

### PAKISTAN STOCK BROKERS ASSOCIATION

(A company setup under section 42 of the Companies Act 2017)

Regd Office: Mezzanine Floor, Trading Hall, Stock Exchange Building, Stock Exchange Road,

Off I.I Chundrigar Road, Karachi.

Tel: 021-32401278, E-mail: secretariat@psba.pk, Web: www.psba.pk, Fax: 021-32401279

<u>PSBA/Notice-196</u> February 12, 2025

### **INVITATION OF PUBLIC COMMENTS**

### **ACCOUNT OPENING FORMS IN THE CONTEXT OF SHARIAH COMPLIANT SECURITIES BROKERS**

This is in reference to the notification PSX/N-176 dated February 11, 2025 (attached), whereby the comments have been invited by the PSX:

In this regard, the members are hereby requested to kindly submit your comments, if any, at psamail024@gmail.com latest by **February 14**, **2025**, so that a consolidated response is submitted to the authorities for their consideration.

\_\_\_\_Sd\_\_\_

Officer - Secretariat

Copy to:

1. PSBA Website



### NOTICE

PSX/N-176

February 11, 2025

### INVITATION OF PUBLIC COMMENTS

### ACCOUNT OPENING FORMS IN THE CONTEXT OF SHARIAH COMPLIANT SECURITIES BROKERS

This is to inform the public that the Pakistan Stock Exchange Limited ("PSX"), in exercise of the power conferred upon it u/s (7) of the Securities Act, 2015, is proposing to amend PSX Regulations in relation to Customer Relationship Forms ("CRF") and Sahulat Account Opening Forms ("SAOF") for Shariah Compliant Securities Brokers.

### **Background:**

The Securities and Exchange Commission of Pakistan ("SECP") had notified amendments vide S.R.O 570(I)/2024 in the Securities Brokers (Licensing and Operations) Regulations, 2016 relating to provision of Shariah Compliant Brokerage Services. Subsequently, PSX had notified amendments vide Notice No. PSX/N-642 dated July 9, 2024 in PSX Regulations in relation to the introduction of consequential regulatory provisions to offer Shariah-Compliant Brokerage Services.

### **Account Opening Forms for Shariah Compliant Securities Brokers:**

In furtherance to the above, PSX is proposing insertion of a proviso in Clause 4.15.1.1 to empower PSX to separately notify the CRF and SAOF through its website for opening of accounts of customers by the Shariah Compliant Securities Brokers.

The CRF and SAOF for Shariah Compliant Securities Brokers shall have the following key differences compared to the existing account opening forms prescribed by PSX:

Sr. No.	Key Differences
1	Replacement of term "Securities Broker" with "Shariah Compliant Securities Broker".
2	Replacement of term "profit bearing bank account" with "bank account in an Islamic bank or an Islamic branch of any conventional bank" under the 'Terms and Conditions for Trading Account' section.
3	Deletion of "derivative contracts" under the General Terms and Conditions section of CRF. (Note: Sahulat Account holders are only eligible to trade in the Ready Market of PSX.)
4	Insertion of a new clause in CRF that "The customer may avail Shariah compliant financing like Murahabah Share Financing (MSF) or any other Shariah compliant financing against Ready Market purchases" under the 'Terms and Conditions for Trading Account' section.
5	Insertion of a prohibitory clause in CRF that "Leverage based buying and interest based margin financing shall not be available" under the 'Terms and Conditions for Trading Account' section.  (Note: Presently, Sahulat Account holders are not allowed to avail any financing, whether Shariah or conventional.)

**Note:** For ease of reference, the above changes have been highlighted in the account opening forms attached herewith.





It is pertinent to mention that the changes as mentioned above shall be implemented in the following account opening forms:

Sr. No.	Account Opening Forms
1	CRF for the customers of Trading and Self Clearing Securities Broker and Trading and
	Clearing Securities Broker.
2	CRF for the customers of Trading Only Securities Broker and Online Only Securities Broker.
3	SAOF for the customers of Trading and Self Clearing Securities Broker and Trading and
	Clearing Securities Broker.
4	SAOF for the customers of Trading Only Securities Broker and Online Only Securities
	Broker.

The proposed amendments to PSX Regulations are attached herewith as **Annexure A**, whereas, the CRF and SAOF for Shariah Compliant Securities Brokers are attached herewith as **Annexure B – E**.

### **Invitation of Public Comments:**

In terms of Section 7(3) of the Securities Act, 2015, all interested parties are invited to provide written comments on the proposed amendments to PSX Regulations latest by <u>February 18, 2025</u> through such modes and in such manner as prescribed in the 'Guidelines for Submission of Comments', which are attached herewith as **Exhibit A**.



AJEET KUMAR
Chief Regulatory Officer

### Cc:

- 1. The Executive Director/HOD (PRDD), SMD, SECP
- 2. The Additional Joint Director (PRDD), SMD, SECP
- 3. The Chief Executive Officer, PSX
- 4. The Chief Executive Officer, CDC
- 5. The Chief Executive Officer, NCCPL
- 6. The Chief Executive Officer, PMEX
- 7. The Chief Executive Officer, E-Clear
- 8. The Chief Executive Officer, IFMP
- 9. The Chief Executive Officer & Secretary General, PSBA



### "ANNEXURE A"

### PROPOSED AMENDMENTS CLAUSE 4.15 OF PSX REGULATIONS

EXISTING PSX REGULATIONS	PROPOSED AMENDMENTS
4.15. OPENING AND MAINTENANCE OF ACCOUNTS OF CUSTOMERS:	4.15. OPENING AND MAINTENANCE OF ACCOUNTS OF CUSTOMERS:
4.15.1.1. The Securities Brokers shall open an account of customers by adopting the CRF attached as Annexure-I to this chapter, as amended from time to time, and the Know Your Customer Application Form specified in the Centralized Know Your Customer Organization Regulations, 2017 by NCCPL for all their Customers, unless otherwise specified in this clause.	No Change
Provided that the Securities Brokers may open sahulat accounts for individuals identified as low risk customers as per applicable laws and regulations and adopt Sahulat Form for such customers as notified by the Exchange together with relevant terms and conditions from time to time with the prior approval of the Commission.	No Change
New Insertion	Provided further that the Shariah-compliant Securities Broker shall adopt the CRF and Sahulat Forms separately notified by the Exchange on its website, together with the
	relevant terms and conditions, with the prior approval of the Commission.



### "ANNEXURE B"

### CRF FOR CUSTOMERS OF SHARIAH COMPLIANT SECURITIES BROKERS ["TRADING AND SELF CLEARING SECURITIES BROKER" AND "TRADING AND CLEARING SECURITIES BROKER"]

### **CUSTOMER RELATIONSHIP FORM FOR INDIVIDUALS**

Place Logo Here!	

• Land Line No.: (optional)

• Local Mobile No.:(\*)

Name of Entity (Participant/ TRE Certificate Holder)

[Registered Address]

### **CUSTOMER RELATIONSHIP FORM FOR INDIVIDUALS**

## (Please Also Fill KYC APPLICATION FORM for Main and Joint

For official use of the Participant/TRE							
Certificate Holder only							
Application Form No.							
TRE Certificate No.							
Securities Broker							
Registration No.							
CDS Participant ID							
Sub-Account No.							
Trading Account No.							
(Back-office ID)							
(if applicable)							
Investor Account No.							

Applicants)												Invest	or Acco	ount No	) <u>.                                    </u>		
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2. Investor A	ccount wi	th CDC	3.		Sub-A	ccoun	with F	Particip	ant								
4. Trading A	ccount [Op	pening o	f Accou	unt wit	h a <u>Sh</u>	ariah (	Compli	i <mark>ant</mark> Sec	curities	Broke	r for tra	ading p	urpose	only]			
Note: In case	applicant c	hooses	option :	# 4 ab	ove, th	nen he/	she sha	all choo	se any	of the	followi	ing:					
	Subscribe	to Direc	t Settl	emen	t Serv	ices (C	SS) wi	ith CDC									
	Subscribe	to Natio	nal Cu	ıstodi	al Ser	vices (	NCS) v	vith NC	CPL								
	Others (ple	ease spe	ecify e.	g. CC	M/ NB	CM)_											
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Contact No:																	

(h) Email:(\*)



\*Where the Contact Person is resident, local mobile number shall be provided for the purpose of subscription to SMS as a mandatory requirement. Where the Contact Person is a non-resident, email address shall be provided for eAlert/ eStatement from CDC as a mandatory requirement. In case the Contact Person is an Attorney, the Attorney shall receive such services. This information will also be used where any other service is subscribed under the CDC access.

4. Permanent Address: [The address should be of the Main Applicant]	Ple	ease us	e the deta	ails a	s provid	de in th	e K	YC A	Applica	tion F	orm a	nd enter t	the sar	ne in th	e CDS	S
B. REGISTRATION (AND OTHER) Application Form. Complete detai											d be	same as	provi	ded in	the k	(YC
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2. CNIC SNIC NICOP ARC POC Passport No:	<u> </u>															
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C. OTHER ACCOUNT LEVEL INFO																
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submit an affidavit.									Not Ap	plicab	le					
5. Particulars of nominee	(a) Name o	f Nomir	nee:													
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other than the following relatives of the Investor Accountholder/Sub-	(u) Expiry u	ale of C	INIC /SINI	C/ INI	COP				Numbe	2r·						
Account Holder, namely: a spouse,	(e) Passpor			_					ssue:	<i>7</i> 1.						
father, mother, brother, sister and (In case of a foreigner or a Pakistani Date of Issue:																
son or daughter.]	origin)								xpiry:							
D. CDC access: CDC provides <u>FRE</u> real time access to their account relationship.			under Cl	DC a	ccess v	/hereby	y Sı	ub-ad	ccount	holdei	rs/Inv	estor Acc	ountho	olders c	an hav	ve
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through the Clearing House from			narket nu	ırchəd	se trans	action	e m	ا ماد	hv me/i	ue fror	n tim	e to time:				



- Movement by me/us from time to time of my/our Book-entry Securities from my/our Sub-Account under the Main Account under the control of the Participant to my/our Sub-Account under another Main Account under the control of the Participant or to my/our Sub-Account under any Main Account which is under the control of another Participant or to my/our Investor Account;
- Securities transactions which has been made by way of a gift of Securities by me/us to my/our Family Members or other persons in accordance with the CDC Regulations from time to time;
- For the recovery of any charges or losses against any or all of the above transactions carried out by me/ us or services availed; and/or
- Delivery Transaction made by me/us for any other purposes as prescribed by the Commission from time to time.

Specific authority on each occasion shall be given by me/us to the Participant for handling of Book-entry Securities beneficially owned by me/us for all other purposes as permitted under the applicable laws and regulations.

Note: Please note that above shall serve as a standing authorization to the Participant for handling of Book-entry Securities owned by the undersigned Sub-Account Holder(s) and entered in his/her/their Sub-Account maintained with the Participant. Handling of Book-entry Securities for all other purposes should however require specific authority in writing from the undersigned Sub-Account Holder(s) in favour of the Participant. For handling of Book-entry Securities worth Rs. 500,000/- and above, the above mentioned specific authority shall be obtained on non-judicial stamp paper

F. OPERATING INSTRUCTIONS														
1. Signatory(ies) to give instruction to the			Names	of Sign	atory(	ies)				Speci	men	Signa	ature	s
Participant/TREC Holder pertaining to the	(a)													
operations of the Investor Account / Sub-	(4)								-					
Account / Trading Account.	(b)													
(Please specify Investor account, sub- account and	(c)													
trading account operating instructions in the relevant column along with names and specimen	(0)								-					
signatures of authorised signatories)	(d)													
J ,		Sing	y (Either	or Surviv	or)				] Att	torney				
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G. SIGNATURES														
Name of Applicant:				Date: Place:			Sign	ature	:					
Name of Joint Applicant No 1:				Date: Place:			Sign	ature	:					
Name of Joint Applicant No 2:				Date:			Sian	ature	:					
				Place:			- 3							
Name of Joint Applicant No 3:				Date: Place:				ature						
I/we hereby agree to admit the Applicant(s) as the Investo														
as amended from time to time and shall abide by the same	e in res	pect of	opening,	mainten	ance a	nd opei	ration			estor A	ccou	nt/Su	b-Acc	count
Name of Participant/TREC Holder:								Date	e:					
Participant's/TREC Holder's Seal & Signature:														
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- 1. Copy of valid CNIC/SNIC/NICOP/ARC/POC/Passport of the Applicants / Joint Applicants / nominee(s) and Attorney (as the case may be).
- 2. Copy of Power of Attorney (if applicable), duly attested by notary public (suggested format as annexure).
- 3. Copy of Zakat Declaration of the Applicant and the Joint Applicant (if applicable). In case of Non-Muslim, an affidavit shall be submitted
- 4. Terms and Conditions of relevant service provider, as applicable.

- \* Note: Non-resident/ foreigners shall submit the documents duly attested by either notary public or Consul General of Pakistan having jurisdiction over the Applicant(s). However, in case of non-resident/ foreigner belonging to the country or state which has acceded to the Convention of 5 October 1961 Abolishing the Requirement of Legalization for Foreign Public Documents (Apostille Convention), the non-resident/ foreigner may opt to submit the requisite documents with the Apostille issued by the Competent Authority under the Apostille Convention

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H. FOR THE USE OF PARTICIPANT/TREC HOLDER ONLY									
Particulars of Customer Relationship Form verified by :									
Application:	Approved		Rejected	Signature: (Authorized signatory)/Stam	np	Date:			
Investor Account/Sub	Investor Account/Sub-Account no. issued:								
Investor Account/Sub	o-Account /Tradir	g Accou	int opened by:						
Saved by:				Posted by:					
Signature:	Dat	<del>)</del> :		Signature:	Date	9:			
Remarks: (if any)									

ACKNOWLEDGEMENT RECEIPT						
Application No:	Date of receipt:					



I/We hereby confirm and acknowledge the receipt of duly filled and signed Customer Relationship Form from the following Applicant:								
[Insert Name of Applicant(s)]	Participant's / TREC Holder Seal & Signature:							
1.								
2.								
3.								
4.								

### **TERMS AND CONDITIONS**

Please read and understand the Terms and Conditions, attached herewith as Annexure A, before signing and executing this form.

#### **DECLARATION & UNDERTAKING**

I/We, the undersigned Applicant(s), hereby declare/undertake that:

- a) I/We am/are not minor(s):
- b) I/We am/are of sound mind;
- c) I/We have not applied to be adjudicated as an insolvent and that I/We have not suspended payment to any financial institution and that I/We have not compounded with my/our creditors;
- d) I/We am/are not an undischarged insolvent:
- l/We confirm and acknowledge that I/We have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant, as an annexure to this Form at the time of signing of this Form and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and I/We hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other Terms and Conditions provided to me/us and placed on the website of the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the attached Terms and Conditions in connection with the opening, maintenance and operation of the Sub-Account / Trading Account, as the case may be;
- f) I/We hereby confirm that the Terms and Conditions shall constitute a Contract between the Parties hereto and govern opening, maintenance and operations of Trading Account, Sub-Account which shall be binding on the Sub-Account Holder as well as the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith;
- g) The information furnished in this form is complete, valid, true and correct to the best of my/our knowledge and I/We shall inform the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant immediately in writing of any change therein;
- h) In case any of the above information is found to be false or misleading or suspension of any material fact, will render my/our Sub-Account/Trading Account, as the case may be, liable for termination and I/We shall be subject to further action under the law;
- i) All the documents filed/submitted by me/us for the purpose of this application are genuine and valid, bearing genuine signatures and stamps of duly authorized individuals/representatives and are in accordance with the applicable law;
- j) I/We, being the Applicant(s), hereby authorize that all the information furnished by me/ us in the form shall be shared with Centralized Gateway Portal pursuant to requirements prescribed by the Securities & Exchange Commission of Pakistan;
- k) I/ We agree that I/we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by <u>Shariah Compliant</u> Securities Broker/Participant and placement of trading order shall mean that I/we have affirmed/consented with the Terms and Conditions; and
- I/We hereby now apply for opening, maintaining and operating Sub-Account/Trading Account, as the case may be, with the <u>Shariah Compliant</u> Securities Broker/Participant.

I, the undersigned as **Shariah Compliant** Securities Broker/Participant, hereby declare/undertake/confirm that:

- m) I have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and I hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. I further confirm that trading account/Sub-Account of customer/Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer/Sub-Account Holder; and
- n) I have no doubt or concern that the Terms and Conditions shared with Customer/Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

### **DISCLAIMER FOR CDC ACCESS SERVICES**

The main objective of providing information, reports and account maintenance services through the Interactive Voice Response System, Internet /Web access and Short Messaging Service ("SMS") or any other value added service is to facilitate the /Sub-Account Holders ("Users") with a more modern way to access their information. CDC makes no other warranty of the IVR, Internet /Web access, SMS or any other value added services and Users hereby unconditionally agree that they shall make use of the internet/web access subject to all hazards and circumstances as exist with the use of the internet. CDC shall not be liable to any Users for providing and making available such services and for failure or delay in the provision of SMS to Users and all Users, who use the IVR, internet access, SMS or any other value added services, shall be deemed to have indemnified CDC, its directors, officers and employees for the time being in office and held them harmless from and against any losses, damages, costs and expenses incurred or suffered by them as a consequence of use of the IVR system, internet/web access, SMS or any other value added services.

All Users hereby warrant and agree that their access of the internet /web by the use of a User-ID and login is an advanced electronic signature and upon issuance of such User-ID to the user, they hereby waive any right to raise any objection to the compliance of the User-ID and login with the criteria of an advance electronic signature.

All Users shall by signing this Form and by their conduct of accessing the IVR, internet/Web access, SMS or any other value added services agree to all the terms and conditions and terms of use as shall appear on the CDC website at <a href="www.cdcaccess.com.pk">www.cdcaccess.com.pk</a> which shall be deemed to have been read and agreed to by the Users before signing this form.

Signatures:				
Main Applicant	Joint Applicant 1	Joint Applicant 2	Joint Applicant 3	Participant/TREC Holder
		Annexure-A		
		TERMS AND CONDITIONS	3	

Please read and understand the Terms and Conditions before signing and executing this form.



These Terms and Conditions shall constitute a Contract between the Parties hereto. This Contract shall govern opening, maintenance and operations of Trading Account, CDC Sub-Account(s) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected

#### **GENERAL TERMS AND CONDITIONS**

- 1. All Trades, Transactions, including non-Exchange Transactions, Derivative Contracts and deals (jointly referred to as "Transactions") between the Parties and Clearing and Settlement thereof and opening, maintenance and operations of Sub-Account in the CDS shall be subject to the Securities Act, 2015, Central Depositories Act, 1997, Pakistan Stock Exchange Limited (PSX) Regulations, Central Depository Company of Pakistan Limited (CDC) Regulations, CKO Regulations, 2017, National Clearing Company of Pakistan Limited (NCCPL) Regulations and the Securities Brokers (Licensing and Operations) Regulation, 2016 including Procedures, Manuals, Polices, Guidelines, Circulars, Directives, and Notifications issued and as amended) thereunder by the Securities and Exchange Commission of Pakistan (SECP), PSX, CDC or NCCPL from
- The information provided in KYC application form and/or CRF shall be in addition to and not in derogation of the requirements prescribed under
- Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2020.

  The <u>Shariah Compliant</u> Securities Broker/Participant shall ensure provision of copies of all the relevant laws, rules and regulations at its office for access to the Sub-Account Holder(s)/Customer(s) during working hours. The <u>Shariah Compliant</u> Securities Broker/Participant shall ensure that its website contains hyperlinks to the websites/pages on the website of PSX, CDC, NCCPL and the SECP displaying above said regulatory framework for reference of the Customers.
- In case of a Joint Account, all obligations and liabilities of the Applicants under these Terms and Conditions shall be joint and several.
- These Terms and Conditions shall be binding on the nominee, legal representative, successors in interest and/or permitted assigns of the respective Parties hereto.
- The Shariah Compliant Securities Broker/Participant shall provide a list of its Registered Offices and Representatives authorized and employees designated to deal with the Sub-Account Holder(s)/Customer(s) along with their authorized mobile/landline/fax number(s), email and registered addresses. Any change(s) therein shall be intimated in writing to the Sub-Account Holder(s)/Customer(s) with immediate effect.
- Subject to applicable laws, the Shariah Compliant Securities Broker/Participant shall maintain strict confidentiality of the Customer related information and shall not disclose the same to any third party. However, in case the SECP, PSX, CDC or any competent authority under the law, as the case may be, requires any such information, the Shariah Compliant Securities Broker/ Participant shall be obliged to disclose the same for which the Customer shall not raise any objection whatsoever.
- The Shariah Compliant Securities Broker/Participant shall independently verify any of the Customer's related information provided in this Form and under the relevant laws, rules and regulations for the purpose of KYC.
- In case of any change in the Customer's related information provided in this Form, the Customer shall provide necessary details to the Participant/ Shariah Compliant Securities Broker. Upon receipt of instruction from the Customer, the Participant/ Shariah Compliant Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant/Shariah Compliant Securities Broker shall have the right to incorporate any change(s) in the Sub-Account Holder(s)/Customer's information in the CDS as sent by NCCPL as CKO and that such change(s) shall be deemed to have been authorized by the Sub-Account Holder(s)/Customer(s). In case of any change in the Participant's/Shariah Compliant Securities Broker's address or contact numbers or any other related information,
- the Shariah Compliant Securities Broker/Participant shall immediately notify the Sub-Account Holder(s)/Customer(s).

