



Circular No: IEX/MEM/79/2011

Dec 23, 2011

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### Transfer of Membership

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In terms of the provisions of Rule 4.12 & 4.13 read with Business Rule 6 of the Exchange the procedure for transfer of membership is notified as under:

1. Only Professional, Proprietary (FPO) and Trader members can transfer their membership who has paid the admission fee and security deposit in full.
2. Have completed 3 years from the date of approval of their membership.
3. Transfer of membership shall be to the person/entities eligible under IEX, Bye Laws and Business Rules including circulars and instructions issued by the Exchange from time to time.
4. Members intending to transfer their membership will have to submit application form duly filled **(Annexure I)** along with the following documents :
  - 4.1. Board Resolution for transfer of membership – Transferor & Transferee (for Corporates only) **(Annexure II (a) & (b))**.
  - 4.2. Undertaking by the Transferor & Transferee **(Annexure III (a) & (b))**.
5. Member shall pay the Exchange at the time filling of the transfer application, the processing charge of Rs.10,000/- (Rupee ten thousand only) and transfer fee of Rs. 1,00,000/- (Rupee One Lac Only) by demand draft/cheque in favour of “Indian Energy Exchange Ltd” or RTGS.
6. The transferee will pay security deposit, annual subscription, processing fee and any other fees/charges as per the prevailing deposits/fees/charges applicable for new members.
7. The Transferee will be required to maintain the net-worth on a continuous basis as per the instruction issued by the Exchange from time to time.
8. Transfer request will be considered on fulfillment of the conditions as specified in the schedule enclosed.

9. It may be noted that Exchange reserves the right to reject/decline the transfer of membership without assigning any reason(s) whatsoever to the member.
10. In case of any difference and /or dispute as to the interpretation, meaning or effect of the circular the decision of the Exchnage shall be final.
11. Transferee would be required to undergo the complete process of admission as a new member of the Exchange.
12. Initial Security Deposit (after adjustment of pending dues, If any) of the transferor would be released only after the activation of the transferee.

All Members are requested to take the note of the same.

For and on Behalf of Indian Energy Exchange Limited

Rajesh Kumar Mediratta  
Sr. Vice President (BD)

Encl: As above

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Kindly contact Divya Chawla- 011-43004028 or send email at [divya.chawla@iexindia.com](mailto:divya.chawla@iexindia.com) for any clarification.

----- Corporate office -----  
Indian Energy Exchange Limited  
100A/1, Ground Floor, Capital Court,  
Olof Palme Marg, Munirka, New Delhi. 110067.  
Phone: 011 - 4300 4000. Fax: 011 - 4300 4015.  
[www.iexindia.com](http://www.iexindia.com)

## **SCHEDULE**

### **Conditions for Transfer**

Transfer shall take place only after the fulfillment of the following conditions:

1. Transferor shall be responsible to pay the all outstanding dues of the Exchange, and CERC if any, including the payment of annual subscription of the Exchange.
2. The transferee should not be an existing member nor a director partner or associate/holding company or subsidiary of the existing member of the Exchange.
3. The transferee shall be a fit and proper person.
4. Transferor shall continue to be a Party before Arbitration matters or any other proceedings in which a claim is made along with the transferee for nay claim or dispute on account of dealing, transactions, contracts and covenants in the capacity as member of Exchange that has arisen before the actual transfer took place.
5. The Transferee or the transferor has not been declared defaulter by any other Exchange.
6. There is no disciplinary action pending against the transferor by the Exchange.
7. Transferor has no enforcement action pending from CERC.
8. There are no investor claims pending against the transferor.

### Application for Transfer of Membership on Member's Letter Head

**Date:**

**To,**

Membership Department  
 Indian Energy Exchange Ltd.  
 100 A/1, Ground Floor, Capital Court,  
 Olof Plame Marg, Munirka,  
 New Delhi – 110 067  
 Phone +91 11 43004000  
 Fax +91 11 43004015

Dear Sir,

**Sub: Application for obtaining approval from IEX for Transfer of Membership**

I/we \_\_\_\_\_ (Trade name of the existing member/Transferor) member of IEX, have completed \_\_\_\_\_ years as a member of Indian Energy Exchange Ltd (IEX). I/We now proposed to transfer our above stated membership to \_\_\_\_\_ (name of the proposed member/Transferee)

