Darson

RELIABLE STOCK BROKERAGE

TREC Holder of Pakistan Stock Exchange Limited

CUSTOMER RELATIONSHIP FORM – FOR SAHULAT ACCOUNT (SHARIAH)

CLIENT NAME _____

TRADING ACCOUNT NO. _____

CDC SUB-ACCOUNT NO. _____

GENERAL INSTRUCTIONS FOR CUSTOMER RELATIONSHIP FORM

- Please read carefully the Terms and Conditions appearing under form before filling the fields and signing the forms.
- Each column must be filled in Block/Capital Letters.
- The Account Holder and the Broker will duly sign this form.
- Fields, which are not applicable, should be marked **"N/A"**.
- Make cheque payable to **Darson Securities Limited.**
- Please fill KYC Application Form for Main and Joint Applicants (if any).
- If any clarification is required, please do not hesitate to contact us at 111 900 400 or info@darsononline.com

BASIC DOCUMENTS REQUIRED FROM INDIVIDUALS

- Copy of valid CNIC/SNIC/NICOP/ARC/POC/Passport of the Applicants / Joint Applicants / nominee(s) and Attorney (as the case may be).
- Copy of Zakat Declaration of the Applicant and the Joint Applicant (if applicable). In case of Non-Muslim, an affidavit shall be submitted.
- Letter of Authorization from the Main Applicant for the person authorized to trade in the account. (if other than the Main Applicant)
- A list of Transaction fee, Commission to be charged by the Broker and the CDC charges to be levied.
- Attested copy of NTN Certificate (if applicable).
- Proof of employment (for salaried persons)/ business (for self-employed persons).
- Proof of mailing/permanent address. (in case address is different as in CNIC)
- Duly notarized Copy of Power of Attorney* (if applicable).
- Terms & Conditions of relevant service provider, as applicable.
- Specimen Signature Card (for Investor Accountholder(s) only)
- Any other information that may be required.

* Non-resident/ foreigners shall submit the documents duly attested by either notary public or Consul General of Pakistan having jurisdiction over the Applicant(s).

SAHULAT ACCOUNT OPENING FORM FOR CUSTOMERS OF SHARIAH COMPLIANT SECURITIES BROKER

(INDIVIDUAL RESIDENT PAKISTANI ONLY)

Darson Securities Private Limtied
Office No. 808, 8th Floor, Business & Finance Center
I.I. Chundrigar Road, Karachi.

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

(INDIVIDUAL RESIDENT PAKISTANI ONLY)

(Please use BLOCK LETTERS to fill the form)

For official use of Authorized Intermediary only	
Application Form No.	
TRE Certificate No.	090
Broker Registration No.	BRL038
CDS Participant ID	06445
Sub-Account / IAS Account No.	
Trading Account No. (Back-office ID) *(if applicable)*	

A. IDENTITY DETAILS OF APPLICANT		
1. Full name of Applicant (As per CNIC/SNIC)		
2. Father's / Husband's Name:		
3. Gender: Male ☐ Female ☐		
4. a. CNIC/ SNIC No.:		
b. Expiry date:	**c. Date of Issue**	☐ **Lifetime**
5. Date of Birth		
6. Mother's Maiden Name:		

B. ADDRESS DETAILS OF APPLICANT		
1. (a) Mailing Address: *(Address should be different from authorized intermediary business address except for employees of authorized intermediary)*		
City/Town/Village:	Province/State:	Country:
(b) Mobile:	**(c) Email*: (mandatory for online account)**	
2. (a) Permanent Address: *(Mandatory to fill out if different from address mentioned on CNIC)*		

C. OTHER DETAILS								
1. Gross Annual Income Details: [Please tick (✓) the relevant box)	Up to Rs. 100,000 ☐		Rs. 100,001 - Rs. 250,000 ☐		Rs. 250,001 - Rs. 500,000 ☐		Above Rs. 500,000 ☐	
2. Source of Earnings/ Income:								
3. (a) Profession/ Occupation: *[Please tick (✓) the appropriate box]*	☐	Agriculturist	☐	Business	☐	Housewife	☐	Household
	☐	Retired Person	☐	Student	☐	Business Executive	☐	Industrialist
	☐	Professional	☐	Service	☐	Govt. /Public Sector	☐	Others (Specify)
(b) Name of Employer/Business:				**(c) Job Title / Designation:**				
(d) Address of Employer/Business:								

D. BANK DETAILS	
Bank Name:	**IBAN No.:**

E. DECLARATION

I hereby confirm that all the information furnished above is true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be untrue or false or misleading or misrepresenting, I am aware that I may be held liable for it.

