



PAKISTAN STOCK BROKERS ASSOCIATION

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

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PSBA/Notice-197

February 20, 2025

NOTICE FOR MEMBERS

SUBMISSION OF AN APPLICATION TO THE COMMISSION FOR REGISTRATION AND RENEWAL OF REGISTRATION AS AN INTERMEDIARY

Dear Members,

This is in reference to the consultation paper dated February 20, 2025 (attached), whereby the SECP has invited the comments:

In this regard, the members are hereby requested to kindly submit your comments, if any, at psamail024@gmail.com latest by **March 06, 2025**, so that a consolidated response can be forwarded to the authorities for their consideration.

_____sd
AKBER ALI
Officer - Secretariat

Copy to:

1. PSBA Website



Securities and Exchange Commission of Pakistan

Public Consultation

On

Draft Guidelines

For

**Submission of an Application to the Commission for Registration
and Renewal of Registration as an Intermediary**

Date of issuance:

February 20th, 2025

Last date for submission of feedback:

March 10th, 2025

Email address for submission of feedback:

zainab.kazi@secp.gov.pk

Postal Address for submission of feedback:

Registrar of Companies, Securities and Exchange Commission of Pakistan

NICL Building, 63 Jinnah Avenue

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**Corporate Registry Department
Licensing and Registration Division**

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Introduction

The concept of intermediaries was introduced in 2017 to facilitate the electronic and physical filing of documents under *Section 455 of the Companies Act, 2017 (the Act)* read with *Intermediaries (Registration) Regulations, 2017 (repealed)*. In 2024, *the Companies Regulations, 2024* (the Regulations) were enacted, repealing the previous regulations and incorporating provisions related to intermediaries under Chapter X of the Regulations.

Intermediaries are authorized entities or individuals who assist companies in complying with regulatory requirements by submitting statutory documents to the Securities and Exchange Commission of Pakistan (the Commission).

The introduction of intermediaries aimed to streamline the filing process, reduce administrative burdens on companies, enhance compliance rates, and ensure accuracy in corporate submissions. By leveraging the expertise of intermediaries, businesses can efficiently fulfill their legal obligations related to incorporation, annual returns, financial statements, and other corporate filings.

These guidelines have been developed to clarify the requirements and outline the necessary documents that must be submitted with applications of registration and renewal of registration as intermediaries. By ensuring complete and accurate submissions, these guidelines aim to reduce processing time and streamline the registration and renewal process.

Registration as an Intermediary

Under the current legal framework, the following entities are eligible to apply for registration as intermediaries:

- i. Firms
- ii. Limited liability partnerships (LLPs)
- iii. Companies
- iv. Individuals

The detailed eligibility requirements are provided under Regulation 124 of the *Companies Regulations, 2024*. The applicants must ensure that they meet the eligibility criteria specified in Regulation 124 of the *Companies Regulations, 2024* before applying for registration.

For firms, LLPs or companies with **more than one year of experience**, if the applicant intends to delegate the functions of an authorized intermediary to any employees, it must ensure that such employees meet the fit and proper criteria specified under Regulation 132 of the Regulations.

For firms, LLPs or companies with **less than one year of experience**, the applicant must ensure that:

- The employees, if any, to whom the functions of authorized intermediaries will be delegated meet the fit and proper criteria under Regulation 132 of the *Companies Regulations, 2024*; and
- Any partners or directors to whom the functions of authorized intermediaries will be delegated meet the fit and proper criteria under Regulation 124 of the *Companies Regulations, 2024*.

In case of Firms, Limited Liability Partnerships and Companies

The following documents must be submitted physically to the Commission when applying for registration as an intermediary in the capacity of a firm, limited liability partnership (LLP), or company:

1. **App-5 form** as per Regulation 125 of the Regulations
2. **Original paid bank challan** evidencing payment of Rs.10,000 as registration fee
3. **Affidavit** from each partner (for firms and LLPs) and each director (for companies) as per the Appendix to App-5 of the Regulations
4. **List of partners, directors and/or** employees, to whom the functions of authorized intermediary shall be delegated, along with confirmation that the individuals to whom the functions of authorized intermediary would be delegated meet the fit and proper criteria as per the Regulations

5. ¹**Updated resume** of the firm, LLP or the company, highlighting the experience of each partner, director and/or employee, to whom the functions of authorized intermediary shall be delegated, in handling corporate affairs.
6. **Certified copies of educational certificates** of partners, directors and/or employees (where applicable)
7. **Certified copy of valid certificate of practice** (for ICAP, ICMAP membership, CMA, ACCA and CPA, foreign accountancy organization membership and Bar Council license) where applicable
8. **Copy of valid CNIC** of each partner or director
9. **Copy of valid CNIC** of each employee to whom the functions of authorized intermediary shall be delegated (if applicable)
10. **Copy of Registration certificate of company, LLP or firm, as applicable.**
11. **Affidavit from each employee** to whom the function of intermediary will be delegated, stating that he/she is compliant with the criteria specified in the Regulations
12. **Details of cases handled independently and a list of active clients**

In case of an Individual

The following documents must be submitted physically to the Commission when applying for registration as an intermediary in individual capacity:

1. **App-5 form** as per Regulation 125 of the Regulations
2. **Original paid bank challan** evidencing payment of Rs.10,000 as registration fee
3. **Affidavit** as per Appendix to App-5 of the Regulations

¹ The firm, LLP or company must have at least one year of experience in handling corporate affairs but where at least one director of the company or partner of the firm or limited liability partnership meets the qualification and experience mentioned in clause (i) of Regulation 124, no prior experience is required for the company or firm or limited liability partnership.

