



**UNITED STOCK EXCHANGE OF INDIA LIMITED
CURRENCY DERIVATIVES SEGMENT
CIRCULAR**

Circular No: USE/CMPL/9/2010

Date: June 18, 2010

Subject: Issue of Contract Notes

As per Regulation 3.6 of the Exchange, Trading Members of the Exchange are required to issue contract note to their clients for all the trades executed on the Exchange, in the format prescribed as per **Annexure I**. However, no contract note shall be issued for off-market transactions.

Members are required to issue contract note to each of their clients within 24 hours of execution of trades on behalf of their clients as per the format annexed.

Members are required to obtain acknowledgement from the clients alongwith the date of receipt on the duplicates/counterfoils of the contract notes and preserve the same for making available at the time of inspection by the Exchange. The member-broker shall maintain a proper record for dispatch of contract notes to the clients if the same are dispatched through post, courier etc.

Contract notes are to be issued on pre-printed stationery and in respect of the details to be filled in contract notes, it may be noted, inter alia, that

1. 'Contract Description' shall have the details viz. instrument name, underlying (symbol) and expiry, in the manner as provided by the Exchange.
E.g. FUTCUR USDINR 29MAR2010
2. In case an order is modified on the trading system of the Exchange, the order time to be printed on the contract note shall be
 - (i) the original order placement time for the trades, if any, resulting out of the order, before such order is modified and
 - (ii) the order modification time for the trades, if any, resulting out of the order, after such order is modified.
3. Trading members, apart from ensuring that all the prescribed details are provided in the contract note, may add any other information relevant to the trades in the contract note.

Electronic issue of contract notes

SEBI vide circulars no. SEBI/SMD/SE/15/2003/29/04 dated April 29, 2003 and SMDRP/Policy/Cir-56/2000 dated December 15, 2000 had clarified that Trading Members can issue contract notes authenticated by means of digital signatures provided that the members have obtained digital signature certificate from Certifying Authority under the IT Act, 2000.

SEBI has also issued a circular no. MRD/DoP/SE/Cir-20/2005 dated September 8, 2005 regarding additional conditions for electronic issue of contract notes. The above mentioned circular may be accessed from the SEBI website by clicking on the following link, <http://www.sebi.gov.in/circulars/2005/cir200520.html>

Exclusive email id for investor complaints

Members are also advised to refer to SEBI's circular no. MRD/DoP/SE/Cir-22/06 dated December 18, 2006 whereby SEBI has advised all the members

1. to designate an exclusive email id of their grievance redressal division / compliance officer, in which the investors would be able to register their complaints and also take necessary follow-up actions as necessary and
2. to display the email id and other relevant details prominently on their websites and in the various materials / pamphlets / advertisement campaigns initiated by them for creating investor awareness.

Further, the Exchange has created an email id for receiving investor complaints namely: investorcomplaints@useindia.com

All the members are advised to print the email ids created by them and by the Exchange for receiving investor complaints, on the contract notes issued by them. These ids may be printed along with the address of the member on the contract note or at any other place on the contract note, in a conspicuous manner.

All the Trading Members are advised to take note of the above said requirements and comply with the same.

For any clarifications, members are advised to contact the following official(s):

Name of the Official	Telephone No.	Email Id
Ms. Nikita Mehta	022- 42444936 022- 22728909	nikita.mehta@useindia.com

For and on behalf of
United Stock Exchange of India Ltd.

P. K. Ramesh
Chief Regulatory Officer

CONTRACT NOTE

(Currency Derivatives Segment of United Stock Exchange of India Limited)

(Regulation 3.6)

Dealing Office address of the Trading Member
Tel No.
Fax. No.
Names of the authorized signatories

Name of the Trading Member
Address of the Trading Member
SEBI Regn No. of the Trading Member
Trading Member Code No.

To
Name of the Constituent
Address of the Constituent
Unique Client Code No.
Trading Code No. of the Constituent
PAN of Constituent

CONTRACT NOTE NO.

TRADE DATE

Sir/Madam,

I / We have this day done by your order and on your account the following transactions

Order No.	Order Time	Trade No.	Trade Time	Contract Description	Quantity	Buy / Sell	Gross Rate per contract (Rs)	Total (Rs)	Brokerage * (Total) (Rs)	Service Tax * (Total) (Rs)	Total (inclusive / net of brokerage & service tax) (Rs)

*** OTHER STATUTORY LEVIES (as applicable)**

NET AMOUNT DUE TO US/ YOU – Rs. _____ (in words)

*** Alternatively, these details may be furnished separately as annexure to the Contract Note.**

Brokerage has been charged as stated and has been at rates not exceeding the official scale of brokerage and indicated separately.

This contract is subject to the Rules, Bye-laws and Regulations and usages of the United Stock Exchange of India Limited.

