

CLEARCORP DEALING SYSTEMS (INDIA) LIMITED (CLEARCORP)

FX-CLEAR DEALING SEGMENT REGULATIONS

<table>
<thead>
<tr>
<th>CHAPTER</th>
<th>DESCRIPTION</th>
<th>PAGE NO.</th>
</tr>
</thead>
<tbody>
<tr>
<td>I</td>
<td>Introduction</td>
<td>2</td>
</tr>
<tr>
<td>II</td>
<td>Membership</td>
<td>3-5</td>
</tr>
<tr>
<td>III</td>
<td>Dealing System and Operations</td>
<td>6-17</td>
</tr>
<tr>
<td>IV</td>
<td>Limit and Margins</td>
<td>18-22</td>
</tr>
<tr>
<td>V</td>
<td>FX-Clear Application Programming Interface (API) Based Trading</td>
<td>23-31</td>
</tr>
<tr>
<td>VI</td>
<td>Surveillance</td>
<td>32</td>
</tr>
<tr>
<td>VII</td>
<td>Sudden Event Handling</td>
<td>33-34</td>
</tr>
<tr>
<td>VIII</td>
<td>Reports</td>
<td>35</td>
</tr>
<tr>
<td>IX</td>
<td>Miscellaneous</td>
<td>36-39</td>
</tr>
<tr>
<td>X</td>
<td>Fees and Charges</td>
<td>40-41</td>
</tr>
<tr>
<td></td>
<td>GLOSSARY of Amendments to the Regulations</td>
<td>42-54</td>
</tr>
</tbody>
</table>

Updated December, 2016
CHAPTER I: INTRODUCTION


Applicability: These Regulations shall be applicable to all Members admitted to the FX-Clear Dealing Segment of Clearcorp Dealing Systems (India) Limited.

All the capitalized terms used herein shall have the same meaning assigned to them in the Clearcorp Rules and Bye-Laws.

Unless explicitly stated otherwise, all the terms used herein but not defined, and defined in Forex Settlement Segment Regulations of Clearing Corporation, shall have the meanings respectively assigned to them therein.
CHAPTER II: MEMBERSHIP

1 Application for Membership

1.1 An existing Member of Forex Settlement Segment of Clearing Corporation seeking Membership to Clearcorp’s FX-Clear Dealing Segment may approach Clearcorp to be admitted as a Member;

1.2 Such entity shall submit an application in the prescribed format to Clearcorp, complete in all respects together with all enclosures, as required to be submitted in terms of the application form;

1.3 The application form shall be submitted along with the fees, if any, prescribed by Clearcorp for Membership to its FX-Clear Dealing Segment;

2 Processing of Applications

2.1 Every such application received in terms of sub-clause 1.2 above shall be placed by Clearcorp before the Approving Authority for consideration;

2.2 Clarifications and/or additional information sought by the Approving Authority shall be conveyed to the concerned applicant. Such applications shall be processed further only upon receipt of complete particulars called for by the Approving Authority;

2.3 Mere submission of completed application forms and/or additional information sought by the Approving Authority does not by itself confer any privilege on any applicant to claim grant of Membership to the FX-Clear Dealing Segment;
2.4 Upon receipt of approval from the Approving Authority, Clearcorp shall communicate such approval to the applicant with a request to complete other formalities as required for admission;

2.5 Every applicant upon receipt of approval for Membership shall execute required documentation in such form and manner as may be prescribed by Clearcorp;

2.6 A Member can commence operations in Clearcorp FX-Clear Dealing Segment only upon activation of its Membership, which shall be subject to completion of such formalities as may be stipulated by Clearing Corporation/Clearcorp in its various Communications to the Member, as part of its admission process.

3 Membership ID and Member Number/User Number

3.1 Every applicant who is already a Member of any of the existing Segments of Clearcorp and/or Clearing Corporation shall continue to use the existing Membership ID that has already been allotted to it unless specifically advised otherwise by Clearcorp;

3.2 Every Member shall incorporate the Membership ID in all its Communications to Clearcorp;

3.3 Non-incorporation of Membership ID as may be required by Clearcorp as part of its operations shall absolve Clearcorp of all liabilities or consequences of non-action by Clearcorp;

3.4 Every applicant, upon admission as a Member to Clearcorp’s FX-Clear Dealing Segment, shall be allotted a Member Number and User Number/ID. The said
Member Number and the User Number/ID so allotted would be unique with their usage restricted to the FX-Clear Dealing Segment of Clearcorp;

3.5 A Member shall ensure that use of its Member Number and User Number/ID is restricted to its authorized personnel only;

3.6 Clearcorp does not recognize as parties to any deal, persons other than the Members of the FX-Clear Dealing Segment;

3.7 Members shall at all times ensure that they, as well as the users permitted by them to operate on the FX-Clear Dealing System, subscribe to and comply with the internal code of conduct prescribed, by RBI and/or any other regulatory agency authorized to do so, Clearcorp, Clearing Corporation and/or any other industry body / association such as FEDA etc;

3.8 Clearcorp and/or any of its officials shall not in any way be liable for any loss or consequences that may arise on account of unauthorized and/or wrongful use of Member Number and/or User Number/ID by any person acting in the name of or on behalf of a Member.
CHAPTER III: DEALING SYSTEM AND OPERATIONS

1 Clearcorp shall provide an automated Dealing System to the Members of the Forex Dealing Segment. The Forex Dealing System shall be referred to as FX-Clear;

2 Clearcorp shall provide access to the FX-Clear Dealing System through the FX-Clear Dealing Terminal (front-end provided by Clearcorp). Access to FX-Clear Dealing System may also be provided through an Application Programming Interface (API) channel in terms of Chapter V of these Regulations. API is a set of subroutine definitions, protocols, and tools for building software and can be used to build application to support automated trading.

3 Clearcorp may, from time to time, specify the modes of dealing and the instruments permitted to deal on those modes. The modes of dealing permitted on FX-Clear Dealing System include Order Matching Mode and Negotiation Mode.

3.1 Order Matching Mode

3.1.1 The FX-Clear Dealing System provides anonymous dealing on the Order Matching mode, where the Clearing Corporation would be the Central Counterparty for all the Trades;

3.1.2 The identity of the Members to the Trade may be disclosed to both parties on a post Trade basis for display purpose only;
3.1.3 All Trades shall be automatically sent by the FX-Clear System to the Forex Settlement Segment of Clearing Corporation for guaranteed settlement.

