



**Central Depository Company
of Pakistan Limited**

Head Office: CDC House, 99-B,
Block 'B', S.M.C.H.S.,
Main Shahra-e-Faisal,
Karachi-74400

Ref. No. CDC/LC&R/07/2018

May 9, 2018

Circular No. 07 of 2018

Sub: Registration Details of Sub-Account Holders

To,
The Chief Executive Officers of
all TREC Holder Participants,

We refer to our various circulars issued to the market participants in connection with opening and maintenance of Sub-Accounts where we advised the CDS Participants of ensuring correctness and completeness of Registration Details of Sub-Account Holders entered in the CDS in every respect.

The most important part of the Registration Details are the '**contact details**' of Sub-Account Holders, e.g. mobile number, email address and mailing address.

As you know, the contact details are used for the purpose of sending alerts, account statements, registration to various free of cost value-added electronic services offered by CDC (e-IPO, e-Dividend, Web services etc.) and for independent verification of account information including balances confirmation during compliance monitoring activity. Any shortcoming i.e. incompleteness or inaccuracy in such information may not only infringe the rights of the Sub-Account Holders, it may potentially have adverse consequences vis-à-vis custody of clients' securities held with CDS Participants. It is once again clarified that, **under the legal framework, it is the duty of the CDS Participants of ensuring the correctness and completeness of Registration Details of Sub-Accounts opened and maintained by them in the CDS at all times.**

All CDS Participants are therefore advised, once again, to strictly follow the instructions issued by CDC from time to time in connection with opening and maintenance of Sub-Accounts in the CDS, most of which are listed below:

- a. New Sub-Accounts shall only be opened in the CDS on the basis of duly-filled and signed Sub-Account Opening Form ("**SAOF**"). Please also ensure that SAOF is also dated and witnessed and duly verified by the Bank Manager of the Main Applicant.
- b. Participants shall obtain and maintain copies of all relevant documents as prescribed in the SAOF, e.g. CNIC/NICOP/Passport, Zakat Declaration Form, NTN certificate etc.
- c. Registration Details and other information as provided in the Sub-Account Opening Form by the Sub-Account Holder(s) shall be entered in the CDS. **Where such details are apparently incomplete or inaccurate, same should not be entered in the CDS.**



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- d. As per the CDC Regulations, the Registration Details and other information in respect of a Sub-Account shall be as that of the concerned Sub-Account Holder.
- e. Entering valid local mobile numbers and/or email addresses of the Sub-Account Holders have become a mandatory requirement for opening and maintenance of Sub-Accounts in the CDS for the purpose of providing free-of-cost SMS and/or eAlert / eStatement services. Participants shall therefore ensure that such details are obtained and entered in the CDS at the time of establishing new Sub-Accounts. **As stated above, the mobile number and email address shall be of Sub-Account Holders only.**
- f. **Participants shall obtain signature(s) of concerned Sub-Account Holder on the Posted Account Details Report generated from the CDS after establishing new Sub-Account and maintain proper documentary record of such report.**
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- g. After opening of Sub-Accounts, Participants shall provide a copy of duly filled and signed (by both the parties) SAOF to the concerned Sub-Account Holders for their record.
- h. Where there are discrepancies in the Registration Details and other information of existing Sub-Accounts, the Participants shall resolve such discrepancies in a timely manner. In addition, any updation in the Registration Details and other information notified by the Sub-Account Holders shall forthwith be entered in the CDS.
- i. Participants shall maintain proper record of documents pertaining to opening, maintenance and operations of Sub-Accounts in the CDS at all times and provide the same to CDC as and when required.

All CDS Participants are requested to note the above-mentioned requirements and ensure strict compliance. Please note that non-adherence to aforesaid requirements will be construed as non-compliance and subjected to disciplinary action under the CDC Regulations.

Regards,


Badiuddin Akber
Chief Compliance & Risk Officer

Copy for information to:

The Director/HOD-PRDD(SMD)
Securities and Exchange Commission of Pakistan
Islamabad

The Acting Chief Regulatory Officer
Pakistan Stock Exchange Limited
Karachi

The Director/HOD (MSCD-SMD)
Securities and Exchange Commission of Pakistan
Islamabad

The Chief Regulatory Officer
National Clearing Company of Pakistan Limited
Karachi