The relevant particulars of our membership and the proposed Member /Transferee are as under:

<b>Details of Transferor</b>	
Name	
Address	
Type of Organization/Constitution	<b>Individual/ Corporate/Partnership</b>
Date of approval of Membership	
Member Id	
Date of Board Resolution for transfer of membership( in case of Corporates)	
Whether cleared all dues to the Exchange including Annual Subscription	
Whether any investor grievance pending with Member/Exchange/ CERC.	<b>If yes, provide details in a separate annexure.</b>
Whether any arbitration is pending	<b>If yes, provide details in a separate annexure</b>
Whether any disciplinary action pending against under any Bye law/Rules of the	

Exchange	
Whether any Pending CERC Action	
Whether declared defaulters/readmitted by the Exchange	
Whether any Legal proceedings pending in any court or forum concerning membership and / or transactions undertaken by the member	
Whether any pending complaints from clients (If Applicable)	
Any other cases prosecution pending	
Details of Transferee	<b>(Enclosed Below)</b>

I/we state that the above stated details are true and correct and we understand that for any wrong statement I/we are liable for legal action.

Thanking You,

Yours faithfully,

For \_\_\_\_\_ (name of Transferor)

\_\_\_\_\_ (signature)

Name of the authorized signatory

Rubber Stamp

Place.....

**Encl:**

Details of Transferee	
1. Name of the applicant(full)	
2. Registered Office Address City: State: Pincode: Telephone No: Fax No: Email: Name of the contact person(s): Mobile Number:	
3. Nationality	
4. Constitution	Individual/ Registered Partnership Firm/Private Ltd Co./Public Ltd Co/
5. Date of Incorporation	
6. PAN Number	
7. Present Business/occupation	
8. Present Networth	Rs..... Lakh as on .....
9. Are you a member of any other Exchange Energy/ Commodity/Stock (Provide Details)	
10. Membership Type	

\_\_\_\_\_  
(Signature of the Transferee)

I/we undertake that any misstatement or suppression of facts in connection with this application for transfer of membership entail rejection of our application.

I/we hereby state that the above-mentioned particulars true, correct and complete to the best of my/our knowledge and information.

For \_\_\_\_\_ (Trade name of the Transferee)

\_\_\_\_\_

(Rubber Stamp)

(Signature of the Transferee)

Name of the signatory

Date: \_\_\_\_\_

Place: \_\_\_\_\_

The above facts have been verified by us and found to be true and correct.

\_\_\_\_\_

(Signature of the Transferor)

**Annexure II (a)**

**BOARD RESOLUTION (Transferor)**

(CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF \_\_\_\_\_  
(NAME OF THE COMPANY) HELD ON \_\_\_\_\_ (DATE) AT  
\_\_\_\_\_ (PLACE OF MEETING).

Resolved that the Board of Directors of the company be and hereby authorize the company to transfer of Membership rights of Indian Energy Exchnage Ltd to \_\_\_\_\_(Name of the Transferee) and to make the necessary application and give the necessary documents as may be required for effecting the transfer of Membership to \_\_\_\_\_(Name of the Transferee).

Resolved further that company authorizes Shri \_\_\_\_\_(Director of the company) to execute all the necessary documents and to submit all such other necessary paper as are required by the Indian Energy Exchange Limited from time to time.

Certified to be true

For \_\_\_\_\_(Name of the Company)

\_\_\_\_\_ (Signature)

(Affix Rubber Stamp of the company)



**Annexure II (b)**

**BOARD RESOLUTION (Transferee)**

(CERTIFIED TRUE COPY OF THE RESOLUTION PASSED AT THE MEETING OF THE BOARD OF DIRECTORS OF \_\_\_\_\_  
(NAME OF THE COMPANY) HELD ON \_\_\_\_\_ (DATE) AT  
\_\_\_\_\_ (PLACE OF MEETING).

Resolved that the Board of Directors of the company be and herby authorize the company to acquire the Membership rights of Indian Energy Exchange Ltd from \_\_\_\_\_(Name of the Transferor) and to make the necessary application and give the necessary documents as may be required for effecting the transfer of Membership in the Name of the company.

Resolved further that company authorizes Shri \_\_\_\_\_(Director of the company) to execute all the necessary documents and to submit all such other necessary paper as are required by the Indian Energy Exchange Limited from time to time.