3.2 Negotiation mode

3.2.1 Dealing Members may contact other Dealing Members on the FX-Clear Dealing Terminal for negotiation;

3.2.2 After the Dealing Members have agreed to strike a deal with each other as per the negotiated terms and conditions agreed to between them, they shall confirm the deal and generate deal tickets;

3.2.3 Clearcorp shall from time to time notify the instruments allowed on the Negotiation Mode and the Rules applicable thereto;

3.2.4 The Members may separately report the deals done on the Negotiation mode to the settlement Segment of Clearing Corporation for settlement.

4 Dealing System

4.1 After activation of Membership to Clearcorp’s FX-Clear Dealing Segment, a Member shall be granted access to Clearcorp’s FX-Clear Dealing System;

4.2 Access to FX-Clear Dealing System shall be available to a Member as per connectivity mode decided by Clearcorp from time to time;

4.3 It shall be the responsibility of every Member to maintain necessary Information Technology infrastructure that Clearcorp may prescribe or at its sole discretion provide to ensure proper and efficient performance of the FX-
Clear Dealing System; the Member shall also maintain the necessary staff, Communication facilities and records as required for the operations;

4.4 All operations on the FX-Clear Dealing System shall be carried out from the authorized premises of the Member where its treasury front office/back office/mid offices are located with access to the FX-Clear Dealing System restricted to its duly authorized personnel only. In case any Member fails to strictly adhere to this requirement, Clearcorp, at its discretion, may take such action as it may deem fit, including, but not limited to immediate withdrawal of the facility, without any notice/reference to the Member.

4.5 Co-location, Co-hosting or any other facility or arrangement which puts other Members in disadvantageous position shall not be provided by Clearcorp for FX-Clear Dealing System.

4.6 A Member may have more than one user and in such cases, the Member shall request Clearcorp for additional user IDs. However, allocation of multiple User Numbers shall be at the sole discretion of Clearcorp;

4.7 Every user shall be given initial access to the FX-Clear Dealing System through the password provided by Clearcorp at the time of user approval. The user shall ensure that such password is changed immediately as prompted by the system upon initial log in;

4.8 Every user shall ensure compliance with the Password Policy as implemented in the FX-Clear Dealing System, as applicable from time to time;
4.9 Every user shall maintain complete secrecy of the User number/ID and password;

4.10 Clearcorp and/or any of its officials shall not in any way be liable for any loss or consequences that may arise on account of unauthorized and/or wrongful use of the User ID and/or password;

4.11 Member and/or any of its users shall not have any right, title or interest with respect to FX-Clear Dealing System, its facilities, software and the information provided by Clearcorp;

4.12 A Member and/or any of its users shall not be permitted to

   i. Use the software provided by Clearcorp for any purpose other than those approved and specified by Clearcorp;

   ii. Use the software provided by Clearcorp on any equipment other than that installed in its official premises from where the dealing operations are conducted;

   iii. Copy, alter, modify or make available to any other entity or person, the software provided by Clearcorp;

   iv. Use the software in any manner other than as specified by Clearcorp;

   v. Install or operate FX-Clear Dealing Terminal from an unauthorised location;

   vi. Install or operate FX-Clear Dealing Terminal from a PC / Server / Laptop or any other similar device that does not meet the minimum
configuration requirement specified by Clearcorp;

vii. The intellectual property rights of such software shall be with Clearcorp and any unauthorized use of the same shall be treated as infringement and dealt with accordingly;

4.13 A Member and/or any of its users shall not publish, supply, show or make available to any other person/entity the facilities of the Dealing System or the information provided by the FX-Clear Dealing System except with the explicit approval of Clearcorp;

4.14 A Member shall always be liable for all Trades executed on the FX-Clear Dealing System as also for all Orders and/or activity undertaken on the system by any of its users;

4.15 Clearcorp shall provide its services on a best effort basis. However, Clearcorp shall not be liable under any circumstances for any failure of the FX-Clear Dealing System and any consequence arising there from;

4.16 Without prejudice to anything contained in Para 3.14 above, such failure shall not reduce, alter or affect the liability of a Member in respect of any deals to which the said Member is a party;

5 Dealing Days

5.1 The Dealing System shall normally function on all days except Saturdays, Sundays and those days that are declared as holidays under the Negotiable Instruments Act,1881 in the state of Maharashtra and such holidays as Clearcorp may declare from time to time.
5.2 At the instance of RBI or any other regulatory authority authorized to so direct, Clearcorp may not operate the FX-Clear Dealing System on days other than or in addition to scheduled holidays or may operate the same on the days originally declared to be holidays and such decision shall be final and binding on all Members;

6  Dealing Timings

6.1 Clearcorp shall have the discretion to decide on the timings for trading. Clearcorp may extend, advance or reduce dealing hours by notifying Members as and when it deems fit and necessary in this regard;

6.2 Clearcorp by Notification may prohibit or suspend at any time dealing operations on the FX-Clear Dealing System for such period as it may determine and at the expiration of such period, Clearcorp may permit dealing activity subject to such terms and conditions as it deems fit and necessary.

7  Dealing Parameters

7.1 Clearcorp may from time to time specify various operational parameters relating to the Dealing System which, may, inter alia, include:

   i. determining types of Orders and Order attributes (including Single Order Limit Size);

   ii. fixation of market lots for Order Matching;

   iii. limit of spread between Bid and Offer Prices, if required;

   iv. limit of variation within a day or between days in Bid and Offer
Prices;

v. fixation of Price variation on a Business Day over the previous day’s closing Price of the instrument;

vi. determining functional details of the Order Matching system including system design, user infrastructure and system operations;

vii. Such other parameters as may be decided by Clearing Corporation/Clearcorp from time to time;

7.2 Clearcorp may, from time to time, prescribe different forms of Order books that shall be maintained on the Dealing System and may also specify such terms and conditions for eligible Orders to be admitted on the system. Such conditions may include “MINIMUM FILL” and “ALL OR NONE” and other Order attributes such as “DISCLOSED QUANTITY”, “IMMEDIATE OR CANCEL”, “GOOD TILL TIME” and “GOOD TILL CANCELLED”;

7.3 Clearcorp may specify the minimum disclosed quantity for the Orders;

7.4 Clearcorp may specify, from time to time, the lot size (minimum and multiples thereof) and Price, quantity and time conditions in which Orders can be placed on the Dealing System;

7.5 All outstanding Orders remaining unmatched in the FX-Clear Dealing System at the end of dealing hours shall get cancelled automatically, except Good Till Cancelled Orders;

7.6 Clearcorp may specify the number of days after which the Good Till Cancelled Orders shall be automatically cancelled.
8  **Modification and Cancellation of Orders**

8.1 Clearcorp shall have discretion to allow the Members to modify, hold, release and/or cancel their Orders;

8.2 Orders shall be modified by effecting changes in the input parameters in the manner and subject to such conditions, as may be prescribed by Clearcorp from time to time;

8.3 The modified Order shall lose its time priority as per the dealing parameters set by Clearcorp;

8.4 In the event of failure of connectivity for a Member (not attributable to any act or omission of that Member), Clearcorp may at its sole discretion undertake on behalf of such Member to cancel all its outstanding Orders subject to conditions stated as per above sub-clauses; and the said Member shall be accountable for the activity carried out by Clearcorp on its behalf. Clearcorp shall not be liable to the Member for any losses or costs if such Orders get matched before execution of the cancellation by Clearcorp.

