



# AL Habib Capital Markets (Pvt) Ltd.

TREC Holder, Pakistan Stock Exchange Ltd.  
 GF-01, Techno City, Hasrat Mohani Road, Karachi-Pakistan.  
 Phones : (92-21) 32270808-13 Fax : (92-21) 32270519  
 http://www.ahcml.com

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

## CUSTOMER RELATIONSHIP FORM FOR COMPANY AND OTHER BODY CORPORATE

(Please Also Fill KYC APPLICATION FORM)

(Please use BLOCK LETTERS to fill the form)

I/We hereby apply for opening of my/our following account [please tick (✓) only one relevant box] with AL Habib Capital Markets (Pvt) Limited.

- Trading & Sub-Account** [Opening of Account with Securities Broker for trading, custody and settlement]
  **Investor Account with CDC**
 **Sub-Account with Participant**
 **Trading Account** [Opening of Account with a Securities Broker for trading purpose only]

Note: In case applicant chooses option # 4 above, then he/she shall choose any of the following:

- Subscribe to Direct Settlement Services (DSS) with CDC**
 **Subscribe to National Custodial Services (NCS) with NCCPL**
 **Others (please specify e.g. CCM/NBCM)**

A REGISTRATION (AND OTHER) DETAILS OF APPLICANT (The information should be same as provided in the KYC Application Form)	
1. Full name of Applicant: <i>(As per Constitutive Documents)</i>	UKN No.
2. Registration Number/ Unique Identification Number ("UIN"):	
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 CDS.	
B OTHER ACCOUNT LEVEL INFORMATION	
1. Bank Details: The bank account information of the Main Applicant as provided in the KYC Form shall be used.	
2. Basis of Remittance: [Please tick (✓) the appropriate boxes]	
Pakistani <input type="checkbox"/> Resident <input type="checkbox"/> Non-Resident <input type="checkbox"/> Repatriable <input type="checkbox"/> Non-Repatriable	Foreign Company / Body Corporate <input type="checkbox"/> Resident <input type="checkbox"/> Non-Resident <input type="checkbox"/> Repatriable <input type="checkbox"/> Non-Repatriable
C CDC access:	
CDC provide FREE OF COST services under CDC access whereby Sub-account holders/ IAS account holders can have real time access to their account related information.	
1. Do you wish to subscribe to free of cost IVR/Web Service? <i>(Please tick (✓) the appropriate box)</i>	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. If you are subscribing to IVR and Web Service, please provide following details of your Contact Person:	
(a) Date of Birth: <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> - <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>	(b) Mother's Maiden Name:
D AUTHORIZATION UNDER SECTIONS 12 AND 24 OF THE ACT EXCLUSIVELY FOR SETTLEMENT OF UNDERLYING TRADES, PLEDGE AND RECOVERY OF PAYMENTS, CHARGES AND LOSSES	
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 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; b. For pledge securities transactions with the Clearing House relating to any of our underlying market transactions (trades) to be settled through the Clearing Company 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 my/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.	
<i>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 its 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.</i>	

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder

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	[Insert Name of Applicant(s)]	Participant's/ TREC Holder Seal & Signature
1.		3.	
2.		4.	

E OPERATING INSTRUCTIONS				
<b>1. Signatory(ies) to give instruction to the Participant/ TREC Holder pertaining to the operations of the IA/ Sub-Account/ Trading Account.</b> <i>(Please specify Investor account sub-account and trading account operating instructions in the relevant column along with names and specimen of authorised signatories)</i>	Names of Signatory(ies)		Specimen Signatures	
	(a)			
	(b)			
	(c)			
	(d)			
	<input type="checkbox"/>	Singly	<input type="checkbox"/>	Attorney
<input type="checkbox"/>	Jointly [any] _____ <i>(Please mention the relevant numbers of the signatories)</i>			
<b>2. IA/ Sub-Account Operating Instructions in writing:</b> <i>(Please tick (✓) the appropriate box)</i>	<input type="checkbox"/>	Singly	<input type="checkbox"/>	Attorney
	<input type="checkbox"/>	Jointly [any] _____ <i>(Please mention the relevant numbers of the signatories)</i>		
<b>3. Trading Account Operating Instructions;</b> <i>(Please tick (✓) the appropriate box)</i>	<input type="checkbox"/>	Singly	<input type="checkbox"/>	Attorney
	<input type="checkbox"/>	Jointly [any] _____ <i>(Please mention the relevant numbers of the signatories)</i>		
F AUTHORIZED SIGNATORIES OF APPLICANT			DATE & PLACE	
We hereby agree to admit the Applicant as the IAS/ 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 IA/ Sub-Account.				
Name of Participant/ TREC Holder:		Date:		
Witnesses:		Participant's/ TREC Holder's Seal & Signature:		
1. Name:		Signature:		
Computerized National Identity Card No:				
2. Name:		Signature:		
Computerized National Identity Card No:				
<b>Enclosures:*</b>				
1. Certified copy of Board Resolution/Power of Attorney (specimen provided as per Annexure-A below).				
2. Copies of valid Computerized National Identity Cards/NICOP/Passports of the Authorized Signatories.				
3. Certified copies of Constitutive Documents of the Applicant (Memorandum & Articles of Association, Act/Charter/Statute/Bylaws/Rules & Regulations, Certificate of Incorporation, Certificate of commencement of business, Prospectus for Modaraba, relevant licences and registration issued by regulatory bodies etc.).				
4. Certified copy of NTN Certificate (If exempted, please provide supporting documents/Letter of Undertaking, where the applicant opt not to obtain NTN).				
5. Certified copy of list of Directors/Trustees (if applicable).				
6. Terms & Conditions of relevant service provider, as applicable.				
7. Specimen Signature Card (for Investor Accountholder(s) only)-				
* Note: Non-resident/ foreigners shall submit the documents duly attested by either notary public or Consul General of Pakistan having jurisdiction over the Applicant.				
G FOR THE USE OF PARTICIPANT/ TREC HOLDER ONLY				
Particulars of Customer Relationship Form verified by:				
Application:	<input type="checkbox"/> Approved <input type="checkbox"/> Rejected	Signature: (Authorized signatory)	Stamp	
Date				
IA/ Sub-Account No. issued:				
<b>IA/ Sub-Account/ Trading Account opened by:</b>				
Saved by:		Posted by:		
Date:	Signature:	Date:	Signature	
Remarks: <i>(if any)</i>				

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



## 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 (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, Policies, 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.
2. 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, 2018.
3. The 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 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.
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 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.
7. Subject to applicable laws, the 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 Securities Broker/ Participant shall be obliged to disclose the same for which the Customer shall not raise any objection whatsoever.
8. The 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.
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/Securities Broker. Upon receipt of instruction from the Customer, the Participant/Securities Broker shall give effect to such changes in the manner prescribed under the relevant regulations. The Participant/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/Securities Broker's address or contact numbers or any other related information, the 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 Securities Broker/Participant to the Sub-Account Holder(s)/Customer(s).

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



11. The 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 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 "Securities Broker/TRE Certificate Holder" respectively.
13. The 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/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:

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. The Book-entry Securities owned by the Sub-Account Holder shall be exclusively entered in the Sub-Account of such Sub-Account Holder.
3. 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.
5. 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 charges.
6. 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 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.

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



8. 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

In case any dispute in connection with the Transaction between the 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 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.

1. The assets deposited as margin by a Customer with the Securities Broker shall only be used by the 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.
2. The Securities Broker may deposit unutilized funds of the Customers in a separate profit-bearing bank account 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.
3. The 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 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 Securities Brokers.
4. The 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 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 Securities Brokers to establish the authenticity of such order placement or execution thereof.

5. In case the Customer fails to deposit additional margins within one trading day of the margin call (in writing), the 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.

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



6. The 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.
7. The Customer is aware that in the event of its non- payment on settlement day against securities bought on its account, the Securities Broker may transfer such securities to its Collateral Account under intimation to PSX in the manner as provided in PSX Regulations.
8. The 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 Securities Broker through banks would be regarded as good as cheque. The 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 Securities Broker shall immediately deposit in its bank account 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 Securities Broker to accept cash in excess of Rs.25,000/-, the 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.
9. The 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.
10. The 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 Securities Broker within seven (7) days of receipt of the quarterly account statement to remove such discrepancy. Further, the Securities Broker shall provide to a Customer an Account Statement for a period specified by the Customer as and when requested by such Customer.
11. 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 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 five (5) trading days of intimation of the same to the Customers through acceptable mode of communication prescribed in the Form.
12. The Securities Broker shall append a Risk Disclosure Document with this Form in accordance with the specimen provided by PSX.