Certified to be true

For \_\_\_\_\_(Name of the Company)

\_\_\_\_\_ (Signature)

(Affix Rubber Stamp of the company)

**Undertaking by Transferor**

(To be executed on Rs.300/- Non Judicial Stamp Paper)

This undertaking made on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by:

Mr. /Ms. / M/s. -----resident of -----  
----- (give complete details of Transferor) (hereinafter called the Transferor”, which shall be deemed to include his/her heirs, successors and legal representatives) in favour of **Indian Energy Exchange Ltd** having its corporate office address at 110A/1, Ground Floor, capital Court, Olof Palme Marg, Munirka, New Delhi-110067 India. (hereinafter called the “IEX” which shall include its affiliates, successors and assigns).

WHEREAS

- (a) The Transferor is a ----- member of IEX with effect from----- having Membership ID No. -----.
- (b) The Transferor, subject to the approval of IEX and as per the provisions of the Bye laws, Business Rules, Rules including circulars and instructions, has decided to transfer the membership rights of IEX to ----- (Name of the Transferee).

NOW THEREFORE, in consideration of and as condition precedent for IEX permitting the transfer of membership, the Transferor undertakes as follows:

1. The Transferor undertakes that he/she/it has not committed any breach of the provisions of Bye Laws, Rules, Business Rules of the Exchange including any circular, order, direction, notice, instruction issued by IEX from time to time.
2. The Transferor undertakes and represents that he/she/it has not been declared defaulter by any other Exchange.
3. The Transferor hereby confirms and undertakes that he /she/it has transferred/proposed to transfer the membership right to the Transferee for lawful consideration only.
4. The Transferor represents that he/she /it has cleared all the dues along with all the liabilities, claims, demands and further undertakes that there are no claims pending against it/him and if pending Transferor undertakes to pay and discharge the same before actual transfer take place. The Transferor undertakes to become a party to the Arbitration or any other proceedings in which a claim is made along with the transferee for any claim or dispute on account of his dealing, transaction, contracts and covenants in the capacity as a member of IEX that had arisen before the actual transfer took place.

5. That the Transferor represents and undertakes that it had verified the antecedents of the transferee and satisfied that the transferee is qualified as per the Bye-Laws, Business Rules , Rules and requirements of IEX to become a member, and that he /she/it is fit and proper.
6. The Transferor undertakes to remain liable even after the transfer is effected for the commissions and omissions done by the transferor prior to the date of transfer and undertakes that IEX has full right and authority to take such actions against the Transferor as deemed fit and proper under its Bye –laws, Rules, Business Rules of the Exchange including any circular, order, direction, notice, instructions issued by IEX from time to time and undertake to abide by such decisions of IEX.
7. The Transferor hereby confirms that in case of default of the Transferor, he/she shall be liable to pay the dues of IEX out of his/its personal or other assets. The Transferor further understands that in case of default of Transferor, IEX shall be legally entitled to attach through due process of law the personal, movable and immovable, properties of the Transferor.
8. That the Transferor undertakes that as on date it/she/he has not received any notice in connection with any insolvency proceedings or creditors winding up proceedings and no proceedings are pending against the Transferor.
9. The Transferor further represents that CERC or any Exchange has not taken any disciplinary action against him/it.
10. That without prejudice to the rights, remedies available to IEX upon the Transferor's non compliance with this undertaking , the Transferor shall indemnify and keep IEX indemnified against any losses, damages, demands, charges or expenses , including attorney's fees suffered by IEX by virtue of transfer and on account of violation of this undertaking .
11. The Transferor acknowledges and undertakes that the consideration is being exchanged directly between himself/herself/itself and the Transferee. IEX is hereby authorised to proceed for transfer of membership based on this Undertaking, Application and other necessary documents executed for transfer of membership and that the transfer process will not be stalled/challenged subsequently for lack of inadequacy of consideration or for any other reason or dispute between the Transferor and the Transferee.
12. The Transferor hereby confirms that the information provided in this Undertaking is true and correct to the best of the knowledge and belief of the Transferor.