  10. Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated and modified the rights and duties of the Parties hereto. Such change(s) shall be immediately communicated by the Shariah Compliant Securities Broker/Participant to the Sub-Account Holder(s)/Customer(s).
- 11. The Shariah Compliant Securities Broker/Participant and the Customer shall be entitled to terminate this Contract without giving any reasons to each other after giving notice in writing of not less than one month to the other Party. Notwithstanding any such termination, all rights, liabilities and obligations of the Parties arising out of or in respect of Transactions entered into prior to the termination of this Contract shall continue to subsist and vest in /be binding on the respective Parties or his /her/ its respective heirs, executors, administrators, legal representatives or successors in interest and permissible assigns, as the case may be. Closure of Sub-Account of the Customer under this clause shall be subject to the condition that neither any corporate action is pending at that point of time in connection with any Book-entry Securities in the Sub-Account nor any Book-Entry Securities are in Pledged Position and that the outstanding dues, if any, payable by any Party to the other Party is cleared and that the Customer has transferred or withdrawn all the Book-Entry Securities from his/her Sub-Account.
- 12. Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant Securities Broker/TRE Certificate Holder" respectively.
- 13. The Shariah Compliant Securities Broker/Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through it and not do anything which is likely to harm the interest of the Sub-Account Holder with/from whom it may have had transactions in securities.
- 14. The Participant/ Shariah Compliant Securities Broker shall ensure that duly filled in and signed copy of this form along with the acknowledgement receipt is provided to the Sub-Account Holder.

### TERMS AND CONDITIONS FOR OPENING AND OPERATIONS OF CDC SUB-ACCOUNT

The Terms and Conditions set herein below shall govern the Sub-Account forming part of the Account Family of the CDS Participant Account of the Participant, which shall be binding on the Sub-Account Holder as well as the Participant:

- The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account shall appear in the Sub-Account to be established by the Participant in the CDS who shall ensure the correctness and completeness of the same.
- The Book-entry Securities owned by the Sub-Account Holder shall be exclusively entered in the Sub-Account of such Sub-Account Holder.
- Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (E) above pursuant to Section 12 and 24 of the Central Depositories Act, 1997. Such authorization shall constitute the congregated / entire authorizations by the Sub-Account
- Holder(s) in favour of the Participant and supersedes and cancels all prior authorizations (oral, written or electronic) including any different, conflicting or additional terms which appear on any agreement or form the Sub-Account Holder(s) has executed in favour of the Participant. Participant shall be liable to give due and timely effect to the instructions of the Sub-Account Holder given in terms of the above-referred authorization with respect to transfer, pledge and withdrawal of Book-entry Securities entered in his/her Sub-Account under the control of the Participant. Such instructions, among other matters, may include closing of Sub-Account.
- Participant shall send within 10 days of end of each quarter Account Balance statement to the Sub-Account Holder without any fee or charge showing the number of every Book-entry Security entered in his/her Sub-Account as of the end of the preceding quarter. Such Account Balance statement shall be generated from the CDS. Further, the Sub-Account Holder may request for such statement (including Account Activity reports) from the Participant at any time on payment of a fee on cost basis as prescribed by the Participant. The Participant shall be liable to provide such report/statement to the Sub-Account Holder within 3 Business Days from the date of receipt of such request, with or without charges
- In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to the Participant as applicable for availing such facilities and services under the Central Depositories Act, 1997, the Regulations and these Terms & Conditions. In case of outstanding payment against any underlying market purchase transaction, charges and/or losses against the Sub-Account Holder, the Participant shall have the right, subject to Clause 3 above and under prior intimation to the Sub-Account Holder to clear the payment, charges and/or losses (including any shortfall in margin requirements) within the reasonable time prescribed by the Participant, to dispose-off the necessary number of Book-entry Securities of the Sub-Account Holder through market-based or Negotiated Deal Market sell transaction and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses.



- 7. Where admission of Participant to the CDS is suspended or terminated by the CDC, the Sub-Account Holder shall have the right, subject to the Regulations and the Procedures made thereunder, to request CDC to change his/her Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to its right of recovery of any dues or receivable from the Sub-Account Holder.
- . The provision of services as provided for hereunder shall not constitute Participant as trustee and the Participant shall have no trust or other obligation in respect of the Book-entry Securities except as agreed by the Participant separately in writing.
- 9. The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).

#### TERMS AND CONDITIONS FOR TRADING ACCOUNT

- 1. In case any dispute in connection with the Transaction between the <u>Shariah Compliant</u> Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to <u>Shariah Compliant</u> Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed against him/her and the Customer shall have no objection to the same.
- The assets deposited as margin by a Customer with the <u>Shariah Compliant</u> Securities Broker shall only be used by the <u>Shariah Compliant</u> Securities Broker for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.
- 3. The <u>Shariah Compliant</u> Securities Broker may deposit unutilized funds of the Customers in a separate <u>profit-bearing</u> bank account <u>in an Islamic bank or in an Islamic branch of any conventional bank</u> and shall distribute profit to the Customers out of total profit offered by bank(s) on such funds, unless specified otherwise in writing by the Customer.
- 4. The <u>Shariah Compliant</u> Securities Broker shall be authorized to act on the instructions of the Customers given through any of the following modes of communication unless specifically designated by the Customer in the Form:
  - (a) Telephonic communication over a dedicated telephone line(s) routed through centralized call recording system;
  - (b) Email/SMS/Fax/Letter on the authorized email address/mobile/fax/address of the Shariah Compliant Securities Brokers;
  - (c) Verbal orders placed through personal appearance in the registered office subject to receipt of written acknowledgement of such inperson orders by <a href="Shariah Compliant">Shariah Compliant</a> Securities Brokers.
- 5. The <u>Shariah Compliant</u> Securities Broker shall make out the Contract Note (physical or electronic form) to the Customers in respect of trades executed on their behalf based on their order instructions not later than the start of next trading day as required under the Securities Brokers (Licensing and Operations) Regulations, 2016 through any of the following acceptable modes of communication unless specifically designated by the Customer in the Form:
  - (a) Recognized courier service;
  - (b) Registered Post at given correspondence address;
  - (c) Facsimile number provided on the Form;
  - (d) By hand subject to receipt/acknowledgement; or
  - (e) Email provided on the Form in case of Electronic Contract Note.

All such transactions recorded by the Shariah Compliant Securities Broker in the prescribed manner shall be conclusive and binding upon the Customer unless the Customer raises observation relating to unauthorized execution of such transaction or any error in the Contract Note within one trading day of the receipt of such Contract Note.

In the event of any dispute relating to order placement or executing of orders, the burden of proof shall be on the <a href="Shariah Compliant">Shariah Compliant</a> Securities Brokers to establish the authenticity of such order placement or execution thereof.

- 6. The customer may avail Shariah compliant financing like Murahaba Share Financing (MSF) or any other Shariah compliant financing against Ready Market purchases. Leverage based buying and interest based margin financing shall not be available.
- 7. In case the Customer fails to deposit additional margins within one trading day of the margin call (in writing), the <u>Shariah Compliant</u> Securities Broker shall have absolute discretion to liquidate the Customer's outstanding positions including the securities purchased and carried in such account to meet the margin shortfall without further notice to the Customer.
- 8. The <u>Shariah Compliant</u> Securities Broker shall be responsible for the payment of any credit cash balance available in the account of the Customer through cross cheques or other banking channels (instruments) only within one (1) trading day of the request of the Customer subject to the maintenance of the margin requirements.
- The Customer is aware that in the event of his/her non- payment on settlement day against securities bought on his/her account, the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
- 10. The <u>Shariah Compliant</u> Securities Broker shall accept from the Customer payments through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other banking channels drawn on Customer's own bank account in case of amounts in excess of Rs. 25,000/-. Electronic transfer of funds to the <u>Shariah Compliant</u> Securities Broker through banks would be regarded as good as cheque. The <u>Shariah Compliant</u> Securities Broker shall provide the receipt to the Customer(s) in the name of the Customers duly signed by its authorized employee and the Customer(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Customer(s), specifically mentioning if payment is for margin or the purchase of securities. The <u>Shariah Compliant</u> Securities Broker shall immediately deposit in its bank account, in an <u>Islamic bank or in an Islamic branch of any conventional bank</u>, all cash received in whole i.e. no payments shall be made from the cash received from clients. However, in exceptional circumstances, where it becomes necessary for <u>Shariah Compliant</u> Securities Broker shall immediately report within one trading day such instances with rationale thereof to the PSX in accordance with the mechanism prescribed by PSX.
- 11. The <u>Shariah Compliant</u> Securities Brokers shall make all payments to the Customers through crossed cheques / bank drafts / pay orders or any other banking channels showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period prescribed under the Securities Brokers (Licensing and Operations) Regulations, 2016.
- 12. The <u>Shariah Compliant</u> Securities Broker shall provide to the Customers a quarterly Account Statement which shall include cash and securities ledgers as back office and CDC Sub-Account records along with reconciliation of any differences therein through any of the aforesaid modes of communication. In case of any discrepancy in the ledger statement, the Customer shall inform the <u>Shariah Compliant</u> Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the <u>Shariah Compliant</u> Securities Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.
- 13. The Customer shall pay all applicable taxes and statutory and regulatory fee and levies and brokerage commissions as are prevailing from time to time in connection with the brokerage services rendered. The <u>Shariah Compliant</u> Securities Broker/Participant can debit up to the accrued amount of levies and charges the account of the Customers for the abovementioned charges, which shall be clearly detailed in the ledger statement/daily confirmations. Any change resulting in an increase in the brokerage commission shall take effect not earlier than thirty (30) days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
- The <u>Shariah Compliant</u> Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.



# CRF FOR CUSTOMERS OF SHARIAH COMPLIANT SECURITIES BROKERS ["TRADING AND SELF CLEARING SECURITIES BROKER" AND "TRADING AND CLEARING SECURITIES BROKER"]

## CUSTOMER RELATIONSHIP FORM FOR COMPANY AND OTHER BODY CORPORATE

Place Logo Here!

## Name of Entity (Participant/ TRE Certificate Holder)

[Registered Address]

### CUSTOMER RELATIONSHIP FORM FOR COMPANY AND OTHER BODY CORPORATE

For official use of the Participant/TRE Certificate Holder only					
Application Form No.					
TRE Certificate No.					
Securities Broker					
Registration No.					
CDS Participant ID					
Sub-Account No.					
Trading Account No.					
(Back-office ID)					
(if applicable)					
Investor Account No.					

(Please Also Fill KYC APPLICATION FORM)

		(	Please use l	BLOCK LET	TERS to f	ill the fo	orm)			
	I/We hereby apply for opening of my/our following account [please tick (✓) only one relevant box] with [insert name of the Participant/TRE Certificate Holder]:									
1.	<ol> <li>Trading &amp; Sub-Account [Opening of Account with <u>Shariah Compliant</u> Securities Broker for trading, custody and settlement]</li> </ol>									
2.	2. Investor Account with CDC 3. Sub-Account with Participant									
4.	4. Trading Account [Opening of Account with a Shariah Compliant Securities Broker for trading purpose only]									
	Note: In case applica	nt chooses o	ption # 4 abo	ove, then he/s	she shall c	hoose a	ny of the foll	owing:		
	Subscr	ibe to Direct	t Settlement	Services (D	SS) with (	CDC				
	Subscr	ibe to Natio	nal Custodia	al Services (	NCS) with	NCCPL	-			
	Others	(please spe	cify e.g. CCI	W/ NBCM) _						
A. REGISTR	ATION (AND OTHER	) DETAILS (	OF APPLICA	NT (The infor	mation sho	ould be s	ame as provi	ded in the	KYC Applic	ation Form)
						<del></del>	us p. s			KN No.
1. Full name of Applicant (As per constitutive documents)  2. Registration Number / Unique Identification Number ("UIN"):										
Email address	Email address of the Company/Body Corporate (Applicant) shall be provided in the KYC Application Form for eAlert/ eStatement from CDC as a									
	nandatory requirement. This information will also be used where any other service is subscribed under the CDC access. Details of Contact Person									
	the KYC Application F				ocivioc i	o oubou	nboa anaon	000	200000. DC	italio di Contadi i ciodii
	CCOUNT LEVEL INF			<u>.                                    </u>						
	ails: The bank accoun			in the KYC A	pplication	Form sh	nall be used.			
	al Status / Basis of R (✓) the appropriate bo			Resident		No	Non-Resident		epatriable	Non-Repatriable
Pakistani										
	pany / Body Corporate	e								
C. CDC ACC										
		rvices under	CDC access	s whereby Su	ub-account	t holders	s/Investor Ac	countholo	lers can ha	ave real time access to
	related information.									
	you wish to subscri lease tick (□) the appr		f cost IVR/W	eb Service?	•			Yes		No
2. If you are	subscribing to IVR a	ind Web Ser	rvice, please	provide fol	lowing de	tails of	your Contac	t Person	:	
(a) Date of B	irth	D	D .	/ M	М	/	YY	Y	Υ	
(b) Mother's	Maiden Name:									
	IZATION UNDER SEID RECOVERY OF PA								NT OF UN	DERLYING TRADES,
									Central De	epositories Act, 1997 to
handle Book	entry Securities benef	icially owned	d by me/us an	d entered in	our Sub-A	ccount m	naintained wi	th the Par	ticipant for	securities transactions
that are excl	usively meant for the for	ollowing purp	ooses:						-	

For the settlement of any underlying market transactions (trades) including off market transactions made by me/us from time to time;



- b. For pledge securities transactions with the Clearing House relating to any of our underlying market transactions (trades) to be settled through the Clearing House from time to time;
- c. For the recovery of payment against any underlying market purchase transactions made by us from time to time;
- d. Movement by us from time to time of our Book-entry Securities from our Sub-Account under the Main Account under the control of the Participant to our Sub-Account under another Main Account under the control of the Participant or to our Sub-Account under any Main Account which is under the control of another Participant or to our Investor Account;
- e. For the recovery of any charges or losses against any or all of the above transactions carried out by us or services availed; and/or

f. Delivery Transaction made by us for any other purposes as prescribed by the Commission from time to time.

Specific authority on each occasion shall be given by us to the Participant for handling of Book-entry Securities beneficially owned by us for all other purposes as permitted under the applicable laws and regulations.

<b>Note:</b> Please note that above shall serve as a standing authorization to the Participant for handling of Book-entry Securities owned by the undersigned Sub-Account Holder(s) and entered in their Sub-Account maintained with the Participant. Handling of Book-entry Securities for all other purposes should however require specific authority in writing from the undersigned Sub-Account Holder(s) in favour of the Participant. For handling of Book-entry Securities worth Rs. 500,000/- and above, the above mentioned specific authority shall be obtained on non-judicial stamp paper.														
E. OPERATING INSTRU														
	give instruction to the		Name	s of Sig	ınatory	/(ies)				Speci	men S	ignatı	ıres	
	Holder pertaining to the Investor Account / Sub-	(a)												
Account / Trading A	Account.	(b)												
trading account open	estor account, sub- account and rating instructions in the relevant	(c)												
column along with na of authorised signato	ames and specimen signatures pries)	(d)												
2. Investor Account/S	ub-Account Operating		Singly						Atte	orney				
Instructions in writi			Jointly [any]											
[Please (✓) appropri		(Please men		releva	nt numbe	ers								
		Singly						Atte	orney					
<ol> <li>Trading Account Op [Please (✓) appropria</li> </ol>		Jointly [any] (Please men	tion the	releva.	nt numbe	ers								
			of the signat				0.0							
F. AUTHORIZED SIGNA	ATORIES OF THE APPLICANT				Da	te & Pla	ice:							
We hereby agree to ad	mit the Applicant as the Investo	r Account	tholder/Sub-A	ccount	Holder	r in term	s of th	ne en	closed	Term	s and	Condi	tions	as
	We hereby agree to admit the Applicant as the Investor Accountholder/Sub-Account Holder in terms of the enclosed Terms and Conditions as amended from time to time and shall abide by the same in respect of opening, maintenance and operation of such Investor Account/Sub-Account.													
Name of Participant/TF				ate:										
	lder's Seal & Signature:													
Witnesses: 1. Name:														
Signature:	CNIC No:			T -						Т	T	Τ-		
2. Name:	00	I	I		- L	1	I		l					
Signature:	CNIC No:			-							T	-		
Enclosures*:			_		,									
	solution/Power of Attorney (specimen zed National Identity Cards/NICOP/Pa													
	tutive Documents of the Applicant (M					ct/Charter	/Statute	e/Byla	ws/Rule	es & Re	gulatio	ns, Ce	rtifica	ite of
	ommencement of business, Prospect													
5. Certified copy of list of Dire	ificate (If exempted, please provide su ectors/Trustees (if applicable).	apporting a	ocuments/Lette	er or Una	ertaking	i, where tr	те аррі	icant c	pt not	to obtail	1 IN I IN).	•		
6. Terms and Conditions of re	elevant service provider, as applicable	<del>)</del> .												
	(for Investor Accountholder(s) only) igners shall submit the documents dul	v attactad k	ov either notary	nublic o	r Coneu	l General	of Paki	ietan h	avina i	uriedicti	on over	the An	nlica	nt(e)
However, in case of non-	-resident/ foreigner belonging to the o	ountry or s	tate which has	acceded	to the	Conventio	n of 5	Octob	er 1961	1 Abolisl	hing the	Requi	reme	ent of
Legalization for Foreign I	Public Documents (Apostille Convent	ion), the no	on-resident/ for	eigner m	ay opt to	o submit t	he req	uisite d	docume	ents with	ı the Ap	ostille	issue	∍d by
	under the Apostille Convention.  ARTICIPANT/TREC HOLDER O	MI V												
	Relationship Form verified by :	/I <b>4</b> L I												
Application:	Approved Reject	ed	Signature	: (Autho	rized s	ignatory)	)/Stam	np	Date	:				
Investor Account/Sub-Ac	ccount no. issued:													
Investor Account/Sub-	Account /Trading Account ope	ened by:												
Saved by:			Posted by											
Signature:	Date:		Signature					Date	:					
Remarks: (if any)														
Annila dia a N		CKNOW	LEDGEMEN											
Application No:			Da	te of red	ceipt:									

Page **8** of **12** 

Participant's / TREC Holder Seal & Signature:

I/We hereby confirm and acknowledge the receipt of duly filled and signed Customer Relationship Form from the following Applicant:

[Insert Name of Applicant(s)]

1.



2.	
3.	
4.	

#### **TERMS AND CONDITIONS**

Please read and understand the Terms and Conditions, attached herewith as Annexure B, before signing and executing this form.

### **DECLARATION & UNDERTAKING**

We, the undersigned Applicants, hereby declare that:

- a) We are not in receivership, court-appointed managership or under winding-up or under any analogous form of administration;
- b) We are not applied to be adjudicated as an insolvent and that we have not suspended payment and that we have not compounded with our creditors;
- c) We are not an undischarged insolvent;

(name of entity).

- d) None of our chief executive, directors or other officers have, at any time within 5 years before making this application, been convicted of an offence involving moral turpitude or a non-cognisable offence against any law in connection with our business, professional or commercial activities:
- We confirm and acknowledge that we have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant, as an annexure to this Form at the time of signing of this Form and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and we hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other Terms and Conditions provided to us and placed on the website of the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the attached Terms and Conditions in connection with the opening, maintenance and operation of the Sub-Account /Trading Account, as the case may be;
- f) We hereby confirm that the Terms and Conditions shall constitute a Contract between the Parties hereto and govern opening, maintenance and operations of Trading Account, Sub-Account which shall be binding on the Sub-Account Holder as well as the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith;
- g) We, being the Applicant, hereby further confirm that all the information contained in this form is true and correct to the best of our knowledge as on the date of making this application:
- h) We further agree that any false/misleading information by us or suspension of any material fact will render our Sub-Account/ Trading Account, as the case may be, liable for termination and further action under the law;
- We specifically declare and undertake that all the documents filed/submitted by us for the purpose of this application are genuine and valid, bearing genuine signatures and stamps of duly authorized individuals/representatives (or, where applicable, officers of the foreign company concerned) and are in accordance with the applicable law;
- j) We agree that we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant and placement of trading order shall mean that we have affirmed/consented with the Terms and Conditions; and
- k) We hereby now apply for opening, maintaining and operating Sub-Account/Trading Account, as the case may be, with the **Shariah Compliant** Securities Broker/Participant.