Signature of the Applicant **Date:** _____ **(dd/mm/yyyy)** **Signature of the Applicant as per CNIC/ SNIC** (Only applicable if Applicant signature is different)

FOR OFFICE USE ONLY

Authorized Signatory **Date** **Seal/Stamp of the Authorized Intermediary**

F. ZAKAT STATUS:	
	Please tick (☑) the appropriate box

[If, according to the Fiqh of the Applicant(s), Zakat is not deductible, then relevant Declaration on prescribed format shall be submitted by the Applicant with the concerned Participant/TREC Holder/Investor Accountholder]. Non-Muslims shall submit an affidavit.	☐	Muslim Zakat deductible
	☐	Muslim Zakat non-deductible
	☐	Not Applicable

G. PARTICULARS OF NOMINEE (OPTIONAL)

[Nomination may be made in terms of requirements of Section 79 of the Companies Act, 2017, which inter alia requires that person nominated as aforesaid shall not be a person other than the following relatives of the Investor Accountholder/Sub-Account Holder, namely: a spouse, father, mother, brother, sister and son or daughter.]

(a) Name of Nominee:

(b) Relationship with the Applicant:
[Please tick (✓) appropriate box]

☐	Spouse	☐	Father	☐	Mother
☐	Brother	☐	Sister	☐	Son
☐	Daughter				

(c) CNIC ☐ SNIC ☐ NICOP ☐ ARC ☐ POC
No of the Nominee: ☐
[Please tick (✓) appropriate box]

(d) Passport details:
(In case of a foreigner or a Pakistani origin)

Passport Number:
Place of Issue:
Date of Issue:

H. CDC Access: CDC provides ***FREE OF COST*** services under CDC access whereby Sub-account holders/Investor 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? *[Please tick (☐) the appropriate box]* ☐ Yes ☐ No

I. AUTHORIZATION UNDER SECTIONS 12 AND 24 OF THE CDC ACT EXCLUSIVELY FOR SETTLEMENT OF UNDERLYING TRADES, PLEDGE AND RECOVERY OF PAYMENTS, CHARGES AND LOSSES (FOR SUB-ACCOUNT ONLY)

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

a. For the settlement of any underlying market transactions (trades) including off market transactions made by me from time to time;
b. For pledge securities transactions with the NCCPL relating to any of my underlying market transactions (trades) to be settled through NCCPL from time to time;
c. For the recovery of payment against any underlying market purchase transactions made by me from time to time;
d. Movement by me from time to time of my Book-entry Securities from my Sub-Account under the Main Account under the control of the Participant to my Sub-Account under another Main Account under the control of the Participant or to my Sub-Account under any Main Account which is under the control of another Participant or to my Investor Account;
e. Securities transactions which has been made by way of a gift of Securities by me to my Family Members or other persons in accordance with the CDC Regulations from time to time;
f. For the recovery of any charges or losses against any or all of the above transactions carried out by me or services availed; and/or
g. Delivery Transaction made by me for any other purposes as prescribed by the Commission from time to time.
h. Specific authority on each occasion shall be given by me to the Participant for handling of Book-entry Securities beneficially owned by me for all other purposes as permitted under the applicable laws and regulations.

Note: Please note that above shall serve as a standing authorization to the Participant for handling of Book-entry Securities owned by the undersigned Sub-Account Holder and entered in his/her 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 (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.

J. SIGNATURES

Name of Applicant:	Date: Place:	Signature:

Enclosures*:

1. Copy of valid CNIC/SNIC of the Applicant;
2. Copy of valid CNIC/SNIC/NICOP/ARC/POC/Passport of the Nominee, if nominated.
3. Copy of Zakat Declaration of the Applicant. In case of Non-Muslim, an affidavit shall be submitted.
4. Juvenile Card / Form-B/ Child Registration Certificate (CRC) of the minor (if applicable)