#### 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;

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



- e) I/We confirm having read and understood the above Terms and Conditions and I/We hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the above Terms and Conditions and any other terms and conditions which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the above Terms and Conditions in connection with the opening, maintenance and operation of the Sub-Account / Trading Account, as the case may be;
- f) 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 Securities Broker/Participant immediately in writing of any change therein;
- g) 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;
- h) 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; and
- i) I/We hereby now apply for opening, maintaining, operation of /Sub-Account/Trading Account, as the case may be, with the Participant/TREC Holder.

#### 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 [www.cdccess.com.pk](http://www.cdccess.com.pk) which shall be deemed to have been read and agreed to by the Users before signing this form.

#### ADDITIONAL TERMS AND CONDITIONS

In addition to the Terms and Conditions contained in the Account Opening Form, the following Additional Terms and Conditions are applicable and binding upon the Account Holder(s) and the Broker:-

1. At the time of the opening of the account, the Account Holder(s) shall deposit a sum of at least Rs. \_\_\_\_\_, or listed securities of equivalent value acceptable to the Broker as per its haircut valuation policy. The net value of the securities/cash balance will be monitored regularly. The Broker shall have the right to call for the deficit amount.
2. In case the Account Holder(s) is/are authorized by the Broker to undertake online trading, the Broker shall also be authorized to act upon the instructions of the Account Holder(s); whether written or verbal. The Broker shall provide confirmation of the executed transactions via e-mail or as required by the Account Holder(s). All such transactions recorded by the Broker in its books shall be conclusive and binding upon the Account Holder(s), which shall not be questioned by it, subject to Clause 4 of the Terms & Conditions for trading account.

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



3. The Broker shall put forth its best endeavors to service and execute the order of the Account Holder(s).
4. While the Broker shall endeavor to purchase or sell the securities as per the Account Holder(s) instructions while placing the order, the Broker does not guarantee or assure that the transactions may materialize fully.
5. The Account Holder(s) shall be liable to pay all federal, provincial and local taxes, duties, fees and other levies, such as income tax, capital gains tax, capital value tax, sales tax, excise duty, stock exchange charges, NCCPL charges, CDC charges, etc. (collectively "Taxes"), as may be applicable on the Account Holder(s) or the transactions executed on its behalf. The Broker is hereby unconditionally authorized by the Account Holder(s) to deduct Taxes from payments to be made to the Account Holder(s) or recover the applicable Taxes out of the funds or securities of the Account Holder(s) that may be available with the Broker for onward payments to the concerned tax authorities. The Account Holder(s) shall indemnify the Broker against all losses, damages, costs and expenses that may be sustained or suffered by the Broker for non-payment of any Taxes due to want of sufficient funds or securities of appropriate value in the account of the Account Holder(s)
6. In case of non-payment by the Account Holder(s) within time stipulated in Clause 7 of the Terms and Conditions for trading account, the Broker shall have the right to square off the deal and any loss suffered therein, shall be borne by the Account Holder(s). The Broker shall have a lien and/or first charge on the Account Holder(s)' securities and deposits held on account of the Account Holder(s) for recovery of such loss.
6. (a) If any such delay continues beyond one (1) business day, the Broker shall have the right to resell the securities at the risk, cost and account of the Account Holder(s) and all losses suffered shall be borne and made good by Account Holder(s). In case if the cheque given by the Account Holder(s) bounces, a handling charge of Rs.1,000.00 will be recovered from the Account Holder(s). The recovery of these charges shall not prejudice Broker's right to initiate any other legal proceedings against the Account Holder.
6. (b) Without prejudice to the Broker's rights contained in Clauses 6 and 6a. above, in case the Account Holder(s) fails to make the payment for any trade and the Broker claims the amount in arbitration proceedings, whether initiated by the Broker or by the Account Holder(s), or in a suit or other proceedings that may be initiated by the Broker in a court of law, the Broker shall have the right to claim compensation @ six months KIBOR, plus 4% on the outstanding amount from the date of the institution of the arbitration proceedings or the suit or any other legal proceedings, as the case may be till realization by payment made by the Account Holder(s) or by enforcement of the arbitral award or the decree of the court, as the case may be, to cover the Broker's cost of funds.
7. It is mutually agreed between the Broker and Account Holder(s) that any free credit balances in Account Holder('s) account are being maintained to facilitate Account Holder(s)' intention to invest such amount through the Broker. It is specifically agreed and understood that under no circumstances whatsoever will the Broker allow any credit facilities.
8. For Sale contracts involving physical scrips, the Account Holder(s) shall deliver the securities to Broker at least two (2) days before the scheduled date of delivery. The scheduled date of delivery will be intimated to the Account Holder(s) by the Broker at the time of confirmation of the sell order. If the deliveries are not received by the scheduled date, the sell position held by the Account Holder(s) will be squared under intimation to the Account Holder(s) and the resulting loss incurred, if any, due to squaring the position will be charged to the Account Holder(s). Securities' certificate(s) will not be accepted for effecting deliveries unless blank transfer deeds with signatures duly verified by the concerned companies along with the original security certificate(s) are delivered to the Broker. In case security certificate(s) and/or the corresponding transfer deed(s) and/or the securities are not found to be in order, the Broker will have the right to refuse or reject the same in which event the Account Holder(s) shall timely replace/deliver substitute of the said securities' certificate(s) or get the original deeds and/or the securities' certificate(s) regularized immediately subject to any other liability of the Account Holder(s).
9. The proceeds of the securities sold on account of the Account Holder(s) shall become due on the business day following settlement date. The Broker shall not be liable for delays in the payments to be made by NCCPL or the Exchange or the TRE Certificate Holder of the Exchange through whom the securities have been sold by the Broker on account of the Account Holder(s), as the case may be.
10. In case of purchase contracts, deliveries will be effectuated to the Account Holder(s) on the settlement dates, mentioned in the Confirmation of purchase; provided, however, that each payment is received by the Broker at least one day before the settlement date. Payment in excess of Rs.25,000/- will be accepted only by a recognized banking instrument/online fund transfer mechanism of a reputed Bank acceptable to the Broker. If the payment is not received before the settlement date or if the Payment instrument bounces, the Broker shall be free to transfer the securities to its Collateral Account as mentioned in Clause 7 of the Terms and Conditions for Trading Account, without prejudice to the Broker's other rights, remedies and recourses. Purchase bill will be issued for every related transaction.

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11. The Broker shall charge commission from the Account Holder(s) at the rates notified by the Broker to the Account Holder(s) from time to time, such rates will be subject to change by the Broker at its discretion. Provided, however, any increase in the rate of commission shall not apply to an order already executed on account of the Account Holder(s). The sale proceeds shall be paid after deduction of the commission and purchase bills will be inclusive of commission and other levies.
12. In the event of failure or refusal to effect delivery against any purchase contract by any TREC Holder or NCCPL through whom the Broker may have purchased the securities or refusal to accept delivery against any sale contract by any TREC Holder or NCCPL through whom the Broker may have sold the securities, the Broker shall not be liable for any damages, costs or legal expenses which the client may suffer or sustain and in such an event, the related Rules and Regulations will prevail and be binding upon the parties.
13. In the event of the Account Holder(s) refusal to accept delivery and to make payment against any Purchase Contract or refusal or delay in effecting delivery against any Sale Contract, the Account Holder(s) shall be liable to compensate the Broker for all losses and damages, including the financial cost as well as legal cost (if any) that the Broker may suffer or sustain on account of the Account Holder(s)' delay or default.
14. The Broker shall not be liable for any fraud, forgery, mis-declaration or any other act or omission on the part of any constituent or TREC holder of the Exchange/NCCPL or their respective Account Holder(s) and the securities shall be deemed to have been purchased or sold at the risk and cost of the Account Holder(s) with no obligation on part of the Broker.
15. In case of hacking of any of its information system or any other system that forms part of trading, the Broker shall not be liable in any manner whatsoever.
16. In case any information or data relating to the Account Holder(s), including but not limited to the Statements of Ledger Account, CDC sub-accounts, transactions effectuated for or on account of the Account Holder(s), payments made by or received from the Account Holder(s) from time to time, etc. is called by any lawful authority or agency or a court or tribunal, the Broker shall be obliged to provide the same and shall not be held liable in any manner for such disclosures.
17. **For Book-Entry Securities:**  
For book-entry securities, the following Additional Terms and Conditions shall apply:
  17. (a) For book-entry securities deposited with the Central Depository Company of Pakistan Limited, deliveries will be effected as per the Central Depositories Act, 1997 and the Central Depository Company of Pakistan Limited Regulations and other applicable Rules and Regulations pertaining to book-entry securities.
  17. (b) The special terms and conditions for Opening and Operation of CDC sub-account to be executed by the Account Holder(s) shall apply to all transactions relating to book-entry securities.
18. **For Online Trading:**  
For Online Trading, the following Additional Terms and Conditions shall apply:
  18. (a) A Password or PIN will be issued to the Account Holder by the Broker as the Account Holder's Personal Identification Number or Code to enable the Account Holder to have access to and use its account for Online Trading. The Password/PIN may be communicated through email or through any courier to the Account Holder at its own risk. The Account Holder shall not disclose the Password/PIN to any person and shall take every reasonable precaution to prevent discovery of the Password/PIN by any other person.
  18. (b) The Broker may electronically transfer delivery of confirmation, statements, and other notices in connection with Online Trading. It shall be the responsibility of the Account Holder to review upon receipt of emails, confirmation statements, margin notices and maintenance calls whether delivered by surface mail, email, or electronic terminals. If the Password/ PIN is disclosed to any third party, the Account Holder shall immediately notify the same to the Broker. The Account Holder will immediately notify the Broker of any loss, theft, or unauthorized use of its Password, account number and Password/PIN. The Account Holder shall immediately notify any change in its email or other address as mentioned in the Account Opening Form.
  18. (c) All risks connected and involved with Electronic/Online Trading will be assumed fully by the Account Holder. Neither the Broker, nor any of its directors or officers would be responsible or liable in any manner for any losses or damages that may be suffered by the Account Holder, including but not limited to, those due to the misuse of the Account Holder's Password or PIN, hacking of lines, outages and slowdowns in the internet connection, and piracy of the Account Holder information and affairs by unscrupulous persons.

