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## **Momentous Reduction in CDC Tariff**

Securities and Exchange Commission of Pakistan (SECP) has approved reduction in Transaction Fee by 50% (excluding SECP levy) and Custody Fee by 25% (other than those held by majority shareholders and sponsors) as recommended by the Central Depository Company of Pakistan Limited (CDC). This initiative was taken by the CDC management to give much needed relief and support to the market participants, especially the investing public, considering the challenging conditions currently prevailing in the capital market. The board of CDC, while approving the proposal, appreciated the initiative of the management which is in line with the Company's policy to provide world class services at lowest possible cost. The revised charges will be effective upon its publication in the gazette notification.

Since starting operations in 1997 as an infrastructure project, the Company has brought a sea change in the working of the capital market. The primary role of CDC is to provide a state of the art settlement infrastructure to the capital market in order to ensure an efficient and transparent marketplace. Although CDC is not profit motivated, its goal is to earn sufficient income to maintain and enhance its infrastructure facilities and to provide a reasonable return to its shareholders. In line with this objective, CDC has been making substantial reduction in the tariffs charged to investors over the years. To put these reductions in the correct perspective, since the inception of the Company, the fee charged on transactions has been reduced by 80% and that charged on custody of shares has gone down by 70%. In addition, the custody fee charged on sponsors' blocked accounts and majority shareholders has been reduced by 88% since inception and is being further reduced by 10% every year until July 2013. The annual fee charged to individual IAS account holders has been reduced by 83% and that for corporate account holders by 60% since inception.

Besides making substantial reduction in its tariff over the years, CDC has also always followed a customer centric policy. This is borne out by the fact that value added services such as CDC access which includes SMS, Web and Interactive Voice Response (IVR) services have been added on a regular intervals. Over the years, the Company has invested a substantial amount to upgrade its technology platform and has developed a robust security infrastructure to safeguard the information relating to clients' assets held in the Central Depository System. CDC takes pride in the fact that it is one of the few companies in Pakistan which is certified under ISO 27001, the premier international standard for information security management. The Company intends to continue its policy of passing on the maximum possible benefit to the investing public without making any compromises whatsoever in the services it provides and the security and integrity of the information held on its system.