9  **Order Validation**

9.1 Orders entered into the Dealing System by Dealing Members shall be subject to such validations as may be prescribed by Clearcorp from time to time including Order conditions and other dealing parameters;

9.2 Orders that do not meet the validation requirements applicable to that type of
10 Matching Rules

10.1 Clearcorp may specify from time to time the kinds of Orders that can be placed on the Dealing System, the Order Matching algorithms, the Matching Rules and other parameters;

10.2 Where Clearcorp is of the view that it is in the interests of the market to do so, and/or to meet any statutory or regulatory or tax obligations/order/directive, it may at any time make unavailable any particular Order book or forms of Matching, for a particular instrument for the market as a whole;

10.3 Without prejudice to the generality of the above, Clearcorp may notify the Order Matching Rules from time to time which shall include the following:

i. Orders on the Order Matching mode shall be matched on the basis of Price-time priority;

ii. The time recorded at FX-Clear System Central Server shall be the basis for determining time priority;

iii. If the Order matches, then the Trade shall take place for the lower of the Order quantity placed between the Members;

iv. The Best Bid Order shall match with the Best Offer Order. For dealing on Price, the best Bid Order shall be the one with the Order will be rejected.
highest Price and the best Offer Order shall be the one with the lowest Price;

v. An Order shall become an Active Order at the time of its entry into the FX-Clear Dealing System. If such an Order, on entry into the FX-Clear Dealing System, does not find a Matching Order(s), it would become Passive Order and remain in the Dealing System. However, if the Order is Immediate or Cancel then it shall be cancelled if not matched;

vi. Such other Rules as may be notified from time to time by Clearing Corporation / Clearcorp.

11 Rejection of Orders/Trades

11.1 Clearcorp shall have the discretion to reject the Orders/Trades for any of the following conditions:

i. When the Orders/Trades are not adequately covered by limits/Margins as may be stipulated by Clearing Corporation;

ii. When Orders are not as per the terms and conditions as applicable to such Orders;

iii. In the event of declaration of unscheduled holiday or sudden development including failure of systems and applications whereby dealing operations for a particular Settlement Date have been temporarily suspended;

iv. Trades at Off Market Prices;

v. In the event of Force Majeure.

12 Trade Cancellation
12.1 Clearcorp shall not be responsible for trades concluded erroneously or at Off Market Prices by the Member;

12.2 Clearcorp shall have discretion to allow Members to place request to cancel Trades executed on the FX-Clear Dealing System and deemed by both the Members party to the trade as erroneous/traded at incorrect prices or Off Market Prices;

12.3 A Member shall be permitted to place request to cancel a particular Trade on the FX-Clear Dealing System upto a specified period from the time of execution of that Trade, as may be notified from time to time;

12.4 The Trade Cancellation shall be concluded on the FX-Clear Dealing System only after a cancellation request initiated by a Member is accepted by the other Member party to the Trade;

12.5 Clearcorp shall not be responsible for any loss caused to any of the Members in a situation where the other Member, party to the Trade refuses to cancel the particular Trade on the system;

12.6 Clearcorp shall not be liable for any losses arising out of any Trade cancellations executed on the system;

12.7 The Trade cancellation facility shall be available only for cancellation of Trades concluded on the Order-Matching mode of the system.

13 Settlement of Trades
13.1 Settlement of Trades concluded on the FX-Clear Dealing System shall be governed by the provisions of Bye-Laws, Rules and Regulations of Forex Settlement Segment of Clearing Corporation;

13.2 The Trades in the Order Matching mode of the FX-Clear Dealing System shall be processed for clearing and guaranteed settlement by Clearing Corporation.
CHAPTER IV: LIMITS AND MARGINS

A. Order Matching Mode

1 Limits

1.1 The Members shall be allowed to Trade on the FX-Clear Dealing System, to the extent of the limits available and, as prescribed in the Chapter 5 on Net debit cap, Exposure limit and Margins in the Regulations of the Forex Settlement Segment of Clearing Corporation. The adequacy of such limits available for a Member shall be monitored online for all the Trades, concluded on the FX-Clear Dealing System, and accepted for settlement by the Forex Settlement Segment of Clearing Corporation;

1.2 The Members shall be placed on Square off mode, on reaching or on breach of a prescribed percentage level of limits, as notified by Clearcorp, thereby allowing placing of Orders only on a single side on the FX-Clear Dealing System. All the Orders of such Members, outstanding on the side which if executed would breach limits, shall be cancelled immediately upon activation of Square off mode on FX-Clear Dealing System. Similarly, the Members shall be placed on Normal mode, on reaching within such prescribed percentage Level of Limits, thereby allowing normal trading on the FX-Clear Dealing System;

1.3 Members shall be notified on the FX-Clear Dealing system, the percentage (%) utilization of the limits on reaching certain threshold levels in the form of
alerts;

1.4 Clearcorp, shall at any time, be authorized to impose such limits as advised by Clearing Corporation so as to determine the extent of dealing operations a Member may be permitted to undertake on Clearcorp’s FX-Clear Dealing Segment.

2 Margins

2.1 The Trades concluded on the FX-Clear Dealing System are accepted for guaranteed settlement as governed by the Regulations of the Forex Settlement Segment of Clearing Corporation;

2.2

i. The Margin requirement arising out of the addition of a Trade done on the FX-Clear Dealing System to the portfolio of outstanding Trades shall be computed as per the Regulations of Forex Settlement Segment of Clearing Corporation, and shall be checked with reference to Margin already blocked for all the Forex Trades, including both reported Trades and Trades concluded on FX-Clear Dealing System, accepted for settlement in the Forex Settlement Segment;

ii. The Trades concluded on FX-Clear Dealing System shall be subject to online checks for adequacy of Margin for both Members to the Trade on a post Trade basis, as above;

iii. The Trades concluded on FX-Clear Dealing System shall be governed by the Rejection level and Replenishment level of utilization of
Margins, as prescribed in the Regulations of Forex Settlement Segment of Clearing Corporation;

iv. On Margin utilization of a Member reaching the Replenishment level notified, the Member may be allowed access to the FX-Clear Trading System on Risk Reduction Mode. In this mode, the Members may be allowed to place certain type of Orders (like Immediate or Cancel) only in the trading system. Margins on these Orders may also be collected before these are allowed to be placed for Matching in trading systems and without allowing offsets between buy and sale Trades;

v. If the Margin utilization by a Member reaches or exceeds the notified Rejection level, the Members shall be temporarily deactivated from the FX-Clear Dealing System. All outstanding Orders in FX-Clear System shall also be cancelled upon deactivation.

