

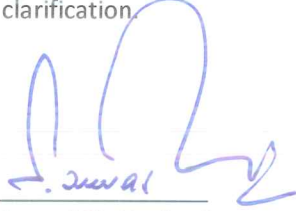


IMPLEMENTATION OF SAHULAT ACCOUNT WITH SIMPLIFIED KYC

This is with reference to the implementation of Sahulat Account facility for the market participants. Please note that effective today 17th June 2019, market participants shall be allowed to open Sahulat accounts for their customers. The key features of Sahulat Account functioning are illustrated below:

1. The facility of Sahulat Account shall also fall under the CKO Regime whereby Sahulat Account holder will be required to undergo the process of biometric IBAN and mobile number verification.
2. Only an individual investor will be allowed to open and maintain only one Sahulat Sub-Account (with single Client Code) and one Sahulat IAS at a time.
3. An individual investor already having a normal trading account with a Broker will not be allowed to open Sahulat Account with simplified KYC with any other broker given that the customer who has already opened a normal trading account by undergoing full KYC should not be allowed to open Sahulat Account with simplified KYC. This means an existing UIN cannot be converted to Sahulat Account. However, Sahulat Account can be converted to Normal Account after due updation to their client code with the same or any other Broker.
4. The position limit of PKR 500,000 will be applicable on UIN basis, as below:
Maximum buy limit: up to PKR. 500,000
Maximum sale limit: up to the value of securities held in CDS Ac as of close of business on the last trading day.
Condition: If the value of securities held in CDC Ac is greater than PKR. 500,000, the customer will not be allowed to enter buy orders into KATS.
For instance, a customer buys shares worth PKR. 400,000 where the value subsequently increases to PKR. 600,000 due to price movement or a corporate action. The customer will not be allowed to buy further as the portfolio value is already more than the applicable limit of PKR. 500,000. However, the customer will be allowed to liquidate securities in the sub-account up to the full value.
Note: The aforesaid position limits shall be maintained by the respective TRE Certificate Holder.
5. Sahulat Account will only be opened by local individuals without any Joint Account holder,
6. The leveraged products i.e. MTS, MFS and SLB will not be allowed to Sahulat Account Holders,
7. Sahulat Account Holders will only be allowed to trade in Ready Delivery Contract Market. No trading in any futures market products will not be allowed to Sahulat Account Holders,
8. Sahulat Account Holder will not be allowed to execute buy/sell trade in Negotiated Deals Market (NDM) as this can lead to possible misuse of limits considering that NDM doesn't have price Circuit Breaker.

All concerned are requested to note the above and please contact Trading Department for any required clarification.



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3. The Chief Executive Officer, Central Depository Company of Pakistan Limited
4. The Chief Executive Officer, National Clearing Company of Pakistan Limited
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