We, the undersigned as Shariah Compliant Securities Broker/Participant, hereby declare/ undertake/confirm that:

- We have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and I hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. I further confirm that trading account/Sub-Account of customer/Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer/Sub-Account Holder; and
- m) We have no doubt or concern that the Terms and Conditions shared with Customer/Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

### **DISCLAIMER FOR CDC ACCESS SERVICES**

The main objective of providing information, reports and account maintenance services through the Interactive Voice Response System, Internet /Web access and Short Messaging Service ("SMS") or any other value added service is to facilitate the Sub-Account Holders ("Users") with a more modern way to access their information. CDC makes no other warranty of the IVR, Internet /Web access, SMS or any other value added services and Users hereby unconditionally agree that they shall make use of the internet/web access subject to all hazards and circumstances as exist with the use of the internet. CDC shall not be liable to any Users for providing and making available such services and for failure or delay in the provision of SMS to Users and all Users, who use the IVR, internet access, SMS or any other value added services, shall be deemed to have indemnified CDC, its directors, officers and employees for the time being in office and held them harmless from and against any losses, damages, costs and expenses incurred or suffered by them as a consequence of use of the IVR system, internet/web access, SMS or any other value added services.

All Users hereby warrant and agree that their access of the internet /web by the use of a User-ID and login is an advanced electronic signature and upon issuance of such User-ID to the user, they hereby waive any right to raise any objection to the compliance of the User-ID and login with the criteria of an advance electronic signature.

All Users shall by signing this Form and by their conduct of accessing the IVR, internet/Web access, SMS or any other value added services agree to all the terms and conditions and terms of use as shall appear on the CDC website at <a href="www.cdcaccess.com.pk">www.cdcaccess.com.pk</a> which shall be deemed to have been read and agreed to by the Users before signing this form.

Signatures:						
Authorized signatories of the Applicant		Participant/TREC Holder				
Annexure-A BOARD RESOLUTION						
"RESOLVED that an application be made on behalf of for the afore-said purpose the Customer Relationship Form includi		· , , ,				



		A D		
Date of Resolution:				
4	5			
1	2	3		
Signatures of the Directors	<b>:</b>			
singly/jointly to represent to deal, liaise and corresp	o the <b>Shariah Complia</b> ond with broker and gi les and Regulations an	ant Securities Broker on all mave instructions to fulfill all the	be and are hereby authorized and etters pertaining to the maintenance and operat responsibilities and obligations to Shariah Corelation to the Account from time to time, and	ion of the Account, mpliant Securities
entity) in respect of compa				(,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,
			ner act, deed or thing for and on behalf of	
			execute and deliver this Customer Relationsh	
FURTHER RESOLVED th	nat Mr/Ms	and Mr /Ms	be and are hereby authorized and	empowered either

#### **TERMS AND CONDITIONS**

Please read and understand the Terms and Conditions before signing and executing this form

These Terms and Conditions shall constitute a Contract between the Parties hereto. This Contract shall govern opening, maintenance and operations of Trading Account, CDC Sub-Account(s) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected

#### **GENERAL TERMS AND CONDITIONS**

- All Trades, Transactions, including non-Exchange Transactions, Derivative Contracts and deals (jointly referred to as "Transactions") between the Parties and Clearing and Settlement thereof and opening, maintenance and operations of Sub-Account in the CDS shall be subject to the Securities Act, 2015, Central Depositories Act, 1997, Pakistan Stock Exchange Limited (PSX) Regulations, Central Depository Company of Pakistan Limited (CDC) Regulations, CKO Regulations, 2017, National Clearing Company of Pakistan Limited (NCCPL) Regulations and the Securities Brokers (Licensing and Operations) Regulation, 2016 including Procedures, Manuals, Polices, Guidelines, Circulars, Directives, and Notifications issued and as amended thereunder by the Securities and Exchange Commission of Pakistan (SECP), PSX, CDC or NCCPL from
- The information provided in KYC application form and/or CRF shall be in addition to and not in derogation of the requirements prescribed under Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2020.
- The Shariah Compliant Securities Broker/Participant shall ensure provision of copies of all the relevant laws, rules and regulations at its office for access to the Sub-Account Holder(s)/Customer(s) during working hours. The Shariah Compliant Securities Broker/Participant shall ensure that its website contains hyperlinks to the websites/pages on the website of PSX, CDC, NCCPL and the SECP displaying above said regulatory framework for reference of the Customers.
- In case of a Joint Account, all obligations and liabilities of the Applicants under these Terms and Conditions shall be joint and several
- These Terms and Conditions shall be binding on the nominee, legal representative, successors in interest and/or permitted assigns of the
- The Shariah Compliant Securities Broker/Participant shall provide a list of its Registered Offices and Representatives authorized and employees designated to deal with the Sub-Account Holder(s)/Customer(s) along with their authorized mobile/landline/fax number(s), email and registered addresses. Any change(s) therein shall be intimated in writing to the Sub-Account Holder(s)/Customer(s) with immediate effect. Subject to applicable laws, the <a href="Schariah Compliant">Schariah Compliant</a> Securities Broker/Participant shall maintain strict confidentiality of the Customer related
- information and shall not disclose the same to any third party. However, in case the SECP, PSX, CDC or any competent authority under the law, as the case may be, requires any such information, the Shariah Compliant Securities Broker/ Participant shall be obliged to disclose the same for which the Customer shall not raise any objection whatsoever.
- The Shariah Compliant Securities Broker/Participant shall independently verify any of the Customer's related information provided in this Form and under the relevant laws, rules and regulations for the purpose of KYC.
- In case of any change in the Customer's related information provided in this Form, the Customer shall provide necessary details to the Participant/<u>Shariah Compliant</u> Securities Broker. Upon receipt of instruction from the Customer, the Participant/<u>Shariah Compliant</u> Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant/Shariah Compliant Securities Broker shall have the right to incorporate any change(s) in the Sub-Account Holder(s)/Customer's information in the CDS as sent by NCCPL as CKO and that such change(s) shall be deemed to have been authorized by the Sub-Account Holder(s)/Customer(s). In case of any change in the Participant's/Shariah Compliant Securities Broker's address or contact numbers or any other related information, the Shariah Compliant Securities Broker/Participant shall immediately notify the Sub-Account Holder(s)/Customer(s).
- 10. Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated and modified the rights and duties of the Parties hereto. Such change(s) shall be immediately communicated by the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant to the Sub-Account Holder(s)/Customer(s).
- 11. The Shariah Compliant Securities Broker/Participant and the Customer shall be entitled to terminate this Contract without giving any reasons to each other after giving notice in writing of not less than one month to the other Party. Notwithstanding any such termination, all rights, liabilities and obligations of the Parties arising out of or in respect of Transactions entered into prior to the termination of this Contract shall continue to subsist and vest in /be binding on the respective Parties or his/ her/its respective heirs, executors, administrators, legal representatives or successors in interest and permissible assigns, as the case may be. Closure of Sub-Account of the Customer under this clause shall be subject to the condition that neither any corporate action is pending at that point of time in connection with any Book-entry Securities in the Sub-Account nor any Book-Entry Securities are in Pledged Position and that the outstanding dues, if any, payable by any Party to the other Party is cleared and that the Customer has transferred or withdrawn all the Book-Entry Securities from its Sub-Account.

  12. Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant".
- Securities Broker/TRE Certificate Holder" respectively.
- 13. The Shariah Compliant Securities Broker/Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through it and not do anything which is likely to harm the interest of the
- Sub-Account Holder with/from whom it may have had transactions in securities.

  14. The Participant/ Shariah Compliant Securities Broker shall ensure that duly filled in and signed copy of this form along with the acknowledgement receipt is provided to the Sub-Account Holder.

### TERMS AND CONDITIONS FOR OPENING AND OPERATIONS OF CDC SUB-ACCOUNT

The Terms and Conditions set herein below shall govern the Sub-Account forming part of the Account Family of the CDS Participant Account of the Participant, which shall be binding on the Sub-Account Holder as well as the Participant:



- The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account shall appear in the Sub-Account to be established by the Participant in the CDS who shall ensure the correctness and completeness of the same.
- The Book-entry Securities owned by the Sub-Account Holder shall be exclusively entered in the Sub-Account of such Sub-Account Holder.
- Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (D) above pursuant to Section 12 and 24 of the Central Depositories Act, 1997. Such authorization shall constitute the congregated / entire authorizations by the Sub-Account Holder(s) in favour of the Participant and supersedes and cancels all prior authorizations (oral, written or electronic) including any different, conflicting or additional terms which appear on any agreement or form the Sub-Account Holder(s) has executed in favour of the Participant.
- Participant shall be liable to give due and timely effect to the instructions of the Sub-Account Holder given in terms of the above-referred authorization with respect to transfer, pledge and withdrawal of Book-entry Securities entered in its Sub-Account under the control of the Participant. Such instructions, among other matters, may include closing of Sub-Account.
- Participant shall send within 10 days of end of each quarter Account Balance statement to the Sub-Account Holder without any fee or charge showing the number of every Book-entry Security entered in its Sub-Account as of the end of the preceding quarter. Such Account Balance statement shall be generated from the CDS. Further, the Sub-Account Holder may request for such statement (including Account Activity reports) from the Participant at any time on payment of a fee on cost basis as prescribed by the Participant. The Participant shall be liable to provide such report/statement to the Sub-Account Holder within 3 Business Days from the date of receipt of such request, with or without
- In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to the Participant as applicable for availing such facilities and services under the Central Depositories Act, 1997, the Regulations and these Terms and Conditions. In case of outstanding payment against any underlying market purchase transaction, charges and/or losses against the Sub-Account Holder, the Participant shall have the right, subject to Clause 3 above and under prior intimation to the Sub-Account Holder to clear the payment, charges and/or losses (including any shortfall in margin requirements) within the reasonable time prescribed by the Participant, to dispose-off the necessary number of Book-entry Securities of the Sub-Account Holder through market-based or Negotiated Deal Market sell transaction and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses.
- Where admission of Participant to the CDS is suspended or terminated by the CDC, the Sub-Account Holder shall have the right, subject to the Regulations and the Procedures made thereunder, to request CDC to change its Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to its right of recovery of any dues or receivable from the Sub-Account Holder
- The provision of services as provided for hereunder shall not constitute Participant as trustee and the Participant shall have no trust or other obligation in respect of the Book-entry Securities except as agreed by the Participant separately in writing.

  The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).

### TERMS AND CONDITIONS FOR TRADING ACCOUNT

- 1. In case any dispute in connection with the Transaction between the Shariah Compliant Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to Shariah Compliant Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed against him and the Customer shall have no objection to the same.
- The assets deposited as margin by a Customer with the Shariah Compliant Securities Broker shall only be used by the Shariah Compliant Securities Broker for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.
- The Shariah Compliant Securities Broker may deposit unutilized funds of the Customers in a separate profit-bearing bank account in an Islamic bank or in an Islamic branch of any conventional bank under intimation to such Customers and shall distribute such profit to the Customers out of total profit accrued on such funds as mutually agreed in writing between the Shariah Compliant Securities Broker and Customer.
- The Shariah Compliant Securities Broker shall be authorized to act on the instructions of the Customers given through any of the following modes of communication unless specifically designated by the Customer in the Form:
  - Telephonic communication over a dedicated telephone line(s) routed through centralized call recording system;
  - Email/SMS/Fax/Letter on the authorized email address/mobile/fax/address of the Shariah Compliant Securities Brokers;
  - Verbal orders placed through personal appearance in the registered office subject to receipt of written acknowledgement of such inperson orders by Shariah Compliant Securities Brokers.

    The Shariah Compliant Securities Broker shall make out the Contract Note (physical or electronic form) to the Customers in respect of trades
- executed on their behalf based on their order instructions not later than the start of next trading day as required under the Securities Brokers (Licensing and Operations) Regulations, 2016 through any of the following acceptable modes of communication unless specifically designated by the Customer in the Form:
  - Recognized courier service;
  - Registered Post at given correspondence address;
  - Facsimile number provided on the Form;

  - By hand subject to receipt/acknowledgement; or Email provided on the Form in case of Electronic Contract Note.

All such transactions recorded by the Shariah Compliant Securities Broker in the prescribed manner shall be conclusive and binding upon the Customer unless the Customer raises observation relating to unauthorized execution of such transaction or any error in the Contract Note within one trading day of the receipt of such Contract Note.

In the event of any dispute relating to order placement or executing of orders, the burden of proof shall be on the Shariah Compliant Securities Brokers to establish the authenticity of such order placement or execution thereof.

- The customer may avail Shariah compliant financing like Murahaba Share Financing (MSF) or any other Shariah compliant financing
- against Ready Market purchases. Leverage based buying and interest based margin financing shall not be available.

  In case the Customer fails to deposit additional margins within one trading day of the margin call (in writing), the Shariah Compliant Securities Broker shall have absolute discretion to liquidate the Customer's outstanding positions including the securities purchased and carried in such account to meet the margin shortfall without further notice to the Customer.
- The Shariah Compliant Securities Broker shall be responsible for the payment of any credit cash balance available in the account of the Customer through cross cheques or other banking channels (instruments) only within one (1) trading day of the request of the Customer subject to the maintenance of the margin requirements.
- The Customer is aware that in the event of its non-payment on settlement day against securities bought on its account the **Shariah Compliant** Securities Broker may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
- 10. The Shariah Compliant Securities Broker shall accept from the Customer payments through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other banking channels drawn on Customer's own bank account in case of amounts in excess of Rs. 25,000/-. Electronic transfer of funds to the Shariah Compliant Securities Broker through banks would be regarded as good as cheque. The Shariah Compliant Securities Broker shall provide the receipt to the Customer(s) in the name of the Customers duly signed by its authorized employee and the Customer(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Customer(s), specifically mentioning if payment is for margin or the purchase of securities. The Shariah Compliant Securities Broker shall immediately deposit in its bank account, in an Islamic bank or in an Islamic branch of any conventional bank, all cash received in whole i.e. no payments shall be made from the cash received from clients. However, in exceptional circumstances, where it becomes necessary for Shariah Compliant



- Securities Broker to accept cash in excess of Rs.25,000/-, the **Shariah Compliant** Securities Broker shall immediately report within one trading day such instances with rationale thereof to the PSX in accordance with the mechanism prescribed by PSX.
- 11. The <u>Shariah Compliant</u> Securities Brokers shall make all payments to the Customers through crossed cheques / bank drafts / pay orders or any other banking channels showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period prescribed under the Securities Brokers (Licensing and Operations) Regulations, 2016.
- 12. The <u>Shariah Compliant</u> Securities Broker shall provide to the Customers a quarterly Account Statement which shall include cash and securities ledgers as back office and CDC Sub-Account records along with reconciliation of any differences therein through any of the aforesaid modes of communication. In case of any discrepancy in the ledger statement, the Customer shall inform the <u>Shariah Compliant</u> Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the <u>Shariah Compliant</u> Securities Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.
- 13. The Customer shall pay all applicable taxes and statutory and regulatory fee and levies and brokerage commissions as are prevailing from time to time in connection with the brokerage services rendered. The Shariah Compliant Securities Broker/Participant can debit up to the accrued amount of levies and charges the account of the Customers for the abovementioned charges, which shall be clearly detailed in the ledger statement/daily confirmations. Any change resulting in an increase in the brokerage commission shall take effect not earlier than thirty (30) days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
- The <u>Shariah Compliant</u> Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.



### "ANNEXURE C"

### CRF FOR CUSTOMERS OF SHARIAH COMPLIANT SECURITIES BROKERS ["TRADING ONLY SECURITIES BROKER" AND "ONLINE ONLY SECURITIES BROKER" WHICH SHALL MAINTAIN CUSTODY OF SECURITIES WITH PCM OR TRADING AND CLEARING SECURITIES BROKER]

### **CUSTOMER RELATIONSHIP FORM FOR INDIVIDUALS**

Place Logo				Р	Place Logo			(v	vho is l	PCM/ 1 f Secui	ities Br	all cate	egories		
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[Registered Address]			Į,	togisto	ica / la	arcooj		(IŤ	applica	ible)					
CUSTOMER RELATIONSHIP FORM FOR INDIVIDUALS (Please Also Fill KYC APPLICATION FORM for Main and Joint Applicants)															
Nature of Account Single	Joint														
Nature of Account Single			ISA RI	OCK I	FTTF	RS to fill	l tha fo	orm)							
IAMa harabu applu far apaning of m	•							•		o Drole		Cub A	aaaunt	باء طائب	
I/We hereby apply for opening of my/our Trading Account with the <u>Shariah Compliant</u> Securities Broker and Sub-Account with the Participant who is PCM/ T&C (providing settlement and custody services to all categories of Securities Brokers):															
A. REGISTRATION (AND OTHER) DETAILS OF MAIN APPLICANT (The information should be same as provided in the KYC Application Form)															
1. Full name of Applicant (As per CNIC/S	NIC/NIC	OP/AI	RC/PO	C/Pass	sport)	MR./M	RS. / N	IS.			1		UKN N	٥.	1
2. CNIC SNIC NICOP															
ARC POC Passport No.															
[Please tick (V) appropriate box]													لـــــــا		L
3. Details of Contact Person: [Note: Contact Attorney. However, Attorney shall not be a	act Perso Participa	on sha ant/TR	II not b E Cert	e the p ificate l	erson d Holder	other tha or its Di	nn the I rector	Main A or Rei	ipplica present	nt, any ative.	one of Where	the Joi Contac	nt Appli t Persc	icants on is th	or their e Main
Applicant or any of the Joint Applicants, plea in the KYC Application Form for CDS. Whe	ase tick (	√) the	appro	oriate b	ox (a) l	oelow ar	nd use	the co	ntact d	etails c	f such				
(a) Contact Person: Main Applicant	oint Appl	icant I	No. 1 [	Jo	int App	licant N	o. 2 🛭	J	oint Ap	plicant	No. 3	☐ A	ttorney		
(b) Attorney Name: MR. / MRS. / MS.															
(c) Mailing Address:											1				
(d) CNIC SNIC NICOP															
ARC POC No.															
[Please tick (✓) appropriate box]														ļ	
(e) Expiry date of CNIC//SNIC/NICOP/ARC	/POC:	D	D	/	М	М	/	Υ	Υ	Υ	Υ	Life T	īme: L		
(f) Passport details:	Passp	ort Nu	mber:	•	•			Plac	e of Iss	ue:	•				
(For a foreigner)	Date o	of Issu	e:					Date	of Exp	oiry:					
(g) Contact No:								•							
Land Line No.: (optional)	(h) Em	nail:(*)													
<ul> <li>Local Mobile No.: (*)</li> </ul>	, ,	` '													
*Where the Contact Person is resident, local	al mobile	numb	er sha	ll be pr	ovided	for the	purpos	e of s	ubscrip	tion to	SMS a	is a ma	ndator	y requi	rement
Where the Contact Person is a non-residen															
the Contact Person is an Attorney, the Attor				•								•			
under the CDC access.															
4. Permanent Address:			.,			., .		·		_					200
[The address should be of the Main Applica	ıntj					vide in t									
B. REGISTRATION (AND OTHER) DETA Application Form. Complete details of Jo											same	as pr	ovided	in th	e KYC
Application Form. Complete details of Jo	THE HOLD	1012 2	nan De	- ICICIIC	a ii di	ii tiile CE	ziili di	uldi	, NIO)						

JOINT APPLICANT NO. 1

UKN No.