2.3 If a Member fails to fulfill its Margin obligation, either for Trades done through FX-Clear Dealing System, or on outstanding Trades guaranteed for settlement by Clearing Corporation, Clearcorp shall be entitled, at its sole discretion, to temporarily suspend the rights of the Member from trading on the system;

2.4 The temporary suspension of rights of Members to Trade on the FX-Clear Dealing System may be revoked by Clearcorp on fulfillment of the Margin obligation and on recovery of other additional charges, if any;
2.5 To ensure effective Risk Management in respect of Trades from FX-Clear Dealing System, Clearcorp may, at the instance of Clearing Corporation, set limits as shall be notified, on the size of Orders (Single Order Limit) that a Member may be allowed to place in the FX-Clear Dealing System. Such limits shall be set based inter-alia, on parameters such as capital, financial position, and operational capability of the Member. Clearcorp may also, at the instance of Clearing Corporation and after due Notification, set limits up to which Orders may be allowed to be accumulated in the FX-Clear Dealing System.

B. Negotiation Mode

1. The Members shall be allowed to negotiate and conclude Trades on the Negotiation mode of FX-Clear Dealing System;

2. The Trades concluded on the negotiation mode of FX-Clear Dealing System are not subject to any online checks for adequacy of limits and / or Margins;

3. Such Trades are not automatically sent by the FX-Clear System to the Forex Settlement Segment of Clearing Corporation and need to be reported separately by the Member to Clearing Corporation for settlement. Such reported trades shall be dealt with as per the Regulations of Forex Settlement Segment of Clearing Corporation;

4. The Members who are placed on Square off Mode or deactivated from trading on the Order-Matching mode of FX-Clear Dealing System will continue to be
allowed to Trade on the Negotiation Mode of the System.
CHAPTER V: FX-CLEAR APPLICATION PROGRAMMING INTERFACE (API) BASED TRADING

Clearcorp may provide to the Members a facility to connect to the FX-Clear Dealing System through an API channel. The protocol used for communication shall be FIX (Financial Information Exchange) API. A Member may connect to the FX-Clear dealing system through its API channel via front end software. Deployment of appropriate software shall be the responsibility of the Member. Members may place and trade Orders through this front-end trading software to deal on FX-Clear Dealing System.

1 Approval

1.1 A Member seeking to connect to the FX-Clear Dealing System through the API channel shall make a request in the prescribed format along with the undertaking for availing the API based trading facility. In pursuance to this request made by the Member, the Member shall have deemed to have agreed by the Regulations mentioned in this chapter.

1.2 Clearcorp shall make the API trading facility available to its Members on case to case basis, subject to such terms and conditions as Clearcorp may prescribe and impose in this regard from time to time.

1.3 The approval for availing the API based trading facility shall be subject to the approval of the software/application used for front-end trading by Clearcorp.

2 Member connectivity and software
2.1 A Member shall, at its own expense, provide all lines, cabling, hardware, equipment and other communication facility required for the transmission of the data between Clearcorp server and the server installed at the Member’s premises and also obtain the necessary approvals from relevant authorities.

2.2 A Member shall ensure that the software used for the API based trading shall be as per the requirements as specified by Clearcorp from time to time.

2.3 A Member shall not develop and/or use any software/program which shall either directly or indirectly facilitate automated trading without prior permission from Clearcorp in the prescribed manner. The term “Automated Trading” shall mean and include any software or facility by the use of which, upon fulfillment of certain specified parameters, without the necessity of manual entry of Orders by the dealer, buy/sell Orders are automatically generated and pushed into the FX-Clear Dealing system through the API based facility for the purpose of matching.

2.4 A Member shall ensure that no modification/change is carried out to the software used for the API based trading without prior permission from Clearcorp.

2.5 A Member shall ensure that the software for the API trading is flexible for effecting any changes at a short notice.

2.6 The software for API trading shall have:

2.6.1 Inbuilt functionalities/features in respect of online surveillance, Trade by Trade position monitoring and other risk management aspects;
2.6.2 Necessary provision for security, reliability and confidentiality of data through the use of suitable technology;

2.6.3 Backup systems and data storage capacity.

2.7 A Member shall maintain system logs and make the same available for inspection at the discretion of, and demand by, Clearcorp at any time.

3 API Trading

3.1 The FX-Clear API based trading shall support use of Smart Order Routing and Algorithm based trading. However, currently High Frequency Trading (HFT) shall not be supported in the FX-Clear API based trading facility.

3.1.1 Smart Order Routing: Smart Order Routing allows the trading systems to systematically choose the execution destination based on factors viz. price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the Order.

3.1.2 Algorithm Trading: Algorithmic trading (for brevity, Algo), in simple words, is a step-by-step instruction for trading actions taken by computers (automated systems) which enable the traders to automate the process of taking trading decisions based on the preset rules / strategies.

3.1.3 High Frequency Trading: High Frequency Trading (HFT) is a subset of algorithmic trading that comprises latency-sensitive trading strategies.
and deploys technology including high speed networks, Co-location, etc. to connect and trade on the trading platform.

3.2 The Orders placed through the API based trading shall be subject to the same Risk Management rules as for the Orders placed by the Member from the FX-Clear Dealing Terminal. No priority or differentiation shall be granted to the Orders placed through the API based trading facility.

3.3 A Throttling functionality has been implemented for the API based trading which would monitor the number of messages received per second from the API user against a user specific parameter set for each API user. The Throttling mechanism shall restrict the number of messages to the defined parameter.

4 Confidentiality

A Member shall treat, as confidential, all information obtained from Clearcorp pursuant to the API based trading facility and shall not divulge such information to any person (except employees/vendors of the Member who need such information) without prior permission from Clearcorp. The Member shall ensure that all its employees are aware of and strictly comply with this requirement without exception. It is clearly understood that the foregoing obligation as to confidentiality shall survive any termination of the availability of the use of the API trading facility.

