

BYE – LAWS

Reference To Arbitration

All claims (whether admitted or not) difference and disputes between a member and a non-member or non-members (the terms `non-member` and `non-members` shall include a remisier, authorised clerk, a sub-broker who is registered with SEBI as affiliated with that member or employee or any other person with whom the member shares brokerage) arising out of or in relation to dealings, transactions and contracts made subject to the Rules, Bye-laws and Regulations of the Exchange or with reference to anything incidental thereto or in pursuance thereof or relating to their construction, fulfillment or validity or in relation to the rights, obligations and liabilities of remisiers, authorised clerks, sub-brokers, constituents, employees or any other persons with whom the member shares brokerage in relation to such dealings, transactions and contracts shall be referred to and decided by arbitration as provided in the Rules, Bye-laws and Regulations of the Exchange.

Contracts Constitutes Arbitration Agreement

An acceptance whether express or implied of a contract subject to arbitration as provided in sub-clause (a) and with this provision for arbitration incorporated therein shall constitute and shall be deemed to constitute an agreement between the member and the nonmember or non-members concerned that all claims (whether admitted or not), differences and disputes of the nature referred to in sub-clause (a) in respect of all dealings, transactions and contracts of a date prior or subsequent to the date of contract shall be submitted to and decided by arbitration as provided in the Rules, Bye-laws and Regulations of the Exchange and that in respect thereof any question whether such dealings, transactions and contracts have been entered into or not shall also be submitted to and decided by arbitration as provided in the Rules, Bye-laws and Regulations of the Exchange.

Award Binding on Parties and their Representatives

The parties to the reference shall in all things abide by and forthwith carry into effect the award of the arbitrators which shall be final and binding on the parties and their respective representatives notwithstanding the death of or legal disability occurring to any party before or after the making of the award and such death or legal disability shall not operate as a revocation of the reference or award.

Time period for filling of Arbitration Reference

The Arbitrators shall not take cognizance of any claim, complaint, difference or dispute unless the same has been received by the concerned Regional Arbitration Centre of the Exchange within six months from the date of the transaction or from the date on which the client claims to have given the instruction / order to buy or sell a security or from the date on which the client claims to have paid money or given a security, whichever is earlier. Any dispute as to whether a claim, complaint, difference or dispute falls within the ambit of this clause shall be decided by the Arbitrators.

Provided that the Governing Board, or the Managing Director and Chief Operating Officer may, from time to time, appoint Committees, separately for each Regional Arbitration Centre to amicably settle all claims, complaints, differences and disputes that are referred to it.

Provided further that when such claims, complaints, differences and disputes are referred to the aforesaid Committee, the time taken in amicable settlement of such claims, complaints, differences and disputes shall be excluded while computing the period of limitation

Regulations

In every case when a claim, difference or dispute required to be referred to arbitration under the Rules, Bye-laws and Regulations of the Exchange has arisen, any of the parties concerned may submit to the concerned Regional Arbitration Centre of the Exchange an application for arbitration (Form No.1 & Form No.1A) stating therein the value of the claim for jurisdiction.

The Application for Arbitration shall be filed by the Applicant at the concerned Regional Arbitration Centre referred to in column 1 below covering that State or Union Territory of India, referred to in column 2 below, within which the most recent address / Registered Office address of the constituent, as duly communicated in writing to the member in accordance with law, is located. Provided in respect of a non-resident Indian constituent, the Seat of Arbitration shall be Regional Arbitration Centre which covers the States and Union Territories given in the Column 2, in which lies the address or the registered office address, as the case may be, of the trading member, depending upon corporate or non-corporate membership of the trading member. The hearings shall be held in the concerned Regional Arbitration Centre in which the Applicant has duly filed the Application for Arbitration.