1. Full name of Applicant (As per CNIC/SNIC/NICOP/ARC/POC/Passport) MR. / MRS. / MS.



		1		1				
2. CNIC SNIC NICOP								
ARC POC Passport No: [								
[Please tick (🗸) appropriate box]								
		APPLICANT N		<u> </u>		l		
1. Full name of Applicant (As per	CNIC/SNIC/NICOP/ARC/POC	/Passport) MR.	/ MRS. / MS.		UKN	No.		
2. CNIC SNIC NICOP								
ARC POC Passport No:								
[Please tick (✓) appropriate box]	_							
JOINT APPLICANT NO. 3								
1. Full name of Applicant (As per CNIC/SNIC/NICOP/ARC/POC/Passport) MR. / MRS. / MS. UKN No.								
2. CNIC SNIC NICOP								
ARC POC Passport No:	$\sqcap$ $\mid$ $\mid$ $\mid$ $\mid$							
[Please tick ( \( \sigma \) appropriate box]								
C. OTHER ACCOUNT LEVEL INFORMATION								
	account information of the Ma	in Applicant as p	rovided in the K	YC Application	Form shall be used.			
	dent Status of the Main Applica	ant as provided in	n the KYC Applic					
3. Basis of Remittance [Please tid	ck (✔) the appropriate boxes]	F	Repatriable		Non-Repatriab	le		
Non-resident Pakistani								
		1						
Foreigner/ Pakistani Origin								
		<u> </u>		Please tick (□	) the appropriate box			
4. Zakat Status:	-!'!/-\ <b>-</b>	16.15. 16.5.00 malassa	Musli	m Zakat deduc	, , ,			
[If, according to the Fiqh of the App Declaration on prescribed format sh			,,,,	TII Zakai ueuud	LIDIE			
concerned Participant].	ian be submitted by an tile Ap	pricarit(s) with ti	Musli	m Zakat non-d	eductible			
Non-Muslims shall submit an affidav	rit.		Not A	Applicable				
	(a) Name of Name and			тррпсаые				
5. Particulars of nominee	(a) Name of Nominee:	1						
(Optional but if desired,			Spouse	Fa	ather Moth	ner		
nomination should only be made	1   Brother     Sister     1   Son							
in case of sole individual and not joint account)	[Please tick (✓) appropriate box]							
joint accounty			Daughter					
[Nomination may be made in terms	(c) CNIC SNIC NICC	DP I						
of requirements of Section 79 of the	ARC POC No:	_						
Companies Act, 2017, which inter		h1						
alia requires that person nominated as aforesaid shall not be a person	[Please tick (🗸) appropriate	_						
other than the following relatives of	(d) Expiry date of CNIC /SNI	IC/ NICOP / ARC						
the Sub-Account Holder, namely: a	(e) Passport details:		Passport Num					
spouse, father, mother, brother,	(In case of a foreigner or	a Pakistani	Place of Issue: Date of Issue:					
sister and son or daughter.]	origin)		Date of Expiry:					
D. CDC access: CDC provides FR	<b>EE OF COST</b> services under	CDC access wh			an have real time acc	cess to their		
account related information.			,					
Do you wish to subscribe to f		?			Yes	No		
[Please tick (  ) the appropriate		uida fallauda a	detelle et verm	Camtast Banas				
2. If you are subscribing to IVR at (a) Date of Birth	D D /	M M	details of your	V Perso	on: Y Y			
(b) Mother's Maiden Name:		101 101		'   '				
E. AUTHORIZATION UNDER SEC	TIONS 12 AND 24 OF THE	CDC ACT EXC	LUSIVELY FOR	RSETTLEMEN	IT OF UNDERLYING	G TRADES,		
PLEDGE AND RECOVERY OF PAY								
I/we the undersigned, hereby give my								
to handle Book-entry Securities beneficially owned by me/us and entered in my/our Sub-Account maintained with the Participant for securities								
transactions that are exclusively meant for the following purposes:  a. For the settlement of any underlying market transactions (trades) including off market transactions made by me/us from time to time;								
<ul><li>b. For pledge securities transactions with the Clearing House relating to any of my/our underlying market transactions (trades) to be settled</li></ul>								
through the Clearing House fror			•					
c. For the recovery of payment ag								
<ul> <li>d. Movement by me/us from time the Participant to my/our Sub-A</li> </ul>								
Main Account which is under the				articipant of to	my/our oub Accour	it dilder ally		
e. Securities transactions which ha	ave been made by way of a gift			Family Member	rs or other persons in	accordance		
with the CDC Regulations from	time to time;	-						
f. For the recovery of any charges						nd/or		
g. Delivery Transaction made by n Specific authority on each occasion s						hy me/us for		
			anding of books	only occurred	5 Solioliolidily Ownied	o, 1110/03 101		
all other purposes as permitted under the applicable laws and regulations.								



**Note:** Please note that above shall serve as a standing authorization to the Participant for handling of Book-entry Securities owned by the undersigned Sub-Account Holder(s) and entered in his/her/their Sub-Account maintained with the Participant. Handling of Book-entry Securities for all other purposes should however require specific authority in writing from the undersigned Sub-Account Holder(s) in favour of the Participant. For handling of Book-entry Securities worth Rs. 500,000/- and above, the above mentioned specific authority shall be obtained on non-judicial stamp paper.

F. OPERATING INSTRUCTIONS												
1. Signatory(ies) to give instruction to the		Names	s of Signa	tory(i	es)			Sp	ecim	en Sig	nature	s
Participant/TREC Holder pertaining to the	(a)											
operations of the Sub-Account / Trading												
Account. (Please specify Sub-Account and Trading Account	(b)	(b)										
operating instructions in the relevant column along	(c)											
with names and specimen signatures of authorised signatories)	(d)											
Operating Instructions in Writing: [Please ( ) appropriate box]		Singly (Either or Survivor)					Attorn	Эу				
(If client intends to specify different instruction for		Jointly [any]										
operation of Trading Account and Sub-Account,		(Please men	tion the re	— levant	numbe	ers						
please specify the Operating Instructions for Sub- Account in column 3 below)		of the signatories)										
3. Sub-Account Operating Instructions:		Singly						Attorney				
[Please (✓) appropriate box] (Applicable only in case client intends to specify		Jointly [any]										
different operating instruction for Trading and Sub-		(Please men	tion the re	 levant	numbe	ers						
Account)		of the signate	ories)									
G. SIGNATURES												
Name of Applicant:	Date: Signature:											
Name of Joint Applicant No 1:			Date:			Sign	ature:					
* *			Place: Date:									
Name of Joint Applicant No 2:			Place: Date:			Sign	ature:					
Name of Joint Applicant No 3:		Place: Signature:						199				
I/we hereby agree to admit the Applicant(s) as the Sub-Account Holder(s) in terms of the enclosed Terms and Conditions as amended from time to time and shall abide by the same in respect of opening, maintenance and operation of such Sub-Account.												
Name of Participant/TREC Holder:  Date:												
Participant's/TREC Holder's Seal & Signature:						•						
Witnesses:												
1. Name:							_					
Signature: CNIC No:			-								-	
2. Name:								1		1	1	
Signature: CNIC No:			-								-	
Enclosures*: 1. Copy of valid CNIC/SNIC/NICOP/ARC/POC/Passport of the A	nnlicants /	loint Applicants	s / nominee	's) and	Attorney	ı (as t	he case	may he)				
Copy of Power of Attorney (if applicable), duly attested by not.	ary public (	suggested form	at as annex	ure).	/ (ttorrie)	, (ας τ	ne case	may bo,				
3. Copy of Zakat Declaration of the Applicant and the Joint Appli	cant (if app				n affidav	it sha	ll be sub	mitted.				
4. Terms and Conditions of relevant service provider, as applical		r (if applicable)										
<ol> <li>Juvenile Card / Form-B/ Child Registration Certificate (CRC) of *Note: Non-resident/ foreigners shall submit the documents duly</li> </ol>			oublic or Co	nsul G	eneral o	f Paki	stan hav	ina iurisi	diction	over th	- Applic	ant(s)
However, in case of non-resident/ foreigner belonging to the co												
Legalization for Foreign Public Documents (Apostille Convention	n), the non	-resident/ foreigi	ner may opt	to sub	mit the r	equisi	te docui	ments wit	h the A	Apostille	issued	by the
Competent Authority under the Apostille Convention.  H. FOR THE USE OF SECURITIES BROKER ONLY W	LIEDE C	ETTI EMENIT	AND CHE	TODY	CEDV	ICEC	ADE	BOVD	ED D	V DCN	/ T 0 C	
Particulars of Customer Relationship Form verified by :	HERE 3	ETTLEMENT	AND COS	ועטו	SERV	ICES	ARE	KOVD	ЕИ В	I PUIV	/ Ιαυ	
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I/We hereby confirm and acknowledge the receipt of duly filled and signed Customer Relationship Form from the following Applicant:



[Insert Name of Applicant(s)]	Participant's (who is PCM/ T&C for all categories of Securities Brokers) Seal & Signature:
ch1.	
2.	
3.	
4.	

#### **TERMS AND CONDITIONS**

Please read and understand the Terms and Conditions, attached herewith as Annexure A, before signing and executing this form.

### **DECLARATION & UNDERTAKING**

I/We, the undersigned Applicant(s), hereby declare/undertake that:

- a) I/We am/are not minor(s);
- b) I/We am/are of sound mind;
- c) I/We have not applied to be adjudicated as an insolvent and that I/We have not suspended payment to any financial institution and that I/We have not compounded with my/our creditors;
- d) I/We am/are not an undischarged insolvent;
- e) I/We confirm and acknowledge that I/We have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account), as an annexure to this Form at the time of signing of this Form and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and I/We hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other Terms and Conditions provided to me/us and placed on the website of the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker for the purpose of Trading Account and Participant for the purpose of Sub-Account, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the attached Terms and Conditions in connection with the opening, maintenance and operation of the Sub-Account / Trading Account, as the case may be;
- f) I/ We hereby confirm that the Terms and Conditions shall constitute a Contract between the Parties hereto and govern opening, maintenance and operations of Trading Account, Sub-Account which shall be binding on the Sub-Account Holder as well as the <u>Shariah Compliant</u> Securities Broker (for the purpose of Trading Account) & Participant (for the purpose of Sub-Account) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith:
- g) I/ We further agree that agreement executed between the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker and PCM/T&C (as the case may be) for providing the settlement and custody services will be the integral part of this contract and will be binding on me/us.
- h) The information furnished in this form is complete, valid, true and correct to the best of my/our knowledge and I/We shall inform the Shariah Compliant Securities Broker (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account) immediately in writing of any change therein;
- i) In case any of the above information is found to be false or misleading or suspension of any material fact, will render my/our Sub-Account/Trading Account or both accounts, as the case may be, liable for termination and I/We shall be subject to further action under the law;
- j) I/We, being the Applicant(s), hereby authorize that all the information furnished by me/us in the form shall be shared with Centralized Gateway Portal pursuant to requirements prescribed by the Securities & Exchange Commission of Pakistan;
- k) All the documents filed/submitted by me/us for the purpose of this application are genuine and valid, bearing genuine signatures and stamps of duly authorized individuals/representatives and are in accordance with the applicable law;
- I/ We agree that I/we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by <u>Shariah Compliant</u> Securities Broker (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account) and placement of trading order shall mean that I/we have affirmed/consented with the Terms and Conditions; and
- m) I/We hereby now apply for opening, maintaining and operating Sub-Account and Trading Account, as the case may be, with the **Shariah Compliant** Securities Broker (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account).

I/ We, the undersigned as Shariah Compliant Securities Broker and Participant, hereby declare/undertake/confirm that:

- n) We have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and we hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. We further confirm that Trading Account and Sub-Account of customer and Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer and Sub-Account Holder; and
- o) We have no doubt or concern that the Terms and Conditions shared with Customer and Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

### DISCLAIMER FOR CDC ACCESS SERVICES

The main objective of providing information, reports and account maintenance services through the Interactive Voice Response System, Internet /Web access and Short Messaging Service ("SMS") or any other value added service is to facilitate the /Sub-Account Holders ("Users") with a more modern way to access their information. CDC makes no other warranty of the IVR, Internet /Web access, SMS or any other value added services and Users hereby unconditionally agree that they shall make use of the internet/web access subject to all hazards and circumstances as exist with the use of the internet. CDC shall not be liable to any Users for providing and making available such services and for failure or delay in the provision of SMS to Users and all Users, who use the IVR, internet access, SMS or any other value added services, shall be deemed to have indemnified CDC, its directors, officers and employees for the time being in office and held them harmless from and against any losses, damages, costs and expenses incurred or suffered by them as a consequence of use of the IVR system, internet/web access. SMS or any other value added services.

All Users hereby warrant and agree that their access of the internet /web by the use of a User-ID and login is an advanced electronic signature and upon issuance of such User-ID to the user, they hereby waive any right to raise any objection to the compliance of the User-ID and login with the criteria of an advance electronic signature.

All Users shall by signing this Form and by their conduct of accessing the IVR, internet/Web access, SMS or any other value added services agree to all the terms and conditions and terms of use as shall appear on the CDC website at <a href="https://www.cdcaccess.com.pk">www.cdcaccess.com.pk</a> which shall be deemed to have been read and agreed to by the Users before signing this form.

Signatures:				
Main Applicant	Joint Applicant 1	Joint Applicant 2	Joint Applicant 3	Shariah Compliant Securities Broker (for Trading Account) Participant (for Sub-Account)
		Annexure-A	<u> </u>	
		TERMS AND CON	DITIONS	



### Please read and understand the Terms and Conditions before signing and executing this form.

These Terms and Conditions shall constitute a Contract between the Parties hereto. This Contract shall govern opening, maintenance and operations of Trading Account, CDC Sub-Account(s) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected

#### **GENERAL TERMS AND CONDITIONS**

- All Trades, Transactions, including non-Exchange Transactions, Derivative Contracts and deals (jointly referred to as "Transactions") between the Parties and Clearing and Settlement thereof and opening, maintenance and operations of Sub-Account in the CDS shall be subject to the Securities Act, 2015, Central Depositories Act, 1997, Pakistan Stock Exchange Limited (PSX) Regulations, Central Depository Company of Pakistan Limited (CDC) Regulations, CKO Regulations, 2017, National Clearing Company of Pakistan Limited (NCCPL) Regulations, the Securities Brokers (Licensing and Operations) Regulations, 2016 and Professional Clearing Members Regulations, 2020 including Procedures, Manuals, Polices, Guidelines, Circulars, Directives, and Notifications issued and as amended thereunder by the Securities and Exchange Commission of Pakistan (SECP), PSX, CDC or NCCPL from time to time.
- The information provided in KYC application form and/or CRF shall be in addition to and not in derogation of the requirements prescribed under Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2020.
- The Shariah Compliant Securities Broker and Participant shall ensure provision of copies of all the relevant laws, rules and regulations at its office for access to the Sub-Account Holder(s) and Customer(s) during working hours. The Shariah Compliant Securities Broker and Participant shall ensure that its website contains hyperlinks to the websites/pages on the website of PSX, CDC, NCCPL and the SECP displaying above said regulatory framework for reference of the Customers/ Sub-Account Holder.
- In case of a Joint Account, all obligations and liabilities of the Applicants under these Terms and Conditions shall be joint and several.

  These Terms and Conditions shall be binding on the nominee, legal representative, successors in interest and/or permitted assigns of the respective Parties hereto.
- The Shariah Compliant Securities Broker and Participant shall provide a list of its Registered Offices and Representatives authorized and employees designated to deal with the Sub-Account Holder(s)/Customer(s) along with their authorized mobile/landline/fax number(s), email and registered addresses. Any change(s) therein shall be intimated in writing to the Sub-Account Holder(s)/Customer(s) with immediate effect.
- Subject to applicable laws, the Shariah Compliant Securities Broker and Participant shall maintain strict confidentiality of the Customer related information and shall not disclose the same to any third party. However, in case the SECP, PSX, CDC or more competent authority under the law, as the case may be, requires any such information, the Shariah Compliant Securities Broker and Participant shall be obliged to disclose the same for which the Customer shall not raise any objection whatsoever.
- The Shariah Compliant Securities Broker and Participant shall independently verify any of the Customer's related information provided in this Form and under the relevant laws, rules and regulations for the purpose of KYC.
- In case of any change in the Customer's related information provided in this Form, the Customer shall provide necessary details to the Participant and Shariah Compliant Securities Broker. Upon receipt of instruction from the Customer, the Participant and Shariah Compliant Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant and Shariah Compliant Securities Broker shall have the right to incorporate any change(s) in the Sub-Account Holder(s)/Customer's information in the CDS as sent by NCCPL as CKO and that such change(s) shall be deemed to have been authorized by the Sub-Account Holder(s)/Customer(s). In case of any change in the Participant's and Shariah Compliant Securities Broker's address or contact numbers or any other related information, the Shariah Compliant Securities Broker and Participant shall immediately notify the Sub-Account Holder(s)/Customer(s).
- 10. Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated and modified the rights and duties of the Parties hereto. Such change(s) shall be immediately communicated by the Shariah
- Compliant Securities Broker and Participant to the Sub-Account Holder(s) and Customer(s).

  11. The Shariah Compliant Securities Broker and Participant and the Customer shall be entitled to terminate this Contract without giving any reasons to each other after giving notice in writing of not less than one month to the other Party. Notwithstanding any such termination, all rights, liabilities and obligations of the Parties arising out of or in respect of Transactions entered into prior to the termination of this Contract shall continue to subsist and vest in /be binding on the respective Parties or his /her/ its respective heirs, executors, administrators, legal representatives or successors in interest and permissible assigns, as the case may be. Closure of Sub-Account of the Customer under this clause shall be subject to the condition that neither any corporate action is pending at that point of time in connection with any Book-entry Securities in the Sub-Account nor any Book-Entry Securities are in Pledged Position and that the outstanding dues, if any, payable by any
- Party to the other Party is cleared and that the Customer has transferred or withdrawn all the Book-Entry Securities from his/her Sub-Account.

  12. Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant". Securities Broker/TRE Certificate Holder" respectively.
- 13. The Shariah Compliant Securities Broker and Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through it and not do anything which is likely to harm the interest of the Sub-Account Holder with/from whom it may have had transactions in securities.
- 14. The Participant and Shariah Compliant Securities Broker shall ensure that duly filled in and signed copy of this form along with the acknowledgement receipt is provided to the Sub-Account Holder.

### TERMS AND CONDITIONS FOR OPENING AND OPERATIONS OF CDC SUB-ACCOUNT

The Terms and Conditions set herein below shall govern the Sub-Account forming part of the Account Family of the CDS Participant Account of the Participant, which shall be binding on the Sub-Account Holder as well as the Participant:

- The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account shall appear in the Sub-Account to be established by the Participant in the CDS who shall ensure the correctness and completeness of the same.
- The Book-entry Securities owned by the Sub-Account Holder shall be exclusively entered in the Sub-Account of such Sub-Account Holder.
- Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (E) above pursuant to Section 12 and 24 of the Central Depositories Act, 1997. Such authorization shall constitute the congregated / entire authorizations by the Sub-Account Holder(s) in favour of the Participant and supersedes and cancels all prior authorizations (oral, written or electronic) including any different, conflicting or additional terms which appear on any agreement or form the Sub-Account Holder(s) has executed in favour of the Participant.
- Participant shall be liable to give due and timely effect to the instructions of the Sub-Account Holder given in terms of the above-referred authorization with respect to transfer, pledge and withdrawal of Book-entry Securities entered in his/her Sub-Account under the control of the Participant. Such instructions, among other matters, may include closing of Sub-Account.
- Participant shall send within 10 days of end of each quarter Account Balance statement to the Sub-Account Holder without any fee or charge showing the number of every Book-entry Security entered in his/her Sub-Account as of the end of the preceding quarter. Such Account Balance statement shall be generated from the CDS. Further, the Sub-Account Holder may request for such statement (including Account Activity reports) from the Participant at any time on payment of a fee on cost basis as prescribed by the Participant. The Participant shall be liable to provide such report/statement to the Sub-Account Holder within 3 Business Days from the date of receipt of such request, with or without
- In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to the Participant as applicable for availing such facilities and services under the Central Depositories Act, 1997, the Regulations and these Terms & Conditions. In case of outstanding payment against any underlying market purchase transaction, charges and/or losses against the Sub-Account Holder, the Participant shall have the right, subject to Clause 3 above and under prior intimation to the Sub-Account Holder to clear the payment, charges and/or losses (including any shortfall in margin requirements) within the reasonable time prescribed by the Participant, to dispose-off the necessary number of Book-entry Securities of the Sub-Account Holder through market-based or Negotiated



- Deal Market sell transaction or in accordance with the Procedures and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses.
- Where admission of Participant to the CDS is suspended or terminated by the CDC, the Sub-Account Holder shall have the right, subject to the Regulations and the Procedures made thereunder, to request CDC to change his/Iner Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to its right of recovery of any dues or receivable from the Sub-Account Holder.
- The provision of services as provided for hereunder shall not constitute Participant as trustee and the Participant shall have no trust or other obligation in respect of the Book-entry Securities except as agreed by the Participant separately in writing.
- The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).