In the matters where the Exchange is a party to the dispute, the Civil Courts at Mumbai shall have exclusive jurisdiction and in all other matters, proper courts within the area covered under the Regional Arbitration Centre shall have jurisdiction in respect of the arbitration proceedings falling under or conducted in that Regional Arbitration Centre.

This contract constitutes and shall be deemed to constitute as provided overleaf an agreement between you and me/us, and in the event of any claim (whether admitted or not), difference or dispute in respect of any dealings, and contracts of a date prior or subsequent to the date of this contract (including any question whether such dealings, transactions or contracts have been entered into or not) shall be referred to arbitration as provided in the Rules, Bye-laws and Regulations of the United Stock Exchange of India Limited.

The provisions printed overleaf form part of the contract.

Yours faithfully,

Date :

For _____ (Name of Trading Member)

Place:

Name & Signature of Partner / Proprietor / Authorised Signatory

P.T.O.

EXTRACTS FROM THE BYELAWS & REGULATIONS PERTAINING TO ARBITRATION

- (1) All claims, differences or disputes between the Trading Members *inter se* and between Trading Members and Constituents arising out of or in relation to dealings, contracts and transactions 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 validity, construction, interpretation, fulfillment or the rights, obligations and liabilities of the parties thereto and including any question of whether such dealings, transactions and contracts have been entered into or not shall be submitted to arbitration in accordance with the provisions of these Byelaws and Regulations.
- (2) In all dealings, contracts and transactions, which are made or deemed to be made subject to the Rules, Byelaws and Regulations of the Exchange, the provisions relating to arbitration as provided in these Bye-laws and Regulations shall form and shall be deemed to form part of the dealings, contracts and transactions and the parties shall be deemed to have entered into an arbitration agreement in writing by which all claims, differences or disputes of the nature referred to in clause (1) above shall be submitted to arbitration as per the provisions of these Bye-laws and Regulations.
- (3) All claims, differences or disputes referred to in clause (1) above shall be submitted to arbitration within six months from the date on which the claim, difference or dispute arose or shall be deemed to have arisen. The time taken in conciliation proceedings, if any, initiated and conducted as per the provisions of the Act and the time taken by the Relevant Authority to administratively resolve the claim, differences or disputes shall be excluded for the purpose of determining the period of six months.
- (4) Save as otherwise specified by the Relevant Authority, the seat of arbitration for different regions shall be as follows:

Seats of Arbitration – REGIONAL ARBITRATION CENTRES (RAC)	STATES & UNION TERRITORIES COVERED BY THE RAC
DELHI	Delhi, Haryana, Uttar Pradesh, Uttaranchal, Himachal Pradesh, Punjab, Jammu & Kashmir, Chandigarh, Rajasthan
KOLKATA	West Bengal, Bihar, Jharkhand, Orissa, Assam, Arunachal Pradesh, Mizoram, Manipur, Sikkim, Meghalaya, Nagaland, Tripura, Chattisgarh
CHENNAI	Andhra Pradesh, Karnataka, Kerala, Tamil Nadu, Andaman & Nicobar, Lakshadweep, Pondicherry
MUMBAI	Maharashtra, Gujarat, Goa, Daman & Diu, Dadra & Nagar Haveli, Madhya Pradesh

- (5) Save as otherwise specified by the Relevant Authority, the criteria for selection of seat of arbitration for a particular matter is as follows:

Parties to Dispute	Place of filing the Application for Arbitration	Place of hearing
TM* V/s TM	a) If the dealing offices of both Trading Members from where the dealing was carried is situated in any one of the states covered by a particular RAC then the Application for Arbitration shall be filed by the Applicant-Trading Member in that RAC. b) If the dealing offices of both Trading Members from where the dealing was carried out are situated in states covered by different RAC then the Application for Arbitration shall be filed in the RAC covering the state in which the Respondent –Trading Member’s dealing office is situated.	The hearing shall be held at the RAC where the Applicant-Trading Member has filed the Application for Arbitration and the Respondent-Trading Member shall attend the hearing in that particular RAC.
TM V/s C* & C V/s TM	The Application for Arbitration shall be filed by the Applicant at the RAC covering the state in which the dealing office of the Trading Member from which the dealing was carried out is situated.	The hearing shall be held in that RAC where the Applicant has filed the Application for Arbitration and the Respondent shall attend the hearing in that particular RAC.

- (6) Unless otherwise specifically agreed in writing between the Trading Member and the Constituent, in respect of any claims, disputes and differences arising out of internet trading between the Constituent and Trading Member, the seat of arbitration shall be the Regional Arbitration Centre within the area in which the Constituent ordinarily resided at the time of relevant trading.
 - “TM” stands for “Trading Member” and “C” stands for “Constituent.”
 - For more details please refer to Chapter XIV of the Bye-laws and Chapter 5 of the Currency Derivatives Trading Regulations of the Exchange