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18. (d) The Broker may at any time and from time to time require Additional Margin in the account (in cash or securities acceptable to the Broker) before executing any orders or undertaking any transactions executed through Online Trading Facility. The amount and timing may vary depending on factors solely at the Broker's discretion. The Broker shall have the right to liquidate the Account Holder's trading position(s) if the Account Margin is insufficient at any time and the conditions of the right to set off clause below shall apply.
18. (e) The Broker may at its discretion elect upon notice to square off the Account Holder's account and make all obligations in the account immediately due and payable by the Account Holder without assigning any reason.

**19. Margin Financing (MF)/ Margin Trading (MT)/ Security Lending and Borrowing (SLB):**

For Margin Financing/Margin Trading/ Securities Lending & Borrowing, the following Additional Terms and Conditions shall apply:

19. (a) Margin Financing, Margin Trading, Securities Lending and Borrowing and Pledging of Securities on account of the Account Holder shall be governed by the Securities (Leveraged Markets and Pledging) Rules, 2011 and any amendments thereto or substitutions thereof or any other legal or regulatory requirement as implemented from time to time. The Account Holder(s) undertake(s) to execute the Broker's standardized documents for such transactions, including those prescribed by SECP, PSX, NCCPL, etc.
19. (b) The Account Holder(s) shall be eligible to enter into multiple Margin Financing/Margin Trading/SLB Contracts at the same time and shall be for a tenor not greater than the respective tenor prescribed by the PSX from time to time or such other period as the Broker may at its sole discretion determine.
19. (c) The minimum equity participation amount that the Broker shall accept for each MF/MT/SLB Contract shall not be lower than the limit prescribed by the National Clearing Company of Pakistan Limited Regulations, 2003, (Regulations) as amended and/or modified from time to time. However, the Broker at its discretion can request for higher equity participation than what is prescribed in the Regulations.
19. (d) In respect of MT/MF/SLB transactions, the Account Holder(s) shall pay to the Broker mark-up on financing computed at the rate as decided from time to time pro-rated to the actual number of days for which any amount is financed to or on account of the Account Holder(s). The Broker shall have the right to debit Account Holder(s) account for the mark-up and the Account Holder(s) undertake(s) to pay the mark-up immediately upon written demand from the Broker without raising any issues.
19. (e) The purchase of securities shall be carried out by the Account Holder(s) only in respect of MT/MF/SLB Eligible Securities as decided by the Broker from time to time. The Account Holder(s) accept(s) and acknowledge(s) that the Broker has the sole discretion to limit the number of MT/MF Eligible Securities for which it may wish to facilitate the Account Holder(s), and the Account Holder(s) can only ask for facilitation of those MT/MF/SLB Eligible Securities from the Broker which the Broker has short-listed. Any change to the MT/MF/SLB Eligible Securities shall be effected immediately by the Broker except where the MT/MF/SLB Securities' contract already executed require otherwise.
19. (f) In case of any corporate action such as a dividend declaration or a rights announcement by a MT/MF/SLB Eligible Security which has been financed by the Broker / MT Financier, such right shall remain vested with the Account Holder(s) and the Broker/MT Financier shall not benefit from such actions inspite of the securities being in its custody.
19. (g) If there is any loss in the Account Holder(s)' account due to Mark-to-Market (MTM) of the MT/MF/SLB Contract, such losses shall be settled by the Account Holder(s) within one business day.
19. (h) The Broker is hereby authorized by the Account Holder(s) to mortgage, pledge or hypothecate the securities deposited or bought on behalf of the Account Holder(s) by the Broker to the related financial institution for a sum not exceeding the outstanding balance in the margin account, to the extent that the same is permissible under the applicable laws, Rules and Regulations.
19. (i) The Account Holder(s) unconditionally agree(s) that its securities may be sold by the margin financier, in case of any default or margin call not being addressed as per the requirements of Rules & Regulations as applicable from time to time, in the course of financing.
19. (j) Notwithstanding the conditions of Clauses 1 and 5 of the Terms and Conditions for trading account, in the event of default, failure, refusal or inability on part of the Account Holder(s) to repay the finance or any outstanding mark-up thereon, the Broker shall have the right to square up and liquidate the position of the Account Holder(s) and sell all the securities held on account of the Account Holder(s) upon one business day's notice to the Account Holder(s). The net sale proceeds so realized after deduction of brokerage, costs, taxes, duties, etc. shall be applied towards adjustment of the outstandings owed by the Account Holder(s) to the Broker. In case of any shortfall, the Account Holder(s) shall be liable to pay the same to the Broker with late payment charges at the rate mentioned in Clause V above, computed from the due date(s) of the outstanding amount upto the date of actual realization by the Broker.

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19. (k) It is hereby distinctly understood that the grant of this MT/MF Facility by the Broker to the Account Holder(s) is subject to the provisions of the Securities (Leveraged Markets and Pledging) Rules, 2011 with such variations and modifications as may be made from time to time. The Account Holder(s) has/have read, understood and agreed to abide by the provisions of the said Rules, as well as other applicable Rules and Regulations. Further, all applicable Procedures, prescribed Documents, Policies, Notifications, Rules, Regulations, etc. issued or made by the Stock Exchange/ NCCPL/Commission in respect of Margin Financing/ Margin Trading shall become applicable and binding on the Account Holder(s) and the Broker. If any fine is imposed or other adverse action is taken by the Commission or the Stock Exchange or NCCPL against the Broker due to non-compliance of any of the provisions of the said Rules and/or any direction of the Commission or the Stock Exchange or NCCPL by the Account Holder(s), the Account Holder(s) shall be liable to pay the same to the Broker and indemnify and keep indemnified the Broker against all losses, costs, expenses, demands, proceedings and compensate the Broker in all respect to the full extent.
19. (l) The Broker hereby discloses, and the Account Holder(s) acknowledge(s) that the transaction and activity of margin trading/margin financing has its inherent risks, and consequently, the Account Holder(s) by entering into this Agreement accepts such risks. Such risks include, but are not limited to, default risk, economic risk, market risk, regulatory risk, interest rate risk, priority rights of other creditors in case of liquidation, and other force majeure events like terrorism, acts of God, civil commotion, failure of communication and I.T. related systems downtime or other glitches, etc.
19. (m) The Account Holder(s) represent(s) that the funds being provided by it is its own funds and not obtained or borrowed from any other person.

**20. Trading in Futures Contracts:**

Trading in Future Contracts will be subject to the Rules and Regulations governing Future contracts of the Exchange, including any Notices, Instructions, Circulars, and decisions of the Governing Board of the Exchange.

**21. Custodial Services:**

For Custodial Services, the following Additional Terms and Conditions are applicable:

21. (a) The charges for custodial services will be intimated to the Account Holder by the Broker.
21. (b) If the Broker has been appointed as a Custodian, the securities purchased for the Account Holder(s) will be retained by the Broker on account of the Account Holder(s).
21. (c) If the securities sold are lying with the Broker as Custodian for the Account Holder(s), the Broker shall deliver the securities as per the Rules & Regulations on account of the Account Holder(s).