5 Audit

5.1 The Member shall ensure that the transaction logs with proper audit facilities are maintained in the system;
5.2 A Member shall ensure to undertake periodic systems audit of the API based trading facility at such time intervals as may be directed by Clearcorp from time to time and submit a certificate duly issued by the Auditors within the time as may be stipulated by Clearcorp.

6 Rights of Clearcorp

6.1 Clearcorp may, at its discretion, make the API based trading facility available from any location, as may be notified by Clearcorp from time to time to a Member, and the Member shall be responsible and required to establish connectivity with such premises at its cost.

6.2 Clearcorp may at its discretion, make the API facility available to the Member upto such time as Clearcorp may deem fit and that the API based facility may, at any time, be withdrawn, at its discretion by Clearcorp, by giving one month notice to the Member.

6.3 Clearcorp shall, at its discretion, have an absolute right to inspect the software used by the Member either in its own office and/or extended such facility at any other location, at any time and without prior notice.

6.4 Clearcorp shall share any such data/details with respect to the API based trading as and when required by the Regulators.

6.5 Without prejudice to any other right under any law for the time being in force or which may become applicable at any time, Clearcorp shall have the exclusive right to take, at its discretion, such actions, steps, measures, proceedings, decisions within such period of time and upon such conditions
and / or requirements as Clearcorp may deem fit upon any Member non-complying and / or delaying in compliance and / or failing to comply with any of the conditions and / or requirements contained in this chapter and / or amendments thereto or upon suspension or termination of any Member on any account whatsoever. It is understood that such actions, steps, proceedings, decisions may inter alia include immediate withdrawal of use of API based trading facility for accessing the FX-Clear Dealing system of Clearcorp, without notice / reference to the Member and / or such disciplinary action as Clearcorp may deem fit and that the Member shall abide by and be bound by such actions, steps, measures, proceedings, decisions as may be initiated by Clearcorp from time to time.

6.6 No forbearance, delay or indulgence by Clearcorp in enforcing any of the conditions and / or requirements contained in these Regulations and / or amendments thereto and / or under the Bye-laws, Rules, Regulations and Circulars, shall prejudice and / or restrict the rights of Clearcorp nor shall any waiver of the right of Clearcorp operate as a waiver of any subsequent breach. No right, power or remedy herein conferred upon or reserved for Clearcorp is exclusive of any other right, power or remedy available to Clearcorp and that each such right, power or remedy shall be cumulative.

7 Rights of Members
7.1 The Member may develop the necessary software at their end for the purpose of API based trading or procure the same from software vendors, after duly complying with the requirements stipulated by Clearcorp in this regard.

7.2 The Member may request Clearcorp for deactivation of the API user trading by notifying Clearcorp in writing.

8 **Obligations of Members**

8.1 A Member shall render and/or shall cause to render all possible assistance and co-operation to the officials of Clearcorp by providing access to any information in any form such official may require at any location whether details of such location are uploaded or not, and shall produce such documents, records, accounts, books, data etc, howsoever stored, including data stored in magnetic tapes, floppy discs etc and provide any other information as may be required by Clearcorp.

8.2 The Member shall follow and comply with such orders or instructions as may be issued by Clearcorp, in the event of the Member committing any violation of any of the Guidelines for API based trading and the Bye laws, Rules, Regulations.

9 **Non-Exclusivity**

The API based trading facility shall be made available to any Member by Clearcorp on a non-exclusive basis

10 **Notice of withdrawal by Member**
A Member may be entitled, by giving one month’s written notice, to request Clearcorp to withdraw the API based trading facility. Such withdrawal shall be subject to such conditions and / or requirements as may be stipulated by Clearcorp, including payment of such amount to and / or by Clearcorp, as may be decided by Clearcorp at its discretion.

11 Ownership
A Member is aware that Clearcorp is the absolute owner of the proprietary rights in respect of the APIs entrusted to the Member for the purpose of developing the software and that he shall not duplicate, sell, assign, license or part in any other mode and / or method for consideration or otherwise and / or transfer the APIs to any third party any time.

12 Indemnity
A Member shall be deemed to have indemnified and keep indemnified Clearcorp harmless against every and all claims, demand, damages, liabilities, losses and / or expenses suffered by such Member directly by reason of the use and / or non-use of the API based trading facility by any Member and / or by reason of any Member not complying with and / or delaying in compliance with and / or failure in compliance with and / or contravening with any of the conditions and / or requirements contained in these Regulations and / or amendments thereto, including in relation to the proprietary rights of API vested in Clearcorp.

13 Warranty
A Member agrees and is fully aware that Clearcorp does not, in any manner, warrant that the use of the API based trading facility, accessing the FX-Clear Dealing System of Clearcorp, will be error-free and / or uninterrupted.

14   **No liability to Clearcorp**

Clearcorp shall not, in any way, be responsible for development, maintenance, updates, upgrades, error fixes or any other support to the software being used for API based trading facility by any Member and shall not be liable for any loss suffered by any Member due to the use of software for extending the API based trading facility.
CHAPTER VI: SURVEILLANCE

Clearcorp shall monitor the functionality of the FX-Clear Dealing System during dealing hours and compliance with the applicable provisions of Bye- Laws, Rules and Regulations of Clearcorp and Clearing Corporation and such other terms and conditions as may be laid down by Clearcorp and Clearing Corporation from time to time. Clearcorp shall take all measures necessary for the smooth operation of functions and orderly dealing;
CHAPTER VII: SUDDEN EVENT HANDLING

1. Due to the occurrence of any unforeseen event or circumstances beyond the control of Clearcorp, it may suspend the dealing in its FX-Clear Dealing System by declaration of an unscheduled holiday under Notice to Members;

2. In such an eventuality, the Regulations governing unscheduled holiday as set out by Clearing Corporation shall be applicable;

3. Clearcorp may elect to cancel all the Trades concluded on the FX-Clear Dealing System under Notification to Members;

4. Clearcorp shall be authorized to carry out any modifications that it feels relevant or necessary to any of the aforesaid provisions from time to time;

5. All decisions taken by Clearcorp shall be final and binding on all the Members;

6. Clearcorp and/or Clearing Corporation shall, in no way, be liable for any direct and / or indirect damage, costs, claims and / or expenses whatsoever, in connection with

6.1 Mechanical or electrical or telephone or network breakdown or power failure or malfunction of any of the servers or auxiliary equipment used by a Member and / or any other cause beyond the reasonable control of Clearcorp and/or Clearing Corporation.

6.2 Special direct / indirect economic or consequential loss or damage including, but not limited to loss of profit, business revenue, opportunity costs, goodwill or anticipated saving.
6.3 Any event of a force majeure.