#### TERMS AND CONDITIONS FOR TRADING ACCOUNT

- 1. In case any dispute in connection with the Transaction between the Shariah Compliant Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to Shariah Compliant Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed against him/her and the Customer shall have no objection to the same.
- The assets deposited as margin by a Customer with the Trading and Clearing Securities Broker or PCM, as the case may be, shall only be used by the Trading and Clearing Securities Broker or PCM for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.
- The Shariah Compliant Securities Broker may deposit unutilized funds of the Customers in a separate profit-bearing bank account in an Islamic bank or an Islamic branch of any conventional bank and shall distribute profit to the Customers out of total profit offered by bank(s) on such funds, unless specified otherwise in writing by the Customer.

  The Shariah Compliant Securities Broker shall be authorized to act on the instructions of the Customers given through any of the following
- modes of communication unless specifically designated by the Customer in the Form:
  - Telephonic communication over a dedicated telephone line(s) routed through centralized call recording system;
  - Email/SMS/Fax/Letter on the authorized email address/mobile/fax/address of the Shariah Compliant Securities Brokers;
  - Verbal orders placed through personal appearance in the registered office subject to receipt of written acknowledgement of such inperson orders by **Shariah Compliant** Securities Brokers.
- The Shariah Compliant Securities Brokers shall make out the Contract Note (physical or electronic form) to the Customers in respect of trades executed on their behalf based on their order instructions not later than the start of next Trading Day as required under the Securities Brokers (Licensing and Operations) Regulations, 2016 through any of the following acceptable modes of communication unless specifically designated by the Customer in the Form:
  - Recognized courier service;
  - Registered Post at given correspondence address;
  - Facsimile number provided on the Form;
  - By hand subject to receipt/acknowledgement; or (d)
  - Email provided on the Form in case of Electronic Contract Note.

All such transactions recorded by the Shariah Compliant Securities Broker in the prescribed manner shall be conclusive and binding upon the Customer unless the Customer raises observation relating to unauthorized execution of such transaction or any error in the Contract Note within one Trading Day of the receipt of such Contract Note.

In the event of any dispute relating to order placement or executing of orders, the burden of proof shall be on the Shariah Compliant Securities Brokers to establish the authenticity of such order placement or execution thereof.

- The customer may avail Shariah compliant financing like Murahaba Share Financing (MSF) or any other Shariah compliant financing
- against Ready Market purchases. Leverage based buying and interest based margin financing shall not be available.

  In case the Customer fails to deposit additional margins within one Trading Day of the margin call (in writing), the Trading and Clearing Securities Broker or PCM, as the case may be, shall have absolute discretion to liquidate the Customer's outstanding positions including the securities purchased and carried in such account to meet the margin shortfall without further notice to the Customer.

  The Trading and Clearing Securities Broker or PCM, as the case may be, shall be responsible for the payment of any credit cash balance
- available in the account of the Customer through cross cheques or other banking channels (instruments) only within one (1) Trading Day of the request of the Customer subject to the maintenance of the margin requirements.
- The Customer is aware that in the event of his/her non- payment on settlement day against securities bought on his/her account, the Trading and Clearing Securities Broker or PCM, as the case may be, may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
- 10. The Trading and Clearing Securities Broker or PCM, as the case may be, shall accept from the Customer payments only in the name of PCM or Trading and Clearing Securities Broker, as the case may be, through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other banking channels drawn on Customer's own bank account. Electronic transfer of funds to the Trading and Clearing Securities Broker or PCM, as the case may be, through banks would be regarded as good as cheque. The Trading and Clearing Securities Broker or PCM, as the case may be, shall provide the receipt to the Customer(s) in the name of the Customers duly signed by its authorized employee and the Customer(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Customer(s), specifically mentioning if payment is for margin or the purchase of securities. The Trading and Clearing Securities Broker or PCM, as the case may be, shall immediately deposit in its bank account, in an Islamic bank or an Islamic branch of any conventional bank, all cash received in whole i.e. no payments shall be made from the cash received from clients. However, in exceptional circumstances, where it becomes necessary for Trading and Clearing Securities Broker or PCM, as the case may be, to accept cash in excess of Rs.25, 000/-, the Trading and Clearing Securities Broker or PCM, as the case may be, shall immediately report within one Trading Day such instances with rationale thereof to the PSX in accordance with the mechanism prescribed by PSX.
- 11. The Trading and Clearing Securities Brokers or PCM, as the case may be, shall make all payments to the Customers through crossed cheques / bank drafts / pay orders or any other banking channels showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period prescribed under the Securities Brokers (Licensing and Operations) Regulations, 2016 or under any other applicable law.
- 12. The Shariah Compliant Securities Broker shall provide to the Customers a quarterly Account Statement which shall include cash and securities ledgers as back office and CDC Sub-Account records along with reconciliation of any differences therein through any of the aforesaid modes of communication. In case of any discrepancy in the ledger statement, the Customer shall inform the Shariah Compliant Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the Shariah Compliant Securities
- Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.

  13. The Customer shall pay all applicable taxes and statutory and regulatory fee and levies and brokerage commissions as are prevailing from time to time in connection with the brokerage services rendered. The <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant can debit up to the accrued amount of levies and charges the account of the Customers for the abovementioned charges, which shall be clearly detailed in the ledger statement/daily confirmations. Any change resulting in an increase in the brokerage commission shall take effect not earlier than thirty (30) days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
- 14. The Shariah Compliant Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.



### CRF FOR CUSTOMERS OF SHARIAH COMPLIANT SECURITIES BROKERS ["TRADING ONLY SECURITIES BROKER" AND "ONLINE ONLY SECURITIES BROKER" WHICH SHALL MAINTAIN CUSTODY OF SECURITIES WITH PCM OR TRADING AND CLEARING SECURITIES BROKERI

### **CUSTOMER RELATIONSHIP FORM** FOR COMPANY AND OTHER BODY CORPORATE

Place Logo Here!	Place Logo Here!
Name of Shariah	Name of PCM or T&C

Broker [Registered Address]

For official use of the	Participant
(who is PCM/ T&C for a	Il categories
of Securities Bro	kers)
Application Form No.	
TRE Certificate No.	
Securities Broker	
Registration No.	
CDS Participant ID	
Sub-Account No.	
Trading Account No.	
(Back-office ID)	
(if applicable)	

### **CUSTOMER RELATIONSHIP FORM** FOR COMPANY AND OTHER BODY **CORPORATE**

(Please use BLOCK LETTERS to fill the form)

[Registered Address]

I/We hereby apply for opening of my/our Trading Account with the Shariah Compliant Securities Broker and Sub-Account with the Participant who is PCM/T&C (providing settlement and custody services to all categories of Securities Brokers):

A. REGISTRATION (AND OTHER) DETAILS OF APPLICANT (The information should be same as provided in the KYC Application Form)							
1. Full name of Applicant (As per constitutive documents	s)	•	UKN No.	,			
2. Registration Number / Unique Identification Number (	'ŪIN"):						
Email address of the Company/Body Corporate (Applicant) shall be provided in the KYC Application Form for eAlert/ eStatement from CDC as a							
mandatory requirement. This information will also be used where any other service is subscribed under the CDC access. Details of Contact Person							
as provided in the KYC Application Form shall be used for C	DS.						
B. OTHER ACCOUNT LEVEL INFORMATION							
1. Bank Details: The bank account information as provided	in the KYC Application	Form shall be used.					
2. Residential Status / Basis of Remittance	Resident	Non-Resident	Repatriable	Non-Repatriable			
[Please tick (✓) the appropriate box]	Nesident	Non-Nesideni	Ператаріе	поп-перашаме			
Pakistani							
Foreign Company / Body Corporate							
C. CDC ACCESS							
CDC provides FREE OF COST services under CDC acces	ss whereby Sub-Accou	int holders can have i	eal time access to t	heir account related			
information.							
1. Do you wish to subscribe to free of cost IVR/Web Se	ervice?		es	No			
[Please tick (□) the appropriate box]				NO			
2. If you are subscribing to IVR and Web Service, please provide following details of your Contact Person:							
(a) Date of Birth D D /	' M M	/ Y Y	YY				
(b) Mother's Maiden Name:							
D. AUTHORIZATION UNDER SECTIONS 12 AND 24 OF THE CDC ACT EXCLUSIVELY FOR SETTLEMENT OF UNDERLYING TRADES,							

## PLEDGE AND RECOVERY OF PAYMENTS, CHARGES AND LOSSES (FOR SUB-ACCOUNT ONLY)

I/we the undersigned, hereby give our express authority to the Participant under Section 12 and Section 24 of the Central Depositories Act, 1997 to handle Book-entry Securities beneficially owned by me/us and entered in our Sub-Account maintained with the Participant for securities transactions that are exclusively meant for the following purposes:

- For the settlement of any underlying market transactions (trades) including off market transactions made by me/us from time to time;
- For pledge securities transactions with the Clearing House relating to any of our underlying market transactions (trades) to be settled through the Clearing House from time to time;
- For the recovery of payment against any underlying market purchase transactions made by us from time to time;
- Movement by us from time to time of our Book-entry Securities from our Sub-Account under the Main Account under the control of the Participant to our Sub-Account under another Main Account under the control of the Participant or to our Sub-Account under any Main Account which is under the control of another Participant or to our Investor Account;
- For the recovery of any charges or losses against any or all of the above transactions carried out by us or services availed; and/or
- Delivery Transaction made by us for any other purposes as prescribed by the Commission from time to time.

Specific authority on each occasion shall be given by us to the Participant for handling of Book-entry Securities beneficially owned by us for all other purposes as permitted under the applicable laws and regulations.



**Note:** Please note that above shall serve as a standing authorization to the Participant for handling of Book-entry Securities owned by the undersigned Sub-Account Holder(s) and entered in their Sub-Account maintained with the Participant. Handling of Book-entry Securities for all other purposes should however require specific authority in writing from the undersigned Sub-Account Holder(s) in favour of the Participant. For handling of Book-entry Securities worth Rs. 500,000/- and above, the above mentioned specific authority shall be obtained on non-judicial stamp paper.

E. OPERATING INSTRUCTIONS																
1. Signatory(ies) to give instruction to the		N	ames	of Sig	natory	(ies)						Speci	men	Sic	ınatu	res
Participant/TREC Holder pertaining to the	(a)					. ,										
operations of the Sub-Account/ Trading	(α)															
Account.	(b)															
(Please specify Sub- Account and Trading Account operating instructions in the relevant column along	(c)															
with names and specimen signatures of authorised	(0)															
signatories)	(d)															
2. Operating Instructions in Writing:		Singly								Attorney						
[Please (✓) appropriate box] [If client intends to specify different instruction for																
operation of Trading Account and Sub-Account,		Jointly [a		on the	rolovo.	ot num	nha	ro								
please specify the Operating Instructions for Sub-		of the sig			leleval	it riuri	IIDE	15								
Account in column 3 below )]	<u> </u>	or the sig	griator	103)												
3. Trading Account Operating Instructions: [Please (✓) appropriate box]		Singly									Atto	rney				
[Applicable only in case client intends to specify		Jointly [a	ny]_													
different operating instruction for Trading and Sub-		(Please			relevar	nt nun	nbe	rs								
Account]		of the si	gnator	ies)												
F. AUTHORIZED SIGNATORIES OF THE APPLICANT					Da	te & I	Plac	ce:								
	-															
We hereby agree to admit the Applicant as the Sub-Acco								nd C	ondi	tior	s as	amend	led f	rom	time	to time
and shall abide by the same in respect of opening, maint	enance	and opera			Sub-A	ccour	nt.									
Name of Participant/TREC Holder:  Participant's/TREC Holder's Seal & Signature:			Da	te:												
Witnesses:																
1. Name:																
Signature: CNIC No:				-											-	
2. Name:																
Signature: CNIC No:				-												
Enclosures*:  1. Certified copy of Board Resolution/Power of Attorney (specin	nen nrovi	ded as ner	Annev	uro-Λ h	elow)											
Copies of valid Computerized National Identity Cards/NICOP																
3. Certified copies of Constitutive Documents of the Applicant (																ficate of
Incorporation, Certificate of commencement of business, Pro 4. Certified copy of NTN Certificate (If exempted, please provide																
Certified copy of IVIV definition (if exempted, piedde provided)     Certified copy of list of Directors/Trustees (if applicable).	Juppon	ang accame	TILO, LC	ici oi o	nacrtan	iiig, w	norc	, 1110	аррп	oan	t opto	1101 10 0	Dian		٠,٠	
6. Terms and Conditions of relevant service provider, as applications of the conditions of the conditi						_										
Note: Non-resident/ foreigners shall submit the documents dul However, in case of non-resident/ foreigner belonging to the c																
Legalization for Foreign Public Documents (Apostille Conventi																
the Competent Authority under the Apostille Convention.				ND 01	IOTOD			105			22.01	/DIED	DV.		-/ <b>-</b> 0	
G. FOR THE USE OF SECURITIES BROKER ONLY W  Particulars of Customer Relationship Form verified by:	HERE S	SETTLEME	ENT A	ND CU	JSTOL	Y SE	:RV	ICE	S AF	KE	PRO	/DIED	BY	PCI	/I/ T&	C
	l	Ciana	4	۸ 4 ام	.:			/C+			Data					
	ea	Signa	iture. (	Author	rized si	gnaic	)( y اد	Star	пр		Date:					
Trading Account no. issued: Trading Account opened by:																
Saved by:		Poste	d by:													
Signature: Date:		Signa							Da	ite:						
Remarks: (if any)																
H. FOR THE USE OF PARTICIPANT ONLY WHERE SU	JB-ACC	OUNT IS	OPEN	IDED \	NITH F	CM/	T&C	;								
Particulars of Customer Relationship Form verified by :																
Application: Approved Reject	ed	Signa	ture: (	Autho	rized si	gnato	ory)/	/Star	np		Date:					
Sub-Account no. issued:																
Sub-Account opened by:																
Saved by:		Poste							_							
Signature: Date: Signature: Date:																
Remarks: (if any)																
ACKNOWLEDGEMENT RECEIPT																
Application No:	CKNO	WLEDGE		of rec												
I/We hereby confirm and acknowledge the receipt of duly	/ filled s	nd signed			_	shin F	-orr	n fro	m th	e f	ollowi	na Anr	olica	nt·		
	inou a	na oignou													ecurif	ies
[Insert Name of Applicant(s)] Participant's (who is PCM/ T&C for all categories of Securities Brokers) Seal & Signature:																



1.	
2.	
3.	
4.	

### **TERMS AND CONDITIONS**

Please read and understand the terms and conditions, attached herewith as Annexure B, before signing and executing this form.

### **DECLARATION & UNDERTAKING**

We, the undersigned Applicants, hereby declare that:

- We are not in receivership, court-appointed managership or under winding-up or under any analogous form of administration;
- b) We are not applied to be adjudicated as an insolvent and that we have not suspended payment and that we have not compounded with our
- We are not an undischarged insolvent;
- None of our chief executive, directors or other officers have, at any time within 5 years before making this application, been convicted of an offence involving moral turpitude or a non-cognisable offence against any law in connection with our business, professional or commercial
- We confirm and acknowledge that we have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of Shariah Compliant Securities Broker, (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account), as an e) annexure to this Form at the time of signing of this Form and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and we hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other Terms and Conditions provided to us and placed on the website of the Shariah Compliant Securities Broker for the purpose of Trading Account and Participant for the purpose of Sub-Account, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the attached Terms and Conditions in connection with the opening, maintenance and operation of the Sub-Account /Trading Account, as the case may be;
- We hereby confirm that the Terms and Conditions shall constitute a Contract between the Parties hereto and govern opening, maintenance f) and operations of Trading Account, Sub-Account which shall be binding on the Sub-Account Holder as well as the Shariah Compliant Securities Broker (for the purpose of Trading Account) & Participant (for the purpose of Sub-Account) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith;
- We further agree that agreement executed between the Shariah Compliant Securities Broker and PCM/T&C (as the case may be) for
- providing the settlement and custody services will be the integral part of this contract and will be binding on us.

  We, being the Applicant, hereby further confirm that all the information contained in this form is true and correct to the best of our knowledge h) as on the date of making this application;
  We further agree that any false/misleading information by us or suspension of any material fact will render our Sub-Account/ Trading Account
- i) or both accounts, as the case may be, liable for termination and further action under the law;
- We specifically declare and undertake that all the documents filed/submitted by us for the purpose of this application are genuine and valid, j) bearing genuine signatures and stamps of duly authorized individuals/representatives (or, where applicable, officers of the foreign company concerned) and are in accordance with the applicable law;
- We agree that we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by Shariah Compliant Securities Broker (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account) and placement of trading order shall mean that we have affirmed/consented with the Terms and Conditions; and
- We hereby now apply for opening, maintaining and operating Sub-Account and Trading Account, as the case may be, with the Shariah Compliant Securities Broker (for the purpose of Trading Account) and Participant (for the purpose of Sub-Account). I)

We, the undersigned as Shariah Compliant Securities Broker/Participant, hereby declare/ undertake/confirm that:

- We have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and we hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. We further confirm that Trading Account and Sub-Account of customer and Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer and Sub-Account
- We have no doubt or concern that the Terms and Conditions shared with Customer/Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

### DISCLAIMER FOR CDC ACCESS SERVICES

The main objective of providing information, reports and account maintenance services through the Interactive Voice Response System, Internet Web access and Short Messaging Service ("SMS") or any other value added service is to facilitate the Sub-Account Holders ("Users") with a more modern way to access their information. CDC makes no other warranty of the IVR, Internet /Web access, SMS or any other value added services and Users hereby unconditionally agree that they shall make use of the internet/web access subject to all hazards and circumstances as exist with the use of the internet. CDC shall not be liable to any Users for providing and making available such services and for failure or delay in the provision of SMS to Users and all Users, who use the IVR, internet access, SMS or any other value added services, shall be deemed to have indemnified CDC, its directors, officers and employees for the time being in office and held them harmless from and against any losses, damages, costs and expenses incurred or suffered by them as a consequence of use of the IVR system, internet/web access, SMS or any other value added services.

All Users hereby warrant and agree that their access of the internet /web by the use of a User-ID and login is an advanced electronic signature and upon issuance of such User-ID to the user, they hereby waive any right to raise any objection to the compliance of the User-ID and login with the criteria of an advance electronic signature.

All Users shall by signing this Form and by their conduct of accessing the IVR, internet/Web access, SMS or any other value added services agree to all the terms and conditions and terms of use as shall appear on the CDC website at <a href="https://www.cdcaccess.com.pk">www.cdcaccess.com.pk</a> which shall be deemed to have been read and agreed to by the Users before signing this form.

	Annexure-A
Authorized signatories of the Applicant Account)/ Participant (for Sub-Account)	Shariah Compliant Securities Broker (for Trading
Signatures:	



### **BOARD RESOLUTION**

			("broker") for opening an Account and for ein be executed on behalf of					
FURTHER RESOLVED that Mr. /Ms and Mr. /Ms be and are hereby authorized and empowered, either singly/jointly for and on behalf of (name of entity) to sign and execute and deliver this Customer Relationship Form and Terms and Conditions and other documents in connection therewith, and to do any other act, deed or thing for and on behalf of (name of entity) in respect of company's application for opening an Account.								
FURTHER RESOLVED that Mr./Ms and Mr./Ms be and are hereby authorized and empowered, either singly/jointly to represent to the Shariah Compliant Securities Broker and Participant on all matters pertaining to the maintenance and operation of the Account, to deal, liaise and correspond with broker and give instructions to fulfill all the responsibilities and obligations to Shariah Compliant Securities Broker under the Law, Rules and Regulations and the Terms and Conditions in relation to the Account from time to time, and to deal with other incidental and ancillary acts, things and deeds".								
Signatures of the Directors								
1	2	3						
4	5	-						
Date of Resolution:								

### Annexure-B

### TERMS AND CONDITIONS

Please read and understand the Terms and Conditions before signing and executing this form.

