RESOLVED THAT an application be made on behalf of (Co. Name) to the Central Depository Company of Pakistan Limited (“CDC”) for opening an IPS Account with the CDC and for the aforesaid purpose the IPS Account Opening Form including Standard Terms & Conditions and Facilitation Agreement for Trading in Government Securities as set out by CDC be executed on behalf of (Name of Entity).

FURTHER RESOLVED THAT Mr./Mrs./Ms.___________________, Mr./Mrs./Ms.___________________ & Mr./Mrs./Ms.___________________ be and are hereby authorized and empowered, singly* / jointly any two* for and on behalf of the (name of entity), to sign, execute and deliver the standard Terms & Conditions, Facilitation Agreement for Trading in Government Securities and other documents in connection there with, and to do any other act, deed or thing for and on behalf of (Name of Entity) in respect of (Name of Entity)’s application for opening an IPS Account.

FURTHER RESOLVED THAT Mr./Mrs./Ms.___________________, Mr./Mrs./Ms.___________________ & Mr./Mrs./Ms.___________________ be and are hereby authorized and empowered, singly* / jointly* any two to represent the Company to CDC on all matters pertaining to the maintenance and operation of the IPS Account, to deal, liaise and correspond with CDC and give instructions to fulfill all the responsibilities and obligations to CDC under the CDC’s standard Terms and Conditions and Facilitation Agreement for Trading in Government Securities in relation to the IPS Account from time to time, and to deal with other incidental and ancillary acts, things and deeds.

CERTIFIED TRUE COPY

I hereby certified that the above resolution was duly passed by the Board of Directors of the Company in its meeting* held on (date of meeting)* through circular resolution* dated (date of circular resolution)* and the same has been entered in the minutes book of the company in accordance with the Articles of Association of the company.

__________________________  (Affix corporate rubber stamp here)

Company Secretary
*Delete as applicable
FACILITATION AGREEMENT FOR TRADING IN GOVERNMENT SECURITIES

Entered Into between

[--------Broker--------]

And

Central Depository Company of Pakistan Ltd

Dated [-----]
Facilitation Agreement For Trading In Government Securities

This Facilitation Agreement For Trading in Government Securities ('Agreement') is made on this [-----] day of __________, 2014, between:

[_________Broker_________], a company incorporated under the laws of the Islamic Republic of Pakistan holding Trading Right Entitlement Certificate issued by the relevant Stock Exchange and registered as a Broker by Securities & Exchange Commission of Pakistan and having its registered office at [_________ ----], acting through its [-----designation-----] (hereinafter referred to as the "Broker", which expression shall wheresoever the context so permits, includes its successors and permitted assigns); and of the 

First Part:

And

Central Depository Company of Pakistan Ltd, a company incorporated under the laws of Pakistan, having its Registered Office at CDC House Main Shahra e Faisal, Karachi, through its authorized attorneys (hereinafter called as “CDC”, which expression shall mean and include, its successors-in-interest, legal representative, administrators, executors & assigns) of the Second Part.

( Broker and CDC are individually referred to as ‘Party’ and collectively as ‘Parties’).

WHEREAS

1. CDC has been approved by the State Bank of Pakistan (‘SBP’) for provision of Real Time Gross Settlement (RTGS) facility, which enables CDC to provide settlement and custodian services (‘CDC IPS Service’) of government issued securities, i.e. T-Bills, sukuks, PIBs and any other securities which may be issued by the government from time to time (collective known as “Govt. Bonds”) for its clients.

2. Broker wishes to trade in Govt Bonds through the relevant Stock Exchange trading platform, and for which purpose, it wishes to work with CDC to enable him to obtain custodial services of the same as well.

3. The Parties have agreed to formalise this arrangement and CDC has agreed to provide settlement and custodial services based on the agreed terms and conditions.

NOW, THEREFORE, in consideration of the mutual benefits to be derived and the representations, warranties and agreements contained herein, the Parties hereby agrees as follows:

SCOPE OF THE AGREEMENT

1. The Broker has already opened a CDC IPS Account No. ________________ ('Account') with CDC to enable CDC to provide custodial services of the Govt. Bonds being traded by the Broker.