For the purpose of this clause, “Force Majeure” means and includes wars, insurrections, revolution, fires, floods, epidemic quarantine restrictions, declared general strikes in relevant industries, Act of God, Act of the Government of India and/or any concerned State Government and any such other acts or events beyond the control of Clearcorp and/or Clearing Corporation. Further, this will not be prejudicial to the rights already accrued to Clearcorp and/or Clearing Corporation due to failure by any Member to perform either in full or in part any of the obligations prior to the occurrence of the event of Force Majeure.
CHAPTER VIII: REPORTS

1. Clearcorp shall, at its discretion, decide the mode and manner of delivery of reports to its Members;

2. Clearcorp shall, at daily/monthly intervals, generate such reports as are required and place the same on its Report Server to facilitate the Members to download the same;

3. Clearcorp shall have the discretion to make changes in the Report formats as it may consider necessary from time to time.
CHAPTER IX: MISCELLANEOUS

1 Clearcorp is entitled in its discretion to amend or supplement from time to time the provisions of its Bye-Laws, Rules and Regulations or any Communications/Notifications/circulars/instructions issued there under to the extent necessitated by market conditions and/or regulatory requirements. The same shall be binding on the Members;

2 Members shall normally be notified of any changes with due Notice prior to the effective date thereof, unless any emergent action of Clearcorp becomes necessary due to any sudden development making such advance Notification impossible.

3 In the event of technical problems, Clearcorp may temporarily suspend access to FX-Clear Dealing System for a Member or all the Members;

4 In the event any of the measures, as above, is implemented which affect the operation of the FX-Clear Dealing System, the Members affected thereby shall, to the extent possible, be notified thereof via the System or, in the case of a system failure, by other suitable means;

5 If participation in dealing on FX-Clear Dealing System is not possible for any Member or group of Members due to technical disruptions, the System shall continue to be available to other Members.

6 Suspension of a Member from the FX-Clear Dealing Segment by Clearcorp
   a. Clearcorp may suspend any of its Members as specified in the Bye-Laws, Rules and Regulations;
b. The Managing Director of Clearcorp or a Committee of not less than two officials nominated by the Managing Director (MD) may disable a Member from accessing the facilities of Clearcorp if in the opinion of the MD or the Committee of officials, the circumstances exist which shall warrant disablement pending suspension. Provided that, within 4 hours after such disablement, the MD or the Committee of officials as the case may be shall record in writing the reasons for such disablement. However, the same shall be reported at the next Board or the Committee meeting whichever is earlier. After such disablement, Clearcorp shall communicate the information to other Members.

7 Limitation of Liability

It is clearly understood that neither Clearcorp and/or Clearing Corporation nor the directors, managers, officers, employees of Clearcorp and/or Clearing Corporation guarantee the functioning of FX-Clear Dealing System. Clearcorp and/or Clearing Corporation and the directors, managers, officers, employees of Clearcorp and/or Clearing Corporation shall not be, in any way, liable to any Member or to any other person for any problem in performance or interruption of FX-Clear Dealing System or for any damages, consequential or otherwise, arising there from or occasioned thereby. No proceedings shall be issued by any Member against Clearcorp and/or Clearing Corporation or against any of the directors, managers, officers or employees of Clearcorp.
and/or Clearing Corporation for any act of commission or omission done in discharge of official functions.

8 Dispute Resolution

8.1 All disputes between the Member and the Clearcorp shall be handled in terms of the dispute resolution mechanism as laid out in Chapter VIII of Clearcorp Bye-Laws;

8.2 Any dispute between the Members regarding cancellation of erroneous Trades executed on FX-Clear Dealing System in terms of Chapter III: Dealing Systems and Operations, Clause 11 of these Regulations shall be resolved as per the erroneous Trade cancellation policy to be notified by Clearcorp for this purpose;

9 Jurisdiction

9.1 Any deal entered into through the FX-Clear Dealing System shall be deemed to have been entered at the computerized processing unit of Clearcorp and the place of contracting shall also be reckoned to be Mumbai;

9.2 The record of Clearcorp as maintained by its central processing unit or a cluster of processing units or computer processing units, whether maintained in any register, magnetic storage units, electronic storage units, optical storage units or in any other manner shall constitute the agreed and authentic record in relation to any transaction entered into through the FX-Clear Dealing System. For the purposes of any dispute, the records as
maintained by the computer processing units of Clearcorp shall be conclusive evidence;

9.3 All parties to a reference to arbitration and the persons, if any, claiming under them, shall be deemed to have submitted to the exclusive jurisdiction of the courts in Mumbai or any other court as may be prescribed by the Clearcorp for the purpose of giving effect to the provisions of the Arbitration and Conciliation Act, 1996 as laid out in Chapter VIII of Clearcorp Bye-Laws.
CHAPTER X: FEES AND CHARGES

1 Fees and Charges

1.1 The permission to use the FX-Clear Dealing System shall be subject to the payment of such charges to Clearcorp as may be specified from time to time;

1.2 The Board or any other Committee appointed by the Board or Official(s) of Clearcorp authorized by the Board in that behalf may prescribe the scale of fees, charges and/or additional charges payable by Members from time to time;

1.3 The Board or any other Committee appointed by the Board or Official(s) of Clearcorp authorized by the Board in that behalf shall be empowered to review the various fees, charges and/or additional charges and effect such changes in the same as it considers necessary from time to time;

1.4 The revised fees and charges, as and when made effective, shall be payable by the Member;

1.5 The charges and fees as specified above payable by a Member shall be notified by Clearcorp from time to time.

2 Bills for Fees and Charges

2.1 Clearcorp shall forward to its Members the bills relating to usual fees and charges as and when such bills are generated and due for payment;
2.2 The Members shall verify their bills and notify Clearcorp of discrepancies, if any, with all necessary details, not later than two Business Days from the date of Notification of the relative bill.

3 **Recovery of Fees and Charges**

3.1 The Member shall effect payment of the fees and charges payable by them to Clearcorp in the manner and within the time limit notified by Clearcorp from time to time;

3.2 Clearcorp shall be entitled to levy additional charges for non-payment of fees and charges by the Members, at the rate notified from time to time, if it deems fit and appropriate in addition to any other disciplinary action as decided by Clearcorp;

3.3 The additional charges shall be payable by the Member in such manner as notified by Clearcorp from time to time.

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CHAPTER I INTRODUCTION


CHAPTER III DEALING SYSTEM AND OPERATIONS

2 Clearcorp shall provide access to the FX-Clear Dealing System through the FX-Clear Dealing Terminal (front-end provided by Clearcorp). Access to FX-Clear Dealing System may also be provided through an Application Programming Interface (API) channel in terms of Chapter V of these Regulations. API is a set of subroutine definitions, protocols, and tools for building software and can be used to build application to support automated trading.

