

FREQUENTY ASKED QUESTIONS – SUB BROKER CANCELLATION

Q1. What are the processing fees for sub-broker cancellation?

A1. Processing fees for Sub broker Cancellation is Rs.1000 plus taxes and the same is deducted from Exchange dues account of trading Member on monthly basis.

Q2. Is there any validity period for Sub-broker cancellation advertisement?

A2. A trading member or a sub-broker has to apply for Cancellation within a period of 6 months from the date of advertisement.

Q3. What are the documents required for sub-broker cancellation?

A3. Following is the list of truly certified documents required to be submitted for sub-broker cancellation application: -

- Cancellation request by the sub-broker.
- Application from Trading Member requesting for surrender of registration of sub-broker.
- Copy of public notification intimating the investors/general public of the surrender of registration of sub broker and not to deal with such sub broker, issued in the local newspaper with wide circulation where the sub broker's place of work is situated.
- SEBI registration certificate of the sub-broker in original. In case the original certificate is lost, an affidavit by the concerned trading member and the sub-broker separately on stamp paper of appropriate value, duly notarised should be submitted along with an FIR copy.

Q4. What are the documents required in case of Death of Sub broker?

A4. Following is the list of truly certified documents required to be submitted by the trading member in case of death of sub broker -

- Death Certificate of the Sub-broker
- Request from Trading Member for surrender of registration of sub-broker.
- Original Copy or truly certified copy of public notification intimating the investors/general public of the surrender of registration of sub broker and not to deal with such sub broker, issued in the local newspaper with wide circulation where the sub broker's place of work is situated.
- SEBI registration certificate of the sub-broker in original. In case the original certificate is lost, an affidavit by the concerned trading member and the sub-broker separately on stamp paper of appropriate value, duly notarised should be submitted along with an FIR copy.

Q5. What are the documents required in case the sub-broker is not traceable?

A5. Following is the list of truly certified documents required to be submitted by the trading member in case the sub broker is not traceable:-

- Termination notice by the member to the sub-broker

- Proof of Delivery of the termination notice
- Application from trading member requesting for surrender of registration of sub-broker.
- Original Copy or truly certified Copy of public notification intimating the investors/general public of the surrender of registration of sub broker and not to deal with such sub broker, issued in the local newspaper with wide circulation where the sub broker's place of work is situated.
- SEBI registration certificate of the sub-broker in original. In case the original certificate is lost, an affidavit by the concerned trading member and the sub-broker separately on stamp paper of appropriate value, duly notarised should be submitted along with an FIR copy.

Q6. In case the trading member and sub-broker wish to re-instate their relationship and do not want to proceed with cancellation, what is the procedure they need to follow?

A6. In such a case the trading member has to apply for withdrawal of cancellation application, however a member should note that they are required to apply for withdrawal of cancellation application before the application is forwarded to SEBI by Exchange.

Q7. What is the procedure to be followed in case a Sub broker does not want to continue his/her business with the trading member?

A7. In case Sub broker does not want to continue the business then:

- The sub-broker can apply for sub-broker cancellation or,
- The sub-broker can apply for change in affiliation with some other trading member or,
- A sub-broker can also cancel his sub-broker ship & opt for Authorized person registration with the same trading member or with some other trading member.

Q8. In case of a sub-broker Partnership firm, if one of the partners wants to cancel the sub-broker ship while the other partner is not willing to cancel, what procedure is required to be followed?

A8. In aforesaid case reference has to be made to registered partnership deed, in case there are provisions in partnership deed permitting continuance of partnership on retirement of any of the partners then other partners can continue. However, in case registered partnership deed has provisions regarding dissolution of firm in case of retirement of any of the partners, then the sub-broker has to cancel his current sub-brokership.

Q9. Is there any specific format for the advertisement to be given in newspaper?

A9. There is no specific format for the advertisement to be given in the newspaper. However, the members can refer to below given format:-

Notice is hereby given that the following Sub-broker is no longer affiliated as Sub-broker of _____ [SEBI Reg. No: _____] as a member with National Stock Exchange of India Ltd, having registered office at _____. On having received an application from our sub broker Mr. _____ for cancellation of his registration detail as,

Sub broker Name- _____
Trader Name: - _____
SEBI Registration.No- _____ Registration date- _____
Regd. Address- _____

People are advised not to deal with them under our affiliation. Any person henceforth dealing with the above-mentioned sub-brokers should do so at their own risk. Any client or person having any claim against the sub-broker arising out of their transaction in securities may furnish the details of their claim in writing to Compliance within 6 months of the publication of this Notice.

By order of: _____