**22. Termination/Suspension:**

The Contract may be terminated by either party at any time by prior written notice of thirty days to the other subject to fulfillment of various legal and regulatory requirements including but not restricted to those required by the PSX, SECP, SBP, FBR, NCCPL, CDC, the Anti-Money Laundering Unit and other such related authorities and agencies. The Broker reserves the right to suspend/limit the trading activity of the Account Holder(s) for any reason whatsoever. However, before taking any action in this regard the Broker shall inform the Account Holder(s) the reason(s) in writing at least 5 working days prior to such action.

**23. Risk Disclosure:**

The Risk Disclosure Statement annexed to this Account Opening form shall form an integral part of these Terms and Conditions.

The above Additional Terms and Conditions are supplemental to the Terms and Conditions and not in derogation thereof. In case of any conflict between any of these Additional Terms and Conditions and the Terms and Conditions, the Terms and Conditions will prevail.

The Broker declares that any claim the Broker makes as to its independence or impartiality shall be true and correct.

The Terms and Conditions on which the regulated Securities activity is offered are contained in the Terms and Conditions and the Additional Terms and Conditions contained in the Account Opening Form.

By signing this Form the Account Holder(s) shall be deemed to be aware of all risks and exposures and shall be deemed to have absolved and released the Broker from all consequences and liabilities.

I/We have fully understood this Risk Disclosure Statement and agree to assume all the risks in trading in Securities.

Signatures:

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Authorized signatories of the Applicant

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Participant/ TREC Holder



## RISK DISCLOSURE DOCUMENT

This Risk Disclosure documents is prescribed by the Pakistan Stock Exchange Limited (PSX) under Clause 13(1) of the Securities Broker Licensing and Operations) Regulations, 2016.

This document contains important information relating to various types of risks associated with trading and investment in financial products (equity securities, fixed income instruments, derivatives contracts etc.) being traded at PSX. The customers should carefully read this document before opening trading account with a broker.

In case a customer suffers negative consequences or losses as a result of trading/ Investment, he/ she shall be solely responsible for the same and PSX or Securities and Exchange Commission of Pakistan (SECP) shall not be held responsible/ liable, in any manner whatsoever, for such negative consequences or losses.

The customers must acknowledge and accept that there can be no guaranteed profit or guaranteed return on their invested capital and under no circumstances a broker can provide customers such guarantee or fixed return on their investment in view of the fact that the prices of securities and futures contract can fall as well as rise depending on the market conditions and performance of the companies. Customers must understand that past performance is not a guide to future performance of the securities, contracts or market as a whole. In case the customers have any doubt or are unclear as to the risks/information disclosed in this document, PSX strongly recommends that such customer should seek an independent legal or financial advice in advance.

PSX neither singly or jointly and expressly not impliedly guarantee nor make any representation concerning the completeness, accuracy and adequacy of the information contained in this document as this document discloses the risks and other significant aspects of trading/ investment at the minimum level. PSX does not provide or purport to provide any advice and shall not be liable to any person who enters into a business relationship with a broker based on any information contained in this document. Any information contained in this document must not be construed as business/ investment advice in any manner whatsoever.

### THE CUSTOMERS MUST BE AWARE OF AND ACQUAINTED WITH THE FOLLOWING:

#### 1. BASIC RISKS INVOLVED IN TRADING IN SECURITIES MARKET:

- 1.1 **Volatility Risk:** Volatility risk is the risk of changes in the value of financial product in any direction. High volatility generally means that the values of securities/ contracts can undergo dramatic upswings and/ or downswings during a short period. Such a high volatility can be expected relatively more in illiquid or less frequently traded securities/ contracts than in liquid or more frequently traded one. Due to volatility, the order of a customer may not be executed or only partially executed due to rapid change in the market prices. Such volatility can also cause price uncertainty of the market orders as the price at which the order is executed can be substantially different from the last available market price or may change significantly thereafter, resulting in a real or notional loss.
- 1.2 **Liquidity Risks:** Liquidity refers to the ability of market participants to buy and/ or sell securities expeditiously at a competitive price and with minimal price difference. Generally, it is assumed that more the numbers of orders available in a market, greater is the liquidity. Liquidity is important because with greater liquidity, it is easier for customers to buy and/ or sell securities swiftly and with minimal price difference and, as a result, customers are more likely to pay or receive a competitive price for their executed trades. Generally, lower liquidity can be expected in thinly traded instruments than in liquid or more frequently traded ones. As a result, order of customer may only be partially executed, or may be executed with relatively greater price difference or may not be executed at all. Under certain market conditions, it may be difficult or impossible for the customers to liquidate a position in the market at a reasonable price, when there are not outstanding orders either on the buy side or on the sell side, or if trading is halted in a security/ contract due to any reason.
- 1.3 **Speculative Trading Risk:** Speculative involves trading of a security/ contract with the expectation that it will become more valuable in a very near future. These transactions are attempted to make profit from fluctuations in the market value of securities, rather than fundamental value of a security and/ or underlying attributes embodied in the securities such as dividends, bonus or any other factor(s) materially affecting the price.

Speculative trading results in an uncertain degree of gain or loss. Almost all investment activities involve speculative risks to some extent, as a customer has no idea whether an investment will be a blazing success or an other failure.

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Day trading strategy is a common example of speculative trading in which customers buy and sell the same security/derivative within the same day, such that all obligations are netted off and closed and no settlement obligations stand. The customer indulging in a day-trading strategy needs to be more vigilant and informed than the customer investing for a longer period, as the market may not move during the day as the day-trader originally anticipated, resulting in loss to them.

- 1.4 Risk of Wider Spread:** The Bid-Ask spread is the difference between the offer price and bid price of a security/ contract quoted by the Market Makers or trading parties. The size of spread is affected by a number of factors such as liquidity, volatility, free float (the total number of shares outstanding that are readily available for trading) etc. Generally, low liquidity, high volatility and low free float levels of a security may result in relatively wider Bid-Ask Spread. The higher Bid-Ask spread can result in greater cost to customers.
- 1.5 Risk Pertaining To The Price Fluctuations Due To Corporate Announcement:** The corporate announcements by the issuers for the corporate actions or any other material information may affect the price of the securities. These announcements combined with relatively lower liquidity of the security may result in significant price volatility. The customers, while making any investment decision in such securities, contracts, are advised to take into account such announcements. Moreover, the customers should be cautious and vigilant in case fake rumors are circulating in the market. The customers are advised to refrain from acting purely based on such rumors rather take well informed investment decision in light of all facts and circumstances associated with such securities and their issuers.
- 1.6 Risk Reducing Orders:** The customers can place orders for limiting the losses to certain amounts, such as Limit Orders, Stop Loss orders, and market orders etc. Customers must ask their brokers for detailed understanding of these order types. Customers must acknowledge that placement of such orders or limiting losses to certain extent may not always be an effective tool due to rapid movements in the prices of securities and, as a result, such orders may not be executed.
- 1.7 System Risk:** High volume trading will frequently occur at the market opening and before market close. Such high volumes may also occur at any point in the day causing delay in order execution or confirmation. During periods of volatility, on account of market participants continuously modifying their order quantity or prices or placing fresh orders, there may be delays in order execution and its confirmations.
- 1.8 Systemic Risk:** Systemic risk arises in exceptional circumstances and is the risk that the inability of one or more market participants to perform as expected will cause other participants to be unable to meet their obligations when due, thereby affecting the entire capital market.
- 1.9 System and Networking Risk:** Trading on PSX is done electronically, based on satellite/ leased line based communications, combination of technologies and computer systems to place and route orders. All these facilities and systems are vulnerable to temporary disruption or failure, or any such other problem/ glitch, which may lead to failure to establish access to the trading system/network. Such limitation may result in delay in processing or processing of buy or sell orders in part only or non-processing of orders at all. As with any financial transaction, the customer may experience losses if orders cannot be executed normally due to systems failures on the part of exchange or broker. The losses may be greater if the broker having customer's position does not have adequate back-up systems or procedures. Accordingly, the Customers are cautioned to note that although these problems may be temporary in nature, but when the customers have outstanding open positions or unexecuted orders, these limitations represent a risk because of obligations to settle all executed transactions.
- 1.10 Risk of Online Services:** The customers who trade or intend to trade online should fully understand the potential risks associated with online trading. Online trading may not be completely secure and reliable and may cause delay in transmitting information, execution of instructions due to technological barriers. Moreover, the customer acknowledges and fully understands that he/ she shall be solely responsible for any consequences arising from disclosure of the access codes and/ or passwords to any third person or any unauthorized use of the access codes and or passwords.
- 1.11 Regulatory/ Legal Risk:** Government policies, rules, regulations, and procedures governing trading on the exchange are updated from time to time. Such regulatory actions and changes in the legal/ regulatory ecosystem including but not limited to changes in tax/ levies may affect the potential profit of an investment. Some policies of the government may be focused more on some sectors than others thereby affecting the risk and return profile of the investment of the customers in those sectors.

