



Mercantile Exchange Nepal Limited

— Where the Nation Trades —

AN ISO 9001:2015 CERTIFIED EXCHANGE

BROKER

I. Norms for Registration

Broker should be

- a. An Institution
 - a. Whose objective in the MOA and its constitution permits the institution to involve in financial and futures markets
 - b. Should be a Stock Exchange broker or any other Commodity Exchange Brokers.
 - c. Has necessary infrastructure to effectively discharge the responsibilities of a broker
 - d. If institution is domiciled outside Nepal, it shall also require the necessary permission from the Government of Nepal to carry out its business activities in Nepal.
- b. Broker should not have any cases against financial crimes or fraud in any court in Nepal.
- c. Broker shall have the flexibility to have Brokership with more than one Clearing Member.



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II. Procedure for Registration

If the above norms are fulfilled then the applicant is eligible for becoming a Broker and it shall follow the below mentioned procedures for registration:

- The applicant should have opened operational bank account in any of the MEX Designated banks [refer MEX website for banking partners] and should have collected the proof of the same to submit while registering as a broker.
- The applicant shall then fill up the forms for registration as a Broker [as prescribed by Exchange] and submit it along with other company related documents to the Clearing House [*refer: Documents to be submitted by a Broker*].
- The received documents shall be verified for all the details and its correctness, if any missed out/incorrect shall be corrected by the applicant.
- The CH's compliance department shall then mail at compliance@mexnepal.com for approval of the New Broker.
- The Exchange's compliance department shall send an approval mail if the required things and norms are fulfilled.
- Once approved, the new Broker shall fill up the **Registration Form** [to be submitted to Exchange by CH] and sign agreement with the Clearing House.
- The CH's compliance department shall prepare and verify the **Broker Profile** and send it to Exchange via fax along with the Registration Form filled by the Broker.
- The Broker Profile will be approved by Exchange's Compliance dept and forwarded to Clearing & Settlement Department from where Broker code shall be issued. The same shall be communicated to the Clearing House from where it shall be informed to the Broker.
- Once the Broker Code is issued and informed to the Broker, they can start introducing Sub Brokers & Clients from the next working day.

Note: Broker registered through a Clearing Member shall also follow the above procedure by dealing with its Clearing Member and Clearing Member Dealing with Clearing House.