2. The Broker, being a TREC holder, has the ability to execute trades for its behalf on the Bond Automated Trading System (BATS) of the relevant Stock Exchange.

3. For purchase, the Broker shall deposit funds through proper banking channels and from on its own bank account into CDC’s designated bank account (with written intimation to CDC) which shall reflect as a credit balance in the Broker’s Account. CDC shall forward the same to the relevant Stock Exchange, along with the position of the Account (both cash balance and Govt. Bonds) on a daily basis.

4. The Broker would then be eligible to trade in Govt. Bonds to the extent of permitted by the position in his Account, i.e. the Broker would only be allowed to sell such amount of Govt. Bonds which are in his Account and similarly, the Broker would only be allowed to purchase such number of Govt. Bonds which are practically possible considering the amount of funds available with CDC on account of the Broker.

2
5. The Broker would execute the trade on BATS. The executed trade feed shall be forwarded by the relevant Stock Exchange to CDC for onward settlement of the trade by CDC.

6. Thereafter, in case of purchase, the relevant Govt. Bonds would be credited in the Account and the cash balance held by CDC on account of the Broker would be debited, whereas in case of sale of Govt. Bonds by the Broker, CDC’s account would be credited with cash balance on account of the Broker and the relevant Govt. Bonds would be debited from the Account of the Broker.

7. It is hereby reiterated that only such trades of the Broker would be executed and settled for which good funds or securities are available in the Broker’s Account (or with CDC on account of the Broker). In case the cash balance held by CDC on account of the Broker is insufficient to settle a purchase order or in case the number of Govt. Bonds in the Broker’s Account is inadequate to settle a sell order, CDC would reject such an order placed by the Broker for its own investment.

8. All trade settlement on RTGS would be subject to counter party initiation/ affirmation, and it is hereby clarified that CDC shall not be responsible in any way if the transaction could not be successfully settled due to non-initiated/non-confirmed by the counter-party.

9. Since the Broker is already a TREC holder, it may place orders itself for its own proprietary investment in Govt. Bonds. If the Broker wishes to post trades over BATS for trading in Govt Bonds for any other investor, then a separate facilitation agreement would need to be in place between such an investor, the CDC and the Broker.

10. CDC would assume all decisions of the Broker regarding the sale/purchase of Govt. Bonds (as provided to CDC via the relevant Stock Exchange trade feed) are legit and correct and consequently, the Broker would not be allowed to claim any relief or reject any trade executed/settled in his Account by CDC.

CONSIDERATION

11. For the services being rendered by CDC, the Broker shall pay to CDC the charges as prescribed/ notified and in the manner and timeline specified by CDC from time to time.

REPRESENTATIONS AND WARRANTIES

12. CDC hereby represents and confirms to the Broker that:

   a. It shall provide requisite and required information to the relevant Stock Exchange to enable the Broker to execute trades on its own behalf on the BATS platform.
   b. It shall settle all trades provided to it via the relevant Stock Exchange feed if (in case of sale transaction) sufficient securities are available in the Broker’s Account or (in case of purchase transaction) if sufficient cash balance is available with CDC on account of the Broker.
   c. By entering into this Agreement, CDC will not:

      i. be in violation with the provisions of its Articles or Memorandum of Association;
      ii. contravene any applicable law, rule, regulation or any order, judgment, decree or directive of any court or tribunal to which CDC or any of its properties and businesses are subject;

13. The Broker hereby represents and warrants to the other Party that:

   a. All information furnished by it is or shall be accurate and that it has not omitted or concealed and shall not omit or conceal any material facts which would render such information incorrect, misleading or inaccurate.
   b. No extraordinary circumstances and no change of law has occurred which would make it impossible for it to carry on its business or fulfill its obligations under this Agreement.
c. It will only process such orders for and on its own behalf for which good securities are available in its Account or good cash balance is available with CDC on account of the Broker, as per the data provided by the CDC to the relevant Stock Exchange.

d. It will comply with all formalities and requirements for maintaining an Account with CDC.

e. It will ensure that he has sufficient securities in its Account or funds with CDC on its account before placing a trade on the BATS for itself.