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## 2. RISKS IN DERIVATIVE AND LEVERAGE PRODUCTS:

Derivative and leveraged trades enable the customer to take larger exposure with smaller amount of investment as margin. Such trades carry high level of risk and the customers should carefully consider whether the trading in the derivative and leveraged products is suitable for them, as it may not be suitable for all customers. The higher the degree of leverage, the greater the possibility of profit or loss it can generate in comparison with the investment involving full amount. Therefore, the customers should trade in the derivative and leveraged products in light of their experiences, financial resources and other relevant circumstances.

Derivative product namely Deliverable Futures Contract, Cash Settled Futures Contract, Stock Index Futures Contract and Index Options Contracts and leveraged products namely Margin Trading System, Margin Financing and Securities Lending and Borrowing are available for trading at stock exchange.

The customer transacting in the derivative and leveraged markets needs to carefully review the agreement provided by the brokers and also thoroughly read and understand the specifications, terms and conditions which may include markup rate, risk disclosures etc. There are a number of additional risks that all customers need to consider while entering into derivative and leverage market transactions. These risks include the following:

- (a) Trading in the derivative and leveraged markets involves risk and may result in potentially unlimited losses that are greater than the amount deposited with the broker. As with any high risk financial product, the customer should not risk any funds that the customer cannot afford to lose, such as retirement savings, medical and other emergency funds, funds set aside for purposes such as education or home ownership, proceeds from student loans or mortgages, funds required to meet living expenses.
- (b) All derivative and leveraged trading involves risk, and there is no trading strategy that can eliminate it. Strategies using combinations of positions, such as spreads, may be as risky as outright long or short positions. Trading in equity futures contracts requires knowledge of both the securities and the futures markets.
- (c) The customer needs to be cautious of claims of large profits from trading in such products. Although the high degree of leverage can result in large and immediate gains, it can also result in large and immediate losses.
- (d) Because of the leverage involved and the nature of equity futures contract transactions, customer may feel the effects of his/ her losses immediately. The amount of initial margin is small relative to the value of the futures contract so that transactions are 'leveraged' or 'geared'. A relatively small market movement will have a proportionately larger impact on the funds the customer has deposited or will have to deposit. This may work against customer as well as for him/ her. Customer may sustain a total loss of initial margin funds and any additional funds deposited with the broker to maintain his/ her position. If the market moves against his/ her position or margin levels are increased, customer may be called upon to pay substantial additional funds on short notice to maintain his/ her position. If the customer fails to comply with a request/ call for additional funds within the time specified, his/ her position may be liquidated/ squared-up at a loss, and customer will be liable for the loss, if any, in his/ her account.
- (e) The customer may find it difficult or impossible to liquidate/ square-up a position due to certain market conditions. Generally, the customer enters into an offsetting transaction in order to liquidate/ square-up a position in a derivative or leverage contract or to limit the risk. If the customer cannot liquidate position, they may not be able to realize a gain in the value on position or prevent losses from increasing. This inability to liquidate could occur, for example, if trading is halted due to some emergency or unusual event in either the equity futures contract or the underlying security, no trading due to imposition of circuit breaker or system failure occurs on the part of exchange or at the broker carrying customers' position. Even if customer can liquidate position, they may be forced to do so at a price that involves a large loss.
- (f) Under certain market condition, the prices of derivative contracts may not maintain their customary or anticipated relationships to the prices of the underlying security. These pricing disparities could occur, for example, when the market for the equity futures contract is illiquid, when the primary market for the underlying security is closed, or when the reporting of transactions in the underlying security has been delayed.
- (g) The customer may be required to settle certain futures contracts with physical delivery of the underlying security. If the customer holds position in a physically settled equity futures contract until the end of the last trading day prior to expiration, the customer shall be obligated to make or take delivery of the underlying securities, which could involve additional costs. The customer should carefully review the settlement and delivery conditions before entering into an equity futures contract.

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- (h) Day trading strategies involving equity futures contracts and other products pose special risks. As with any financial product, customers who seek to purchase and sell the same equity futures in the course of a day to profit from intra-day price movements ("day traders") face a number of special risks, including substantial missions, exposure to leverage, and competition with professional traders. The customer should thoroughly understand these risks and have appropriate experience before engaging in day trading. The customer should obtain a clear explanation of all commission, fees and other charges for which he/ she will be liable. These charges will affect net profit (if any) or increase loss.

### 3. GENERAL:

**3.1 Assets Held with Brokers:** The customer should familiarize him/ herself with the measures available for protecting from the risk of misappropriation or misuse of cash and securities held with the brokers. For such purpose, he/ she may opt for UIN Information System (UIS) provided by National Clearing Company of Pakistan Limited (NCCPL). The customer should also provide correct mobile number/ email address in order to receive SMS/ e-Alerts services being provided by the NCCPL and Central Depository Company of Pakistan Limited (CDC) on each trade and movement of their securities.

moreover, the customers should be aware of the protections given to money and securities deposited with the brokers, particularly in the event of a default by such broker or the broker's insolvency or bankruptcy. The customer recognizes that in such default/ insolvency/ bankruptcy scenario, the customer may recover his/ her money and/ or property to such extent as may be governed by relevant PSX Regulations and/ or local laws in force from time to time.

**3.2 Customers Rights and Obligations:** The customer must understand their rights and obligations as well as the rights and obligations of the brokers specified under the PSX Regulations and the Standardized Account Opening form, Know Your Client Form, Standardized Sub-Account Opening Form of CDC, and Agreement(s) of Leveraged Products (Margin Trading System, Margin Financing and Securities Lending and Borrowing), where applicable, and any other applicable Rules, Regulations, Guidelines, Circulars etc. as may be issued by SECP and PSX and PSX from time to time.

- (a) The customers should ensure that they deal through the registered branch and with the registered Agents/ Traders/ Representatives of the broker. The customer shall also verify such details from the website of PSX and Jamapunji ([www.jamapunji.pk](http://www.jamapunji.pk));
- (b) Customer at the time of establishing relationship with the brokers, should obtain a clear explanation of all brokerage, commission, fees and other charges for which customer will be liable to pay and these charges will affect net cash inflow or outflow;
- (c) It is obligatory for the brokers to issue contract note, in either electronic form or hard copy, by next working day of trading. The contract note shall contain all information relating to trade execution including commission and charges applicable on the customers. In case contract note is not issued, customer should inquire with broker immediately and in case the matter is not resolved, the same should be reported to the PSX;
- (d) The customers should match the information as per the contract notes with the SMS/ e-Alert received from CDC and/ or NCCPL and may also verify from the UIS facility from the website of NCCPL.

### UNDERTAKING

I, the customer, hereby acknowledge that I have received this Risk Disclosure Document and have read and understood the nature of all risks and other contents and information provided in this document.

Date: \_\_\_\_\_

Signatures:

\_\_\_\_\_  
Authorized signatories of the Applicant

\_\_\_\_\_  
Participant/ TREC Holder



SCHEDULE OF COMMISSION CHARGES, OTHER CHARGES AND REQUIRED MARGIN FOR THE PURPOSE OF TRADING.

**COMMISSION: (Rs. per share or % of share value)**

The commission structure is as follows:

<b>DELIVERY</b>			<b>DIFFERENCE</b>		
From	To	Rate	From	To	Rate
0.01	10.00	_____	0.01	10.00	_____
10.01	50.00	_____	10.01	50.00	_____
50.01	100.00	_____	50.01	100.00	_____
100.01	200.00	_____	100.01	200.00	_____
200.01	300.00	_____	200.01	300.00	_____
300.01	400.00	_____	300.01	400.00	_____
400.01	500.00	_____	400.01	500.00	_____
500.01	over	_____	500.01	over	_____

**OTHER CHARGES:**

1. CDC Transaction Fee Rs. \_\_\_\_\_ % Market Value per transaction
2. CDC Custody Fee Rs. \_\_\_\_\_ % p.a. of Market value
3. CDC Sub Account Fee Rs. \_\_\_\_\_ p.a.
4. UIN Maintenance Fee Rs. \_\_\_\_\_ p.a.
5. Physical Shares Deposit in CDC Rs. \_\_\_\_\_ per share
6. Sales Tax Rs. \_\_\_\_\_ % Brokerage Commission
7. Capital Value Tax (CVT) Rs. \_\_\_\_\_ % on Purchase value
8. Withholding Tax (WHT) Rs. \_\_\_\_\_ % on Purchase/ Sale value

AL Habib Capital Markets (Pvt.) Ltd is authorized to revise commission charges and other charges. Any change in the above will be notified to the account holder.

