
TERMS AND CONDITIONS TO BE READ, ACCEPTED AND SIGNED BY A MARKET MAKER

[This document should be read by each and every prospective applicant before playing the role of Market Maker for the products offered by the Exchange and should be read in conjunction with the bye laws and rules of the Mercantile Exchange Nepal Limited (Exchange)]

1. I hereby agree to abide by the Bye Laws, Membership Rules, Trading, Clearing and Settlement Rules, Directives for Market Makers, Regulations, notification, circulars of the Exchange and amendments thereto. I shall also comply with the Code of Conduct, Prohibition of fraud and Unfair Trade Practice Rules and any guidelines issued by the Exchange in relation to the standards and ethics of market conducts, from time to time.
2. I shall make two-way market (both side bid and ask) in which ever contract which may be designated by the exchange in a specified time as stipulated by Exchange rules.
3. I shall be responsible and accountable for all financial obligation and trade obligations of my trades.
4. I provide the rights to the Exchange to close out/ liquidate my open position in accordance with the Rules of Exchange, in case of non-payment of dues by me towards margins, daily mark to market settlements, final settlements or such other settlements, fees and charges due to the Exchange. In such case, any loss arising due to the closing out of open position shall be recovered from me. I also authorize the Exchange to withdraw or disable the Market Maker facility and if necessary initiate disciplinary actions against me in accordance to the Bye laws and Rules of the Exchange.
5. I shall act in a manner to the best interest of the Exchange and to protect and safeguard the interests of members, clients, brokers and sub brokers trading in the Exchange. I shall be subject to disciplinary proceedings if I am in violation of code of conduct, market conduct or any such good business practices including acting in a manner detrimental to the interest of the Exchange, any misconduct in dealing with or in relation to trading or clearing in the Exchange.
6. I shall be solely responsible for profit/ loss arising out of trading in the Exchange, and the Exchange shall not be responsible for the same and it will not be open for me to take the plea that no adequate disclosure was made or it was not explained the full risk involved in trading.

I have fully understood the contents of this document and the possible risk and losses that may occur as a Market Maker and it is my sole responsibility to update myself on all the current information related to market making and trading. By signing this document I also agree to follow the Directives issued by the Exchange for Market Makers.

For MARKET MAKER

Name : _____ Date: _____

Signature : _____

Client Code [7 digit] : _____

Applicable Commission [%]: _____

Whether you want to have same user for both the Client & MM code? Yes No

In the presence of Authorized Representative of Broker

Signature: _____ Seal: _____ Date: _____

Market Maker Code: _____ *[To be filled by Clearing Member]*