f. Unless a separate facilitation agreement is in place with a pertinent investor, it shall not place trade orders over BATS on behalf of a third party or investor, and under any circumstances whatsoever, the Broker shall not open or be involved in omnibus accounts and/or trading.

g. It will be liable and responsible for all trades which have been settled by CDC in its Account based on the relevant Stock Exchange feed received by the CDC.

h. It shall not dispute and claim relief for any trade executed over BATS, and it will not hold CDC liable for any losses which it may suffer due to a trade which has been executed by itself.

i. It shall comply with all rules and regulations pertaining to (i) trading and settlement of Govt. Bonds as prescribed by the relevant Stock Exchange, SBP and/or any other regulatory authority and (ii) all regulations, rules, procedures and the overall framework pertaining to CDC IPS Services and CDC IPS Accounts as prescribed by CDC from time to time.

j. By entering into this Agreement, the Broker will not:

   i. be in violation with any of the conditions imposed upon it under any agreement, contract or document that it is a party to;
   ii. be in violation with the provisions of its Articles or Memorandum of Association;
   iii. contravene any applicable law, rule, regulation or any order, judgment, decree or directive of any court or tribunal;

INDEMNITY AND LIMIT OF LIABILITY

14. Under no circumstances will CDC be responsible for:

   a. Any actions of the Broker carried out in breach of the terms of this Agreement;
   b. Any losses to third parties, or Broker caused due to misrepresentation, wrong commitment, negligence, fraud or wilful misconduct by any such third party or Broker, as the case may be;
   c. Any loss or claim that has arisen due to a breach of any other term of this Agreement by the Broker.
   d. Any trade settled by CDC which appears to be emanating from the Broker as depicted on the relevant Stock Exchange trade feed sent to the CDC.
   e. Rejection and/or refusal by CDC to settle and close any/all trades posted by the Broker for its proprietary trading for which the fund/securities balance in its Account is insufficient to cover the particular trade.
   f. Any effect on the Broker's ability to carry out trading in Govt. Bonds due to the position of its Account as given by CDC to the relevant Stock Exchange on a daily basis.

15. The Broker hereby unconditionally and irrevocably indemnifies and agrees to hold CDC and officers and directors harmless from and against all actions from and against claims, demands, liabilities, losses, damages, costs, charges and expenses of whatsoever nature, including legal fees (collectively the "Losses") which may result or which CDC (or any of its directors, officers, advisors, agents or shareholders) may sustain, suffer or arising out of any objections, notices, actions, suits, proceedings (civil and criminal), inquiries, investigations or otherwise that may be initiated by (i) any party who may claim to have suffered a loss as a result of any action/inaction by the Broker (ii) any regulators, such as the Securities and Exchange Commission of Pakistan, the relevant Stock Exchange or the SBP, etc. and/or (iii) any investigating agencies, such as Federal Investigation Agency, National Accountability Bureau, Anti-Narcotic Agency, Anti-Money Laundering Cell and such other authorities, or (iv) any Losses generally incurred by CDC in connection with or arising in any way whatsoever as result of any action/inaction, negligence or wilful misconduct of the Broker.

16. The Broker hereby further confirms to hold CDC harmless for any losses, claims, demands, liabilities, damages, costs, expenses and charges suffered by the Broker as a result of:
a. Any trade posted on the BATS by the Broker for its proprietary trading;
b. Any trade settled by CDC for and on behalf of the Broker which has been provided to CDC by the relevant Stock Exchange feed;
c. Refusal to close and settle any trade by the CDC as a result of insufficient or inadequate good funds and/or securities in the Account of the Broker;
d. Inability of the Broker to carry on trading (in any manner whatsoever) due to any restrictions placed on the Broker as a result of CDC disclosing the Brokers Account balance to the relevant Stock Exchange.
e. For any and all trades which have been settled by CDC as such trades prima facie appeared to be originated by the Broker for itself as per the trade feed data provided to the CDC by the relevant Stock Exchange.

CONFIDENTIALITY

17. Both Parties shall keep all information pertaining to this Agreement and the consequent business dealings between the Parties as confidential and shall not divulge such information to any third party except to the extent that the disclosure of information is required to any regulatory/governmental authority, relevant Stock Exchange, SBP, under law or through an order of the Court of law.

