



Circular No: NDEX/Trading/010/01
Dept: Clearing and Settlement
Subject: Banking Transaction Procedures

Date: January 04, 2010

Banking Transaction Procedures

- 1. Trading Member should open the Current A/c with Nepal Investment Bank Ltd.(NIBL).**
- 2. Trading Member should open the Member-Client A/c and Member Deposit A/c.**
 - a. To open the Member-Client A/c and Member Deposit A/c Trading Member should take a copy of The Account Operation Agreement (AOA) conducted between Nepal Derivative Exchange Ltd. (NDEX) and Nepal Investment Bank Ltd (NIBL).**
 - b. "ANNEXURE A" and "ANNEXURE B" of the "Account Opening Agreement" should enclose along the standard corporate account opening form provided by bank in the Letter Head of the Trading Member Company.**
 - c. NDEX will provide a reference letter to bank to open the both M & C a/c and M D a/c.**
- 3. After opening the Member-Client A/c and Member Deposit A/c:**
 - a. All the Clients listed with under the Member-Client A/c.**
 - b. All the Security Deposit goes to the Member Deposit A/c.**
- 4. To list the client under the Member-Client A/c:**

a. The Clearing Member (CM) generates a client code according to the Client Registration form and TM-Client Agreement document and the code provided to the Bank.

b. After receiving the client code the bank will generate the Bank A/c to the client for trading purpose under the specified Trading Member's Client and Member. This A/c is different than other general bank A/c.

c. After generating and listing the client's Bank A/c; bank will inform the Bank A/c number to the A/c holder Client, his/her Clearing Member (CM) and his/her Trading Member (TM).

5. The client can transfer the money from his/her Saving/Current A/c to his bank A/c listed under the Member-Client A/c for the trading purpose as the following way:

a. Through online internet banking, and

b. Through Cheque of NIBL itself.

c. Cash is not received directly in Member Deposit A/c and Member Client A/c. The client only able to trade after depositing the required money into his A/c listed under the Member-Client A/c.

(Note: after deposition of required money into the client's A/c listed under the Member-Client A/c, the Clearing Member (CM) transfers the money into the Software Terminal; then only the client can perform the trade.)

6. The Client can withdraw the money from his/her A/c listed under the Member-Client A/c to his/her Saving/Current A/c as the following way:

a. Client should write the email from our Software Terminal to the Clearing Member (CM) with mentioning the subject of Withdraw the Amount they wanted.

b. After the receiving the email/message from Client/Sub-TM/TM TWS with the subject of Withdraw the amount; CM checks the requested amount whether payable or not? And it will transfer the requested amount to client's Saving/Current A/c if the CM finds the requested amount is payable. In the case of complete withdraw, the CM maintain minimum balance NPR 1000 to the Member-Client A/c and also deduct the Profitable Transaction Tax of that trading day.