These Terms and Conditions shall constitute a Contract between the Parties hereto. This Contract shall govern opening, maintenance and operations of Trading Account, CDC Sub-Account(s) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith

#### **GENERAL TERMS AND CONDITIONS**

- 1. All Trades, Transactions, including non-Exchange Transactions, Derivative Contracts and deals (jointly referred to as "Transactions") between the Parties and Clearing and Settlement thereof and opening, maintenance and operations of Sub-Account in the CDS shall be subject to the Securities Act, 2015, Central Depositories Act, 1997, Pakistan Stock Exchange Limited (PSX) Regulations, Central Depository Company of Pakistan Limited (DCD) Regulations, CKO Regulations, 2017, National Clearing Company of Pakistan Limited (NCCPL) Regulations, Securities Brokers (Licensing and Operations) Regulation, 2016 and Professional Clearing Members Regulations, 2020 including Procedures, Manuals, Polices, Guidelines, Circulars, Directives, and Notifications issued and as amended thereunder by the Securities and Exchange Commission of Pakistan (SECP), PSX, CDC or NCCPL from time to time.
- The information provided in KYC application form and/or CRF shall be in addition to and not in derogation of the requirements prescribed under Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2020.
- 3. The <u>Shariah Compliant</u> Securities Broker and Participant shall ensure provision of copies of all the relevant laws, rules and regulations at its office for access to the Sub-Account Holder(s)/Customer(s) during working hours. The <u>Shariah Compliant</u> Securities Broker and Participant shall ensure that its website contains hyperlinks to the websites/pages on the website of PSX, CDC, NCCPL and the SECP displaying above said regulatory framework for reference of the Customers.
- 4. In case of a Joint Account, all obligations and liabilities of the Applicants under these Terms and Conditions shall be joint and several.
- 5. These Terms and Conditions shall be binding on the nominee, legal representative, successors in interest and/or permitted assigns of the respective Parties hereto.
- 6. The Shariah Compliant Securities Broker and Participant shall provide a list of its Registered Offices and Representatives authorized and employees designated to deal with the Sub-Account Holder(s)/Customer(s) along with their authorized mobile/landline/fax number(s), email and registered addresses. Any change(s) therein shall be intimated in writing to the Sub-Account Holder(s)/Customer(s) with immediate effect.
- 7. Subject to applicable laws, the <u>Shariah Compliant</u> Securities Broker and Participant shall maintain strict confidentiality of the Customer related information and shall not disclose the same to any third party. However, in case the SECP, PSX, CDC or any competent authority under the law, as the case may be, requires any such information, the <u>Shariah Compliant</u> Securities Broker and Participant shall be obliged to disclose the same for which the Customer shall not raise any objection whatsoever.
- 8. The <u>Shariah Compliant</u> Securities Broker and Participant shall independently verify any of the Customer's related information provided in this Form and under the relevant laws, rules and regulations for the purpose of KYC.
- 9. In case of any change in the Customer's related information provided in this Form, the Customer shall provide necessary details to the Participant and Shariah Compliant Securities Broker. Upon receipt of instruction from the Customer, the Participant and Shariah Compliant Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant and Shariah Compliant Securities Broker shall have the right to incorporate any change(s) in the Sub-Account Holder(s)/Customer's information in the CDS as sent by NCCPL as CKO and that such change(s) shall be deemed to have been authorized by the Sub-Account Holder(s)/Customer(s). In case of any change in the Participant's and Shariah Compliant Securities Broker's address or contact numbers or any other related information, the Shariah Compliant Securities Broker and Participant shall immediately notify the Sub-Account Holder(s)/Customer(s).
- 10. Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated and modified the rights and duties of the Parties hereto. Such change(s) shall be immediately communicated by the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker and Participant to the Sub-Account Holder(s)/Customer(s).
- 11. The <u>Shariah Compliant</u> Securities Broker and Participant and the Customer shall be entitled to terminate this Contract without giving any reasons to each other after giving notice in writing of not less than one month to the other Party. Notwithstanding any such termination, all rights, liabilities and obligations of the Parties arising out of or in respect of Transactions entered into prior to the termination of this Contract shall continue to subsist and vest in /be binding on the respective Parties or his/ her/its respective heirs, executors, administrators, legal representatives or successors in interest and permissible assigns, as the case may be. Closure of Sub-Account of the Customer under this clause shall be subject to the condition that neither any corporate action is pending at that point of time in connection with any Book-entry Securities in the Sub-Account nor any Book-Entry Securities are in Pledged Position and that the outstanding dues, if any, payable by any Party to the other Party is cleared and that the Customer has transferred or withdrawn all the Book-Entry Securities from its Sub-Account.
  12. Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant"
- Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant Securities Broker/TRE Certificate Holder" respectively.
   The Shariah Compliant Securities Broker and Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights
- 13. The <u>Shariah Compliant</u> Securities Broker and Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through it and not do anything which is likely to harm the interest of the Sub-Account Holder with/from whom it may have had transactions in securities.



14. The Participant and Shariah Compliant Securities Broker shall ensure that duly filled in and signed copy of this form along with the acknowledgement receipt is provided to the Sub-Account Holder.

#### TERMS AND CONDITIONS FOR OPENING AND OPERATIONS OF CDC SUB-ACCOUNT

The Terms and Conditions set herein below shall govern the Sub-Account forming part of the Account Family of the CDS Participant Account of the Participant, which shall be binding on the Sub-Account Holder as well as the Participant:

- The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account shall appear in the Sub-Account to be established by the Participant in the CDS who shall ensure the correctness and completeness of the same.
- The Book-entry Securities owned by the Sub-Account Holder shall be exclusively entered in the Sub-Account of such Sub-Account Holder.
- Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (D) above pursuant to Section 12 and 24 of the Central Depositories Act, 1997. Such authorization shall constitute the congregated / entire authorizations by the Sub-Account Holder(s) in favour of the Participant and supersedes and cancels all prior authorizations (oral, written or electronic) including any different, conflicting or additional terms which appear on any agreement or form the Sub-Account Holder(s) has executed in favour of the Participant.

  4. Participant shall be liable to give due and timely effect to the instructions of the Sub-Account Holder given in terms of the above-referred
- authorization with respect to transfer, pledge and withdrawal of Book-entry Securities entered in its Sub-Account under the control of the Participant. Such instructions, among other matters, may include closing of Sub-Account.
- Participant shall send within 10 days of end of each quarter Account Balance statement to the Sub-Account Holder without any fee or charge showing the number of every Book-entry Security entered in its Sub-Account as of the end of the preceding quarter. Such Account Balance statement shall be generated from the CDS. Further, the Sub-Account Holder may request for such statement (including Account Activity reports) from the Participant at any time on payment of a fee on cost basis as prescribed by the Participant. The Participant shall be liable to provide such report/statement to the Sub-Account Holder within 3 Business Days from the date of receipt of such request, with or without
- In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to the Participant as applicable for availing such facilities and services under the Central Depositories Act, 1997, the Regulations and these Terms and Conditions. In case of outstanding payment against any underlying market purchase transaction, charges and/or losses against the Sub-Account Holder, the Participant shall have the right, subject to Clause 3 above and under prior intimation to the Sub-Account Holder to clear the payment, charges and/or losses (including any shortfall in margin requirements) within the reasonable time prescribed by the Participant, to dispose-off the necessary number of Book-entry Securities of the Sub-Account Holder through market-based or Negotiated Deal Market sell transaction or in accordance with the Procedures and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses.
- Where admission of Participant to the CDS is suspended or terminated by the CDC, the Sub-Account Holder shall have the right, subject to the Regulations and the Procedures made thereunder, to request CDC to change its Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to its right of recovery of any dues or receivable from the Sub-Account Holder.
- The provision of services as provided for hereunder shall not constitute Participant as trustee and the Participant shall have no trust or other obligation in respect of the Book-entry Securities except as agreed by the Participant separately in writing.

  The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).

#### TERMS AND CONDITIONS FOR TRADING ACCOUNT

- 1. In case any dispute in connection with the Transaction between the Shariah Compliant Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to Shariah Compliant Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed against him and the Customer shall have no objection to the same.
- The assets deposited as margin by a Customer with the Trading and Clearing Securities Broker or PCM, as the case may be, shall only be used by the Trading and Clearing Securities Broker or PCM for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.
- The <u>Shariah Compliant</u> Securities Broker may deposit unutilized funds of the Customers in a separate <u>profit-bearing</u> bank account <u>in an Islamic bank or an Islamic branch of any conventional bank</u> and under intimation to such Customers and shall distribute such profit to the Customers out of total profit accrued on such funds as mutually agreed in writing between the <u>Shariah Compliant Securities</u> Broker and Customer.
- The Shariah Compliant Securities Broker shall be authorized to act on the instructions of the Customers given through any of the following modes of communication unless specifically designated by the Customer in the Form:
  - Telephonic communication over a dedicated telephone line(s) routed through centralized call recording system;
  - Email/SMS/Fax/Letter on the authorized email address/mobile/fax/address of the Shariah Compliant Securities Brokers;
  - Verbal orders placed through personal appearance in the registered office subject to receipt of written acknowledgement of such inperson orders by **Shariah Compliant** Securities Brokers.
- 5. The Shariah Compliant Securities Broker shall make out the Contract Note (physical or electronic form) to the Customers in respect of trades executed on their behalf based on their order instructions not later than the start of next Trading Day as required under the Securities Brokers (Licensing and Operations) Regulations, 2016 through any of the following acceptable modes of communication unless specifically designated by the Customer in the Form:
  - Recognized courier service;
  - Registered Post at given correspondence address;
  - Facsimile number provided on the Form; By hand subject to receipt/acknowledgement; or
  - (d)
  - Email provided on the Form in case of Electronic Contract Note.

All such transactions recorded by the Shariah Compliant Securities Broker in the prescribed manner shall be conclusive and binding upon the Customer unless the Customer raises observation relating to unauthorized execution of such transaction or any error in the Contract Note within one Trading Day of the receipt of such Contract Note.

In the event of any dispute relating to order placement or executing of orders, the burden of proof shall be on the Shariah Compliant Securities Brokers to establish the authenticity of such order placement or execution thereof.

- The customer may avail Shariah compliant financing like Murahaba Share Financing (MSF) or any other Shariah compliant financing
- against Ready Market purchases. Leverage based buying and interest based margin financing shall not be available.

  In case the Customer fails to deposit additional margins within one Trading Day of the margin call (in writing), the Trading and Clearing Securities Broker or PCM, as the case may be, shall have absolute discretion to liquidate the Customer's outstanding positions including the securities purchased and carried in such account to meet the margin shortfall without further notice to the Customer.
- The Trading and Clearing Securities Broker or PCM, as the case may be, shall be responsible for the payment of any credit cash balance available in the account of the Customer through cross cheques or other banking channels (instruments) only within one (1) Trading Day of the request of the Customer subject to the maintenance of the margin requirements.



- The Customer is aware that in the event of its non-payment on settlement day against securities bought on its account the Trading and Clearing Securities Broker or PCM, as the case may be, may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
- 10. The Trading and Clearing Securities Broker or PCM, as the case may be, shall accept from the Customer payments only in the name of PCM or Trading and Clearing Securities Broker, as the case may be, through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other banking channels drawn on Customer's own bank account. Electronic transfer of funds to the Trading and Clearing Securities Broker or PCM, as the case may be, through banks would be regarded as good as cheque. The Trading and Clearing Securities Broker or PCM, as the case may be, shall provide the receipt to the Customer(s) in the name of the Customers duly signed by its authorized employee and the Customer(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Customer(s), specifically mentioning if payment is for margin or the purchase of securities. The Trading and Clearing Securities Broker or PCM, as the case may be, shall immediately deposit in its bank account, in an Islamic bank or an Islamic branch of any conventional bank, all cash received in whole i.e. no payments shall be made from the cash received from clients. However, in exceptional circumstances, where it becomes necessary for Trading and Clearing Securities Broker or PCM, as the case may be, shall immediately report within one Trading Day such instances with rationale thereof to the PSX in accordance with the mechanism prescribed by PSX.
- 11. The Trading and Clearing Securities Brokers or PCM, as the case may be, shall make all payments to the Customers through crossed cheques / bank drafts / pay orders or any other banking channels showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period prescribed under the Securities Brokers (Licensing and Operations) Regulations, 2016 or any other applicable law.
- 12. The <u>Shariah Compliant</u> Securities Broker shall provide to the Customers a quarterly Account Statement which shall include cash and securities ledgers as back office and CDC Sub-Account records along with reconciliation of any differences therein through any of the aforesaid modes of communication. In case of any discrepancy in the ledger statement, the Customer shall inform the <u>Shariah Compliant</u> Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the <u>Shariah Compliant</u> Securities Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.
- 13. The Customer shall pay all applicable taxes and statutory and regulatory fee and levies and brokerage commissions as are prevailing from time to time in connection with the brokerage services rendered. The <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant can debit up to the accrued amount of levies and charges the account of the Customers for the abovementioned charges, which shall be clearly detailed in the ledger statement/daily confirmations. Any change resulting in an increase in the brokerage commission shall take effect not earlier than thirty (30) days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
- 14. The Shariah Compliant Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.



### "ANNEXURE D"

## SAHULAT ACCOUNT OPENING FORM FOR CUSTOMERS OF SHARIAH COMPLIANT SECURITIES BROKER

## ["TRADING AND SELF CLEARING SECURITIES BROKER" AND "TRADING AND CLEARING SECURITIES BROKER"]

### (INDIVIDUAL RESIDENT PAKISTANI ONLY)

### [Authorized Intermediary Name]

[Authorized Intermediary Address]

## SAHULAT KNOW YOUR CLIENT (KYC) APPLICATION FORM AND SAHULAT ACCOUNT OPENING FORM

(INDIVIDUAL RESIDENT PAKISTANI ONLY)

(Please use BLOCK LETTERS to fill the form)

F. ZAKAT STATUS:

For official use of Authorized Intermediary only				
Application Form No.	1			
TRE Certificate No.				
Broker Registration No.				
CDS Participant ID				
Sub-Account / IAS Account No.				
Trading Account No. (Back-office ID)				
(if applicable)				

A. IDENTITY DETAILS OF APPLICANT						
1. Full name of Applicant (As per CNIC/SNIC	)					
2. Father's / Husband's Name:						
3. Gender: Male F	emale [	<u> </u>				
4. a. CNIC/ SNIC No.:						
b. Expiry date: c. Date of Issue Lifetime						
5. Date of Birth						
6. Mother's Maiden Name:						
B. ADDRESS DETAILS OF APPLICANT						
1. (a) Mailing Address: (Address should be different fro	m authorized	l intermediary business addr	ess except for employees	of authorized in	termediary)	
City/Town/Village:		Province/State:			Country:	
(b) Mobile:		(c	) Email*: (mandatory for c	online accou	unt)	
2. (a) Permanent Address: (Mandatory to fill o	ut if diffe	rent from address me	entioned on CNIC)			
C. OTHER DETAILS						
1. Gross Annual Income Details: Up to	Rs. 100,0	000	Rs. 250,001 - Rs. 50	00,000 🗀	]	
[Please tick ( ) the relevant box) Rs. 100,00	1 - Rs. 25	0,000 🔲	Above Rs. 500	0,000		
2. Source of Earnings/ Income:						
3. (a) Profession/ Occupation:		Agriculturist	Business		Housewife	Household
[Please tick ( ) the appropriate box]		Retired Person	Student		Business Executive	Industrialist
(1)		Professional	Service	··· / B ·	Govt. /Public Sector	Others (Specify)
(b) Name of Employer/Business:			(c) Job II	itle / Design	nation:	
(d) Address of Employer/Business:						
D. BANK DETAILS			ID A NI NI			
Bank Name: E. DECLARATION			IBAN No.:			
I hereby confirm that all the information furnished above is true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be untrue or false or misleading or misrepresenting, I am aware that I may be held liable for it.						
Signature of the Applicant  Date: (dd/mm/yyyy)  Signature of the Applicant as per CNIC/ SNIC  (Only applicable if Applicant signature is different)					•	
FOR OFFICE USE ONLY						
Authorized Signatory		Date	_	Seal	Stamp of the Authorized Inte	rmediary
,					•	•



		Please tick ( $\ensuremath{\boxdot}$ ) the appropriate box									
	cant(s), Zakat is not deductible, then relev		Г	Muslim Zakat deductible							
	ll be submitted by the Applicant with the co countholder]. Non-Muslims shall submit an		Ē	Ī	Musli	m Zaka	t non-	deductible			
			Ē	Not Applicable							
G. PARTICULARS OF NOMINE	(OPTIONAL)										
	(a) Name of Nominee:									1	
[Nomination may be made in terms of requirements of Section 79 of the				;	Spouse			Father		Moth	er
Companies Act, 2017, which inter	(b) Relationship with the Applicant: [Please tick ( ) appropriate box]			I	Brother			Sister		Son	
alia requires that person nominated as aforesaid shall not be a person				ı	Daughte	er					
other than the following relatives of the Investor Accountholder/Sub- Account Holder, namely: a spouse,	(c) CNIC SNIC NICOP  No of the Nominee: [Please tick ( Y ) appropriate box]	ARC PC	OC								
father, mother, brother, sister and son or daughter.]	(d) Passport details:			•	ort Num						
son or daugmen.	(In case of a foreigner or a Pakistani o	rigin)	_		of Issue: of Issue:	!					
H. CDC Access: CDC provides FRE their account related information.	EE OF COST services under CDC access w	hereby Sub				/Investo	r Acco	ount holders o	an have	real tin	ne access to
1. Do you wish to subscribe to free	of cost IVR/Web Service? [Please tick (	) the appr	opriate	e bo	ox]			Yes			No
	CTIONS 12 AND 24 OF THE CDC A					TTLEM	ENT (	OF UNDERI	YING 1	<b>TRADE</b>	S, PLEDGE
I, the undersigned, hereby give my express authority to the Participant under Section 12 and Section 24 of the Central Depositories Act, 1997 to handle Book-entry Securities beneficially owned by me and entered in my Sub-Account maintained with the Participant for securities transactions that are exclusively meant for the following purposes:  a. For the settlement of any underlying market transactions (trades) including off market transactions made by me from time to time;  b. For pledge securities transactions with the NCCPL relating to any of my underlying market transactions (trades) to be settled through NCCPL from time to time;  c. For the recovery of payment against any underlying market purchase transactions made by me from time to time;  d. Movement by me from time to time of my Book-entry Securities from my Sub-Account under the Main Account under the control of the Participant to my Sub-Account under another Main Account under the control of another Participant or to my Sub-Account under another Main Account under the control of another Participant or to my Sub-Account under under Main Account under the control of another Participant or to my Sub-Account under another Main Account under the control of another Participant or to my Sub-Account under under Main Account under the control of another Participant or to my Sub-Account under under Main Account which is under the control of another Participant or to my Sub-Account under under the control of another Participant or to my Sub-Account under under the control of another Participant or to my Sub-Account with the CDC Regulations from time to time;  f. For the recovery of any charges or losses against any or all of the above transactions carried out by me or services availed; and/or  g. Delivery Transaction made by me for any other purposes as prescribed by the Commission from time to time.  Specific authority on each occasion shall be given by me to the Participant for handling of Book-entry Securities worth Rs. 500,000/- and above the undersigned Sub								s:  Account under o my Investor s from time to nitted under r and entered e undersigned			
Please read and und	erstand the Terms and Conditions, attach	ND CONDIT		nne	exure A	, before	signi	ng and execu	ting this	form	
I, the undersigned Applicant, he	reby declare/undertake that:	N & UNDER	TAKII	NG							
<ul> <li>a) I am not minor;</li> <li>b) I am of sound mind;</li> <li>c) I have not applied to be adjudicated as an insolvent and that I have not suspended payment to any financial institution and that I have not compounded with my creditors;</li> <li>d) I am not an undischarged insolvent;</li> <li>e) I confirm and acknowledge that I have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of Shariah Compliant Securities Broker/Participant, as an annexure to this Form at the time of signing of this From and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and I hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other terms and conditions provided to me and placed on the website of the Shariah Compliant Securities Broker/Participant, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the attached Terms and Conditions in connection with the opening, maintenance and operation of the Investor Account/Sub-Account / Trading Account, as</li> </ul>											
							ring rities Sub-				



- ia) I/We, being the Applicant(s), hereby authorize that all the information furnished by me/us in the form shall be shared with Centralized Gateway Portal pursuant to requirements prescribed by the Securities & Exchange Commission of Pakistan;
- i) I agree that I/we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by Shariah Compliant Securities Broker/Participant and placement of trading order shall mean that I/we have affirmed/consented with the Terms and Conditions; and
- k) I hereby now apply for opening, maintaining and operating Investor Account/Sub-Account/Trading Account, as the case may be, with the Shariah Compliant Securities Broker/Participant.