Signature:

\_\_\_\_\_ Main Applicant

\_\_\_\_\_ Joint Applicant 1

\_\_\_\_\_ Joint Applicant 2

\_\_\_\_\_ Joint Applicant 3

\_\_\_\_\_ Participant/ TREC Holder





**For and on behalf of AL HABIB CAPITAL MARKETS (PVT) LIMITED:**

Name: \_\_\_\_\_ Designation: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**Witness 1:**

**Witness 2:**

Name: \_\_\_\_\_ Name: \_\_\_\_\_

CNIC # : \_\_\_\_\_ CNIC # : \_\_\_\_\_

**Internal use only**

Compliance: \_\_\_\_\_ Approved by: \_\_\_\_\_  
COO CEO

**Referred by :**

Name: \_\_\_\_\_ Signature: \_\_\_\_\_



## Annexure 'A'

### BOARD RESOLUTION

"RESOLVED that an application be made on behalf of \_\_\_\_\_ (name of entity)  
(to) \_\_\_\_\_ ("broker") for opening an Account and for the  
afore-said purpose the Customer Relationship Form including Terms and Conditions as set out herein be executed on behalf of  
\_\_\_\_\_ (name of entity)

FURTHER RESOLVED the Mr./ Ms. \_\_\_\_\_ and Mr./ Ms. \_\_\_\_\_  
be and are hereby authorized and empowered, either singly/ jointly for 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 there with, 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 the Mr./ Ms. \_\_\_\_\_ and Mr./ Ms. \_\_\_\_\_  
be and are hereby authorized and empowered, either singly/ jointly to represent to the broker on all matters pertaining to the maintenance and  
operation of the Account, to deal, liase and correspond with broker and give instructions to fulfill all the responsibilities and obligations to broker  
under the Law, Rules and Regulations and the Terms & 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: \_\_\_\_\_



# AL Habib Capital Markets (Pvt) Ltd.

TREC Holder, Pakistan Stock Exchange Ltd.  
 GF-01, Techno City, Hasrat Mohani Road, Karachi-Pakistan.  
 Phones : (92-21) 32270808-13 Fax : (92-21) 32270519  
 http://www.ahcml.com

## KNOW YOUR CUSTOMER (KYC) APPLICATION FORM CORPORATE

(Please use BLOCK LETTERS to fill the form)

A REGISTRATION (AND OTHER) DETAILS OF CUSTOMER	
1. Full Name of Customer: <i>(As per Constitutive Documents)</i>	
2. Date of Incorporation:	3. Incorporation No.:
4. Place of Incorporation:	5. Date of Commencement of Business:
6. National Tax No. <i>(For exempted entities, supporting document should be provided/ Letter of Undertaking, where entities opt not to obtain NTN)</i>	
7. Industry/ Sector:	
8. Registration No./ Unique Identification No. ("UIN"):	
9) Details of Contact Person of the Customer: <i>(Should only be an authorized representative of the Customer)</i>	
(a) Name Mr./ Mrs./ Ms.:	
(b) Association of the Attorney with the Customer:	
(c) Address:	
(d) <input type="checkbox"/> CNIC <input type="checkbox"/> SNIC <input type="checkbox"/> NICOP <input type="checkbox"/> ARC <input type="checkbox"/> POC No.: <i>(Please tick (✓) appropriate box)</i>	e) Expiry Date:
(f) Designation of the official:	(g) Tel (Off.):*
(h) Mobile:	(j) E-mail:
(k) Passport details: <i>(For a foreigner or a non-resident Pakistani)</i>	Passport No.:
Place of Issue:	Date of Issue:
	Date of Expiry:
B ADDRESS DETAILS OF CUSTOMER	
1. (a) Mailing Address: _____ City/ Town/ Village: _____ Province/ State: _____ Country: _____	
(b) Tel. (Off.): _____	(c) Mobile*: _____
(d) Email: _____	
Specify the proof of address submitted for mailing address:	
2. (a) Registered Address: _____ City/ Town/ Village: _____ Province/ State: _____ Country: _____	
(b) Tel. (Off.): _____	(c) Mobile*: _____
(d) Email: _____	
Specify the proof of address submitted for registered address:	
C OTHER DETAILS	
1. Expected Annual Income:	2. Net-equity/ net-assets as on (date) : ( )
3. Shareholder Category <i>[Please tick ( ) the appropriate box]</i>	<input type="checkbox"/> Investment Company
	<input type="checkbox"/> Insurance Company
	<input type="checkbox"/> Charitable Trust
	<input type="checkbox"/> Leasing Company
	<input checked="" type="checkbox"/> Bank/Financial Institution
	<input type="checkbox"/> Joint Stock Company
<input type="checkbox"/> Modaraba	
<input type="checkbox"/> Modaraba Management Company	
<input type="checkbox"/> Cooperative Society	
<input type="checkbox"/> Mutual Fund	
<input type="checkbox"/> Other <i>(Please specify )</i>	
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/ our 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.	
I hereby, unconditionally and irrevocably, declare, confirm and acknowledge having read in full and understood the relevant terms and conditions attached as an Annexure to this KYC Application Form duly provided to me by the Authorized Intermediary at the time of filing of this KYC Application Form	
I hereby acknowledge that I was informed by the Authorized Intermediary at the time of filing this KYC Application Form that these terms and conditions are prescribed under CKO Regulations, 2017 and are also available on the website of CKO, further, I have no doubt or concern that the terms and conditions shared with me by the Authorized Intermediary are any different from the ones specified in CKO Regulations 2017 and available on CKO website	
Signature of the Authorized Person	Date: <input type="text"/>
FOR OFFICE USE ONLY	
Signature of the Authorized Signatory	Date
I hereby confirm and acknowledge having provided in full the relevant terms and conditions attached as an Annexure to this KYC Application Form to the Customer at the time of filing of this KYC Application Form.	
I hereby confirm that I have informed the Customer at the time of filing this KYC Application Form regarding the availability of these terms and conditions in CKO Regulations, 2017 and on the website of CKO, I further confirm and acknowledge that I have no doubt or concern that the terms and conditions shared with Customer by me are not updated website.	
* Optional	
** IBAN shall be mandatory for all corporate entities except for those which have provided an undertaking for exclusion from IBAN requirement due to any exception available under applicable laws, rules, regulations etc or where permitted by CKO for reasons to be recorded.	



## TERMS AND CONDITIONS OF THE KYC APPLICATION FORM

1. All terms herein shall, unless expressly stated otherwise, have the same meaning as ascribed to them in the Centralized KYC Organization Regulations.
2. 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. All correspondence shall be sent by CKO at the mailing address and/or email address of the Customer, as stated on the KYC Application Form. KYC application costs shall be submitted electronically for Online Account Opening of Individual Pakistani Customer by Authorized Intermediary that is a Professional Clearing Member or a Securities Broker.
4. Neither the CKO nor its directors, officers, employees or agents shall be liable for losses, damages, liabilities, costs or expenses suffered or incurred by the Customer as a result of providing its KYC Information to Authorized Intermediaries or the CKO due to any reasons whatsoever including its unauthorized disclosure.
5. The Customer undertakes to indemnify the CKO against any losses, damages, liabilities, costs or expenses suffered or incurred by CKO, including any legal costs and claims by third parties, as a result of any inaccuracy, misrepresentation, misstatement or incorrect details in the information supplied by the Customer or any omission in such information or any other contravention or violation of the Centralized KYC Organization Regulations
6. The Customer agrees that in the event that he does not abide by the timelines prescribed in the Centralized KYC Organization Regulations for submission of information and confirmation to the NCCPL, the NCCPL shall be authorized to take action as prescribed in the Centralized KYC Organization Regulations. The Customer undertakes that it shall hold CKO harmless and that CKO shall not be liable for any losses, damages, liabilities, costs or expenses suffered or incurred by the Customer as a result of such actions.
7. 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.
8. 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.
9. The Customer agrees that verification against KYC information provided by Customer and Authorized Intermediaries, shall be performed by CKO as per CKO Regulations and such verifications shall include verification of KYC information through linked services such as RAAST, 1-Link, PMD, NADRA, etc.
10. The Customer agrees that KYC information provided by Customer at the time of onboarding shall be shared with CDC in pursuance of provisions prescribed by the Securities & Exchange Commission of Pakistan with respect to Central Gateway Portal managed by CDC.
11. The Authorized Intermediaries agree to pay CKO the fees and charges as prescribed by CKO from time to time in respect of its KYC functions.
12. CKO has absolute discretion to amend or supplement any of the terms and conditions at any time and will endeavor to give prior notice of fifteen days wherever feasible for such changes.
13. The Customer agrees and affirms that it shall be bound by and acts in accordance with the provisions of the Centralized KYC Organization Regulations.
14. These terms and conditions shall be governed by the laws of Pakistan.