TERMS AND CONDITIONS

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

DECLARATION & UNDERTAKING

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

a) I am not minor;
b) I am of sound mind;
c) I have not applied to be adjudicated as an insolvent and that I have not suspended payment to any financial institution and that I have not compounded with my creditors;
d) I am not an undischarged insolvent;
e) I confirm and acknowledge that I have received the Terms and Conditions, duly stamped, dated, and signed by the Compliance Officer of Shariah Compliant Securities Broker/Participant, as an annexure to this Form at the time of signing of this From and have carefully read, understood and accepted the attached Terms and Conditions which are deemed to be a part of this Form and I hereby unconditionally and irrevocably agree and undertake to be bound by and to comply with the attached Terms and Conditions and any other terms and conditions provided to me and placed on the website of the Shariah Compliant Securities Broker/Participant, which may be notified from time to time with the approval of the concerned authorities modifying or substituting all or any of the attached Terms and Conditions in connection with the opening, maintenance and operation of the Investor Account/Sub-Account / Trading Account, as the case may be;
f) I hereby confirm that the Terms and Conditions shall constitute a Contract between the Parties hereto and govern opening, maintenance and operations of Trading Account, Sub-Account which shall be binding on the Sub-Account Holder as well as the Shariah Compliant Securities Broker/Participant and sharing of UIN and KYC information to/from NCCPL and ancillary matters connected therewith;
g) The information furnished in this form is complete, valid, true and correct to the best of my knowledge and I shall inform the Shariah Compliant Securities Broker/Participant immediately in writing of any change therein;
h) In case any of the above information is found to be false or misleading or suspension of any material fact, will render my Investor Account/Sub-Account/Trading Account, as the case may be, liable for termination and I shall be subject to further action under the law;

i) All the documents filed/submitted by me for the purpose of this application are genuine and valid, bearing genuine signatures and stamps of duly authorized individuals/representatives and are in accordance with the applicable law;

ia) I/We, being the Applicant(s), hereby authorize that all the information furnished by me/us in the form shall be shared with Centralized Gateway Portal pursuant to requirements prescribed by the Securities & Exchange Commission of Pakistan;

j) I agree that I/we shall not place any trading order in case of any concern or disagreement with any Terms and Conditions shared by Shariah Compliant Securities Broker/Participant and placement of trading order shall mean that I/we have affirmed/consented with the Terms and Conditions; and

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

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

l) I have provided in full the Terms and Conditions attached as an Annexure to this Form to the Customer/Sub-Account Holder at the time of filing of this Form and I hereby further confirm that provided Terms and Conditions are available on our website and update the same immediately upon occurrence of any change in Terms and Conditions. I further confirm that trading account/Sub-Account of customer/Sub-Account Holder shall be activated/opened only upon affirmation of the Terms and Conditions by the customer/Sub-Account Holder; and

m) I have no doubt or concern that the Terms and Conditions shared with Customer/Sub-Account Holder by us are not updated and has any difference when compared with the specified Terms and Conditions and the attached Terms and Conditions also form part of this Form.

DISCLAIMER FOR CDC ACCESS SERVICES

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

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

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

Signatures:

_____	_____
Applicant	**Seal/Stamp of the Authorized Intermediary**

Annexure A

TERMS AND CONDITIONS

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

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

GENERAL TERMS AND CONDITIONS

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

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

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

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

TERMS AND CONDITIONS FOR TRADING ACCOUNT

1. In case any dispute in connection with the Transaction between the Shariah Compliant Securities Broker and the Customer is not settled amicably, either Party may refer the same to the Arbitration in accordance with the arbitration procedures prescribed in PSX Regulations. The decision of arbitrators shall be binding on both the Parties subject to their rights of appeal in the manner provided in PSX Regulations, if exercised. The name and other relevant particulars of the Customer shall be placed on PSX's website accessible to Shariah Compliant Securities Brokers if the Customer fails or refuses to abide by or carryout any arbitration award passed against him/her and the Customer shall have no objection to the same.
2. The assets deposited as margin by a Customer with the Shariah Compliant Securities Broker shall only be used by the Shariah Compliant Securities Broker for the purposes of dealing in securities through PSX on behalf of such Customer other than as authorized by the Customer in writing in the manner prescribed under the relevant regulations.

