

49. DEFAULTERS' ASSETS:

- a) The Defaulters' Committee shall recover all moneys, shares, securities and other assets due, and deliverable to the defaulter by any other member in respect of any transactions or dealing made subject to these rules and such assets shall, if not contrary to the provisions of any law for the time being in force, vest in the Defaulters' Committee for and on account of the creditor members of the Exchange.
- b) DISTRIBUTION: The Defaulters' Committee shall pay all such assets into such Bank and such names as the Board may from time to time direct or shall distribute the same as soon as possible pro-rata up-to sixteen annas in the rupee without interest among the creditor members of Exchange whose claims are admitted in accordance with these rules.
- c) PAYMENTS TO DEFAULTERS COMMITTEE: All monies, shares, securities and other assets due, payable or deliverable to the defaulter must be paid or delivered to the Defaulters' Committee within thirty days of the declaration of default. A member violating this rule shall be declared a defaulter.

50. HAMMER PRICES

Notwithstanding anything contained in any Regulations of the Exchange, the Board may fix prices current in the market, termed as 'Hammer Prices', at which prices all members having contracts open with a member/members described below, shall close their transactions by buying of or selling to him/them such securities as they may have contracted to take or deliver, the difference arising from such transactions being paid:-

- (i) A member/members, who is/are unable to meet his/their obligations towards the clearing house and the assets of such member/members including deposit with the Exchange, member's assets in the control of the Exchange, contribution from the clearing house protection fund and any other sources of recovery as may be determined by the Board are not sufficient to recover the losses, and the Board in its discretion determines that this default is of high magnitude and may pose systemic risk to the market.
- (ii) A member/members, who is/are unable to meet his/their obligations due to events beyond his/their reasonable knowledge or control, including but not limited to acts of God, strikes, natural calamities, governmental actions, war or similar situation etc. which may pose systemic risk to the market and the Board in its discretion deems fit to fix the hammer prices.

51. CLAIMS AGAINST DEFAULTER:

- a) Within a fortnight of the declaration of default every active member, shall send to the Secretary of the Defaulters' Committee a statement of his accounts with the defaulters. The Defaulters' Committee shall not entertain any claim against the defaulter which is not made within one month of the declaration of the default.