Customer Type	KYC Supporting Documents for Customer
<b>Body Corporate</b>	<ol style="list-style-type: none"><li>i. Certificate of incorporation and/ or certified copies of constitutive documents. Certificate of commencement of business, if applicable.</li><li>ii. any license issued by a regulatory body in case of specialized companies.</li><li>iii. List of directors as per latest form 29 filed with the Commission.</li><li>iv. Copy of latest form A filed with the Customer</li><li>v. NTN Certificate of the Customer.</li><li>vi. Copies of CNICs of all the directors.</li><li>vii. Memorandum and Articles of Association.</li><li>viii. Board Resolution for opening the account and authorizing the relevant official to operate the account along with copy of CNIC of such official.</li><li>ix. Latest Audited Financial Statement, where applicable.</li><li>x. Where the Customer is a non-resident or foreign company/entity, duly consularized copy of board resolution/ power of attorney align with constitutive documents and list of directors attested by the consul general of Pakistan having jurisdiction over the Customer.</li></ol>



Customer Type	KYC Supporting Documents for Customer
<b>Partnershp</b>	<ul style="list-style-type: none"> <li>i. Copy of partnership deed.</li> <li>ii. Copies of CNICs of all the partners.</li> <li>iii. Attested copy of Registration Certificate with Registrar of Firms. In case the partnership is unregistered, this fact should be clearly mentioned.</li> <li>iv. Latest Financial Statements.</li> <li>v. Authority letter, in original, in favor of the person authorized to operate on the account of the firm with copy of CNIC of such person.</li> </ul>
<b>Trust</b>	<ul style="list-style-type: none"> <li>i. Copy of constitutive documents.</li> <li>ii. Copies of CNICs of all the trustee.</li> <li>iii. Copy of resolution for opening the account and authorizing the relevant official to operate the account along with copy of CNIC of such official.</li> <li>iv. Copy of NTN Certificate where applicable.</li> <li>v. Latest Audited Financial Statements, where applicable.</li> <li>vi. Proof of Annual Income.*</li> <li>vii. Proof of Net-equity/ net-assests if provided in KYC Application Form.*</li> </ul> <p>* Only applicable if financial statements are not available or provided.</p>
<b>Other Not-for- Profit Organization</b>	<ul style="list-style-type: none"> <li>i. Copies of the constitutive documents, bylaws and certificate of registration.</li> <li>ii. Copies of CNICs of the members of the governing body.</li> <li>iii. Authority letter, in original, in favor of the person authorized to operate on the account of the organization along with copy of CNIC of such person.</li> <li>iv. Latest Auted Financial Statements, where applicable.</li> <li>v. Proof of Annual Income.*</li> <li>vi. Proof of Net-equity/ net-assets if provided in KYC Application Form.*</li> </ul> <p>* Only applicable if financial statements are not available or provided.</p>

\_\_\_\_\_  
Signature of the Authorized Signatory

\_\_\_\_\_  
Date

\_\_\_\_\_  
Seal/ Stamp of the Authorized Intermediary



Manager Compliance & Audit  
AL Habib Capital Markets (Pvt) Ltd.  
GF-01, Techno City, Hasarat Mohani Road,  
Karachi.

Date: \_\_\_\_\_

### UNDERTAKING IN RESPECT OF MOBILE NUMBER & EMAIL

I hereby confirm that following mobile number and email address is pertained and utilized by me. You are therefore requested to update/ insert the same in registration detail of my account so I can get mandatory and optional updates from your brokerage house, CDC, NCCPL or from any other source which is relevant to my account.

\*Cell No.: \_\_\_\_\_

Email ID: \_\_\_\_\_

Regards,

\_\_\_\_\_  
Signature

Name: \_\_\_\_\_

CNIC: \_\_\_\_\_

A/C #: \_\_\_\_\_

**\*Please provide mobile bill (if available)**

# INVESTOR PROTECTION GUIDELINES

Pakistan Stock Exchange and all other capital market entities, i.e.; Central Depository Company (CDC) and National Clearing Company (NCCPL) are engaged in ensuring that our market apparatus provides the best possible security and safety in the trading, transmission and custody of investors' securities.

An essential element of adequate investor's protection apparatus is the duty of due care and appropriate oversight by the investors themselves over their trading and custodial arrangements. Investor are encourage to ensure the following in this respect.

- Check & verify the reputation of the broker and the registration status of his branch office concerned and agents before establishing client relationship with any brokerage houses.
- While Opening trading Account with broker read and understand the contents of the "Standardized Account Opening Form" and provide all contact details (mailing address, e-mail, telephone, and mobile number etc.) on this form. Get a copy of the same duly indicating your trading ID number & UIN. Don't give unnecessary authorization to anyone to trade on your behalf.
- Have a "CDC Sub-Account" opened through your broker. Read the Sub-account Opening Form carefully and ask your broker to give you a copy, duly mentioning your complete contact details and the Sub Account Number.
- For absolute custody and protection of your portfolio, consider opening an account with CDC's "Investor Account Service (IAS)".
- Also enroll for free of cost e-Alerts, e-Statements and SMS alert services of CDC. Ask your broker to activate them, and ensure that you receive an email and/ or SMS against any activity in your account and an e-Statement on a monthly basis.
- Have a valid Unique Identification Number (UIN) Issued from NCCPL. UIN for individual resident Pakistanis is the CNIC number.
- Regularly access NCCPL's website to check "UIN Information System" to monitor all activities carried out against your UIN by the broker.
- Ask the broker to place your orders through your UIN, as any transmission of orders without that is fraught with problems beside being non-transparent.
- Though it is more advisable to get IVR and web Facility offered by CDC, however if not registered as yet you should regularly obtain physical statement from the broker and also obtain a free. Ensure both statements match each other and securities balances given are correct as per your record.
- Do not place funds with broken on fixed return as it is illegal.
- Always make payments/ deliveries in the official name of the brokerage and always obtain receipts for every payment made.
- All transactions and capital gains taxes are payable on the prescribed rates of the Govt. of Pakistan and no broker can offer any relaxation in the rates of these taxes. A broker offering discounted rates against these taxes maybe involved in deceptive and wrongul practices.
- Make sure that you immediately update your contact details, in case of any change, on all relevant record items such as the UIN database, your trading account with broker and you CDC Sub-Account etc.



Ph: +92-21-111-001-122  
Fax: +92-21-3241-0825  
Email: info@psx.com.pk  
Web: www.psx.com.pk



Ph: +92-21-111-111-500  
Fax: +92-21-3432-6031  
Email: info@cdcpak.com  
Web: www.cdcpakistan.com



**JamaPunji**  
سرمایہ کاری سمجھداری کے ساتھ

Web: www.jamapunji.com



Ph: +92-21-3246-0811-19  
Fax: +92-21-3246-0827  
Email: info@nccpl.com.pk  
Web: www.nccpl.com.pk



# AL Habib Capital Markets (Pvt) Ltd.

TREC Holder, Pakistan Stock Exchange Ltd.  
 GF-01, Techno City, Hasrat Mohani Road, Karachi-Pakistan.  
 Phones : (92-21) 32270808-13 Fax : (92-21) 32270519  
 http://www.ahcml.com

## FOREIGN ACCOUNT TAX COMPLIANCE (“FATCA”) FORM

Date:

Account Number:          
*(For Office Use Only)*

Title of Account: \_\_\_\_\_

Mailing Address: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

City/ District/ Province: \_\_\_\_\_ Country: \_\_\_\_\_ Postal Code:

Registered Office: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

City/ District/ Province: \_\_\_\_\_ Country: \_\_\_\_\_ Postal Code:

Head Office: \_\_\_\_\_  
 \_\_\_\_\_  
 \_\_\_\_\_

City/ District/ Province: \_\_\_\_\_ Country: \_\_\_\_\_ Postal Code:

Telephone Number(s): Registered Office: \_\_\_\_\_ Head Office: \_\_\_\_\_ Fax: \_\_\_\_\_ Other: \_\_\_\_\_

Nature of Business/ Activity:  Services  Manufacturing  Trade  Retail  Other  
*(Specify)* \_\_\_\_\_