3.2 Negotiation mode

3.2.1 Dealing Members may contact other Dealing Members on the FX-Clear Dealing System Terminal for negotiation.

4 Dealing System

4.4 All operations on the FX-Clear Dealing System shall be carried out from the authorized premises of the Member where its treasury front office/back office/mid offices are located with access to the FX-Clear Dealing System restricted to its duly authorized personnel only. In case any Member fails to strictly adhere to this requirement, Clearcorp, at its discretion, may take such action as it may deem fit, including, but not limited to immediate withdrawal of the facility, without any notice/reference to the Member.
4.5 **Co-location, Co-hosting or any other facility or arrangement which puts other Members in disadvantageous position shall not be provided by Clearcorp for FX-Clear Dealing System.**

4.12 A Member and/or any of its users shall not be permitted to

v. Install or operate a **workstation** **FX-Clear Dealing Terminal** from an unauthorized location;

vi. Install or operate a **workstation** **FX-Clear Dealing Terminal** from a PC/Server/laptop or any other similar device that does not meet the minimum configuration requirement specified by Clearcorp;

12 **Trade Cancellation**

12.1 **Clearcorp shall not be responsible for trades concluded erroneously or at Off Market Prices by the Member;**

12.2 Clearcorp shall have discretion to allow Members to place request to cancel Trades executed on the FX-Clear Dealing System;—and deemed by both the Members, party to the trade as erroneous/traded at incorrect prices or Off Market Prices;
CHAPTER V FX-CLEAR APPLICATION PROGRAMMING INTERFACE (API) BASED TRADING (newly added chapter)

Clearcorp may provide to the Members a facility to connect to the FX-Clear Dealing System through an API channel. The protocol used for communication shall be FIX (Financial Information Exchange) API. A Member may connect to the FX-Clear dealing system through its API channel via front end software. Deployment of appropriate software shall be the responsibility of the Member. Members may place and trade Orders through this front-end trading software to deal on FX-Clear Dealing System.

1 Approval

1.1 A Member seeking to connect to the FX-Clear Dealing System through the API channel shall make a request in the prescribed format along with the undertaking for availing the API based trading facility. In pursuance to this request made by the Member, the Member shall have deemed to have agreed by the Regulations mentioned in this chapter.

1.2 Clearcorp shall make the API trading facility available to its Members on case to case basis, subject to such terms and conditions as Clearcorp may prescribe and impose in this regard from time to time.

1.3 The approval for availing the API based trading facility shall be subject to the approval of the software/application used for front-end trading by Clearcorp.

2 Member connectivity and software
2.1 A Member shall, at its own expense, provide all lines, cabling, hardware,
equipment and other communication facility required for the transmission of
the data between Clearcorp server and the server installed at the Member’s
premises and also obtain the necessary approvals from relevant authorities.

2.2 A Member shall ensure that the software used for the API based trading shall
be as per the requirements as specified by Clearcorp from time to time.

2.3 A Member shall not develop and/or use any software/program which shall
either directly or indirectly facilitate automated trading without prior
permission from Clearcorp in the prescribed manner. The term “Automated
Trading” shall mean and include any software or facility by the use of which,
upon fulfillment of certain specified parameters, without the necessity of
manual entry of Orders by the dealer, buy/sell Orders are automatically
generated and pushed into the FX-Clear Dealing system through the API based
facility for the purpose of matching.

2.4 A Member shall ensure that no modification/change is carried out to the
software used for the API based trading without prior permission from
Clearcorp.

2.5 A Member shall ensure that the software for the API trading is flexible for
effecting any changes at a short notice.

2.6 The software for API trading shall have:

   2.6.1 Inbuilt functionalities/features in respect of online surveillance, Trade by
           Trade position monitoring and other risk management aspects;
2.6.2 Necessary provision for security, reliability and confidentiality of data through the use of suitable technology.

2.6.3 Backup systems and data storage capacity.

2.7 A Member shall maintain system logs and make the same available for inspection at the discretion of, and demand by, Clearcorp at any time.

3 API Trading

3.1 The FX-Clear API based trading shall support use of Smart Order Routing and Algorithm based trading. However, currently High Frequency Trading (HFT) shall not be supported in the FX-Clear API based trading facility.

3.1.1 Smart Order Routing: Smart Order Routing allows the trading systems to systematically choose the execution destination based on factors viz. price, costs, speed, likelihood of execution and settlement, size, nature or any other consideration relevant to the execution of the Order.

3.1.2 Algorithm Trading: Algorithmic trading (for brevity, Algo), in simple words, is a step-by-step instruction for trading actions taken by computers (automated systems) which enable the traders to automate the process of taking trading decisions based on the preset rules / strategies.

3.1.3 High Frequency Trading: High Frequency Trading (HFT) is a subset of algorithmic trading that comprises latency-sensitive trading strategies.
and deploys technology including high speed networks, Co-location, etc. to connect and trade on the trading platform.

3.2 The Orders placed through the API based trading shall be subject to the same Risk Management rules as for the Orders placed by the Member from the FX-Clear Dealing Terminal. No priority or differentiation shall be granted to the Orders placed through the API based trading facility.

3.3 A Throttling functionality has been implemented for the API based trading which would monitor the number of messages received per second from the API user against a user specific parameter set for each API user. The Throttling mechanism shall restrict the number of messages to the defined parameter.

4 Confidentiality

A Member shall treat, as confidential, all information obtained from Clearcorp pursuant to the API based trading facility and shall not divulge such information to any person (except employees/vendors of the Member who need such information) without prior permission from Clearcorp. The Member shall ensure that all its employees are aware of and strictly comply with this requirement without exception. It is clearly understood that the foregoing obligation as to confidentiality shall survive any termination of the availability of the use of the API trading facility.

5 Audit

5.1 The Member shall ensure that the transaction logs with proper audit facilities are maintained in the system;
5.2 A Member shall ensure to undertake periodic systems audit of the API based trading facility at such time intervals as may be directed by Clearcorp from time to time and submit a certificate duly issued by the Auditors within the time as may be stipulated by Clearcorp.

6 Rights of Clearcorp

6.1 Clearcorp may, at its discretion, make the API based trading facility available from any location, as may be notified by Clearcorp from time to time to a Member, and the Member shall be responsible and required to establish connectivity with such premises at its cost.

6.2 Clearcorp may at its discretion, make the API facility available to the Member upto such time as Clearcorp may deem fit and that the API based facility may, at any time, be withdrawn, at its discretion by Clearcorp, by giving one month notice to the Member.