In case firm, LLP or company does not have an experience of one year in handling corporate affairs, the partners of the firm or the LLP, directors of the company and/or the employees, to whom the functions of authorized intermediary shall be delegated, must have at least two years of experience in handling corporate affairs if they hold Masters of Business Administration with specialization in Finance, Masters of Commerce and Masters of Law.

4. ²**Updated resume** highlighting experience in handling corporate affairs
5. **Certified copies of educational certificates**, attained till date
6. **Certified copy of valid certificate of practice** (for ICAP, ICMAP membership, CMA, ACCA and CPA, foreign accountancy organization membership and Bar Council license) where applicable
7. **Copy of valid CNIC**
8. **Details of cases handled independently and a list of active clients**
9. **No Objection Certificate** (NOC) from employer if the applicant uses the premises and IT infrastructure of their employer to work as an intermediary in individual capacity

Renewal of Registration as an Intermediary

The registration of an intermediary remains valid for a period of three years and an application for renewal must be submitted one month prior to the date of expiry of registration, in accordance with Regulation 127 of the *Companies Regulations, 2024*.

Furthermore, if an intermediary fails to apply for renewal within the time specified in *sub-regulation (1) of regulation 127*, the Commission is empowered to cancel the registration of an intermediary after providing an opportunity of hearing, as per sub-regulation (iv) of Regulation 129.

In case of Firms, Limited Liability Partnerships and Companies

The following documents must be submitted physically to the Commission when applying for renewal of registration as an intermediary in the capacity of a firm, limited liability partnership (LLP), or company:

1. **App-5 form** as per Regulation 127 of the Regulations
2. **Original paid bank challan** evidencing payment of Rs.1000 as application fee
3. **Affidavit** from each partner (for firms and LLPs) and each director (for companies) as per the Appendix to App-5 of the Regulations
4. **List of partners, directors and/or employees**, to whom the functions of authorized intermediary shall be delegated, along with confirmation that the individuals to whom the functions of authorized intermediary would be delegated meet the fit and proper criteria as per the Regulations

² If the applicant holds Masters of Business Administration with specialization in Finance, Masters of Commerce and Masters of Law, they must have at least two years of experience in handling corporate affairs.

5. ³**Updated resume** of the firm, LLP or the company, highlighting the experience of each partner, director and/or employee, to whom the functions of authorized intermediary shall be delegated, in handling corporate affairs (applicable only if there has been a change in directors or employees since the time of registration of intermediary).
6. **Certified copies of educational certificates** of partners, directors and/or employees (where applicable), if not previously submitted
7. **Certified copy of valid certificate of practice** (for ICAP, ICMAP membership, CMA, ACCA and CPA, foreign accountancy organization membership and Bar Council license) where applicable and if not previously submitted
13. **Copy of valid CNIC** of each partner or director (in case earlier submitted CNIC is expired)
14. **Copy of valid CNIC** of each employee to whom the functions of authorized intermediary shall be delegated (if applicable) (in case earlier submitted CNIC is expired)
15. **Affidavit from each employee** to whom the function of intermediary will be delegated, stating that he/she is compliant with the criteria specified in the Regulations
8. **Details of cases handled independently & a list of active clients**

In case of an Individual

The following documents must be submitted physically to the Commission when applying for renewal of registration as an intermediary in individual capacity:

1. **App-5 form** as per Regulation 125 of the Regulations
2. **Original paid bank challan evidencing** payment of Rs.1,000 as renewal application fee
3. **Affidavit** as per Appendix to App-5 of the Regulations

³ The firm, LLP or company must have at least one year of experience in handling corporate affairs but where at least one director of the company or partner of the firm or limited liability partnership meets the qualification and experience mentioned in clause (i) of Regulation 124, no prior experience is required for the company or firm or limited liability partnership.

In case firm, LLP or company does not have an experience of one year in handling corporate affairs, the partners of the firm or the LLP, directors of the company and/or the employees, to whom the functions of authorized intermediary shall be delegated, must have at least two years of experience in handling corporate affairs if they hold Masters of Business Administration with specialization in Finance, Masters of Commerce and Masters of Law.

4. **Certified copy of valid certificate of practice** (for ICAP, ICMAP membership, CMA, ACCA and CPA, foreign accountancy organization membership and Bar Council license) where applicable and if previously not submitted.
5. **Copy of valid CNIC** (in case earlier submitted CNIC is expired)
6. **Details of cases handled independently and a list of active clients**
7. **No Objection Certificate (NOC)** from employer if the applicant uses the premises and IT infrastructure of their employer to work as an intermediary in individual capacity

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