Details of Business/ Activity: \_\_\_\_\_

Other Companies of the Group: \_\_\_\_\_

TYPE OF ENTITIES	
A) Partnerships & Corporations:	<input type="checkbox"/> Registered Partnership <input type="checkbox"/> Unregistered Partnership <input type="checkbox"/> Private Ltd. Company <input type="checkbox"/> Public Unlisted Company <input type="checkbox"/> Single Member Company <input type="checkbox"/> Public Listed Company <input type="checkbox"/> Agent Account <input type="checkbox"/> Private Ltd. Company <input type="checkbox"/> Others: _____
	<input type="checkbox"/> Commercial Bank <input type="checkbox"/> Investment Bank <input type="checkbox"/> Asset Management Company <input type="checkbox"/> Insurance Company <input type="checkbox"/> Brokerage Firm <input type="checkbox"/> Pension Scheme/ Fund <input type="checkbox"/> Mutual Fund <input type="checkbox"/> Development Financial Institution (DFI) <input type="checkbox"/> Microfinance Bank <input type="checkbox"/> Modaraba <input type="checkbox"/> Others: _____ Please provide Global Intermediary Identification Number (G.I.I.N.) if applicable: <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
C) Government:	<input type="checkbox"/> Federal Govt. / Provincial Govt./ Local Govt./ Municipality <input type="checkbox"/> Law Enforcement Agency <input type="checkbox"/> Judicial Entity <input type="checkbox"/> Armed Forces <input type="checkbox"/> Others: _____
	<input type="checkbox"/> Charitable Trust <input type="checkbox"/> Non Charitable Trust <input type="checkbox"/> Society/ Association <input type="checkbox"/> Clubs <input type="checkbox"/> Cooperative Society <input type="checkbox"/> Political Party <input type="checkbox"/> NGO/ NPO <input type="checkbox"/> Others _____ <input type="checkbox"/> For Charitable Trusts / NGOs / NPOs, please provide registration number _____
E) Foreign Organisations:	<input type="checkbox"/> Embassy/ Consulate <input type="checkbox"/> International Organisation <input type="checkbox"/> Multilateral Organisation <input type="checkbox"/> Others: _____
Tax Number:	<input type="checkbox"/> NTN: _____ <input type="checkbox"/> Sales Tax Registration No.: _____ <input type="checkbox"/> TIN/ Other Tax Identification No.: _____
Date of Incorporation/Reg.:	<input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/> <input type="text"/>
	Country of Incorporation/ Reg.: _____





**FATCA CLASSIFICATION FORM FOR ENTITIES**

Check (✓)    Check (✓)  
If Yes        If No

**1. Do you belong to any of the following types of entities:** .....  .....

- Government/ Governmental Entity
- Entity wholly owned by a Government
- Foreign Mission
- Central Bank
- Non-Profit Organisation
- International Organisation
- Pension Fund established by any of the above mentioned exempt entities
- Financial Institution

- If any of the above mentioned types of entities are checked, you are not required to fill the remaining part of this form
- If none of the above type of entities are checked, please proceed to Question 2.

**2. Are you a Listed Company or a Subsidiary of a Listed Company?** .....  .....

- If "yes", you are not required to fill this form further. Please provide name of the stock exchange(s) on which you or your holding/ parent company is listed:  
Name of Stock Exchange ..... Country .....

- If "No", please go to Q.3.

**3. Is the entity a partnership or trust organized/ registered in the U.S. or a company incorporated under the laws of U.S.?** .....  .....

- If "Yes", please provide Form W-9. You are not required to complete the rest of this form.
- If "No", please go to Q.4.

**4. Does any U.S. National or U.S. Entity have substantial (i.e. more than 10%) shareholding, profit/ capital Interest or beneficial interest in your company, partnership or trust** .....  .....

- If "Yes", please fill section B below for each of your Substantial U.S. Owner(s).
- If "No", please go to Q.5.

**B) Details of Substantial U.S. Owners:-**

Details of Substantial U.S. Owner(s) for Entity Account			
Name	Address	Tax Identification Number (TIN)	% of Ownership / Beneficial Interest

**5. Do you have any U.S. Mailing Address, U.S. Head Office, U.S. Registered Address or U.S. Telephone Number?** .....  .....

- If "Yes", and you are a U.S. entity, please provide Form W-9.
- If "Yes", and you are not a U.S. entity, please provide Form W-8BEN-E.
- If "No", please go to Q.6.



### FATCA CLASSIFICATION FORM FOR ENTITIES

Check (✓) If Yes      Check (✓) If No

6. Have you granted a Power of Attorney or Signatory Authority to a person with a U.S. address .....  .....

- If "Yes", and you are a U.S. entity, please provide Form W-9 for the entity.
- If "Yes", and you are not a U.S. entity, please provide Form W-8BEN-E.
- If "No", please go to Q.7.

7. Is your entity a Passive Non Financial Foreign Entity or an Active Non Financial Foreign Entity (NFFE) .....  .....

Passive       Active

'Passive entities' generate more than 50% of their income from passive sources such as interest, dividend, income equivalent to interest, rents and royalties, annuities, the excess of gains over losses from the sale or exchange of property etc. whereas 'Active entities' generate more than 50% of their income from non-passive source such as trading, manufacturing or provision of services etc.

- If "Passive", please provide Form W-8BEN-E and ensure that Part XXX of the Form W-8BEN-E is properly filed.
- If "Active", no further documentation is required.

### DECLARATION (Must be Signed by all Authorized Signatories)

I/We request you to open an account(s) with Bank AL Habib Limited ("the Bank") as per details provided above, which I/We confirm are true and correct in all respects. I/We agree to provide any document(s) required by the Bank according to the type of account(s) requested and to abide by the current rules and policies of the Bank for the conduct of such account(s). I/We have received a copy of the Account Opening Form and Rules/ Terms & Conditions of Account, which have been read and signed by me/us. I/We agree with these Rules/ Terms & Conditions and also agree to be bound by them as amended by you from time to time. I/We agree to inform you of any changes in the information provided in this Form or in related documents.

This request when accepted by the Bank will be deemed to be an agreement between the Bank and me/ourselves and the completed sections of this Form shall be treated as an integral and indivisible part of the same. It is understood that this account will be used for bonafide business transactions.

I/We agree to be liable for any Finances or debts due to you which you may permit on this account or any other account in my/our name. I/We solemnly declare that we have not been refused banking facilities by any other bank before approaching you for opening of our account.

I/We hereby confirm that the information provided by me/us and the information in the submitted documents is true, accurate, complete and updated, and the submitted documents are genuine and duly signed by me/us.

I/We understand that the information and the submitted documents will also enable Bank AL Habib Limited ("the Bank") to comply with its obligations under the U.S. Foreign Account Tax Compliance Act ("FATCA"). I/We hereby consent and agree to the Bank meeting its obligations under FATCA in connection with my/our account, including submission of the required account information to appropriate government and regulatory authorities, in accordance with FATCA provisions.



### DECLARATION (Must be Signed by all Authorized Signatories)

I/We agree and undertake to notify the Bank within 30 calendar days if there is a change in any information or document which I/We have provided to the Bank.

1) Name: .....  
Current Res. Address: .....  
Signatures: .....

2) Name: .....  
Current Res. Address: .....  
Signatures: .....

3) Name: .....  
Current Res. Address: .....  
Signatures: .....

4) Name: .....  
Current Res. Address: .....  
Signatures: .....

5) Name: .....  
Current Res. Address: .....  
Signatures: .....

6) Name: .....  
Current Res. Address: .....  
Signatures: .....

7) Name: .....  
Current Res. Address: .....  
Signatures: .....

.....  
Company Stamp

### FOR OFFICE USE ONLY

#### ENTITY CATEGORIES:

- U.S. Entity:**       *An entity incorporated in the U.S. OR*       *An entity which provides a form W-9.*  
 **Non-U.S. Entity:**       *A local entity OR*       *An entity that provides form W-8BEN-E*  
 **Non Participating Foreign Financial Institution:** *(A Financial Institution which does not provide its Global Intermediary Identification Number).*

It is hereby confirmed that the required checks have been performed for this account.

Verified By:

\_\_\_\_\_  
Name of Equity Operation Manager

\_\_\_\_\_  
Signature

### TO BE COMPLETED BY COMPLIANCE DIVISION

#### Special FATCA Status:-

Certain entities may claim one of the following FATCA categories by providing a W-8BEN-E form indicating to that effect. These classifications are required to be captured for annual FATCA reporting purposes;

- Owner-Documented FFI with specified U.S. owner(s):**  
An entity that certifies its status as an Owner Documented FFI by completing Part X of the W-8BEN-E Form.
- Direct Reporting NFFE:**  
A Non-Financial Entity which provides a GIIN and opts as a Direct Reporting NFFE on the W-8BEN-E Form Part 1.
- Passive NFFE with Substantial U.S. Owner:**  
An Entity which opts for Passive NFFE status by completing Part XXVI of the W-8BEN-E Form & provides details of its Substantial U.S. Owners in Part XXX of the same.