I, the undersigned as Shariah Compliant Securities Broker/Participant, hereby declare/undertake/confirm that:

- I) I have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and I hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. I further confirm that trading account/Sub-Account of customer/Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer/Sub-Account Holder; and
- m) I have no doubt or concern that the Terms and Conditions shared with Customer/Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

#### **DISCLAIMER FOR CDC ACCESS SERVICES**

The main objective of providing information, reports and account maintenance services through the Interactive Voice Response System, Internet /Web access and Short Messaging Service ("SMS") or any other value added service is to facilitate the Investor Accountholders/Sub-Account Holders ("Users") with a more modern way to access their information. CDC makes no other warranty of the IVR, Internet /Web access, SMS or any other value added services and Users hereby unconditionally agree that they shall make use of the internet/web access subject to all hazards and circumstances as exist with the use of the internet. CDC shall not be liable to any Users for providing and making available such services and for failure or delay in the provision of SMS to Users and all Users, who use the IVR, internet access, SMS or any other value added services, shall be deemed to have indemnified CDC, its directors, officers and employees for the time being in office and held them harmless from and against any losses, damages, costs and expenses incurred or suffered by them as a consequence of use of the IVR system, internet/web access, SMS or any other value added services.

All Users hereby warrant and agree that their access of the internet /web by the use of a User-ID and login is an advanced electronic signature and upon issuance of such User-ID to the user, they hereby waive any right to raise any objection to the compliance of the User-ID and login with the criteria of an advance electronic signature.

All Users shall by signing this Form and by their conduct of accessing the IVR, internet/Web access, SMS or any other value added services agree to all the terms and conditions and terms of use as shall appear on the CDC website at <a href="www.cdcaccess.com.pk">www.cdcaccess.com.pk</a> which shall be deemed to have been read and agreed to by the Users before signing this form.

Applicant	Seal/Stamp of the Authorized Intermediary
Signatures:	

#### Annexure A

#### **TERMS AND CONDITIONS**

Please read and understand the Terms and Conditions before signing and executing this form

These Terms and Conditions shall constitute a Contract between the Parties hereto. This Contract shall govern opening, maintenance and operations of Trading Account, CDC Sub-Account(s) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith.

### **GENERAL TERMS AND CONDITIONS**

- 1. All Trades, Transactions including non Exchange Transactions (jointly referred to as "Transactions") between the Parties and Clearing and Settlement thereof and opening, maintenance and operations of Sub-Account in the CDS shall be subject to the Securities Act, 2015, Central Depositories Act, 1997, Pakistan Stock Exchange Limited (PSX) Regulations, Central Depository Company of Pakistan Limited (CDC) Regulations, CKO Regulations, 2017, National Clearing Company of Pakistan Limited (NCCPL) Regulations and the Securities Brokers (Licensing and Operations) Regulation, 2016 including Procedures, Manuals, Polices, Guidelines, Circulars, Directives, and Notifications issued and as amended thereunder by the Securities and Exchange Commission of Pakistan (SECP), PSX, CDC or NCCPL from time to time.
- The information provided in Sahulat Know Your Client (KYC) Form and/or Sahulat Account Opening Form shall be in addition to and not in derogation of the
  requirements prescribed under Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2018.
- These Terms and Conditions shall be binding on the nominee, legal representative, successors in interest and/or permitted assigns of the respective Parties hereto.
- 4. The Shariah Compliant Securities Broker/Participant shall provide a list of its Registered Offices and Representatives authorized and employees designated to deal with the Sub-Account Holder(s)/Customer(s) along with their authorized mobile/landline/fax number(s), email and registered addresses. Any change(s) therein shall be intimated in writing to the Sub-Account Holder(s)/Customer(s) with immediate effect.
- 5. The Shariah Compliant Securities Broker/Participant shall independently verify any of the Customer's related information provided in this Form and under the relevant laws, rules and regulations for the purpose of KYC.
- 6. In case of any change in the Customer's related information provided in this Form, the Customer shall provide necessary details to the Participant/ <u>Shariah Compliant</u> Securities Broker. Upon receipt of instruction from the Customer, the Participant/ <u>Shariah Compliant</u> Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant/ <u>Shariah Compliant</u> Securities Broker shall have the right to incorporate any change(s) in the Sub-Account Holder(s)/Customer's information in the CDS as sent by NCCPL as CKO and that such change(s) shall be deemed to have been authorized by the Sub-Account Holder(s)/Customer(s).
  7. Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated
- 7. Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated and modified the rights and duties of the Parties hereto.
- 8. The Shariah Compliant Securities Broker/Participant and the Customer shall be entitled to terminate this Contract without giving any reasons to each other after giving notice in writing of not less than one month to the other Party. Notwithstanding any such termination, all rights, liabilities and obligations of the Parties arising out of or in respect of Transactions entered into prior to the termination of this Contract shall continue to subsist and vest in /be binding on the respective Parties or his /her/ its respective heirs, executors, administrators, legal representatives or successors in interest and permissible assigns, as the case may be. Closure of Sub-Account of the Customer under this clause shall be subject to the condition that neither any corporate action is pending at that point of time in connection with any Book-entry Securities in the Sub-Account nor any Book-Entry Securities are in Pledged Position and that the outstanding dues, if any, payable by any Party to the other Party is cleared and that the Customer has transferred or withdrawn all the Book-Entry Securities from his/her Sub-Account
- 9. Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant Broker/TRE Certificate Holder" respectively.
- 10. The <u>Shariah Compliant</u> Securities Broker/Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through it and not do anything which is likely to harm the interest of the Sub-Account Holder with/from whom it may have had transactions in securities.

### TERMS AND CONDITIONS FOR OPENING AND OPERATIONS OF CDC SUB-ACCOUNT

The Terms and Conditions set herein below shall govern the Sub-Account forming part of the Account Family of the CDS Participant Account of the Participant, which shall be binding on the Sub-Account Holder as well as the Participant:



- 1. The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account shall appear in the Sub-Account to be established by the Participant in the CDS who shall ensure the correctness and completeness of the same.
- 2. Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (I) above pursuant to Section 12 and 24 of the Central Depositories Act, 1997. Such authorization shall constitute the congregated / entire authorizations by the Sub-Account Holder(s) in favour of the Participant and supersedes and cancels all prior authorizations (oral, written or electronic) including any different, conflicting or additional terms which appear on any agreement or form the Sub-Account Holder(s) has executed in favour of the Participant.
- 3. Participant shall send within 10 days of end of each quarter Account Balance statement to the Sub-Account Holder without any fee or charge showing the number of every Book-entry Security entered in his/her Sub-Account as of the end of the preceding quarter. Such Account Balance statement shall be generated from the CDS. Further, the Sub-Account Holder may request for such statement (including Account Activity reports) from the Participant any time on payment of a fee on cost basis as prescribed by the Participant. The Participant shall be liable to provide such report/statement to the Sub-Account Holder within 3 Business Days from the date of receipt of such request, with or without charges.
- 4. In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to the Participant as applicable for availing such facilities and services under the Central Depositories Act, 1997, the Regulations and these Terms & Conditions. In case of outstanding payment against any underlying market purchase transaction, charges and/or losses against the Sub-Account Holder, the Participant shall have the right, subject to Clause 2 above and under prior intimation to the Sub-Account Holder to clear the payment, charges and/or losses (including any shortfall in margin requirements) within the reasonable time prescribed by the Participant, to dispose off the necessary number of Book-entry Securities of the Sub-Account Holder through market-based or Negotiated Deal Market sell transaction and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses.
- 5. Where admission of Participant to the CDS is suspended or terminated by the CDC, the Sub-Account Holder shall have the right, subject to the Regulations and the Procedures made thereunder, to request CDC to change his/her Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to its right of recovery of any dues or receivable from the Sub-Account Holder.
- 6. The provision of services as provided for hereunder shall not constitute Participant as trustee and the Participant shall have no trust or other obligation in respect of the Book-entry Securities except as agreed by the Participant separately in writing.
- respect of the Book-entry Securities except as agreed by the Participant separately in writing.

  7. The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).

#### TERMS AND CONDITIONS FOR TRADING ACCOUNT

- In case any dispute in connection with the Transaction between the <u>Shariah Compliant</u> Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to <u>Shariah Compliant</u> Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed against him/her and the Customer shall have no objection to the same.
- 2. The assets deposited as margin by a Customer with the <u>Shariah Compliant</u> Securities Broker shall only be used by the <u>Shariah Compliant</u> Securities Broker for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.
- 3. The Shariah Compliant Securities Broker may deposit unutilized funds of the Customers in a separate profit-bearing bank account in an Islamic bank or an Islamic branch of any conventional bank and shall distribute profit to the Customers out of total profit offered by bank(s) on such funds, unless specified otherwise in writing by the Customer.
- 4. The Shariah Compliant Securities Broker shall be authorized to act on the instructions of Customers given through any of the following modes of communication unless specifically designated by the Customer in the Form:
  - (a) Telephonic communication over a dedicated telephone line(s) routed through centralized call recording system;
  - (b) Email/SMS/Fax/Letter on the authorized email address/mobile/fax/address of the Shariah Compliant Securities Brokers;
  - (c) Verbal orders placed through personal appearance in the registered office subject to receipt of written acknowledgement of such in-person orders by <a href="Shariah Compliant">Shariah Compliant</a> Securities Brokers.
- 5. The Shariah Compliant Securities Broker shall make out the Contract Note (physical or electronic form) to the Customers in respect of trades executed on their behalf based on their order instructions not later than the start of next trading day as required under the Securities Brokers (Licensing and Operations) Regulations, 2016 through any of the following acceptable modes of communication unless specifically designated by the Customer in the Form:
  - (a) Recognized courier service;
  - (b) Registered Post at given correspondence address;
  - (c) Facsimile number provided on the Form;
  - (d) By hand subject to receipt/acknowledgement; or
  - (e) Email provided on the Form in case of Electronic Contract Note.
  - All such transactions recorded by the <u>Shariah Compliant</u> Securities Broker in the prescribed manner shall be conclusive and binding upon the Customer unless the Customer raises observation relating to unauthorized execution of such transaction or any error in the Contract Note within one trading day of the receipt of such Contract Note.
  - In the event of any dispute relating to order placement or executing of orders, the burden of proof shall be on the Shariah Compliant Securities Brokers to establish the authenticity of such order placement or execution thereof.
- 6. In case the Customer fails to deposit additional margins within one trading day of the margin call (in writing), the Shariah Compliant Securities Broker shall have absolute discretion to liquidate the Customer's outstanding positions including the securities purchased and carried in such account to meet the margin shortfall without further notice to the Customer.
- 7. The Shariah Compliant Securities Broker shall be responsible for the payment of any credit cash balance available in the account of the Customer through cross cheques or other banking channels (instruments) only within one (1) trading day of the request of the Customer subject to the maintenance of the margin requirements.
- 8. The Customer is aware that in the event of his/her non- payment on settlement day against securities bought on his/her account, the <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
- 9. The Shariah Compliant Securities Broker shall accept from the Customer payments through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other banking channels drawn on Customer's own bank account in case of amounts in excess of Rs. 25,000/-. Electronic transfer of funds to the Shariah Compliant Securities Broker through banks would be regarded as good as cheque. The Shariah Compliant Securities Broker shall provide the receipt to the Customer(s) in the name of the Customer duly signed by its authorized employee and the Customer(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Customer(s), specifically mentioning if payment is for margin or the purchase of securities. The Shariah Compliant Securities broker shall immediately deposit in its bank account, in an Islamic bank or in an Islamic branch of any conventional bank, all cash received in whole i.e. no payments shall be made from the cash received from clients. However, in exceptional circumstances, where it becomes necessary for Shariah Compliant Securities Broker to accept cash in excess of Rs. 25,000/-, the Shariah Compliant Securities Broker shall immediately report within one trading day such instances with rationale thereof to the PSX in accordance with the mechanism prescribed by PSX.
- 10. The <u>Shariah Compliant</u> Securities Brokers shall make all payments to the Customers through crossed cheques / bank drafts / pay orders or any other banking channels showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period prescribed under the Securities Brokers (Licensing and Operations) Regulations, 2016.
- 11. The Shariah Compliant Securities Broker shall provide to the Customers a quarterly Account Statement which shall include cash and securities ledgers as back office and CDC Sub-Account records along with reconcilication of any differences therein through any of the aforesaid modes of communication. In case of any discrepancy in the ledger statement, the Customer shall inform the Shariah Compliant Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the Shariah Compliant Securities Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.
- 12. The Customer shall pay all applicable taxes and statutory and regulatory fee and levies and brokerage commissions as are prevailing from time to time in connection with the brokerage services rendered. The <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant can debit up to the accrued amount of levies and charges the account of the Customers for the abovementioned charges, which shall be clearly detailed in the ledger statement/daily confirmations. Any change resulting in an increase in the brokerage commission shall take effect not earlier than thirty (30) days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
- 13. The Shariah Compliant Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.



### TERMS AND CONDITIONS FOR KNOW YOUR CLIENT (KYC) APPLICATION FORM "SAHULAT"

- All terms herein shall, unless expressly stated otherwise, have the same meaning as ascribed to them in the Centralized KYC Organization Regulations.
- The Sahulat Account can only be opened by resident Pakistani individuals with Authorized Intermediaries that are Securities Brokers and it shall be subject to following conditions or any other conditions as may be specified by PSX and/or SECP:
  - Only one client code can be tagged by a Securities Broker for Sahulat Account holder in NCSS.

  - Sahulat Account holder shall be allowed to open and maintain one Sahulat sub-account and/or one Sahulat IAS.

    Resident Pakistani individuals already maintaining sahulat or normal trading account with Authorized Intermediaries that are Securities Brokers are not (c) eligible for opening Sahulat Account.
  - Sahulat Account cannot be opened with joint holders
  - Sahulat Account holders shall only be eligible to trade in Ready Delivery Contract Market and no transactions in Derivative Contracts and Leveraged Market shall be allowed.
- (f) Trading by Sahulat Account Holders shall be subject to such position limits as may be notified by PSX from time to time with prior approval of SECP. The Customer agrees that CKO may hold, store and process its KYC Information on the KYC Information System and KYC Database in connection with its KYC functions under the Centralized KYC Organization Regulations. The Customer also agrees that CKO may disclose its KYC Information as permitted under the CKO Regulations and such other disclosures as may be reasonably necessary for compliance with any other laws or regulatory requirements.
- The Customer acknowledges that KYC Information System and KYC Database, including but not limited to all the information contained therein is the legal property of CKO.
- These terms and conditions shall be governed by the laws of Pakistan.



### "ANNEXURE E"

### SAHULAT ACCOUNT OPENING FORM FOR CUSTOMERS OF SHARIAH **COMPLIANT SECURITIES BROKER** ["TRADING ONLY SECURITIES BROKER" AND "ONLINE ONLY SECURITIES **BROKER"**]

### **CUSTOMER RELATIONSHIP FORM FOR INDIVIDUALS**

Place Logo Place Logo Here!

Name of Shariah Compliant Securities Broker [Registered Address]

Name of PCM or T&C Securities Broker [Registered Address]

Here!

### SAHULAT KNOW YOUR CLIENT (KYC) APPLICATION FORM AND SAHULAT ACCOUNT OPENING FORM (INDIVIDUAL RESIDENT PAKISTANI ONLY)

For official use of Authorized Intermediary only				
Application Form No.				
TRE Certificate No.				
Broker Registration No.				
CDS Participant ID				
Sub-Account / IAS Account No.				
Trading Account No. (Back-office ID) (if applicable)				

PLOCK LETTERS to fill the forms

A IDENTITY DETAILS OF ADDITIONAL	(Please use blc	OCK LETTERS TO TILL THE TO	ormj				
A. IDENTITY DETAILS OF APPLICANT							
1. Full name of Applicant (As per CNIC/SNIC)							
2. Father's / Husband's Name:							
3. Gender: Male Fem	ale						
4. α. CNIC/ SNIC No.:							
b. Expiry date:	c. Date of Issue	•	Lifetime				
5. Date of Birth							
6. Mother's Maiden Name:							
B. ADDRESS DETAILS OF APPLICANT							
1. (a) Mailing Address: (Address should be different from au	uthorized intermediary business a	ddress except for employees of	f authorized intermediary)				
City/Town/Village:	Province/St	tate:	Country:				
(b) Mobile:		(c) Email*: (mandatory for or	nline account)				
2. (a) Permanent Address: (Mandatory to fill out it	f different from address	mentioned on CNIC)					
C. OTHER DETAILS							
1. Gross Annual Income Details: Up to Rs.  [Please tick (*) the relevant box) Rs. 100,001 -	· —	Rs. 250,001 - Rs. 500 Above Rs. 500,	· <u>—</u>				
2. Source of Earnings/ Income:							
	Agriculturist	Business	Housewife	Household			
3. (a) Profession/ Occupation:  [Please tick ( \( \nabla \)) the appropriate box ]	Retired Person	Student	Business Executive	Industrialist			
[Fledse fick (* ) file appropriate box]	Professional	Service	Govt. /Public Sector	Others (Specify)			
(b) Name of Employer/Business:		(c) Job Titl	e / Designation:				
(d) Address of Employer/Business:							
D. BANK DETAILS							
Bank Name:		IBAN No.:					
E. DECLARATION							
I hereby confirm that all the information furnished above is true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be untrue or false or misleading or misrepresenting, I am aware that I may be held liable for it.							
Signature of the Applicant  Date:(dd/mm/yyyy)  Signature of the Applicant as per CNIC/ SNIC (Only applicable if Applicant signature is different)							



FOR OFFICE USE ONLY									
Authorized Signatory	Date			Soal/Stam	n of the	e Authorized I	ntormo	diany	
F. ZAKAT STATUS:	Duie			Seal/Slain	p or me	e Aumonzeu i	merme	ululy	
II. ZAKAI SIAIGS.			- DI						
		Please tick (☑) the appropriate box							
[If, according to the Figh of the Applicant(s), Zakat is not deductible, then relevant Declaration on prescribed format shall be submitted by the Applicant with the concern			Muslim Zakat deductible						
Participant/TREC Holder/Investor Accountholder]. Non-Muslims shall submit an affidavit.				Muslim Zakat non-deductible					
				Not Applicable					
G. PARTICULARS OF NOMINEE									
	(a) Name of Nominee:	I,	_			T	I I		
[Nomination may be made in terms				Spouse		Father		Mothe	r
of requirements of Section 79 of the Companies Act, 2017, which inter	(b) Relationship with the Applicant: [Please tick ( ) appropriate box]			Brother		Sister		Son	
alia requires that person nominated		Ī		Daughter					
as aforesaid shall not be a person other than the following relatives of	(c) CNIC SNIC NICOP	ARC PO	2						
the Investor Accountholder/Sub- Account Holder, namely: a spouse,	No of the Nominee:								
father, mother, brother, sister and	[Please tick ( 🗸 ) appropriate box]		D	at Ni arala - a					
son or daughter.]	(d) Passport details:	,		sport Number: e of Issue:					
	(In case of a foreigner or a Pakistani o			e of Issue:					
H. CDC ACCESS: CDC provides <u>FR</u> their account related information.	EE OF COST services under CDC access	whereby Sub-	accou	nt holders/Invest	or Acco	ount holders ca	n have	real time	e access to
1. Do you wish to subscribe to free	of cost IVR/Web Service? [Please tick	(□) the approx	oriate	box1	1	Yes			No
-	CTIONS 12 AND 24 OF THE CDC A				AENIT C		ING T	DADES	
	S, CHARGES AND LOSSES (FOR S					JI ONDEREI		NADES,	ILLDOL
beneficially owned by me and entered in a. For the settlement of any underly b. For pledge securities transaction c. For the recovery of payment ag d. Movement by me from time to the another Main Account under the Account;  e. Securities transactions which has to time;  f. For the recovery of any charges	ss authority to the Participant under Section 1 my Sub-Account maintained with the Participying market transactions (trades) including offs with the NCCPL relating to any of my under ainst any underlying market purchase transactime of my Book-entry Securities from my Subcontrol of the Participant or to my Sub-Accobeen made by way of a gift of Securities by or losses against any or all of the above traited for any other purposes as prescribed by the	ant for securities f market transact rlying market tra ctions made by mo-Account under to but under any M y me to my Familinsactions carried	transa ions m nsactic e from he Mc ain Ac y Mem out by	actions that are exc ade by me from the ons (trades) to be so in time to time; sin Account under to account which is und others or other pers y me or services av	clusively me to time to time ettled the control er the co	meant for the follow; rough NCCPL fro ol of the Particip ontrol of another excordance with the	lowing p m time t ant to m Particip	o time; y Sub-Acant or to	count under my Investor
Specific authority on each occasion shall be the applicable laws and regulations.	e given by me to the Participant for handling	g of Book-entry S	ecuriti	ies beneficially ow	ned by n	ne for all other p	urposes	as permit	ted under
in his/her Sub-Account maintained with the	is a standing authorization to the Participant f Participant. Handling of Book-entry Securitie icipant). For handling of Book-entry Securitie	s for all other pu	rposes	should however re	quire spe	ecific authority in	writing	from the u	undersigned
J. SIGNATURES									
Name of Applicant:		Date: Place:		S	ignature	e:			
3. Copy of Zakat Declaration of the	Applicant; /ARC/POC/Passport of the Nominee, if not applicant. In case of Non-Muslim, an affid gistration Certificate (CRC) of the minor (if	ominated. avit shall be sub	omitted	d.					
Please read and und	TERMS A erstand the Terms and Conditions, attac	ND CONDITIO		nexure A, before	e signin	g and executin	g this fo	orm	