6.3 Clearcorp shall, at its discretion, have an absolute right to inspect the software used by the Member either in its own office and/or extended such facility at any other location, at any time and without prior notice.

6.4 Clearcorp shall share any such data/details with respect to the API based trading as and when required by the Regulators.

6.5 Without prejudice to any other right under any law for the time being in force or which may become applicable at any time, Clearcorp shall have the exclusive right to take, at its discretion, such actions, steps, measures, proceedings, decisions within such period of time and upon such conditions.
and / or requirements as Clearcorp may deem fit upon any Member non-complying and / or delaying in compliance and / or failing to comply with any of the conditions and / or requirements contained in this chapter and / or amendments thereto or upon suspension or termination of any Member on any account whatsoever. It is understood that such actions, steps, proceedings, decisions may inter alia include immediate withdrawal of use of API based trading facility for accessing the FX-Clear Dealing system of Clearcorp, without notice / reference to the Member and / or such disciplinary action as Clearcorp may deem fit and that the Member shall abide by and be bound by such actions, steps, measures, proceedings, decisions as may be initiated by Clearcorp from time to time.

6.6 No forbearance, delay or indulgence by Clearcorp in enforcing any of the conditions and / or requirements contained in these Regulations and / or amendments thereto and / or under the Bye-laws, Rules, Regulations and Circulars, shall prejudice and / or restrict the rights of Clearcorp nor shall any waiver of the right of Clearcorp operate as a waiver of any subsequent breach. No right, power or remedy herein conferred upon or reserved for Clearcorp is exclusive of any other right, power or remedy available to Clearcorp and that each such right, power or remedy shall be cumulative.

7 Rights of Members
7.1 The Member may develop the necessary software at their end for the purpose of API based trading or procure the same from software vendors, after duly complying with the requirements stipulated by Clearcorp in this regard.

7.2 The Member may request Clearcorp for deactivation of the API user trading by notifying Clearcorp in writing.

8 **Obligations of Members**

8.1 A Member shall render and/or shall cause to render all possible assistance and co-operation to the officials of Clearcorp by providing access to any information in any form such official may require at any location whether details of such location are uploaded or not, and shall produce such documents, records, accounts, books, data etc, howsoever stored, including data stored in magnetic tapes, floppy discs etc and provide any other information as may be required by Clearcorp.

8.2 The Member shall follow and comply with such orders or instructions as may be issued by Clearcorp, in the event of the Member committing any violation of any of the Guidelines for API based trading and the Bye laws, Rules, Regulations.

9 **Non-Exclusivity**

The API based trading facility shall be made available to any Member by Clearcorp on a non-exclusive basis.

10 **Notice of withdrawal by Member**
A Member may be entitled, by giving one month’s written notice, to request Clearcorp to withdraw the API based trading facility. Such withdrawal shall be subject to such conditions and / or requirements as may be stipulated by Clearcorp, including payment of such amount to and / or by Clearcorp, as may be decided by Clearcorp at its discretion.

11 Ownership

A Member is aware that Clearcorp is the absolute owner of the proprietary rights in respect of the APIs entrusted to the Member for the purpose of developing the software and that he shall not duplicate, sell, assign, license or part in any other mode and / or method for consideration or otherwise and / or transfer the APIs to any third party any time.

12 Indemnity

A Member shall be deemed to have indemnified and keep indemnified Clearcorp harmless against every and all claims, demand, damages, liabilities, losses and / or expenses suffered by such Member directly by reason of the use and / or non-use of the API based trading facility by any Member and / or by reason of any Member not complying with and / or delaying in compliance with and / or failure in compliance with and / or contravening with any of the conditions and / or requirements contained in these Regulations and / or amendments thereto, including in relation to the proprietary rights of API vested in Clearcorp.

13 Warranty
A Member agrees and is fully aware that Clearcorp does not, in any manner, warrant that the use of the API based trading facility, accessing the FX-Clear Dealing System of Clearcorp, will be error-free and/or uninterrupted.

14 No liability to Clearcorp

Clearcorp shall not, in any way, be responsible for development, maintenance, updates, upgrades, error fixes or any other support to the software being used for API based trading facility by any Member and shall not be liable for any loss suffered by any Member due to the use of software for extending the API based trading facility.

CHAPTER VII REPORTS SUDDEN EVENT HANDLING

6 Clearcorp shall not be held liable in the event of force majeure, strikes or any other cause beyond the control of Clearing Corporation/ Clearcorp from carrying out its duties pursuant to judicial orders, regulatory provisions, war (declared or undeclared), riots, terrorist acts, earthquakes or any other natural disaster.

6 Clearcorp and/or Clearing Corporation shall, in no way, be liable for any direct and/or indirect damage, costs, claims and/or expenses whatsoever, in connection with

6.1 Mechanical or electrical or telephone or network breakdown or power failure or malfunction of any of the servers or auxiliary equipment used by a Member and/or any other cause beyond the reasonable control of Clearcorp and/or Clearing Corporation.
6.2 Special direct / indirect economic or consequential loss or damage including, but not limited to loss of profit, business revenue, opportunity costs, goodwill or anticipated saving.

6.3 Any event of a force majeure.

For the purpose of this clause, “Force Majeure” means and includes wars, insurrections, revolution, fires, floods, epidemic quarantine restrictions, declared general strikes in relevant industries, Act of God, Act of the Government of India and / or any concerned State Government and any such other acts or events beyond the control of Clearcorp and/or Clearing Corporation. Further, this will not be prejudicial to the rights already accrued to Clearcorp and/or Clearing Corporation due to failure by any Member to perform either in full or in part any of the obligations prior to the occurrence of the event of Force Majeure.

CHAPTER IX FEES AND CHARGES MISCELLANEOUS

7 Limitation of Liability

No claim suit or any other legal proceeding shall lie against Clearcorp and/or Clearing Corporation or any of its officials for anything with respect to the FX-Clear Dealing System, which is done or intended to be done by them in good faith.

It is clearly understood that neither Clearcorp and/or Clearing Corporation nor the directors, managers, officers, employees of Clearcorp and/or Clearing Corporation guarantee the functioning of FX-Clear Dealing System. Clearcorp and/or Clearing
Corporation and the directors, managers, officers, employees of Clearcorp and/or Clearing Corporation shall not be, in any way, liable to any Member or to any other person for any problem in performance or interruption of FX-Clear Dealing System or for any damages, consequential or otherwise, arising there from or occasioned thereby. No proceedings shall be issued by any Member against Clearcorp and/or Clearing Corporation or against any of the directors, managers, officers or employees of Clearcorp and/or Clearing Corporation for any act of commission or omission done in discharge of official functions.