the client and Warehouse Service Provider / Warehouse without any recourse to ComRIS Participant or MCXCCL or ComRIS Service Provider.
 14. On the failure of the Client to pay any of the accrued charges as agreed herein within the stipulated period, the ComRIS Participant shall without prejudice to its right to legal remedies, be entitled to terminate this agreement and close the ComRIS Account of the Client by requiring it to specify whether the balances in its account be transferred to the account of the Client held with another ComRIS Participant or be processed for withdrawal in the manner prescribed.
 15. The Client further agrees that
 - i) in the event of closure of the account at its request or in circumstances as provided herein, it shall withdraw its commodity holdings for physical delivery or request transfer thereof from its ComRIS Account to any other ComRIS Account;
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- ii) in the event of expiry of the validity period of the commodity if any, as per the assayers' certificate issued therefor, the Client shall withdraw the relevant commodity holdings for physical delivery unless a revalidation certification, if permitted, as per process prescribed by MCXCCL or ComRIS Service Provider has been obtained on or before the validity date in respect of such quantity of commodity which has reached the validity date; and
- iii) At the expiry of validity date unless revalidated as provided herein or Final Expiry Date as the case may be, the ComRIS Participant shall be entitled to remove the Commodity holdings from the electronic form for physical delivery. Any continuation or otherwise of the deposit of commodities in the accredited warehouse after the expiry of Validity Date or the Final Expiry Date as the case may be, shall entirely be deemed to be a bilateral arrangement between the Client and the concerned Accredited Warehouse.
- iv) In the event of:
 - a. expiry of validity date without any revalidation of the commodity on or before such date, or
 - b. the Final Expiry Date; or
 - c. upon closure of ComRIS Account for any reason whatsoever,

It shall be the responsibility of the Client to collect the Physical Warehouse Receipt for such quantity of commodity or entire quantity of commodity as the case may be, from the concerned Accredited Warehouse by paying dues if any, to the ComRIS Participant, Warehouse Service Provider as applicable.

- 16. The ComRIS Participant shall have a right to provide any such information related to the Client's account/s as may be requested by MCXCCL, ComRIS Service Provider or any other authority having jurisdiction, from time to time.
 - 17. The Client may create a pledge of the commodity holdings held in the electronic form only in accordance with the procedure and conditions and/or restrictions laid down by the ComRIS Service Provider or MCXCCL subject, however, to the provisions of/ under the Bye Laws and Business Rules of MCXCCL or ComRIS Service Provider in this regard. Such noting of pledge shall be removed only after a receipt of 'No lien' or 'Release of pledge' letter or other form of instruction from the Pledgee, as recognized or prescribed by the ComRIS Service Provider or MCXCCL.
 - 18. The Client agrees that the ComRIS Participant may refuse to carry out any transaction in the event of any directive from MCXCCL/ MCX restricting such transaction including seeking freezing of the Client's account, or in accordance with any procedure laid down by MCXCCL or ComRIS Service Provider warranting such freezing at a given time or on any event.
 - 19. MCXCCL/ ComRIS Service Provider or the ComRIS Participant shall not be liable to the Client in any manner towards losses, liabilities and expenses arising from the claims of third parties or on account of taxes and other governmental charges in respect of the commodity holdings of the Client.
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20. The Client shall notify the ComRIS Participant within seven days from the date of any change in the details set out in the application form submitted to the ComRIS Participant at the time of opening the account or furnished to the ComRIS Participant from time to time.
21. The Client shall immediately within three days, inform the ComRIS Participant about any change in its constitution involving change in control of management, and shall execute all such necessary documents as may be required by the ComRIS Participant or MCXCCL or the ComRIS Service Provider in that regard.
22. The ComRIS Participant undertakes to resolve all legitimate grievances of the Client against the ComRIS Participant within a period of thirty days. In the event of non-resolution of the grievance within the time specified as aforesaid, the parties agree to submit the same for resolution by arbitration as per the terms agreed herein.
23. The parties agree that any dispute, claim or difference between the ComRIS Participant and the Client if not resolved as aforesaid, arising out of or in relation to dealings, contracts and transactions in ComRIS Account or with reference to or anything incidental thereto or in pursuance thereof or relating to the interpretation, fulfilment or the rights, obligations and liabilities of the parties hereto or thereto shall be submitted for resolution by the process of arbitration in accordance with Byelaws and Business Rules governing the arbitration process of MCXCCL/ MCX including amendments thereof from time to time and the parties agree to be bound by the arbitration awards so obtained.
24. All matters arising out of this agreement shall be governed by and construed in accordance with the Laws of India and all matters where MCX/ MCXCCL/ ComRIS Service Provider is a party, shall be subject to the exclusive jurisdiction of Mumbai Courts.

IN WITNESS WHEREOF the Client and the ComRIS Participant have caused these presents to be executed as of the day and year first above written.

Signed and delivered by

(For and on behalf of the Client)

Witness

Signed and delivered by

(For and on behalf of ComRIS Participant)

Witness