### **DECLARATION & UNDERTAKING**

I, the undersigned Applicant, hereby declare/undertake that:

- a) b) I am not minor; I am of sound mind;
- c) I have not applied to be adjudicated as an insolvent and that I have not suspended payment to any financial institution and that I have not compounded with my creditors;
- I am not an undischarged insolvent;
  I confirm and acknowledge that I have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of Shariah Compliant Securities Broker/Participant, as an annexure to this Form at the time of signing of this From and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and I hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other terms and conditions provided to me and placed on the website of the Shariah Compliant Securities Broker/Participant, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of



- the attached Terms and Conditions in connection with the opening, maintenance and operation of the Investor Account/Sub-Account / Trading Account, as the case may be:
- f) I hereby confirm that the Terms and Conditions shall constitute a Contract between the Parties hereto and govern opening, maintenance and operations of Trading Account, Sub-Account which shall be binding on the Sub-Account Holder as well as the Shariah Compliant Securities Broker/Participant and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith;
- g) I further agree that agreement executed between the Shariah Compliant Securities Broker and PCM/T&C (as the case may be) for providing the settlement and custody services will be the integral part of this contract and will be binding on me.
- h) The information furnished in this form is complete, valid, true and correct to the best of my knowledge and I shall inform the Shariah Compliant Securities Broker/Participant immediately in writing of any change therein;
- i) In case any of the above information is found to be false or misleading or suspension of any material fact, will render my Investor Account/Sub-Account/Trading Account, as the case may be, liable for termination and I shall be subject to further action under the law;
- ia) I/We, being the Applicant(s), hereby authorize that all the information furnished by me/us in the form shall be shared with Centralized Gateway Portal pursuant to requirements prescribed by the Securities & Exchange Commission of Pakistan;
- i) All the documents filed/submitted by me for the purpose of this application are genuine and valid, bearing genuine signatures and stamps of duly authorized individuals/representatives and are in accordance with the applicable law;
- k) I agree that I/we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by Shariah Compliant
  Securities Broker/Participant and placement of trading order shall mean that I/we have affirmed/consented with the Terms and Conditions; and
- Securities Broker/Participant and placement of trading order shall mean that I/we have affirmed/consented with the Terms and Conditions; and

  I) hereby now apply for opening, maintaining and operating Investor Account/Sub-Account/Trading Account, as the case may be, with the <a href="Shariah Compliant">Shariah Compliant</a>
  Securities Broker/Participant.

l, the undersigned as Shariah Compliant Securities Broker/Participant, hereby declare/undertake/confirm that:

- m) I have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and I hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. I further confirm that trading account/Sub-Account of customer/Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer/Sub-Account Holder; and
- n) I have no doubt or concern that the Terms and Conditions shared with Customer/Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

### **DISCLAIMER FOR CDC ACCESS SERVICES**

The main objective of providing information, reports and account maintenance services through the Interactive Voice Response System, Internet /Web access and Short Messaging Service ("SMS") or any other value added service is to facilitate the Investor Accountholders/Sub-Account Holders ("Users") with a more modern way to access their information. CDC makes no other warranty of the IVR, Internet /Web access, SMS or any other value added services and Users hereby unconditionally agree that they shall make use of the internet/web access subject to all hazards and circumstances as exist with the use of the internet. CDC shall not be liable to any Users for providing and making available such services and for failure or delay in the provision of SMS to Users and all Users, who use the IVR, internet access, SMS or any other value added services, shall be deemed to have indemnified CDC, its directors, officers and employees for the time being in office and held them harmless from and against any losses, damages, costs and expenses incurred or suffered by them as a consequence of use of the IVR system, internet/web access, SMS or any other value added services.

All Users hereby warrant and agree that their access of the internet /web by the use of a User-ID and login is an advanced electronic signature and upon issuance of such User-ID to the user, they hereby waive any right to raise any objection to the compliance of the User-ID and login with the criteria of an advance electronic signature.

All Users shall by signing this Form and by their conduct of accessing the IVR, internet/Web access, SMS or any other value added services agree to all the terms and conditions and terms of use as shall appear on the CDC website at <a href="www.cdcaccess.com.pk">www.cdcaccess.com.pk</a> which shall be deemed to have been read and agreed to by the Users before signing this form.

Jigilulores.		
Applicant	Seal/Stamp of the Authorized Intermediary	

### Annexure A

### TERMS AND CONDITIONS

Please read and understand the Terms and Conditions before signing and executing this form

These Terms and Conditions shall constitute a Contract between the Parties hereto. This Contract shall govern opening, maintenance and operations of Trading Account, CDC Sub-Account(s) and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith.

### **GENERAL TERMS AND CONDITIONS**

- 1. All Trades, Transactions including non-Exchange Transactions (jointly referred to as "Transactions") between the Parties and Clearing and Settlement thereof and opening, maintenance and operations of Sub-Account in the CDS shall be subject to the Securities Act, 2015, Central Depositories Act, 1997, Pakistan Stock Exchange Limited (PSX) Regulations, Central Depository Company of Pakistan Limited (CDC) Regulations, CKO Regulations, 2017, National Clearing Company of Pakistan Limited (NCCPL) Regulations and the Securities Brokers (Licensing and Operations) Regulation, 2016 including Procedures, Manuals, Polices, Guidelines, Circulars, Directives, and Notifications issued and as amended thereunder by the Securities and Exchange Commission of Pakistan (SECP), PSX, CDC or NCCPL from time to time.
- The information provided in Sahulat Know Your Client (KYC) Form and/or Sahulat Account Opening Form shall be in addition to and not in derogation of the
  requirements prescribed under Anti-Money Laundering and Countering Financing of Terrorism Regulations, 2018.
- 3. These Terms and Conditions shall be binding on the nominee, legal representative, successors in interest and/or permitted assigns of the respective Parties hereto.
- 4. The Shariah Compliant Securities Broker/Participant shall provide a list of its Registered Offices and Representatives authorized and employees designated to deal with the Sub-Account Holder(s)/Customer(s) along with their authorized mobile/landline/fax number(s), email and registered addresses. Any change(s) therein shall be intimated in writing to the Sub-Account Holder(s)/Customer(s) with immediate effect.
- 5. The Shariah Compliant Securities Broker/Participant shall independently verify any of the Customer's related information provided in this Form and under the relevant laws, rules and regulations for the purpose of KYC.
- 6. In case of any change in the Customer's related information provided in this Form, the Customer shall provide necessary details to the Participant/ Shariah Compliant Securities Broker. Upon receipt of instruction from the Customer, the Participant/ Shariah Compliant Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant/ Shariah Compliant Securities Broker shall have the right to incorporate any change(s) in the Sub-Account Holder(s)/Customer's information in the CDS as sent by NCCPL as CKO and that such change(s) shall be deemed to have been authorized by the Sub-Account Holder(s)/Customer(s).
- Any change in this Form or these Terms and Conditions by virtue of any changes in the aforesaid legal frameworks shall be deemed to have been incorporated
  and modified the rights and duties of the Parties hereto.
- 8. The Shariah Compliant Securities Broker/Participant and the Customer shall be entitled to terminate this Contract without giving any reasons to each other after giving notice in writing of not less than one month to the other Party. Notwithstanding any such termination, all rights, liabilities and obligations of the Parties arising out of or in respect of Transactions entered into prior to the termination of this Contract shall continue to subsist and vest in /be binding on the



respective Parties or his /her/ its respective heirs, executors, administrators, legal representatives or successors in interest and permissible assigns, as the case may be. Closure of Sub-Account of the Customer under this clause shall be subject to the condition that neither any corporate action is pending at that point of time in connection with any Book-entry Securities in the Sub-Account nor any Book-Entry Securities are in Pledged Position and that the outstanding dues, if any, payable by any Party to the other Party is cleared and that the Customer has transferred or withdrawn all the Book-Entry Securities from his/her Sub-Account.

- 9. Where applicable, the terms "Sub-Account Holder" and "Participant" used in this Form shall include the "Customer" and "Shariah Compliant Securities Broker/TRE Certificate Holder" respectively.
- 10. The <u>Shariah Compliant</u> Securities Broker/Participant should ensure due protection to the Sub-Account Holder / Customer regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through it and not do anything which is likely to harm the interest of the Sub-Account Holder with/from whom it may have had transactions in securities.

#### TERMS AND CONDITIONS FOR OPENING AND OPERATIONS OF CDC SUB-ACCOUNT

The Terms and Conditions set herein below shall govern the Sub-Account forming part of the Account Family of the CDS Participant Account of the Participant, which shall be binding on the Sub-Account Holder as well as the Participant:

- The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account shall appear in the Sub-Account to be established by the Participant in the CDS who shall ensure the correctness and completeness of the same.
- 2. Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (I) above pursuant to Section 12 and 24 of the Central Depositories Act, 1997. Such authorization shall constitute the congregated / entire authorizations by the Sub-Account Holder(s) in favour of the Participant and supersedes and cancels all prior authorizations (oral, written or electronic) including any different, conflicting or additional terms which appear on any agreement or form the Sub-Account Holder(s) has executed in favour of the Participant.
- Participant shall send within 10 days of end of each quarter Account Balance statement to the Sub-Account Holder without any fee or charge showing the number of every Book-entry Security entered in his/her Sub-Account as of the end of the preceding quarter. Such Account Balance statement shall be generated from the CDS. Further, the Sub-Account Holder may request for such statement (including Account Activity reports) from the Participant at any time on payment of a fee on cost basis as prescribed by the Participant. The Participant shall be liable to provide such report/statement to the Sub-Account Holder within 3 Business Days from the date of receipt of such request, with or without charges.
   In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to
- 4. In consideration for the facilities and services provided to the Sub-Account Holder by the Participant, the Sub-Account Holder shall pay fees and charges to the Participant as applicable for availing such facilities and services under the Central Depositories Act, 1997, the Regulations and these Terms & Conditions. In case of outstanding payment against any underlying market purchase transaction, charges and/or losses against the Sub-Account Holder, the Participant shall have the right, subject to Clause 2 above and under prior intimation to the Sub-Account Holder to clear the payment, charges and/or losses (including any shortfall in margin requirements) within the reasonable time prescribed by the Participant, to dispose off the necessary number of Book-entry Securities of the Sub-Account Holder through market-based or Negotiated Deal Market sell transaction and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses.
- such outstanding payment, charges and/or losses.

  5. Where admission of Participant to the CDS is suspended or terminated by the CDC, the Sub-Account Holder shall have the right, subject to the Regulations and the Procedures made thereunder, to request CDC to change his/her Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to its right of recovery of any dues or receivable from the Sub-Account Holder.
- 6. The provision of services as provided for hereunder shall not constitute Participant as trustee and the Participant shall have no trust or other obligation in respect of the Book-entry Securities except as agreed by the Participant separately in writing.
- 7. The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).

#### TERMS AND CONDITIONS FOR TRADING ACCOUNT

- In case any dispute in connection with the Transaction between the <u>Shariah Compliant</u> Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to <u>Shariah Compliant</u> Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed gaginst him/her and the Customer shall have no objection to the same.
- arbitration award passed against him/her and the Customer shall have no objection to the same.

  The assets deposited as margin by a Customer with the Trading and Clearing Securities Broker or PCM, as the case may be, shall only be used by the Trading and Clearing Securities Broker or PCM for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.
- The Shariah Compliant Securities Broker may deposit unutilized funds of the Customers in a separate profit-bearing bank account in an Islamic bank or an Islamic branch of any conventional bank and shall distribute profit to the Customers out of total profit offered by bank(s) on such funds, unless specified otherwise in writing by the Customer.
- 4. The <u>Shariah Compliant</u> Securities Broker shall be authorized to act on the instructions of Customers given through any of the following modes of communication unless specifically designated by the Customer in the Form:
  - (a) Telephonic communication over a dedicated telephone line(s) routed through centralized call recording system;
  - (b) Email/SMS/Fax/Letter on the authorized email address/mobile/fax/address of the Shariah Compliant Securities Brokers;
  - (c) Verbal orders placed through personal appearance in the registered office subject to receipt of written acknowledgement of such in-person orders by <a href="Shariah Compliant">Shariah Compliant</a> Securities Brokers.
- 5. The Shariah Compliant Securities Broker shall make out the Contract Note (physical or electronic form) to the Customers in respect of trades executed on their behalf based on their order instructions not later than the start of next trading day as required under the Securities Brokers (Licensing and Operations) Regulations, 2016 through any of the following acceptable modes of communication unless specifically designated by the Customer in the Form:
  - (a) Recognized courier service;
  - (b) Registered Post at given correspondence address;
  - (c) Facsimile number provided on the Form;
  - (d) By hand subject to receipt/acknowledgement; or
  - (e) Email provided on the Form in case of Electronic Contract Note.

All such transactions recorded by the <u>Shariah Compliant</u> Securities Broker in the prescribed manner shall be conclusive and binding upon the Customer unless the Customer raises observation relating to unauthorized execution of such transaction or any error in the Contract Note within one trading day of the receipt of such Contract Note.

- In the event of any dispute relating to order placement or executing of orders, the burden of proof shall be on the Shariah Compliant Securities Brokers to establish the authenticity of such order placement or execution thereof.

  In case the Customer fails to deposit additional margins within one trading day of the margin call (in writing), the Trading and Clearing Securities Broker or
- 6. In case the Customer fails to deposit additional margins within one trading day of the margin call (in writing), the Trading and Clearing Securities Broker or PCM, as the case may be, shall have absolute discretion to liquidate the Customer's outstanding positions including the securities purchased and carried in such account to meet the margin shortfall without further notice to the Customer.
- 7. The Trading and Clearing Securities Broker or PCM, as the case may be, shall be responsible for the payment of any credit cash balance available in the account of the Customer through cross cheques or other banking channels (instruments) only within one (1) trading day of the request of the Customer subject to the maintenance of the margin requirements.
- 8. The Customer is aware that in the event of his/her non- payment on settlement day against securities bought on his/her account, the Trading and Clearing Securities Broker or PCM, as the case may be, may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
- 9. The Trading and Clearing Securities Broker or PCM, as the case may be, shall accept from the Customer payments through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other banking channels drawn on Customer's own bank account in case of amounts in excess of Rs. 25,000/-. Electronic transfer of funds to the Trading and Clearing Securities Broker or PCM, as the case may be, through banks would be regarded as good as cheque. The Trading and Clearing Securities Broker or PCM, as the case may be, shall provide the receipt to the Customer(s) in the name of the Customers duly signed by its authorized employee and the Customer(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Customer(s), specifically mentioning if payment is for margin or the purchase of securities. The Trading and Clearing Securities Broker or PCM, as the case may be, shall immediately deposit in its bank account, in an Islamic bank or an Islamic branch of any conventional bank, all cash received from clients. However, in exceptional circumstances, where it becomes necessary for Trading and Clearing



- Securities Broker or PCM, as the case may be, to accept cash in excess of Rs. 25,000/-, the Trading and Clearing Securities Broker or PCM, as the case may be, shall immediately report within one trading day such instances with rationale thereof to the PSX in accordance with the mechanism prescribed by PSX.
- 10. The Trading and Clearing Securities Broker or PCM, as the case may be, shall make all payments to the Customers through crossed cheques / bank drafts / pay orders or any other banking channels showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period prescribed under the Securities Brokers (Licensing and Operations) Regulations, 2016.
- 11. The <u>Shariah Compliant</u> Securities Broker shall provide to the Customers a quarterly Account Statement which shall include cash and securities ledgers as back office and CDC Sub-Account records along with reconcilication of any differences therein through any of the aforesaid modes of communication. In case of any discrepancy in the ledger statement, the Customer shall inform the <u>Shariah Compliant</u> Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the <u>Shariah Compliant</u> Securities Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.
- 12. The Customer shall pay all applicable taxes and statutory and regulatory fee and levies and brokerage commissions as are prevailing from time to time in connection with the brokerage services rendered. The <a href="Shariah Compliant">Shariah Compliant</a> Securities Broker/Participant can debit up to the accrued amount of levies and charges the account of the Customers for the abovementioned charges, which shall be clearly detailed in the ledger statement/daily confirmations. Any change resulting in an increase in the brokerage commission shall take effect not earlier than thirty (30) days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
- 13. The Shariah Compliant Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.

### TERMS AND CONDITIONS FOR KNOW YOUR CLIENT (KYC) APPLICATION FORM "SAHULAT"

- 1. All terms herein shall, unless expressly stated otherwise, have the same meaning as ascribed to them in the Centralized KYC Organization Regulations.
- The Sahulat Account can only be opened by resident Pakistani individuals with Authorized Intermediaries that are Securities Brokers and it shall be subject to
  following conditions or any other conditions as may be specified by PSX and/or SECP:
  - (a) Only one client code can be tagged by a Securities Broker for Sahulat Account holder in NCSS.
  - (b) Sahulat Account holder shall be allowed to open and maintain one Sahulat sub-account and/or one Sahulat IAS.
  - (c) Resident Pakistani individuals already maintaining sahulat or normal trading account with Authorized Intermediaries that are Securities Brokers are not eligible for opening Sahulat Account.
  - (d) Sahulat Account cannot be opened with joint holders
  - (e) Sahulat Account holders shall only be eligible to trade in Ready Delivery Contract Market and no transactions in Derivative Contracts and Leveraged Market shall be allowed.
  - (f) Trading by Sahulat Account Holders shall be subject to such position limits as may be notified by PSX from time to time with prior approval of SECP.
- 3. The Customer agrees that CKO may hold, store and process its KYC Information on the KYC Information System and KYC Database in connection with its KYC functions under the Centralized KYC Organization Regulations. The Customer also agrees that CKO may disclose its KYC Information as permitted under the CKO Regulations and such other disclosures as may be reasonably necessary for compliance with any other laws or regulatory requirements.
- 4. The Customer acknowledges that KYC Information System and KYC Database, including but not limited to all the information contained therein is the legal property of CKO.
- 5. These terms and conditions shall be governed by the laws of Pakistan.

\*\*\*END\*\*\*



### "EXHIBIT A"

### **GUIDELINES FOR SUBMISSION OF COMMENTS**

- 1. PSX invites the interested parties to provide their comments and views with specific reference to the subject matter of the proposed amendments to PSX Regulations notified in this Notice.
- 2. The comments can be submitted through any of the following modes:

Email	comments.rad@psx.com.pk	
Mail	The Chief Regulatory Officer,	
	Regulatory Affairs Division,	
	2 <sup>nd</sup> Floor, Administration Building,	
	Pakistan Stock Exchange Building,	
	Pakistan Stock Exchange Road,	
	Karachi — 74000.	

3. At the time of submission of comments, respondent is advised to provide the information, as per **Table-A** below, so that PSX may contact him/her for clarification or deliberation on the comments, if needed. Anonymous responses may be disregarded by PSX.

### Table-A

TO BE FILLED BY THE RESPONDENT		
Name of respondent		
Name of company (if applicable)		
Designation (if applicable)		
Contact Number		
Email Address		

**4.** The respondent may request confidential treatment for his/ her identity and all or any part of comments due to their proprietary, confidential or commercial nature, by clearly marking the information in **Table-B** below:

### Table-B

DISCLOSURE OF IDENTITY AND COMMENTS		
Please check the box(es) if you wish to be remain confidential:		
$\square$ I wish to have my identity remain confidential.		
$\square$ I wish to keep all or any part of my comments confidential.		

If respondent wishes to keep any part(s) of comments confidential, then he/she is required to clearly specify such part(s) of comments.

- 5. To ensure quality and promote transparency, PSX will publish the relevant comments of respondents and its management's response thereon in the form of a Response Paper on its website, within a reasonable timeframe, after close of public consultation session, unless the respondent has made a confidentiality request.
- **6.** Any policy or rule amendment may be subject to regulatory concurrence. For this purpose, respondents should note that notwithstanding any confidentiality request, PSX will share all their response(s) with the Securities and Exchange Commission of Pakistan (Apex Regulator).
- 7. By submitting comments, respondents are deemed to have consented to the collection, use and disclosure of data that is provided to PSX, unless respondents wish to have their identity or comments remain confidential.