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

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

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

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

1. All terms herein shall, unless expressly stated otherwise, have the same meaning as ascribed to them in the Centralized KYC Organization Regulations.
2. The Sahulat Account can only be opened by resident Pakistani individuals with Authorized Intermediaries that are Securities Brokers and it shall be subject to following conditions or any other conditions as may be specified by PSX and/or SECP:
   (a) Only one client code can be tagged by a Securities Broker for Sahulat Account holder in NCSS.
   (b) Sahulat Account holder shall be allowed to open and maintain one Sahulat sub-account and/or one Sahulat IAS.
   (c) Resident Pakistani individuals already maintaining sahulat or normal trading account with Authorized Intermediaries that are Securities Brokers are not eligible for opening Sahulat Account.
   (d) Sahulat Account cannot be opened with joint holders
   (e) Sahulat Account holders shall only be eligible to trade in Shairah compliant securities in Ready Delivery Contract Market.
   (f) Non-exchange, Intraday, Derivatives and Futures Contracts trading shall not be allowed.
   (g) Leveraged based buying and any financing against Ready Delivery Contract Market purchases shall not be allowed.
   (h) Trading by Sahulat Account Holders shall be subject to such position limits as may be notified by PSX from time to time with prior approval of SECP.
3. The Customer agrees that CKO may hold, store and process its KYC Information on the KYC Information System and KYC Database in connection with its KYC functions under the Centralized KYC Organization Regulations. The Customer also agrees that CKO may disclose its KYC Information as permitted under the CKO Regulations and such other disclosures as may be reasonably necessary for compliance with any other laws or regulatory requirements.
4. The Customer acknowledges that KYC Information System and KYC Database, including but not limited to all the information contained therein is the legal property of CKO.
5. 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.
6. 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 SECP with respect to Central Gateway Portal managed by CDC.
7. These terms and conditions shall be governed by the laws of Pakistan.

BROKER TERMS AND CONDITIONS

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

In addition to the Terms and Conditions contained in Customer Relationship Form, the following additional Terms and Conditions are applicable and binding upon the Account Holder(s) and the Broker.

1. At the time of opening the Account, the Account Holder(s) shall deposit minimum margin in cash and/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 his books shall be conclusive and binding upon the Account Holder(s), which shall not be questioned by him/her/them.
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 his/her/their 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 the stipulated time, 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.
   a) If 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/- will be recovered from the Account Holder(s). The recovery of these charges shall not prejudice the Broker's right to initiate any other legal proceedings against the Account Holder(s).
   b) in case the Account Holder(s) fails to make the payment for any trade, etc. 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 or the Account Holder(s) in a court of law, the Broker shall have the right to claim by way of liquidated damages (not by way of interest or penalty) @ 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. 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.
9. 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 charged/received by the Securities Broker at least one day before the settlement date. Payment in excess of Rs. 25,000/- will be accepted only by a recognized direct fund deposit banking instrument/online fund transfer mechanism of a reputed Bank acceptable to the Securities Broker. If the payment is not received before the settlement date or if the Payment instrument bounces, the Securities 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 Securities Broker's other rights, remedies and resources. Purchase bill will be issued for every related transaction.
10. In addition to Terms and Conditions contained herein, the Terms and Conditions in respect of Direct Settlement System (DSS) of Central Depository Company of Pakistan Limited (CDC) and centralized clearing, settlement and custody service named as National Custodial Services (NCS) of National Clearing Company of Pakistan Limited (NCCPL) will be applicable to all transactions effectuated on account of the Account Holder(s). According to both the Systems of CDC and NCCPL, if a transaction exceeds the upper limit of available balance in the Account Holder(s)' Trading Account limits both in respect of the amount held in the Trading Account, as well as available balance of the Securities in the Account Holder(s)' Sub-Account, the trade will be rejected and the Securities will be transferred to Broker's House Account. In such an event, payment will also have to be made by the Broker out of its own resources. Therefore, in case sufficient Securities are not available in the Account Holder(s)' Sub-Account, the Broker will have to cover the short sale from the open market at the Account Holder(s)' cost and risk. In case of breach of upper limit in respect of credit balance or available securities in DSS/NCS account, the Broker will receive the Securities purchased in the Broker's House Account and the Broker will then transfer these Securities to the Sub-Account of the Account Holder(s) under its lien and the Account Holder(s) will continue to be liable to pay the purchase bill of the Broker, along with all losses, damages, costs and expenses that may be suffered by the Broker. Likewise, in case of short sale, the Broker will cover the shortfall in the Securities from the open market at the risk and cost of the Account Holder(s) and the Account Holder(s) will be liable for all losses, damages, costs and expenses that may be suffered by the Broker.
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 and purchase bills will be inclusive of commission and other levies.
12. The Broker shall have complete discretion as to keeping of unutilized funds of the Account Holder(s) in a current bank account, or in a profit bearing bank account. In case the Broker at its sole discretion decides to keep the unutilized funds of the Account Holder(s) in a profit bearing bank account of the Broker's choice, funds of the various other account holders of the Broker will also be kept in such account and the Broker will pass on profit to clients on the cash amount deposited after deducting service charge. Such amount will be credited in the ledger account of the Account Holder(s) on quarterly basis. The Account Holder(s) shall however not question the rate of profit or the computation of the Account Holder(s)' share by the Broker.
13. 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 Account Holder(s) may suffer or sustain and in such an event, the related Rules and Regulations will prevail and be binding upon the parties.
14. 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.
15. 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.
16. 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.
17. 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.
18. Please visit our website and obtain all the information required as per clause 6 of General Terms and Conditions of Special Terms and Conditions.
19. **For Book-Entry Securities:** For book-entry securities, the following Additional Terms and Conditions shall apply:
   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.
   b) The terms and conditions contained in Customer Relationship Form to be executed by the Account Holder(s) shall apply to all transactions relating to book-entry securities.
20. **For Online Trading:** For Online Trading, the following Additional Terms and Conditions shall apply:
   a) A Password or PIN will be issued to the Account Holder(s) by the Broker as the Account Holder(s)' Personal Identification Number or Code to enable the Account Holder(s) to have access to and use his account for Online Trading. The Password/PIN may be communicated through email or through any courier to the Account Holder(s) at his/her own risk. The Account Holder(s) 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.
   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(s) 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(s) shall immediately notify the same to the Broker. The Account Holder(s) will immediately notify the Broker of any loss, theft, or unauthorized use of his/her/their Password, Account number and Password/PIN. The Account Holder(s) shall immediately notify any change in his/her email or other address as mentioned in the Customer Relationship Form.
   c) All risks connected and involved with Electronic/Online Trading will be assumed fully by the Account Holder(s). 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(s), 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(s)' information and affairs by unscrupulous persons.
   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.
   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(s) without assigning any reason.
21. **Custodial Services:** For Custodial Services, the following Additional Terms and Conditions are applicable:
   a) The charges for custodial services will be intimated to the Account Holder by the Broker.
   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).
   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 Securities 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 Securities 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 Client Relationship Form shall form an integral part of these Terms and Conditions.

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

RISK DISCLOSURE DOCUMENT

This Risk Disclosure document 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 nor 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 RISK:

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 ci 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 f or 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 no 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:

Speculation 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 utter failure.

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 customers investing for a longer period, as market may not move during the day as the day-trader originally anticipated, resulting in a 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 BidAsk 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 for 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 the 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 customers' 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 alter 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.

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, objectives, 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 leveraged 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, or 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 customers 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 customers can liquidate position, they may be forced to do so at a price that involves a large loss.

(f) Under certain market conditions, 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 hold 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.

(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 commissions, 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 Customer Relationship Form, Know Your Client Form, Standardized 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 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);
(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 cootract 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/We, the customer, hereby acknowledge that I/we 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:

Main Applicant	Joint Applicant 1	Joint Applicant 2	Joint Applicant 3	Participant/TREC Holder
_____	_____	_____	_____	_____

POLITICALLY EXPOSED PERSONS (PEPS) CHECKLIST

	Yes	No
Have you been a Politician in past or holding current position?		
Are you a close family member or closely associated with a current or ex-Politician?		
Have you been a Government official in past or holding current position?		
Are you a close family member or closely associated with a current or ex- Government official?		
Have you been a Judicial official e.g. Magistrate, District, Sessions, High Court or Supreme Court Judge in past or holding current position?		
Are you a close family member or closely associated with a current or ex- Judicial official?		
Have you been a Military official in past or holding current position?		
Are you a close family member or closely associated with a current or ex- Military official?		
Have you been an employee of state owned corporations e.g. OGDC, PPL, PIA, WAPDA etc. in past or holding current position?		
Are you a close family member or closely associated with a current or ex- employee of state owned corporations?		
Have you been a Political party official in past or holding current position?		
Are you a close family member or closely associated with a current or ex- Political party official?		
Have you been associated with International Organization / Non-Governmental Organization (NGO) in past or holding current position?		
Are you a close family member or closely associated with a current or ex-associate of International Organization / Non-Governmental Organization (NGO)?		

If **YES**, please provide details:

I hereby undertake to inform the Company of any change in the status specified above at any time in the future.

Client Name: _____

Signature: _____

Date: _____

For Official Use

Sales person name: _____

Signature: _____

CUSTOMER RELATIONSHIP QUESTIONNAIRE

To ensure that we are well aware of your needs, you are requested to please fill this standard questionnaire.

S. No.	Questionnaire	Yes/No	Remarks (in case of Yes)
1	Has any financial institution ever declined your account?		
2	Are you acting on behalf of any other person?		
3	Do you deal in high value or precious items such as Gold, Silver, and Diamond etc.?		
4	Do you have second citizenship / temporary residency / business dealings / investment in Cayman Islands, Luxembourg, Bermuda, Jersey, Panama, British Virgin Islands, Bahamas, Puerto Rico, Hong Kong or Ireland?		

5. Kindly describe your level of knowledge of Financial / Capital Market?

	Basic		Average		Good		Excellent

6. What is your primary objective of investment?

	Capital Gain		Long-term Investment		Short-term Investment		Regular Income		Hedging / Closing position

7. Your investment amount is based on:

	Regular Savings		Long-term Savings		Inheritance Amount / Succession from family		Retirement Benefits
	Gift from family / Close associate		Prizes & Awards		Encashment / Maturity of investment in TDRs, DSCs, COIs etc.		

8. What will be your preferred mode of transactions?

	Online		Via call		In-person

I hereby declare that the information provided above are true and correct to the best of my knowledge.

Signature of Applicant

UNDERTAKING OF FOREIGN ACCOUNT TAX COMPLIANCE (FATCA)

	Main Account Holder	Joint Account Holder 1	Joint Account Holder 2	Joint Account Holder 3
Name:				
Country of Permanent Residence:				
Country of Birth:				
Nationality:				
Please confirm the following				
Are you a U.S. Resident	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐
Are you a U.S. Citizen	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐
Do you hold a U.S. Permanent Resident Card (Green Card)	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐
Do you hold multiple nationalities	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐
(If **YES**, please specify)				
Are you a resident of any country other than Pakistan	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐
(If **YES**, please specify)				
Do you have any tax obligation in a country other than Pakistan	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐	YES ☐ NO ☐
(Note: If "YES" then please specify the list of countries along with its respective tax number, social security number, or local equivalent.)				

I/We hereby confirm the information provided above is true, accurate and complete.

I/We hereby provide my/our consent to Darson Securities Limited or any of its affiliates including branches (collectively "the Company") to disclose and furnish and share information pertaining to my/our account(s) to domestic or overseas regulators or tax authorities where necessary to establish our tax liability in any jurisdiction.

I/We also authorize the Company to deduct withholding tax from my/our account when required to do so by domestic or overseas regulators or tax authorities or pay out, from my/our account(s) such amounts as may be required according to applicable laws, regulations, agreements with regulators or authorities and directives.

I/We shall indemnify and hold the Company harmless against any claim, damages, costs, expenses and other direct and/or indirect consequence of the Company disclosing, furnishing and sharing any information pertaining to my/our account(s) with any domestic or overseas regulators or tax authorities.

I/We agree and undertake to notify the Company within thirty (30) calendar days if there is a change in any information which I/We have provided to the Company. Further to this consent form, I/we agree to complete, sign and provide additional forms as may be prescribed from time to time and required to be furnished to the Company, in relation to the consent for disclosure given herein.

Main Applicant	Joint Applicant 1	Joint Applicant 2	Joint Applicant 3

Date _____

CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING AND REPORTING (INDIVIDUALS)

Form **W-8BEN** (Rev. February 2014) Department of the Treasury Internal Revenue Service

- For use by Individuals. Entities must use Form W-8BEN-E.
- Information about Form W-8BEN and its separate instructions is at www.irs.gov/formw8ben.
- Give this form to the withholding agent or payer. Do not send to the IRS

OMB No. 1545-1621

Do NOT use this form if:	Instead use Form:
• You are NOT an individual	W-8BEN-E
• You are a U.S. citizen or other U.S. person, including a resident alien individual	W-9
• You are a beneficial owner claiming that income is effectively connected with the conduct of trade or business within the U.S. (other than personal services)	W8ECI
• You are a beneficial owner who is receiving compensation for personal services performed in the United States	8233 or W-4
• A person acting as an intermediary	W-8IMY

Identification of Beneficial Owner *(see instructions)*

1. Name of individual who is the beneficial owner: 2. Country of citizenship:

3. Permanent residence address (street, apt. or suite no., or rural route) Do not use a P.O. Box or in-care-of address:

City or town, state or province. Include postal code where appropriate: Country:

4. Mailing address (if different from above):

City or town, state or province. Include postal code where appropriate: Country:

5. U.S. taxpayer identification number (SSN or ITIN), if required (see instructions): 6. Foreign tax identifying number (see instructions):

7. Reference number(s) (see instructions): 8. Date of birth (MM-DD-YYYY) (see instructions):

Claim of Tax Treaty Benefits (for chapter 3 purposes only) *(see instructions)*

9. I certify that the beneficial owner is a resident of _____ within the meaning of the income tax treaty between the United States and that country.

10. Special rates and conditions - (if applicable—see instructions): The beneficial owner is claiming the provisions of Article _____ of the treaty identified on line 9 above to claim a _____ % rate of withholding tax on (specify type of income):

Explain the reasons the beneficial owner meets the terms of the treaty article: _____

CERTIFICATION

Under penalties of perjury, I declare that I have examined the information on this form and to the best of my knowledge and belief it is true, correct, and complete. I further certify under penalties of perjury that:

- I am the individual that is the beneficial owner (or am authorized to sign for the individual that is the beneficial owner) of all the income to which this form relates or am using this form to document myself as an individual that is an owner or account holder of a foreign financial institution;
- The person named on line 1 of this form is not a U.S. person;
- The income to which this form relates is:
  (a) not effectively connected with the conduct of a trade or business in the United States;
  (b) effectively connected but is not subject to tax under an applicable income tax treaty; or
  (c) the partner's share of a partnership's effectively connected income
- The person named on line 1 of this form is a resident of the treaty country listed on line 9 of the form (if any) within the meaning of the income tax treaty between the United States and that country; and
- For broker transactions or barter exchanges, the beneficial owner is an exempt foreign person as defined in the instructions.

Furthermore, I authorize this form to be provided to any withholding agent that has control, receipt, or custody of the income of which I am the beneficial owner or any withholding agent that can disburse or make payments of the income of which I am the beneficial owner. I agree that I will submit a new form within 30 days if any certification made on this form becomes incorrect.

Sign Here _____ Date (MM-DD-YYYY) _____
Signature of beneficial owner (or individual authorized to sign for beneficial owner)

Print name of signer _____ Capacity in which acting (if form is not signed by the beneficial owner) _____

CERTIFICATE OF FOREIGN STATUS OF BENEFICIAL OWNER FOR UNITED STATES TAX WITHHOLDING AND REPORTING (INDIVIDUALS)

KNOW YOUR CUSTOMER (KYC) APPLICATION FORM (Individual)

(Please use BLOCK LETTERS to fill the form)

A. IDENTITY DETAILS OF APPLICANT

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

2. Father's / Husband's Name:

3. (a) Nationality: | (b) Marital Status: ☐ Single ☐ Married | (c) Status: ☐ Resident ☐ Non-Resident

4. (a) CNIC/ SNIC/NICOP/ ARC/POC No: | (b) Expiry date: DD/MM/YYYY

5. Passport details: *(For a foreigner or a non-resident Pakistani)* | Passport Number: | Place of Issue: | Date of Issue: | Date of Expiry:

6. Date of Birth: DD / MM / YYYY

B. ADDRESS DETAILS OF APPLICANT

1. (a) Mailing Address: *(Address should be different from authorized intermediary business address except for employees of authorized intermediary)*

(b) Tel. (Off.)*:	City/Town/Village:	Province/State:	Country:
(c) Tel. (Res.)*:	(d) Mobile**:	(e) Email** :	
Specify the proof of address submitted for mailing address:			(f) Fax*:

2. (a) Permanent Address: *(mandatory for all applicants - fill out if different from mailing address)*

(b) Tel. (Off.)*:	City/Town/Village:	Province/State:	Country:
(c) Tel. (Res.)*:	(d) Mobile**:	(e) Email** :	
Specify the proof of address submitted for permanent address:			(f) Fax*:

C. OTHER DETAILS

1. Gross Annual Income Details (please specify):
☐ Up to Rs. 100,000 ☐ Rs. 100,001 - Rs. 250,000 ☐ Rs. 250,001 - Rs. 500,000 ☐ Rs. 500,001 - Rs. 1,000,000 ☐ Rs. 1,000,001 - Rs. 2,500,000 ☐ Above Rs 2,500,000

2. Source of Income:

3. Shareholder's / Unit Holder's Category: **INDIVIDUAL**

4. (a) Occupation: *(Please tick (✓) appropriate box)*
☐ Agriculturist ☐ Business ☐ Housewife ☐ Household ☐ Retired Person ☐ Student ☐ Business Executive
☐ Industrialist ☐ Professional ☐ Service ☐ Govt. /Public Sector ☐ Others (Specify)

(b) Name of Employer / Business: *(Include symbol if employer listed company)* | (c) Job Title / Designation: | (d) Department:

(e) Address of Employer / Business:

D. BANK DETAILS***

Bank Name:

IBAN No.:

E. DECLARATION

I hereby confirm that all the information furnished above is true and correct to the best of my knowledge and belief and I undertake to inform you of any changes therein, immediately. In case any of the above information is found to be untrue or false or misleading or misrepresenting, I am aware that I may be held liable for it.

Signature of the Applicant Date _____ (DD/MM/YYYY) Signature of the Applicant as per CNIC/SNIC/NICOP/ARC/POC/Passport No
(Only applicable if Applicant signature is different)

FOR OFFICE USE ONLY

Authorized Signature Date Seal/Stamp of the Authorized Intermediary

* Optional
** For NICOP/ARC/POC/Passport, Email is mandatory and Mobile Number is Optional. Whereas for CNIC/SNIC, Mobile Number is Mandatory and Email is Optional. Incase of SNIC where country of stay is not Pakistan, email will be mandatory.
*** IBAN shall be mandatory for all Customers subject to any exception available under applicable laws, rules, regulations etc.

Terms & 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, 2018.
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.
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 inÊthe 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 Authorized Intermediaries agree to pay CKO the fees and charges as prescribed by CKO from time to time in respect of its KYC functions.
10. CKO has absolute discretion to amend or supplement any of the terms and conditions at anytime and will endeavor to give prior notice of fifteen days wherever feasible for such changes.
11. The Customer agrees and affirms that it shall be bound by and acts in accordance with the provisions of the Centralized KYC Organization Regulations.
12. These terms and conditions shall be governed by the laws of Pakistan.

Signature of Applicant

Participant/TREC Holder

K. FOR THE USE OF PARTICIPANT/TREC HOLDER ONLY						
Particulars of Customer Relationship Form verified by:						
Application :	☐	Approved	☐	Rejected	Signature: *(Authorized signatory)/Stamp*	Date:
Investor Account/Sub-Account no. issued:						
Investor Account/Sub-Account /Trading Account opened by:						
Saved by:					Posted by:	
Signature:		Date:			Signature:	Date:
Remarks: *(if any)*						

Corporate Office: 909, 9th Floor, Business & Finance Centre, I.I. Chundrigar Road, Karachi.
Lahore Office: Office No. 102, 1st Floor, Lahore Stock Exchange Building, Aiwan-e-Iqbal Road, Lahore
UAN: 111-900-400
www.darsononline.com

Darson Securities Limited
TREC Holder of Pakistan Stock Exchange Limited

ACKNOWLEDGEMENT RECEIPT	
Application No:	Date of Receipt:
I/We hereby confirm and acknowledge the receipt of duly filled and signed Customer Relationship Form from the following Applicant:	
[Insert Name of Applicant(s)]	**Participant's / TREC Holder Seal & Signature:**
1.	
2.	
3.	
4.	

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Karachi Stock Exchange Branch Office
Room No. 516, 5th Floor, Stock Exchange Building,
Karachi.
Tel # 021-32425538

Lahore Liberty Branch Office
Office No. 401, 3rd Floor, Liberty Tower, Liberty
Gulberg, Lahore.
Tel # 042-36366263, 36364208
Fax # 042-35789705

Dera Ismail Khan Branch Office
2nd Floor, State Life Building, Near Skynet Courier Office
Courier Office Circular Road Dera Ismail Khan.
Tel # 0966-17907, 717906

Faisalabad Branch Office
Room No. 160-161, Mezzanine Floor, City Mall, Chen One Road, Faisalabad.
Tel # 041-8711313, 8712377

Jhelum Branch Office
1st Floor, Metro Trade Centre, Near Shaloom Centre
Al-Markaz, Road, Jhelum
Tel # 0544-623563, 626087
Fax # 0544-623563

Sargodha Branch Office
Room # 3, 1st Floor Al-Munir Market, Liaquat Bazar Sargodha.
Tel # 048-3701141, 3729813

Gujranwala Branch Office
Office No. 10 Ground Floor, Block-A, GDA Trust Plaza,
G.T. Road, Gujranwala
Tel # 0553-732963-64

Darson Securities Limited

TREC Holder: Pakistan Stock Exchange Limited
Member: Pakistan Mercantile Exchange

Corporate Office: 808, 8th Floor, Business & Finance Centre, I.I. Chundrigar Road, Karachi.
Lahore Office: Office No. 102, 1st Floor, Lahore Stock Exchange, Aiwan-e-Iqbal Road, Lahore.

UAN: 111-900-400 www.darson.com.pk info@darson.com.pk