Name:  
Signature:  
Address:

Witnesses:

Name & address:

**Undertaking by Transferee**

(To be executed on Rs.300/- Non Judicial Stamp Paper)

This undertaking made on this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_ by:

Mr. /Ms. / M/s. -----resident of -----  
----- (give complete details of Transferee) (hereinafter called the Transferee”, which shall be deemed to include his/her heirs, successors and legal representatives) in favour of **Indian Energy Exchange Ltd** having its corporate office address at 110A/1, Ground Floor, capital Court, Olof Palme Marg, Munirka, New Delhi-110067 India. (hereinafter called the “IEX” which shall include its affiliates, successors and assigns).

WHEREAS:

Transferee is desirous of acquiring membership rights of IEX from, the Transferor herein. The Transferor has decided to transfer his/her/their Membership right of IEX to Transferee subject to approval of IEX and pursuant to the provisions of Bye-laws, Rules, Business Rules including Circulars and instructions issued by IEX from time to time.

NOW THEREFORE, in consideration of and as condition precedent for IEX permitting of the transfer of membership, the Transferee undertakes as follows:

1. The Transferee undertakes that he/she/it will not commit any breach of the provisions of Bye Laws, Rules, Business Rules of the Exchange including any circular, order, direction, notice, instruction issued by IEX from time to time.
2. The Transferee undertakes that he/she/it has received all the documents, registers, records from the Transferor pertaining to the membership under transfer and further undertakes to obtain necessary **no objection** from the existing clients of the Transferor to continue to deal with them as his/her/its clients.
3. The Transferee further undertakes that “Know Your Client “ (KYC) requirement of the existing client of the Transferor will be fully completed /updated before commencement of any dealings with them.
4. The Transferee undertakes and represents that he/she/it has not been declared defaulter by any other Exchange.
5. The Transferee hereby confirms and undertakes that he /she/it will acquire/ has acquired proposed membership right from the Transferor for lawful consideration only.
6. That the Transferee represents and undertakes that it/he/she is legally qualified to become a member as per the Bye-Laws, Business Rules, Rules and requirements of IEX and is not a director/partner/associate/holding company or subsidiary company of an existing member of IEX.

7. The Transferee undertakes to remain liable for the commissions and omissions done by him/her/it and undertakes that IEX has full right and authority to take such actions against the Transferee as deemed fit under the provisions of Bye –laws, Rules, Business Rules, Rules of the Exchange including any circular, order, direction, notice, instructions issued by IEX from time to time and undertake to abide by such decisions of IEX.
8. The Transferee hereby undertakes that in case of default of the Transferor in setting the claims/demand/dues arising before transfer, the Transferee shall be liable to pay the dues of IEX. The Transferee further agrees that in case of default of the Transferee, IEX shall be legally entitled to attach through due process of law all personal, movable and immovable, properties of the Transferee.
9. That the Transferee undertakes that as on date it/she/he has not received any notice in connection with any insolvency proceedings or creditors winding up proceedings and no proceedings are pending against the Transferee. The Transferee further represents that CERC or any Exchange has not taken any disciplinary action against him/it.
10. That the Transferee further undertakes that the subsequent to transfer, in the event of failure on the part of Transferor to pay any liability, demand ,charges etc which had arisen prior to transfer the same shall be recovered from the Transferee.
11. That without prejudice to the rights, remedies will be available to IEX upon the Transferee's non compliance with this undertaking, the Transferee shall indemnify and keep indemnified IEX against any loss/damage suffered by IEX by virtue of this transfer and on account of violation of this undertaking.
12. Transferee understands and undertakes that the this transfer does not entitle him to the membership of IEX and that he/she/it has to otherwise qualify for the membership, and that he/it will file necessary application as per format prescribed by IEX, pay necessary fees, security deposit, MPLS charges or any other charges as may be required to IEX to become member of IEX and that if found and not qualified IEX has every right to reject the membership.
13. The Transferee acknowledges and undertakes that the consideration is being exchanged directly between himself/herself/itself and the Transferor. IEX is hereby authorised to proceed for transfer of membership based on this Undertaking, Application and other necessary documents executed for transfer of membership and that the transfer process will not be stalled/challenged subsequently for lack of inadequacy of consideration or for any other reason whatsoever or dispute between the Transferee and the Transferor.
14. The Transferee hereby confirms that the information provided in this Undertaking is true and correct to the best of the knowledge and belief of the Transferee.

Name:  
Signature:  
Address:

Witnesses:

Name & address: