



**Corporate TREC Holder: Pakistan Stock Exchange Limited**  
**TRE Certificate Number-332**  
**Broker Registration Number BRP-201**

## **Account Opening Form (For Corporate)**

**CLIENT NAME** \_\_\_\_\_

**TRADING ACCOUNT NUMBER** \_\_\_\_\_

**KATS / CLIENT CODE** \_\_\_\_\_

**CDC SUB-ACCOUNT NUMBER** \_\_\_\_\_

**GENERAL INSTRUCTIONS FOR ACCOUNT OPENING FORM**

1. Please read carefully, the Terms and Conditions appearing under form before filling in the applicable blanks/boxes and signing the form.
2. Each and every column must be filled in **BLOCK LETTERS**.
3. Please tick relevant boxes where applicable.
4. Each page of this form will be duly signed by the Broker and Authorized Signatory(ies) along with common seal.
5. Columns which are not applicable should be marked " NA" and also to be initiated.
6. **Email Address** and **Mobile Number** is mandatory for Account opening.  
[Please provide Mobile number & Email address of the Authorized Signatory(ies)]
7. Complete all relevant sections fully. Failure to complete all the applicable sections fully may delay or prevent the opening of the Account.
8. When submitting the documents, ensure that you have included all additional documents required.
9. Make sure that you have read and understood the terms and conditions and schedule of charges.
10. After completion of all formalities please return the Account Opening Form to us at:  
**Compliance Department**  
**Trust Securities & Brokerage Limited,**  
**Suite No. 608 & 609, 6<sup>th</sup> Floor Business & Finance Center,**  
**I.I. Chundrigar Road, Karachi.**
11. Upon receipt of your form, account opening process will be initiated. Confirmation of Account Opening will be provided as soon as possible. ( subject to the fulfillment of Account Opening Form).

**ENCLOSURES FOR INDIVIDUALS**

1. Certified true copy of Board Resolution (specimen provided as per Annexure-B)/Power of Attorney\*
2. Certified true copies of Constitutive Documents of the Applicant (Memorandum & Articles of Association, Act / Charter / Statute / By laws / Rules & Regulations, Certificate of Incorporation, Certificate of Commencement of Business, Prospectus for Modaraba, Relevant licenses and registration issued by Regulatory Bodies etc.)\*
3. Certified copy of list of Directors / Trustee (if applicable)\*
4. List of Authorized Signatories.
5. List of Nominated persons authorized to place orders.
6. Attested copies of CNIC / NICOP / Passports of Authorized Signatories.
7. Attested copies of CNIC / NICOP / Passports of Contact Person.
8. Attested copies of CNIC / NICOP / Passports of Witnesses.
9. Certified Copy of NTN Certificate, if applicable. (if exempted please provide Exemption Certificate)

\* Where the Applicant is a non-resident or foreign company/entity, duly consularized copy of Board Resolution/Power of Attorney along with Constitutive Documents and List of Directors/Trustees by the Consul General of Pakistan having jurisdiction over the Applicant should be submitted.

Corporate TREC Holder: Pakistan Stock Exchange Limited  
 TRE Certificate Number- 332  
 Broker Registration No. BRP-201

**ACCOUNT OPENING FORM**  
**FOR COMPANY/OTHER BODY CORPORATE / FIRM**

**CORPORATE OFFICE**

Suite No. 608 & 609, 6<sup>th</sup> Floor, Business & Finance Center,  
 I.I. Chundrigar Road Karachi.  
 UAN: (92- 21) 111-000-875, Fax: (92-21) 32467660,  
 Email: [info@tsbl.com.pk](mailto:info@tsbl.com.pk), Web: [www.tsbl.com.pk](http://www.tsbl.com.pk)

For office use only	
Date	
Client ID / Account No:	
CDC Sub-Account No:	

NOTE 1: EACH AND EVERY COLUMN MUST BE FILLED IN  
 NOTE 2: EACH PAGE OF THIS FORM WILL BE DULY SIGNED BY THE ACCOUNT HOLDER(S) AND THE BROKER

**ACCOUNT INFORMATION** (Please tick (✓) the appropriate box)

**NATURE OF ACCOUNT**

- |                                  |   |  |                                   |
|----------------------------------|---|--|-----------------------------------|
| <input type="checkbox"/> COMPANY | <input type="checkbox"/> PRIVATE LTD. COMPANY | <input type="checkbox"/> PUBLIC LTD. COMPANY | <input type="checkbox"/> LISTED   |
| <input type="checkbox"/> FIRM    | <input type="checkbox"/> REGISTERED           | <input type="checkbox"/> UN- REGISTERED      | <input type="checkbox"/> UNLISTED |
|                                  |   |  | <input type="checkbox"/> OTHERS   |

**CUSTOMER TYPE**

- |  |  |   |
|--|--|---|
| <input type="checkbox"/> CHARITABLE TRUST              | <input type="checkbox"/> COOPERATIVE SOCIETY | <input type="checkbox"/> BANK / FINANCIAL INSTITUTION |
| <input type="checkbox"/> INVESTMENT COMPANY            | <input type="checkbox"/> INSURANCE COMPANY   | <input type="checkbox"/> LEASING COMPANY              |
| <input type="checkbox"/> JOINT STOCK COMPANY           | <input type="checkbox"/> MODARBA             | <input type="checkbox"/> MUTUAL FUND                  |
| <input type="checkbox"/> OTHERS (Please Specify) _____ |  |   |

**INFORMATION OF APPLICANT** ( Please complete in BLOCK LETTERS and tick (✓) where necessary )

<b>Account Title / Full Name of Applicant:</b>		
<b>Registration No:</b>		
<b>Type of Business:</b>		
<b>Date of Incorporation:</b>	<b>Country of Incorporation:</b>	
<b>Date of Business Commenced:</b>		
<b>Permanent / Registered Office Address:</b>		
<b>Mailing Address</b> (For notices /correspondence / entitlements)		
<b>Telephone No:</b>	<b>Fax No:</b>	<b>E-Mail:</b>
<b>Status:</b>	<input type="checkbox"/> Resident	<input type="checkbox"/> Non-Resident
<b>NTN Number:</b>	<b>Sales Tax Number:</b>	

Signatures:

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
 Participant

**NAME OF AUTHORIZED PERSONS TO OPERATE THE ACCOUNT**

**The Account shall be operated by the following:**

NAMES	SPECIMEN SIGNATURES	SINGLY / JOINTLY
(a)	*	
(b)		
(c)		

The authority of the person(s) authorized to operate the account will be clearly spelled out in the letter of authorization from the Account Holder(s).

**DECLARATION OF SOLVENCY**

**The Account Holder(s) hereby Declares that:**

- a) It/he/she/they/has/have not applied to be adjudicated as an insolvent and that it has not suspended payment and that it/he/she/they/has/have not compounded with its creditors.
- b) It/he/she/they is/are not un-discharged insolvent(s); and
- c) It/he/she/they has/have not been declared defaulter(s) in repayment of Loan(s) of a Banks / Financial Institution(s).

**MARGIN DEPOSIT**

The Account Holder(s) hereby undertakes to deposit and maintain \_\_\_\_\_% margin against his / her/ their outstanding trades / exposure for the purpose of trading in his / her / their account. The broker shall notify the Account Holder(s) about any change in the above margin requirements for the already executed trades atleast 3 days prior to implementation of the revised margin requirements.

**ACCOUNTS WITH OTHER BROKER(S) (OPTIONAL)**

NAME OF THE BROKER	BROKER EXCHANGE	CLIENT ID / ACCOUNT

**CLIENT BANK DETAILS**

Account Title:

Name of Bank:

Saving / Current Bank Account Number:

Branch Address:

**INVESTOR ACCOUNT DETAILS OF THE CLIENT (If any)**

Participant's / CDC Investor Account Holders Name:

Participant's / CDC Investor Account Services ID:

Account Number:

**Signatures:**

\* \_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

**SPECIAL TERMS AND CONDITIONS**

**The terms and conditions set here in below shall be equally binding on the Broker (TSBL) and the Account Holder(s).**

1. All transactions between the parties shall be subject to the Articles, Rules and Regulations of the Exchange, revised policies, Board Directions and new regulations to be framed in pursuance of Section 34 of the Securities & Exchange Ordinance, 1969. Moreover at applicable provisions of the Securities & Exchange Ordinance, 1969 read with the Securities & Exchange Commission of Pakistan Act, 1997, Brokers and Agents Registration Rules, 2001, Securities and Exchange Rules, 1971 and all directions/directives passed from time to time to regulate the trades between the parties and to regulate Brokers conduct and the Central Depositories, 1997, Rules framed there under and the National Clearing and Settlement System Regulations and any other law for the time being in force. The Broker shall ensure provisions of copies of all the above Laws, Rules and Regulations at his office for access to the Account Holder(s) during working hours.
- 1(a). In case any dispute in connection with the trade or transaction between the Broker and the Account Holder(s) is not settled amicably, either party may refer the same to arbitration in accordance with the provisions of PSX Regulations, which shall be binding on both the parties. The Account Holder(s) hereby agree(s) that he would have no objection if his/her/their name and other relevant particulars are placed on Exchange's database accessible by Brokers of the Exchange if he/she/they fails or refuses to abide by or carryout any arbitration award passed against him in his dispute with the Broker.
2. The amount deposited as security margin by the Account Holder(s) with the Broker shall only be used for the purposes of dealing in securities, such as trading and/or settlement of deliveries of securities on behalf of the Account Holder(s). The Broker shall not use such amounts for his own use.
- 2(a). The credit amount of the Account Holder(s) shall be kept by the Broker in a separate bank account titled "Account Holder / Client Account" and shall not be used by the Broker for his own business.
3. The Broker shall be authorized to act on the verbal instructions of the Account Holder(s). The Broker shall provide a written confirmation of the executed transactions as required under Rule 4(4) of the Securities & Exchange Rules, 1971, and 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/it, subject to clause 5 below.

Or

The Account Holder(s) shall give written instructions for the sale/purchase of securities to the Broker. The Account Holder(s) shall not give any verbal/oral instructions, The Broker shall provide a written confirmation of the executed transactions as required under Rule 4(4) of the Securities & Exchange Rules, 1971, and 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/it, subject to clause 5 below.
4. The Broker shall provide the confirmation of the executed transactions to the \_\_\_\_\_ (Name of Account Holder) at the above-stated address by means of acceptable mode of communication or by hand subject to acknowledgment receipt as noted in clause 17 below.
5. In case there are any error(s). In the daily confirmation statement, the Account Holder(s) shall report the same to the Broker within one business day of the receipt of confirmation. In case the Account Holder(s) do not respond within one business day of the receipt of the said daily confirmation statement, the confirmation statement shall be deemed conclusively accepted by the Account Holder(s),
6. In the event that the Account Holder(s) fail(s) to deposit additional cash or securities as margin within one business day of the margin call (in writing), the Broker shall have absolute discretion to and without further notice to Account Holder(s), liquidate the Account Holder(s) outstanding positions, including the securities purchased and carried in such account, so that the margin is maintained at the required level.
- 7(a). The Broker shall be responsible to ensure delivery of CDC-eligible securities in the CDC account of the Account Holder(s) subject to full payment by the Account Holder(s). In case of companies which are not on the CDS the Broker shall ensure delivery of physical shares along with verified transfer deeds against payments, to the Account Holder(s). Further, the Broker shall be responsible for the payment of any credit cash balance available in the account of the Account Holder preferably in form of A/c Payee cross cheque only, within one business day of the request of the Account Holder(s) (subject to the maintenance of the margin requirements).
- 7(b). In the event of non-receipt of payment from the Account Holder(s) on settlement day against securities bought on account of the Account Holder, the Broker may transfer such securities to his Collateral Account under intimation to the Exchange, after complying with the requirements as mentioned in the PSX Regulations.
8. The Broker shall accept from the Account Holder(s) payments through "A/c Payee Only crossed cheque, bank drafts, pay orders or other crossed banking instruments in case of mounts in excess of Rs.25,000/-, Electronic transfer of funds to the Broker through banks would be regarded as good as cheque. The Broker shall be responsible to provide the receipt to the Account Holder(s) in the name of the Account Holder(s) duly signed by authorized agent/employee of the Broker and the Account Holder(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Account Holder(s), specifically mentioning if payment is for margin or the purchase of securities. The 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 Broker to accept cash in excess of Rs. 25,000/-, the Broker shall immediately report within one business day such instances with rationale thereof to the Exchange in accordance with the mechanism prescribed by the Exchange.
9. The TRE Certificate Holders shall make all the payments of Rs. 25,000/- and above, through crossed cheques / bank drafts / pay orders/ or any other crossed banking instruments 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 of five years.
10. The Account Holder(s) shall have a right to obtain a copy of its / his / her / their ledger statement under official seal and signature of the Broker or his authorized representative on a periodic basis. In case of any discrepancy in the ledger statement, the Account Holder(s) shall inform the Broker within one day of receipt of the ledger statement to remove such discrepancy.
11. The Account Holder(s) shall operate the account and execute transactions himself/herself/themselves/it selves unless the Account Holder(s) authorize Mr./Ms./\_\_\_\_\_ I.D. No. \_\_\_\_\_ to transact in the account. All transactions executed by the authorized person shall be binding upon the Account Holder(s),

**Signatures:**

\* \_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

**12. FOR JOINT ACCOUNT HOLDER(S) ONLY:**

We the Account Holders shall operate the account jointly or severally and the instructions issued either jointly or severally shall be binding on us as well as upon the Broker in respect of the joint titled account.

Our titled account shall be operated only by \_\_\_\_\_ Or \_\_\_\_\_ who shall be deemed as the authorized person for operating the joint account or issuing any instructions relating thereto.

13. The Broker shall be responsible to append a list of his authorized agents/traders and designated employees, who can deal with the Account Holder(s), with this account opening form and a copy of both the Account opening form and the list will be provided to the Account Holder(s). Any change therein shall be intimated in writing to the Account Holder(s) with immediate effect.
14. The Broker shall debit the account of the Account Holder(s) for the commission charges or any other charges in connection with the brokerage services rendered, which shall be clearly detailed in the ledger statement/daily confirmations.
15. The Broker shall not disclose the information of the transactions of the Account Holder(s) to any third party and shall maintain the confidentiality of this information. However, in case the Exchange or the Commission, as the case may be, requires any such information, the Broker shall be obliged to disclose the same for which the Account Holder(s) shall not raise any objection whatsoever.
16. In case a Broker converts from an individual broker to corporate brokerage house and vice versa, the agreement and conditions lay down herein above shall remain effective unless otherwise agreed by the parties.
17. Acceptable mode of communication between the Account Holder(s) and the Broker shall be through letter (courier/registered post/fax/email) or by hand subject to receipt/acknowledgment. The onus of proving that the email has been received by the recipient shall be on the sender sending the email. Confirmation of orders to clients made through fax or email will have a time record.
18. All orders received telephonically and placed on Trading System shall be supported by recording on dedicated telephonic lines, preferably connected with a computerized taping system so that the orders could possibly be sorted on UIN basis and made user-friendly.
19. In case of change of address or contact numbers of either party, the concerned party shall immediately notify the other party of the changes in writing.
20. I/We, the Account Holder(s) acknowledge receipt of this account opening form (signed here by me/us in duplicate) along with the copies of all the annexure and I/we, the Account Holder(s) also undertake that I/we have understood all the above terms and conditions of this agreement which are acceptable to me/us.
21. I/We, the Account Holder(s) understand that the shares trading business carries risk and subject to the due diligence on part of the Broker I/we may incur losses for which I/we, the Account Holder(s) shall not hold the Broker responsible.
22. I/we, the Account Holder(s) further confirm that all information given in this application is true and complete and hereby authorize the Broker to verify any information mentioned above.

**TRADE CONFIRMATIONS AND OTHER CORRESPONDANCE MODE(S)**
**Acceptable mode of Communication between Broker & Client:**

(Please see Clauses 3, 4, 17 & 18 of the Special Terms and Conditions here in above & Chapter 4 of PSX Regulations).

**CONFIRMATION OF TRADES/ORDERS (Please tick (✓) appropriate box)**

*(The Broker will communicate Trade/Order Confirmations through following means)*

SMS                       Email

**TRADING INSTRUCTIONS FOR PLACING OF ORDERS (Please tick (✓) appropriate box)**

*(The Broker will receive trading instructions for placing of orders through following means)*

Verbal                       Written                       Email

**PROVISION OF QUARTERLY ACCOUNT STATEMENT (Please tick (✓) appropriate box)**

*(The Broker will provide Quarterly Account Statement to the Client through following means)*

Through Courier                       Through Email

**Signatures:**

\* \_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_ Participant

**WITNESS-1**

NAME \_\_\_\_\_

CNIC NO. \_\_\_\_\_

SIGNATURE \_\_\_\_\_

Opened by: \_\_\_\_\_

**WITNESS-2**

NAME \_\_\_\_\_

CNIC NO. \_\_\_\_\_

SIGNATURE \_\_\_\_\_

Date \_\_\_\_\_

Checked by: \_\_\_\_\_ Date \_\_\_\_\_

## Terms and Conditions of Brokerage Agreement

This Agreement shall come into effect subject to **Trust Securities & Brokerage Limited** acceptance of account opening application, duly filled in by the client and thereafter opening a trading account in his/her/their name. The account opening application shall constitute as essential part of this agreement.

**TSBL** and (A). Mr./Mrs./Ms \_\_\_\_\_ and (B) Mr./Mrs./Ms \_\_\_\_\_ (“**The Client**”) hereby agree that the following terms & conditions shall apply to opening and operating of Equity Trading/ Investment Account (“**Account**”) by the Client with **Trust Securities & Brokerage Limited** for all transactions of sale and purchase of securities by or on behalf of the Client.

1. **Trust Securities & Brokerage Limited** may reject an account opening application or close the Account without assigning any reason.
2. The Client hereby represents that the information contained in the account opening application is true/correct and not misleading in any respect. The Client undertakes to promptly notify **TSBL** in writing, in case there is any material change in the information provided. The Client undertakes that he/she/they is/are of legal age, mentally sound and also otherwise legally competent to enter into a contract. The Client further represents that except as disclosed in writing by the Client, no one other than the Client has any interest whatsoever in any Account opened and operated by **TSBL** for the Client. Failure by **TSBL** to ask for any information or documents with the account opening application shall not affect or prejudice any claims or rights which **TSBL** may have against the Client under or in relation to this agreement or any trade contracts.
3. **TSBL** May at its discretion amend the terms and conditions of this agreement at any time without prior notice to the Client. However no amendments of any of the provision of this agreement shall be implied from any course of dealing between the parties or from any failure by **TSBL** to assert or enforce its rights, claims and authority under this agreement on any occasion or series of occasions.
4. The notice of amendment may be provided to the Client, by way of mail, e-mail, **TSBL** website update, messenger, courier, post or telegraph. It is the sole responsibility of the Client’s to be aware of any notice that may be posted on **TSBL** website or message sent to Client’s email address or by courier. The amendment notice shall be deemed to be received and accepted by the Client, any or all changes by not closing and / or continuing to use the Account. **TSBL** require additional documentation or margin deposits from time to time for the purpose of operating the account and /or executing instructions on behalf of the Client.
  - 4.1 Acceptable mode of communication between the Client and **TSBL** shall be through e-mail. The onus of proving that the e-mail has been received by the recipient shall be on the sender, sending the mail. **TSBL** may at its discretion send communication to the Client by way of mail, messenger, courier, post or through any other means available to **TSBL**. Any communication sent to the Client’s address by mail , e-mail, website update, messenger, courier, post and telegraph or posted on **TSBL** website or otherwise shall considered as having been delivered personally to the Client. The Client agrees to inform **TSBL** promptly of any changes in his/her/their address.
5. In case of a Joint Account the following terms and conditions apply:
  - 5.1 Subject to clause 11 of the SECP terms and conditions, any joint holder may individually without notice to other joint holders authorize **TSBL** to buy, sell, lend or exchange securities, or give **TSBL** any instructions regarding the account as if the account is solely owned.
  - 5.2 Upon the death of any Account Holder the surviving Account Holder(s) will be recognized by **TSBL** as the owner(s) of the Account and the Securities held therein, shall continue to be subject to the terms and conditions of this agreement.
  - 5.3 Each Account Holder is jointly and severally liable to **TSBL** for any obligations arising in connection with the Account, including the right of set off.
6. During the time **TSBL** maintains the Client’s account, the Client may place orders upon **TSBL** for purchase and sale of securities. These orders shall be placed orally or in writing either by the client or through his/her/their duly constituted Attorney or Authorized Representatives. The Client shall provide his power of Attorney as specimen to **TSBL** in advance. If any order is placed through the Client’s Authorized Representative, the same shall be binding upon the Client as if the Client had placed the order personally.
7. The Client may revoke at anytime the power of Attorney of its Authorized Representative, such revocation shall only be in writing and delivered by hand or by courier service or registered to **TSBL**. All orders executed until the time of receipt of the revocation shall be binding upon the Client.
8. All orders placed or on behalf of the Client shall be subject any trading limit imposed by **TSBL** at its sole discretion. Any order placed by or on behalf of the client may be cancelled or varied prior to its execution by **TSBL**. However, no such cancellation or variation shall be effective unless confirmed by an authorized officer of **TSBL**.
9. The Client hereby authorized **TSBL** to enter into trades on the Client’s behalf in accordance with the Client’s order. The authority hereby conferred shall remain in force unless a notice in writing revoking the same is received by **TSBL** from the Client. Such revocation however be ineffective if the Client owes any liability to **TSBL** under this agreement or any trade contact.
10. **TSBL** may its discretion record on tape or otherwise any oral orders placed by the Client, or any other telephonic conversation between **TSBL** and the Client and **TSBL** may use such recording as evidence, the Client hereby consents to the admissibility in evidence of such recordings, in any legal proceedings between **TSBL** and the Client or to any legal proceedings to which may be a party.
11. Upon execution of an order of the Client, **TSBL** shall confirm the transaction by its Electronic Transaction Confirmation Memo. This confirmation shall provide the name and number of securities purchased or sold on behalf of the Client, the date and time of the trade, the nature of trade (whether spot, ready, forward, T+3, future or any new trading system implemented by the PSX from time to time and also whether it is one of sale or purchased), the purchase or sale price / amount, the settlement date, the brokerage payable to **TSBL** and such other information as may be required under the law. If such confirmation is received by the Client in writing, he/she/they shall sign the same and return it to **TSBL** on the same day it is received or by the next working day. However, non-receipt of the written confirmation by the Client of any trade contract shall not discharge the Client from any of his/her/their obligation or liabilities in relation to the trade.
12. The Client shall provide and maintain margin deposit with **TSBL** in such amounts and forms (cash or securities) as **TSBL** may require at its sole discretion. **TSBL** may also change such margin requirements from time to time. The margin provided by the Client shall be free from all rights/interests of any other party other than **TSBL**. If required by **TSBL** the Client shall take steps necessary to register a charge or mortgage in favour of **TSBL** on the margin.
13. **TSBL** shall have the right to utilize the margin provided by the Client to cover any losses suffered, or liabilities incurred by **TSBL** because of the Client’s breach of any trade contract, or any terms and conditions of this Agreement. **TSBL** may also utilize the margin to adjust any loses that the Client may suffer in any trade. Utilization of the Client’s margin under this clause shall not discharge the Client from his/her/their liabilities or obligations towards **TSBL**. If such utilization is insufficient to adjust completely the Client’s liabilities and obligations.
14. While **TSBL** shall attempt to purchase/sell securities within the limits of the prices that may be notified by the Client, **TSBL** does not guarantee or assure that any transaction will materialize within such notified limits.
15. The Account Holder/Client shall pay commission to **TSBL** in relation to all trades as mutually agreed between them. The Account Holder/Client shall also pay all rates of applicable regulatory authorities such as SST, trade/transaction fee of PSX, CDC, NCCPL & SECP. In case CFS or Margin Financing is arranged by **TSBL** at its discretion, the Client shall pay such commission or brokerage in accordance with the rate fixed by **TSBL** for such transactions.
16. In case of purchase contract, deliveries shall be made to the Client on the settlement date, provided that payment is received before the settlement date. **TSBL** shall not be liable for delays in the deliveries of the securities due to any corresponding delays on part of the member of the stock exchange/clearing house of the exchange or NCCS, or other through whom the securities may have been purchased/acquired or required to be delivered to the Client or for any other reason beyond **TSBL** control.

### Signatures:

\*

\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

17. For all transactions and dealing in relation to book entry securities as defined in the Central Depositories Act, 1997 (CD Act), the terms and conditions of the CD Act, 1947 and the Central Depository Company of Pakistan Limited regulations and other applicable rules and regulations pertaining to book entry securities shall become applicable.
18. Deliveries will be effected to the Client by movements from **TSBL** account with the CDC or a sub-account of the seller or participant's account or from the account or a sub-account of another participant or the investor's account of the seller, as the case may be, to the credit's sub-account with **TSBL** or the Client's account or an investors account with the CDC payment shall be made to **TSBL** before the credit of the client's account with the requisite securities.
19. In case of sale contract, the client shall deliver to **TSBL** the securities to be sold at least two working days before the settlement date, If securities are not delivered by the settlement date, **TSBL** may without prejudice to any other action that it may take under Law or under this agreement, square up the trade at the risk and cost of the Client. The Client hereby indemnifies **TSBL** from any loss suffered or liability incurred by **TSBL** whether directly or indirectly due to the Client's failure to deliver the securities by the settlement date.
20. Proceeds of the securities sold shall become due on the settlement date. Such proceeds shall be paid within \_\_\_\_\_ for such payment by the Client. In case of no demand being made, the sale proceeds shall be credited to the Client's account. **TSBL** shall not be liable for the delays in the payment to be made by the members of the exchange/clearing house of the exchange, through whom the securities have been sold/delivered by the **TSBL** on account of the Client.
21. Deliveries of book entry registered with CDC, will be effected by movement of securities from the Client's account with CDC or from its sub-account with **TSBL** or from that sub-account with another participant and the client undertakes to issue necessary instructions for such deliveries to **TSBL** failure to issue such instruction and /or to effect deliveries by the Client shall be considered as breach of contract by the Client which will render his/her/their liable for all losses and damages which **TSBL** may suffer or sustain.

22. **OTHER SPECIAL TERMS AND CONDITIONS FOR SUB-ACCOUNT IN TSBL:**

The following special terms and conditions shall apply to all transactions relating to book entry shares/securities.

- I. The Client hereby irrevocably and unconditionally authorizes **TSBL** to handle and move the Client's securities from his/her/their Sub-Account from time to time with an unfettered right to disposed them off at any time upon notice to the Client and to apply the net proceeds thereof towards the adjustment of the Client's outstanding that may be due from the Client, directly or indirectly to **TSBL** including under normal settlement as well as against all Client losses and the Clients shall be liable for any shortfall.
- II. **TSBL** is further authorized to issue instructions to CDC/issues from time to time, if it is considered necessary, to implement the Client's above understanding with **TSBL**.

23. **CARRY OVER TRANSACTIONS (COT) / CONTINUOUS FINANCING SCHEME (CFS):**

In case the Client desires to undertake transactions of sale and repurchase of securities under COT/CFS through **TSBL** then the following special terms and conditions shall apply, in addition to normal conditions.

The Client shall be taking all exposure on the selling members and the buying members in respect of all purposes and sale of securities and not on **TSBL** thereof in the event that the selling member(s) commit default and deliveries of any requisite securities are not received by **TSBL** from the selling member(s) mentioned in sub-clause (i) above, then **TSBL** will not under any circumstances, be liable to deliver the securities to the client, or to refund the advance payment to the Client. Likewise, in all resale transaction mentioned in sub-clause (ii) above, if any buying member(s) becomes defaulter(s) and sale proceeds of the securities sold by **TSBL** on account of the Client are not realized by **TSBL** from the buying member(s) on the pertinent settlement date(s). **TSBL** shall not be liable to pay the sales proceeds of such securities to the Client or to deliver the requisite securities. However, in the event of a selling member(s) default(s), as mentioned above, **TSBL** shall lodge claims on account of the Client with the Stock Exchange for recovery from the defaulting member(s) assets under and in accordance with Exchange's "Investor Protection Fund Regulations", The Members' Default and Procedure for Recovery of Losses Regulation: and the "General Rules and Regulations" as well as other applicable Rules and Regulations of the Stock Exchange. **TSBL** will endeavour to recover the claims on account of the Client on pro rata basis and will make such payment as and when received from the Exchange.

24. **SPECIAL TERMS AND CONDITIONS FOR ONLINE TRADING:**

**The following conditions are in addition to the other terms and conditions of this Account Opening Form and are applicable only in case of online trading facility:-**

- 24.1 Online trading will be permitted to the Account Holder through an online trading system of **Trust Securities & Brokerage Limited** which will act for the purpose of buying and selling securities, including Leverage Products at the Stock Exchange (Online Exchange).
- 24.2 A Password or (personal identification number) PIN will be issued to the account holder by **Trust Securities & Brokerage Limited** to enable the account holders to have an access and to use his/her/their Account for Online Trading. The Password/PIN may be communicated through e-mail or through any courier to the Account Holder at his/her/their own risk. The Account Holder shall not disclose the Password/PIN to any other person and shall take every reasonable precaution to prevent discovery of the password/pin by any person. The Account Holder(s) shall immediately change the Password/PIN as soon as it is received from the Broker.
- 24.3 **Trust Securities & Brokerage Limited** may electronically transfer delivery of confirmation, statements and other notices in connection with electronic/Online Trading. It shall be the responsibility of the Account Holder to review upon receipt of e-mails, confirmation statements, notices, margin and maintenance calls whether delivered by mail, e-mail or electronic terminals at its own discretion. Any information, confirmation statements and other notices that may be transferred electronically to the Account Holder shall be considered to be delivered as a hard copy version. If the password/PIN is disclosed to any third party, the Account Holder should notify the same to **Trust Securities & Brokerage Limited** in addition the Account Holder should immediately notify **Trust Securities & Brokerage Limited** about any theft, loss or un-authorized use of his/her/their/its account number and Password/PIN. Also the Account Holder shall immediately notify any change in its e-mail or other addresses as mentioned in the Account Opening Form.
- 24.4 All risks connected and involved with Electronic/Online Trading will be assumed fully by the Account Holder(s). Neither the **Trust Securities & Brokerage Limited** 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 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 Account Holder(s) information and affairs by unscrupulous persons.
- 24.5 **Trust Securities & Brokerage Limited** may at any time and from time to time require additional margin in the Account (in cash or Securities) before executing any Orders or undertaking any Transactions through Online Trading Facility on account of the Account Holder(s). The amount and timing may vary depending on factors solely at **Trust Securities & Brokerage Limited** discretion.
- 24.6 **Trust Securities & Brokerage Limited** may at its discretion elect with or without notice to square off the Account Holder(s) Account and make obligations in the Account immediately due and payable by the Account Holder(s) without assigning any reason.
- 24.7 All other term and conditions including Special Terms and Conditions and CDC Terms and Conditions of this Account Opening Form shall be equally applicable to Online Trading Account(s).

**Signatures:**

\*

\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant



25. **TSBL** may terminate this agreement at any time without assigning any reason. The Client may terminate this agreement and close his/her/their trading account and sub-account maintained by **TSBL** with CDC, at any time when it owes no liability or obligations whatsoever to **TSBL** under or in relation to this agreement or in relation to any trade contract entered into pursuant to this agreement.
26. All disputes of differences arising out of or in relation to disagreement or any trade contract entered into pursuant to this agreement, if not resolved amicably by **TSBL** and the Client, shall be referred to arbitration by the PSX Arbitration Committee, whose decision shall be final and binding on both parties.
27. **TSBL** reserves the rights to subject all securities and assets held in any account, in which the Client may have a financial interest, to a general lien for discharge of any indebtedness to **TSBL** these securities or money may be help up, sold or confiscated for payment of any liabilities that the Client may have to pay. If **TSBL** chooses to secure the indebtedness in one of the Client's account, the Client agrees that **TSBL** may refuse to liquidate, transfer or conduct transaction in all accounts until indebtedness to **TSBL** is fully paid and acknowledged by **TSBL**. **TSBL** will not be held responsible for losses, diminished value as result of freezing any of Client's account.
28. The Client hereby acknowledges that:
  - 28.1 Any market information or trading recommendation communicated to the Client by **TSBL** does not conduct an offer, or a solicitation of an offer to buy/sell any securities.
  - 28.2 Such information or recommendations may be incomplete and unverifiable.
  - 28.3 **TSBL** makes no representation, warranty or guarantee as to the accuracy, reliability or completeness of any such information or recommendation.
  - 28.4 **TSBL** or any of its Directors, Officers, Servants or Agents shall not be liable in any manner whatsoever to the Client for any representation made by them in the course of business.
29. **TSBL** will not be liable for losses incurred directly or indirectly by causes beyond control, including but not limited to government restrictions, natural disasters, wars, strikes, and exchange or market rulings, interruptions of data processing services or communications, or disruptions in orderly trading on any market or stock exchanges. The Client assumes all market and other risks effecting the investments made.
30. The Client shall be responsible of knowing the rights and terms for all securities, bought, sold and maintained at agreed, including but not limited stock splits, reorganization, the Client is responsible for monitoring the activity in his account and agrees to notify the agreed rate immediately for any discrepancy.
31. **TSBL** may, but is not obliged to notify the Client of any upcoming expiration or redemption dates, or take any action on Client's behalf, with specific instructions from the Client, except as required by Law and rules of regulatory authorities.
32. Certain securities may grant a Valuable right that may expire unless any specific action is taken. These securities include bonds, convertible securities, warrants, stock rights and securities subject to exchange offer or tender. If any such security is about to expire, become worthless or be redeemed for less than its fair market value as instructions have not been received from the Client, **TSBL** may at its discretion, sell the security (ies) or credit the Client's account with the proceeds.
33. The Client shall assume all market risks; **TSBL** shall not be responsible or liable to advise the Client as to the investment in and sale/purchase of securities.
34. **TSBL** shall not be liable in any manner whatsoever to the Client for any damages suffered, or liability incurred by the Client in relation to any trade. The Client hereby indemnifies **TSBL** from all losses, damages, liabilities, claims, costs etc. Arising out of the opening and maintenance of the Client trading account and the Client's Sub-Account with the CDC.
35. No provision of this agreement shall stand waived unless waiver is made in writing, No waiver of any provision of this agreement shall be implied from any course of dealing between the parties. A waiver of any provision of this agreement on any one occasion shall not constitute a waiver in relation to any subsequent similar occasion.

## Signatures:

\*

\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

## MARGIN DISCLOSURE STATEMENT

### This statement forms a part of the Account Opening Form for Online Trading

**Trust Securities & Brokerage Limited** is furnishing this document to the Account Holder(s) to provide some facts about purchasing Securities on Margin, and to alert the Account Holder(s) as to the risks involved with trading of Securities in a Margin Account. Before trading of Securities in a Margin Account, Account Holder(s) should carefully review the Margin clause in the Special Terms and Conditions for Online Trading enunciated in the Account Opening Form. The Account Holder(s) should obtain clarification by **Trust Securities & Brokerage Limited** regarding any question or concerns he / she / they / it may have about the margin account.

**It is important that the Account Holder(s) understand(s) fully the risks involved in trading of Securities on margin. These risks include the following:-**

#### **THE ACCOUNT HOLDER(S) CAN LOSE MORE FUNDS THAN INVESTED IN THE ACCOUNT:**

A decline in the value of Securities that are purchased on margin may require Account Holder(s) to provide additional funds to the Broker/Company to avoid forced sale of those Securities or other Securities or asset(s) in the Account Holder(s) account.

#### **TRUST SECURITIES & BROKERAGE LIMITED CAN FORCE THE SALE OF SECURITIES OR OTHER ASSET(S) IN ACCOUNT HOLDER(S) ACCOUNT:**

If the equity value in the Account Holder(s) account falls below the maintenance margin requirements, **Trust Securities & Brokerage Limited** after the margin call notice period, can sell the Securities or other asset(s) in the account to cover the margin deficiency. The Account Holder(s) will be responsible for any shortfall in the account after such sale. The Account Holder(s) will have no right to challenge the Brokers decision to sell the securities to protect the Company's interest.

#### **ACCOUNT HOLDER(S) ARE NOT ENTITLED TO CHOOSE WHICH SECURITIES OR OTHER ASSET(S) IN THE ACCOUNT ARE LIQUIDATED OR SOLD FIRST TO MEET MARGIN REQUIREMENTS:**

Because the Securities are collateral for margin trading **Trust Securities & Brokerage Limited** has the right to decide which Security(ies) to sell in order to protect its interests and or meet margin requirements.

#### **TRUST SECURITIES & BROKERAGE LIMITED CAN AMEND ITS " IN-HOUSE" MAINTENANCE MARGIN REQUIREMENTS AT ANY TIME AND IS REQUIRED TO PROVIDE THE ACCOUNT HOLDER(S) THREE DAYS ADVANCE WRITTEN NOTICE:**

These changes in **Trust Securities & Brokerage Limited** policy often take place immediately and may result in the issuance of a maintenance margin call. The Account Holder(s) failure to satisfy the call may cause **Trust Securities & Brokerage Limited** to liquidate or sell Securities in his / her / their / its account.

#### **THE ACCOUNT HOLDER(S) ARE NOT ENTITLED TO AN EXTENSION OF TIME ON A MARGIN CALL:**

While an extension of time to meet margin requirements may be available to Account Holder(s) under certain conditions, the Account holder(s) does/do not have a right to the extension. **Trust Securities & Brokerage Limited** holds the right to square, at its sole option, all or any open/outstanding positions of the Account Holder(s) if he /she/they/it fails to provide required margin.

### Signatures:

\* \_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_ Participant

#### WITNESS-1

NAME: \_\_\_\_\_  
CNIC NO: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_

#### WITNESS-2

NAME: \_\_\_\_\_  
CNIC NO: \_\_\_\_\_  
SIGNATURE: \_\_\_\_\_

## **Sub-Account Opening Form (For Corporate)**

**CORPORATE OFFICE:**

Suite No. 608 & 609, 6<sup>th</sup> Floor, Business & Finance Center,  
I. I. Chundrigar Road Karachi.  
UAN: (92- 21) 111-000-875, Fax: (92-21) 32467660  
Email: [info@tsbl.com.pk](mailto:info@tsbl.com.pk), Web: [www.tsbl.com.pk](http://www.tsbl.com.pk)

**BRANCH OFFICE:**

2<sup>nd</sup> Floor, Associated House, Building No. 1 & 2,  
7-Kashmir Road, Lahore-54000, (Pakistan)  
Tel: (92-42) 3637 3041- 43, Trading: (92-42) 36310241- 4  
Fax: (92-42) 3637 3040

Corporate TREC Holder: Pakistan Stock Exchange Limited  
 TRE Certificate Number- 332  
 Broker Registration No. BRP-201

**SUB-ACCOUNT OPENING FORM**  
**FOR A COMPANY OR OTHER BODY CORPORATE**

**CORPORATE OFFICE:**

Suite No. 608 & 609, 6<sup>th</sup> Floor, Business & Finance Center,  
 I.I. Chundrigar Road Karachi.  
 UAN: (92-21) 111-000-875, Fax: (92-21) 32467660,  
 Email: [info@tsbl.com.pk](mailto:info@tsbl.com.pk), Web: [www.tsbl.com.pk](http://www.tsbl.com.pk)

For official use of the Participant only	
Application Form No:	
CDS Participant ID:	<b>01164</b>
Sub-Account No:	
Trading Account No: (if applicable)	

(Sub-Accounts are opened and maintained by Participants in accordance with the CDC regulations made pursuant to Section 4 of the Central Depositories Act, 1997)

**(Please use BLOCK LETTERS to fill the form)**

I/We hereby apply for opening of my/our Sub-Account under the Account Family of **Trust Securities & Brokerage Limited** (hereinafter referred to as "Participant") maintained in the Central Depository System ("CDS") of the Central Depository Company of Pakistan Limited ("CDC"). My/ Our particulars are given as under:

A. REGISTRATION (AND OTHER) DETAILS OF APPLICANT													
<b>1. Full Name of Applicant</b> (As per constitutive documents)													
<b>2. Registration Number / Unique Identification Number("UIN")</b>													
<b>3. Contact Details of Applicant:</b>													
(a) Mailing Address:													
(b) Contact No:							(c) Fax: (optional)						
• Land Line No.: .....													
• Local Mobile Number of Contact Person							(d) Email (*):.....						
(e) Registered Office/ Head office Address:													
<b>4. Details of Contact Person of the Applicant:</b> (Should only be an official or an Attorney of the Applicant)													
(a) Name Mr. /Mrs./Ms.:													
(b) Association of the Attorney with the Applicant:													
(c) Address:													
(d) CNIC No: [ only where Contact Person is as Attorney]													
(e) Expiry date of CNIC:													
(f) Contact No:							(g) Fax: (optional)						
• Land Line No.: .....													
• Local Mobile Number of Contact Person							(h) Email (*):.....						

**Signatures:**

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_ Participant

<b>5. Shareholder Category</b> <i>[Please tick (✓) the appropriate box]</i>	<input type="checkbox"/>	Investment Company	<input type="checkbox"/>	Modaraba
	<input type="checkbox"/>	Insurance Company	<input type="checkbox"/>	Modaraba Management Company
	<input type="checkbox"/>	Charitable Trust	<input type="checkbox"/>	Cooperative Society
	<input type="checkbox"/>	Leasing Company	<input type="checkbox"/>	Mutual Fund
	<input type="checkbox"/>	Bank / Financial Institution	<input type="checkbox"/>	Other <i>(Please specify)</i>
	<input type="checkbox"/>	Joint Stock Company		

**B. OTHER INFORMATION OF APPLICANT**

<b>1. Dividend Mandate</b> <i>[Please tick (✓) the appropriate box]</i>		<input type="checkbox"/>	Yes	<input type="checkbox"/>	No	If yes, please give details:
(a) Account Title:		(b) Account No:				
(c) Name of Bank:		(d) Branch:				
(e) Address:						
<b>2. National Tax No. (Optional)</b>			<b>3. Nationality:</b>			
<b>4. Residential Status</b> <i>[Please tick (✓) the appropriate box]</i>		<i>Resident</i>	<i>Non-Resident</i>	<i>Repatriable</i>	<i>Non-Repatriable</i>	
Pakistani		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
Foreign Company / Corporate body		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<b>5. If you are maintaining any Special Convertible Rupee Account ("SCRA"), please provide details in (a) to (c):</b>		(a) SCRA Account No:		(b) Bank Name:		
		(c) Branch Details:				

\*At least one field must be mandatorily filled.

**C. CDC SMS / IVR / WEB SERVICES ("CDC access")**

CDC provides **FREE OF COST** services under CDC access whereby sub-account holders can have real time access to their account related information.

**1(a).** SMS or eAlert/eStatement is a mandatory service, where alerts are sent whenever certain activities take place in a sub-account. eStatement is a service where your account balance statement will be electronically transmitted to your email address. Please subscribe to either SMS or eAlert/eStatement service as a mandatory requirement. You can also subscribe to both the services.

<input type="checkbox"/>	Short Messaging Service (SMS)	Mobile No.(†)	† Of Contact Person as provided in Part A of this Form
<input type="checkbox"/>	eAlert / eStatement Service	Email Address (†)	

**1(b).** If you have subscribed for eStatement, please specify the frequency of eStatement:  
*[Please tick (✓) the appropriate box]*

Monthly	<input type="checkbox"/>	Quarterly	<input type="checkbox"/>
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**2. Do you wish to subscribe to free of cost IVR Service?**  
*[Please tick (✓) the appropriate box]*

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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**3. Do you wish to subscribe to free of cost Web Service?**  
*[Please tick (✓) the appropriate box]*

<input type="checkbox"/>	Yes	<input type="checkbox"/>	No
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If you are subscribing to IVR and/or Web Service, please provide following details of your Contact Person:

(a) Date of Birth (DD / MM / YYYY)		/		/			
(b) Mother's Maiden Name:	(c) Email Address (Of Contact Person as provided in Part A of this Form)						

**Signatures:**

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
 Participant

**D. SUB-ACCOUNT OPERATING INSTRUCTIONS**

1. Signatory (ies) to give instruction to the Participant pertaining to the operations of the Sub-Account.  (Please specify sub- account operating instructions in the relevant column along with names and specimen signatures of authorised signatories)	Names of Signatory(ies)		Specimen Signatures	
	(a)			
(b)				
(c)				
(d)				
2. Sub-Account Operating Instructions: [Please (✓) appropriate box]	<input type="checkbox"/>	Singly	<input type="checkbox"/>	Attorney
	<input type="checkbox"/>	Jointly [any] _____	<input type="checkbox"/>	Any other
				Please specify:

**E. AUTHORIZATION UNDER SECTIONS 12 AND 24 OF THE ACT EXCLUSIVELY FOR SETTLEMENT OF UNDERLYING TRADES INCLUDING PLEDGE AND RECOVERY OF CHARGES AND LOSSES**

We the undersigned, hereby give our express authority to **Trust Securities & Brokerage Limited** under Section 12 and Section 24 of the Central Depositories Act, 1997 to handle Book-entry Securities beneficially owned by us and entered in our Sub-Account maintained with **Trust Securities & Brokerage Limited** 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 us from time to time;
- b. For pledge securities transactions with any Stock Exchange or a Clearing Company relating to any of our underlying market transactions (trades) to be settled through the Clearing Company from time to time;
- b(a). For, where applicable, pledging of our securities only with a Stock Exchange in accordance with the requirements of regulations of such Stock Exchange for meeting any shortfall in the margin and/or mark-to-market losses requirements of **Trust Securities & Brokerage Limited** and/or other Sub-Account Holders of **Trust Securities & Brokerage Limited**;
- 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 **Trust Securities & Brokerage Limited** to our Sub-Account under another Main Account under the control of the Participant or to our Sub-Account, under any Main Account which is under the control of another Participant or to our Investor Account;
- e. Securities transactions pertaining to any lending or borrowing of Securities made by us from time to time in accordance with the CDC Regulations;
- f. 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
- g. Delivery Transaction made by us for any other purposes as prescribed by the Commission from time to time.

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

**Note:** Please note that above shall serve as a one-time fixed authorization to **Trust Securities & Brokerage Limited** for handling of Book-entry Securities owned by the undersigned Sub-Account Holder(s) and entered in their Sub-Account maintained **Trust Securities & Brokerage Limited**. 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 **Trust Securities & Brokerage Limited**. 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.

\*At least one field must be mandatorily filled.

**Signatures:**

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
 Participant

**IMPORTANT**  
Please read and Understand the Terms and Conditions before signing and executing this form

**TERMS AND CONDITIONS**

**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. Provisions of the Central Depositories Act, 1997 (“**the Act**”) and the Central Depository Company of Pakistan Limited Regulations (“**the Regulations**”) as amended from time to time and the CDC’s Operating Manual/Operating Instructions developed and issued pursuant thereto from time to time and any other by-laws, directives of the Securities and Exchange Commission of Pakistan issued from time to time, shall govern the opening, maintenance and operations of the Sub-Account.
2. Each page of this form should be duly signed by the authorized signatories of the Applicant and the Participant or any authorized person of the Participant.
3. The Participant shall ensure provision of copies of all the relevant laws, rules and regulations at his office for access to the Sub-Account Holder(s) during working hours.
4. The Participant shall provide a list of his authorized agents/traders and designated employees, who can deal with the Sub-Account Holder(s) from time to time. Any change(s) therein shall forthwith be intimated in writing to the Sub-Account Holder(s).
5. The Registration Details and such other information specified by the Applicant in this form for opening of the Sub-Account appear in the Sub-Account to be established by the Participant in the Central Depository System who shall ensure the correctness and completeness of the same. Any change therein notified by the Sub-Account Holder from time to time in writing to the Participant shall reflect in the Sub-Account of such Sub-Account Holder.
6. The Book-entry Securities owned by the Sub-Account Holder shall be exclusively entered in the Sub-Account of such Sub-Account Holder.
7. Transfer, Pledge and Withdrawal of Book-entry Securities entered in the Sub-Account of the Sub-Account Holder shall only be made from time to time in accordance with the authorization given by the Sub-Account Holder to the Participant in Part (E) above pursuant to Sections 12 and 24 of the Act. 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.
8. Participant shall be liable to give due and timely effect to the instructions of the Sub-Account Holder given in terms of the above-referred authorization with respect to transfer, pledge and withdrawal of Book-entry Securities entered in his Sub-Account under the control of the Participant. Such instructions, among other matters, may include closing of Sub-Account.
9. 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 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.
10. 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 Act, 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 7 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 and apply the net proceeds thereof towards the adjustment of such outstanding payment, charges and/or losses, provided that the Participant shall report the disposal of such Securities to the relevant Stock Exchange as an off-market transaction where the Securities are transferred from the Sub-Account to the House Account of the Participant.
11. Participant shall have the right, subject to 20 Business Days prior written notice to the Sub-Account Holder to close the Sub-Account if it becomes dormant with no holding balances. No Sub-Account shall be treated as dormant unless there is no activity for continuous six months.
12. 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 there under, to request CDC to change his Controlling Account Holder and Participant shall extend full cooperation to the Sub-Account Holder in every regard, without prejudice to his right of recovery of any dues or receivable from the Sub-Account Holder.
13. These Terms and Conditions shall be binding on the Participant’s nominee, legal representative, successors in interest and/or permitted assigns.
14. In the event of any conflict between these Terms and Conditions and the terms and conditions contained in Trading Account Opening Form or any other forms/authorizations prescribed by the Participant or otherwise, the Terms and Conditions contained herein shall prevail, insofar as it is related to the custodial services to be provided by the Participant under the legal framework of CDC.
15. 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.
16. The Participant is not acting under this application form as Investment Manager or Investment Advisor to the Sub-Account Holder(s).
17. The Participant should ensure due protection to the Sub-Account Holder regarding rights to dividend, rights or bonus shares etc. in respect of transactions routed through him 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.
18. Subject to Section 21 of the Act, Participant shall maintain complete confidentiality of any information or document that is in his knowledge or possession or control relating to the affairs of the Sub-Account Holder(s), and in particular, relating to their Sub-Account(s), and shall not give, divulge, reveal or otherwise disclose such information or document to any other person.
19. These Terms and Conditions shall be deemed to have been amended, altered and/or modified if rights and duties of the parties hereto are altered by virtue of change in law, rules, regulations etc. of SECP and/or articles, rules, regulations of the Stock Exchanges and/or the Act, CDC Regulations, CDC’s Operating Manual/Operating Procedures and/or any circular, directive or direction issued therein, such changes shall be deemed to have been incorporated and modified the rights and duties of the parties hereto.
20. The Participant shall ensure that duly filled in and signed copy of this form along with the acknowledgement receipt is provided to the Sub-Account Holder.

**Signatures:**

\*

\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

**DECLARATION AND UNDERTAKING**

**We, the undersigned, hereby declare that:**

- a) We are not in receivership, court-appointed managership or under winding-up or under any analogous form of administration;
- b) We are not applied to be adjudicated as an insolvent and that we have not suspended payment and that we have not compounded with our creditors;
- c) We are not an undischarged insolvent;
- d) None of our chief executive, directors or other officers have, at any time within 5 years before making this application, been convicted of an offence involving moral turpitude or a non-cognisable offence against any law in connection with our business, professional or commercial activities;
- e) We confirm having read and understood the above Terms and Conditions and 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;
- f) We, being the Applicant, hereby further confirm that all the information contained in this form is true and correct to the best of our knowledge as on the date of making this application; and
- g) We further agree that any false/misleading information by us or suspension of any material fact will render our Sub-Account liable for termination and further action under the law.
- h) We hereby now apply for opening, maintaining, operation of Sub-Account forming part of the Account Family of CDS Participant Account of **Trust Securities & Brokerage Limited.**

**Signatures:**

\*

\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant



**DISCLAIMER FOR CDC EXCESS**

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

<b>Authorized Signatories of the Applicant:</b>	<b>Date &amp; Place:</b>																		
For and on behalf of <i>(In case if signed by the Attorney on behalf of the Applicant)</i>																			
We hereby agree to admit the Applicant as the Sub-Account Holder in terms of the above Terms and Conditions as amended from time to time and shall abide by the same in respect of opening, maintenance and operation of such Sub-Account.																			
<b>Name of Participant:</b> <i>TRUST SECURITIES &amp; BROKERAGE LIMITED</i>	<b>Date:</b>																		
<b>Participant's Seal &amp; Signature:</b>																			
<b>Witnesses:</b>																			
<b>1. Name:</b>																			
Signature:	CNIC No. <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>-</td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>-</td><td> </td></tr></table>									-								-	
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<b>2. Name:</b>																			
Signature:	CNIC No. <table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>-</td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>-</td><td> </td></tr></table>									-								-	
								-								-			

**Signatures:**

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
 Participant

**H. FOR THE USE OF PARTICIPANT ONLY**

Particulars of Sub-Account Opening Form verified by :

Name:	Stamp:
-------	--------

Application:	<input type="checkbox"/>	<b>Approved</b>	<input type="checkbox"/>	<b>Rejected</b>	Signature: (Authorized signatory)	Date:
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Sub-Account no. issued:

<b>Account opened by:</b>	
---------------------------	--

Saved by:	Posted by:
-----------	------------

Signature:	Date:	Signature:	Date:
------------	-------	------------	-------

 Remarks: *(if any)*

**TRUST SECURITIES & BROKERAGE LIMITED,**  
 Corporate TREC Holder: Pakistan Stock Exchange Limited,  
 Suite No. 608 & 609, 6<sup>th</sup> Floor, Business & Finance Center,  
 I. I. Chundrigar Road,  
 Karachi.

**SUBJECT: AUTHORIZATION FOR TRADING & OPERATING OF ACCOUNT**

Dear Sir,

With reference to our Equity Trading Account opened with you and pursuant of class 11 of the special terms and conditions contained in the Trading Account Opening form, I/We holder(s) of trading Account # \_\_\_\_\_ under your participant ID **01164** by way of this letter hereby request you to treat Mr./Mrs./Ms. \_\_\_\_\_ S/o, D/o, W/o \_\_\_\_\_ holding CNIC No. \_\_\_\_\_ Presently residing at \_\_\_\_\_ whose specimen signature is given below as a fully authorized person on my/our behalf in the following matters whether in my/our absence or presence:

1. Place trading orders for sale / purchase of shares of various companies at various rates on my / our behalf.
2. Acknowledge sale / purchase confirmation contracts on my / our behalf.
3. Deposit any shortfall arising in the margin, due to placing of a new trading order, by way of cheque / pay order or other listed securities acceptable to **Trust Securities & Brokerage Limited**.
4. Withdraw or have access to any securities, deposited with you, on my/our behalf for any purpose relating to my/our account(s) and to issue receipt or discharge for the same.
5. Receive payments (A/c payees Cheques in my /our name(s)) on my/our behalf from **Trust Securities & Brokerage Limited** and make payments on my/our behalf in cash or by cheques.
6. To receive original copies of Bills Proceeds and Difference Bills, copies of account statements & trade confirmations on my/our behalf.

I/We agree that everything done by **Trust Securities & Brokerage Limited** in pursuance of this Mandate and Authority shall be binding upon me/us until **Trust Securities & Brokerage Limited** receive notice from me/us in writing to the contrary. Furthermore **Trust Securities & Brokerage Limited** will be fully indemnified with respect to all losses, costs and consequences for all acts and omissions done, under the instructions of my/our authorized person whose instructions shall be deemed as my/our instructions.

**NAME AND SPECIMEN SIGNATURE OF THE AUTHORIZED PERSON IS GIVEN BELOW:**

Name of Authorized person \_\_\_\_\_ Specimen Signature \_\_\_\_\_

**CONTACT DETAIL OF THE AUTHORIZED PERSON:**

Cell No / Telephone No. \_\_\_\_\_ Email address: \_\_\_\_\_

**Signatures:**

<p>* _____          Authorized Signatories of the Applicant with Stamp  <b>WITNESS-1</b></p> <p>NAME: _____          CNIC NO: _____          SIGNATURE: _____</p>	<p>_____ Participant  <b>WITNESS-2</b></p> <p>NAME: _____          CNIC NO: _____          SIGNATURE: _____</p>
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**ON THE LETTER HEAD OF THE COMPANY OR OTHER BODY CORPORATE**

**BOARD RESOLUTION**

“RESOLVED that an application be made on behalf of \_\_\_\_\_ (name of entity) to \_\_\_\_\_ (“Broker”) for opening an Account and for the aforesaid purpose for Account Opening Form including Terms and Conditions as set out herein be executed on behalf of \_\_\_\_\_ (name of entity).

FURTHER RESOLVED that Mr. / Mrs. \_\_\_\_\_ and Mr. / Mrs. \_\_\_\_\_ be and are hereby authorized and empowered, either singly / jointly for and on behalf of \_\_\_\_\_ (name of entity) to sign and execute and deliver this Account Opening Form and Terms and Conditions and other documents in connection therewith and to do any other act, deed or thing for and on behalf of \_\_\_\_\_ (name of entity) in respect of company’s application for opening an Account.

FURTHER RESOLVED that Mr. / Mrs. \_\_\_\_\_ and Mr. / Mrs. \_\_\_\_\_ 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, liaise and correspond with broker and give instructions to fulfil all the responsibilities and obligations to broker under the Law, Rules and Regulations and the Terms and Conditions in relation to the Account from time to time and to deal with other incidental and ancillary acts, things and deeds”.

Signatures of Directors:

**NAME:**

**SIGNATURES:**

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_
5. \_\_\_\_\_

- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_
- \_\_\_\_\_

Date of Resolution \_\_\_\_\_

## Foreign Account Tax Compliance Act (FATCA) Checklist (For Entity Accounts)

Only to be used for accounts OTHER THAN Individual / Joint & Sole Proprietorship

Date \_\_\_\_\_  New Account Classification  Change in Circumstances of Existing Account

Account Title \_\_\_\_\_ Client Trading Code      Sub-Account No.

Name of entity as per constitution document (Certificate of Incorporation, Partnership/Trust Deed, Charter etc, hereinafter referred to as the "Entity".

### Section A. (US Entities): For Entities Incorporated in the US or under the laws of US or Branch thereof:

Please provide Form W-9 for the Entity, complete the following details and proceed directly to Section E.

Entity's FATCA Classification for Reporting purpose;  Specified US Person  Not a Specified US Person

US Tax Identification No (TIN)

### Section B. (Non US Entities): Exempt Entities (Exempt Beneficial Owners)

• If entity falls into any of the following categories, No FATCA documentation required, please indicate as applicable & proceed directly to Section E.

- |  |  |
|--|--|
| <input type="checkbox"/> Federal, Provincial, Local or Municipal Govt.     | <input type="checkbox"/> Entity Wholly Owned or Controlled by Govt.        |
| <input type="checkbox"/> Govt. Department, Judicial Entity or Armed Forces | <input type="checkbox"/> Foreign Mission, Embassy, Consulate or Commission |
| <input type="checkbox"/> Central Bank                                      |  |

• If entity falls into any of the following categories, please indicate as applicable, provide W-8BEN-E, form & proceed directly to Section E.

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> International Organization | <input type="checkbox"/> Charitable Trust, Club, Association or Society | <input type="checkbox"/> Non Government or Non -Profit Organization |
|---|---|---|
- Registration No. \_\_\_\_\_

### Section C. (Non US Entities): For Non-Financial Entities (NFFE)

1. Is the Entity a Listed Public Limited Company or a subsidiary of such a company?  YES  NO

- If Yes: Proceed directly to Question 4
- If No: Proceed to Next Question

2. Did the Entity earn more than 50% of its gross income for the preceding tax year from other than core activities?  YES  NO

- If Yes: Proceed to Next Question;
- If No: Proceed directly to Question 4

3. Does any specified US person (individual or entity) hold more than 10% direct or indirect shareholding in the entity?  YES  NO

- If Yes: Complete Table below, provide W-9 for each Substantial US Owner & W-8BEN-E for the entity & proceed to Section E;
- If No: Proceed to Next Question;

Name of Substantial US Owner	Complete Address	US Tax Identification # (TIN)	Percentage Holding

#### Signatures:

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_ Participant

4. Does the entity have Registered, Head Office or Mailing Address which is in the US or a US telephone number?  YES  NO

- If Yes: Provide (i) A Constitution Document showing the non-US country of incorporation or registered address and (ii) Form W-8BEN-E & proceed to Section E;
- If No: Proceed to Next Question;

5. Has the entity assigned power of attorney or signatory authority to a person with US address?  YES  NO

6. Is the entity aware of any other information which may indicate to the entity's US status?  YES  NO

- If Yes Provide: A Constitution Document showing the non-US country of incorporation or registered address OR alternatively provide a Form W-8BEN-E proceed to Section E;
- If No. No FATCA documentation required, please proceed to Section E;

### Section D. (Non US Entities): Financial Institutions (FFI)

1. Is the entity a Participating Foreign (Non-US) Financial Institution (PFFI)?  YES  NO

- If Yes: Complete Table below, provide W-9 for each Substantial US Owner & W-8BEN-E for the entity & proceed to Section E;
- If No: Proceed to Next Question;

Global Intermediary Identification Number (GIIN) for PFFI: \_\_\_\_\_

2. Being a Non-Participating FFI (including Limited Branch of FFI), does the entity consent for Trust Securities & Brokerage Limited to report its relevant information to relevant authority as required under FATCA?  YES  NO

3. Please indicate if the entity claims any other FATCA status;

- Owner Documented FFI
- Certified Deemed Complaint FFI
- Sponsored / Sponsoring FFI
- Other (please specify) \_\_\_\_\_

- ODFFI: For Provide (i) W-8BEN-E for the entity (ii) Owner Reporting Statement (iii) W-9 or W-8BEN for persons identified in Reporting Statement & Proceed to Section E.
- For others Provide Form W-8BEN-E indicating the claimed status and proceed to Section E.

### Section E Confirmation (to be signed by authorized signatories)

I/ We, on behalf of the Entity, understand that the information provided above is being submitted to enable Trust Securities & Brokerage Limited to comply with its obligations under FATCA and hereby confirm the information provided above is true, accurate and complete. I/ we hereby consent for the company to share Entity's required information with regulators or tax authorities, including relevant authorities as required under FATCA, where necessary / applicable to establish entity's tax liability in such jurisdiction(s) where required by regulators or tax authorities (except where specified against Question 2, Section D above). I / we consent and agree that, if applicable, the company may withhold from the account of the Entity such amounts as may be required according to applicable laws, regulations and directives. I/ we also agree and undertake to notify the Company within 30 calendar days if there is a change in any information of the Entity, which has been provided to the Company.

**FOR AND ON BEHALF OF (Name of Entity)**

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

*Authorized Signatory*

*Authorized Signatory*

*Authorized Signatory*

*Authorized Signatory*

1. Mark as "Not a Specified US Person" if any of the following; otherwise Mark as "Specified US Person"
  - \* A Listed Company with regulatory trade stock, \* A Bank, \*A Company exempt from taxation in the US, \*A Real Estate Investment Trust
  - \* A Regulated Investment Company, \*A Common Trust Fund, \*A Trust that is exempt from Tax, \*A Broker or a Dealer in Securities, Commodities, or Derivative Financial Instruments that is registered under the laws of US or State.
2. Income from other core activities includes income from passive sources such as returns on investments, profit from sales of property etc.

## RISK DISCLOSURE DOCUMENT

**Trust Securities & Brokerage Limited** is a Corporate TRE Certificate Holder of Pakistan Stock Exchange Limited and furnishing this document prescribed by the Pakistan Stock Exchange (PSX) under Clause 13(1) of the Securities Broker (Licensing and Operation) Regulations, 2016 to its prospective customers to provide some facts about trading in securities and to ensure that the customers are well informed about the risks involved with trading of securities.

This document contains important information relating to various types of risks associated with trading and investment in financial products (equity securities, fixed income instruments, derivative contracts etc.) being traded at Pakistan Stock Exchange. The Customer should carefully read this document before opening trading account with our Company.

In case customer suffers negative consequences or losses as a result of trading/investment, he / she / they shall be solely responsible for the same and Pakistan Stock Exchange 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 the Company can provide customers such guarantee or fixed return on their investment. In view of the fact that prices of securities and future contract can fall as well as rise depending on the market condition and performance of the companies. Customer(s) must understand that past performance is not a guide to future performance of the securities, contracts or market as whole. In case the customers has any doubt or are unclear as to the risk/information disclosed in this document, Pakistan Stock Exchange strongly recommends that such customer should seek an independent legal or financial advice in advance.

Pakistan Stock Exchange 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 risk and other significant aspects of trading / investment at the minimum level. Pakistan Stock Exchange 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.

This document does not disclose or explain all of the risks and other significant aspects involved in the securities trading. You should, therefore study securities trading carefully before becoming involved in it. In the light of the risks involved, you should undertake transactions only if you understand the nature of the relationship into which you are entering and the extent of your exposure risk.

### **THE CUSTOMER 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 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 losses.

##### **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 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 some securities as compared to active securities. As a result, your order 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 buying or selling side, or if trading is halted in a security/contract due to any reason.

#### **Signatures:**

\*

\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

## RISK DISCLOSURE DOCUMENT

### 1.3 SPECULATIVE TRADING RISK

Speculation involves trading of a security / contract with the expectation that it will become 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 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 PRICE TO FLUCTUATIONS DUE TO CORPORATE ANNOUNCEMENTS

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 rumours are circulating in the market. The Customers are advised to refrain from acting purely based on such rumours rather take well informed investment decision in the 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 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. These may cause delays 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 Pakistan Stock Exchange is done electronically, based on satellite/leased line based communications, combination of technologies and computer system 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 buying and selling orders in part only or non-processing of orders at all. As with any financial transactions, the customer may experience losses if orders cannot be executed normally due to system failure on the part of the Exchange or Company. The losses may be greater if the Company having customer's position does not have adequate back-up system 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.

#### Signatures:

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\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant



### 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/they 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 & LEVERAGE PRODUCTS

Derivative and Leveraged trades enable the customer to take large 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 the light of their experiences, objectives, financial resources and other relevant circumstances.

Derivative products 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 & 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 Company and also thoroughly read and understand the specifications, terms and conditions which may include mark-up 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 leverage markets involves risk and may result in potentially unlimited losses that are greater than the amount deposited with the company. 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 leverage trading involves risk, and there is not trading strategy that can eliminate it. Strategies using combinations of positions, such as spreads, maybe as risky as outright long or short positions. Trading in equity futures contracts requires knowledge of both securities and the future 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 losses.
- d) Because of the leverage involved and the nature of equity future contract transactions, customer may feel the effects of his / her /their 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 company to maintain his / her position. If the market moves against his/her position or margin levels are increased, and the 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 the customer will be liable for 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 condition. 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 the Exchange or at the Company carrying customer's 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 liquid, when the primary market for the underlying security is closed, or when the reporting of transactions in the underlying security has been delayed.

### Signatures:

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\_\_\_\_\_  
Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
Participant

## RISK DISCLOSURE DOCUMENT

- 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 future 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 completion 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 COMPANY

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 company. 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 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 company, particularly in the event of a default by the company or the company'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(s) must understand their rights and obligations as well as the rights and obligations of the Company 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 & 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 Customer should ensure that they deal through the registered branch and with registered Agents / Traders / Representatives of the Company. 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 company 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 company to issue contract note, in either electronic form or hard copy, by next working day of the trading. The contract note shall contain all information relating to trade execution including commission and other charges applicable on the customers. In case contract note is not issued, customer should inquire with the company immediately and in case the matter is not resolved, the same should be reported to 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 with Stamp

\_\_\_\_\_  
Participant

**SECTION 1 : INDIVIDUAL CLIENTS**
**PERSONAL INFORMATION**
**MAIN APPLICANT**
**JOINT ACCOUNT HOLDER**

Name: \_\_\_\_\_  
 CNIC No. \_\_\_\_\_  
 Father / Husband's Name \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Type of Accommodation:  House  Apartment  Portion  
 Residence is :  Owned  Rented  Parents  Company  
 Tel(Res) \_\_\_\_\_ Tel(Off) \_\_\_\_\_  
 Cell No. \_\_\_\_\_ Email \_\_\_\_\_  
 Marital Status:  Married  Single  
 Gender:  Male  Female  
 Nationality: \_\_\_\_\_  
 Mother's Maiden Name: \_\_\_\_\_  
 Qualification: \_\_\_\_\_  
 Source of Funds: \_\_\_\_\_

Name: \_\_\_\_\_  
 CNIC No. \_\_\_\_\_  
 Father / Husband's Name \_\_\_\_\_  
 Address: \_\_\_\_\_  
 \_\_\_\_\_  
 Type of Accommodation:  House  Apartment  Portion  
 Residence is :  Owned  Rented  Parents  Company  
 Tel(Res) \_\_\_\_\_ Tel(Off) \_\_\_\_\_  
 Cell No. \_\_\_\_\_ Email \_\_\_\_\_  
 Marital Status:  Married  Single  
 Gender:  Male  Female  
 Nationality: \_\_\_\_\_  
 Mother's Maiden Name: \_\_\_\_\_  
 Qualification: \_\_\_\_\_  
 Source of Funds: \_\_\_\_\_

**OCCUPATIONAL DETAIL**

Nature of Occupation:  
 Services  Businessman  Student  Housewife  
 Retired  Service  Household  Self Employed  
 Name of Company/Business \_\_\_\_\_  
 Designation: \_\_\_\_\_  
 Nature of Business: \_\_\_\_\_  
 Monthly Income: \_\_\_\_\_

Nature of Occupation:  
 Services  Businessman  Student  Housewife  
 Retired  Service  Household  Self Employed  
 Name of Company:/Business: \_\_\_\_\_  
 Designation: \_\_\_\_\_  
 Nature of Business: \_\_\_\_\_  
 Monthly Income: \_\_\_\_\_

**REFERENCE DETAIL**

Name:	Occupation:	Contact No:
Address:		

**SECTION 2 : CORPORATE / INSTITUTIONAL CLIENTS**

Name of Institution: \_\_\_\_\_  
 Institution Category: \_\_\_\_\_  
 Registered Address: \_\_\_\_\_  
 Date of Incorporation: \_\_\_\_\_ Date of Commencement of Business \_\_\_\_\_  
 Registration Number: \_\_\_\_\_ NTN No: \_\_\_\_\_

**SECTION 3: Declaration**

- a. Has any financial institution ever refused to open your account (for both individual & institutional Clients)? Yes  No
- b. Do you hold a position in any political party/public office or hold a high profile position? Yes  No
- c. Do you agree to submit source of wealth/funds to **TSBL** on regular basis(only applicable to clients specified in b)? Yes  No
- d. Are you opening an account with **TSBL** on behalf of any other person (third party account with **TSBL** can not be opened)? Yes  No

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

**Signatures:**

\* \_\_\_\_\_  
 Authorized Signatories of the Applicant with Stamp

\_\_\_\_\_  
 Participant

DATE	ACCOUNT TITLE	ACCOUNT / UIN #
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**SECTION - A**
**Minimum information / documents to be provided by the investor**

1. Individuals / Sole Proprietorship		2. Partnerships		3. Institutions / Corporations	
	please tick		please tick		please tick
CNIC of Principal and Joint Holders / Passport for Foreign Nationals /NICOP for non-resident Pakistanis		CNICs / NICOP of all partners, as applicable		CNIC / NICOP of Authorized Signatories and Directors	
Proof of Employment/Business		Partnership Deed		List of Directors and Officers	
NTN Certificate, where available		Latest financial statements		NTN Certificate	
		Certificate of Registration (in case of registered partnership firm)		Documentary evidence of Tax Exemption (if applicable)	
		NTN Certificate		Certificate of Incorporation	
				Certificate of Commencement of Business	
				Certified Copy of Board Resolution	
				Memorandum & Articles of Association/ Bye Laws/ Trust Deed	
				Audited Accounts of the Company	
4. Trusts		5. Clubs Societies and Associations		6. Executors/Administrators	
CNICs of all trustees		Certified copy of certificate of Registration		CNICs of all Executors/Administrators	
Certified copy of the Trust Deed		List of members		Certified copy of Letter of Administration	
Latest financials of the trust		CNIC/NICOP of members of Governing Board			
Documentary Evidence of Tax Exemption (if applicable)		Certified copy of bylaws/rules and regulations			
Trustee/Governing Body Resolution		Copy of latest financials of Society/Association			
		Board/Governing Body Resolution			

**If documents / information is complete proceed to Section-B**

**List of Missing documents / information below:**

- 1.
- 2.

**If ANY document or information is missing, proceed to Section-G 4**

**SECTION - B**
**Assessment of information provided in Section-A**

Based on information provided in A

1. Is the investor also the ultimate beneficiary of the funds to be invested If No joint account should be opened of power of attorney be provided by ultimate beneficiary with relevant documentary details of the beneficiary	YES	NO
2. In case the investor is a private company, IS the shareholder's list available	YES	NO
3. In case of Government Accounts Mark YES if the account is not in the personal name of the government official A resolution / authority letter (duly endorsed by the Ministry of Finance or Finance Department of concerned government is available which authorizes the opening and operating of his account by an officer of federal/provincial/local government in his official capacity).	YES	NO

**If the answer to any of the above question was No, go to Section-G 3 or G 4, otherwise go Section-C**

**SECTION - C**
**Risk Category of Investor**

	please tick		
1. Government Department / Entity		<b>LOW RISK</b>	Go to Section-G.1
2. Public Listed Company		<b>LOW RISK</b>	Go to Section-G.1
3. Private Limited Company		<b>MEDIUM RISK</b>	Go to Section-G.2
4. Non-Government Organization (NGO)		<b>HIGH RISK</b>	Go to Section-G.3
5. Trust / Charity		<b>HIGH RISK</b>	Go to Section-G.3
6. Unlisted Financial Institution			Go to Section-D
7. Individual			Go to Section-E

**SECTION - D**

Unlisted Private Financial Institutions		
Is the unlisted private financial institution domiciled in Pakistan and is regulated by the SECP/State Bank of Pakistan (SBP)	YES	NO
OR Is it domiciled in a FATF member country that is satisfactorily following the FATF recommendations and is supervised by a regulatory body	YES	NO
If YES, proceed to Section G.1		If NO, proceed to Section G.3

**SECTION - E**

Individual		
1. Is the person a non-resident Pakistani	YES	NO
2. Is the person a high net worth individual with no identifiable source of income or his/her profile/source of income doesn't match with size & quantum of investments/	YES	NO
3. Is the person involved in dealing in high value items <i>(based on declared occupation)</i>	YES	NO
4. Is the person a foreign national	YES	NO
5. Does the person appear to have links or money transfer to/from offshore tax havens or belongs to country(s) where KYC/CDD and anti-money laundering regulations are lax (in terms of not sufficiently applying FATF recommendations)	YES	NO
6. Is there any reason to believe that the person has been refused account opening by another financial institution / brokerage house	YES	NO
7. Is the person opening the brokerage account on a non-face-to-face basis/on-line	YES	NO
If the response to any question (1-7) above was 'YES', proceed to Section G.3		
8. Is the person a holder of a senior level public (government) office i.e. a politically exposed person (PEP) or a family member of PEP.	YES	NO
9. Is the person a holder of high profile position (e.g. senior politician)	YES	NO
If the response to any question (8-9) above was 'YES', proceed to Section F, else proceed to Section G.1		

**SECTION - F**

Politically Exposed Person / Foreign National / Holders of High Profile Position		
Is the brokerage account relationship with this high risk category person including politically exposed person / foreign national / holder of high profile position, approved by the Nominee Director, CEO / COO of the brokerage house <i>(approval shall be provided by management through signing the respective Account Opening Form)</i>	YES	NO
If YES, proceed to Section G.3		If NO, proceed to Section G.4

**SECTION - G**

Investor Risk Profile		
	Risk Classification	KYC Requirements
G.1	LOW RISK	Reduced KYC Requirements shall be applicable: Investor account can be opened once information / documents mentioned in section A have been provided.
G.2	MEDIUM RISK	Greater care required and documents listed in Section A should be obtained before opening of account.
G.3	HIGH RISK	<b>Enhanced KYC Requirements shall be applicable:</b> Investor account can be opened once information / documents mentioned in section A have been provided. Transactions shall be monitored to ensure that the funds used for investments are from an account under the Investor's own name in a financial institution (e.g. bank) subject to high due diligence standards and the amount and frequency of investments are not unusual given the nature and financial strength of the Investor
G.4	HIGH RISK	<b>Account cannot be opened as KYC Requirements have not been fulfilled.</b>

<b>CONFIRMATION of physical presence of customer when opening account</b>	YES	NO
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 Other Comments
 

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Completed By	Name of Sales Person / Agent	Signature	Date
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Checked By	Name of Compliance Person	Signature	Date
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**ACKNOWLEDGEMENT RECEIPT**

<b>Application No.</b>	<b>Date of Receipt:</b>
<i>I/We hereby confirm and acknowledge the receipt of duly filled and signed Sub-Account Opening Form from the following Applicant(s).</i>	
[Insert Name of Applicant(s)]	<b>Participant's Seal &amp; Signature</b>
1.	
2.	
3.	
4.	



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