18. Notwithstanding anything contained to the contrary above, CDC will be entitled to disclose in full the position of the Broker’s Account to the relevant Stock Exchange on a daily basis to enable the relevant Stock Exchange to allow/deny any trade intended to be executed by the Broker for itself based on the position of the Brokers Account.

TERMINATION

19. This Agreement may be terminated by either Party on three (3) day’s written notice in writing in advance.

20. In case any Party commits breach of any of the terms and conditions of this Agreement, then the non-defaulting Party shall be free to terminate this Agreement without prejudice to the right of CDC to recover any and all losses and damages that may be suffered or sustained by CDC as a consequence of such a breach done by Broker.

21. This Agreement shall terminate automatically upon occurrence of any of the following events:

   i. The insolvency or bankruptcy of any Party.
   ii. If it is found that any Party has made any misrepresentation or false commitment to the other Parties.
   iii. CDC is removed from, or decides to voluntarily discontinue the provisions of RTGS facility, or if CDC decides not to provide the CDC IPS Service any further.
   iv. The Broker closing his Account with the CDC.
   v. Upon suspension/cancellation of the Broker’s license as given by SECP.
   vi. Upon suspension/cancellation/revocation of Broker’s Debt TREC certificate as given by the relevant Stock Exchange.
   vii. If it is found that the Broker has placed/ is placing trading orders in its own Account for and on behalf of any third party (including its clients), or if it is found that the Broker is operating an omnibus account through his own Account.

PARTNERSHIP

22. This Agreement shall not be deemed to constitute a partnership or joint venture or contract of employment between the Parties or a contract between principal and agent and there shall be no relationship of employer-employee or principal –agent between the Parties at any time during or after the currency of this Agreement.
MISCELLANEOUS

23. The above terms and condition may be varied / amended in writing from time to time upon mutual consultation of the Parties.

24. In case of any disputes, such dispute, if not resolved amicable between the Parties, shall be settled through arbitration to be held in Karachi under the provisions of the Arbitration Act, 1940.

25. If any provision or condition of this Agreement shall be held to be invalid or unenforceable by any court, or regulatory or self-regulatory agency or body, such invalidity or unenforceability shall attach only to such provision or condition. The validity of the remaining provisions and conditions shall not be affected thereby and this Agreement shall be carried out as if any such invalid or unenforceable provision or condition were not contained.

26. This Agreement shall continue to be valid unless terminated in accordance with provisions of this Agreement.

27. This Agreement shall be governed under the laws of the Islamic Republic of Pakistan.

28. This Agreement may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of this Agreement.

IN WITNESSES WHEREOF the Parties set their respective hands before the witnesses here at the day, month, and the year first above mentioned.

Signed and Delivered for and on behalf of:
[-----Broker-------]

______________________  ______________________
[Name ]  [Name]  
[Designation]  [Designation]

Signed and Delivered for and on behalf of:
Central Depository Company of Pakistan Limited

______________________  ______________________
[Name ]  [Name]  
[Designation]  [Designation]

Witnesses To The Agreement

1. ____________________  2. ____________________

Name :__________________  Name :__________________

CNIC # :__________________  CNIC # :__________________

Address:__________________  Address:__________________
Central Depository Company of Pakistan Limited
Investor Portfolio Securities
Specimen Signature Card (Company or Other Body Corporate)

Date: ____________________

Title of Account: ____________________

Operating Instructions: ____________________

<table>
<thead>
<tr>
<th>1. Name</th>
<th>2. Name</th>
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<tr>
<td>Signature</td>
<td>Signature</td>
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<th>3. Name</th>
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<td>Signature</td>
<td>Signature</td>
</tr>
</tbody>
</table>

For CDC use only
Approved by ____________________, CDC Stamp ____________________

For Company or Other Body Corporate
(Please affix Corporate Stamp)
INVESTOR PORTFOLIO SECURITIES (IPS) ACCOUNT OPENING FORM

**PART - A**

**PARTICULARS OF APPLICANT** (Please use block letters)

<table>
<thead>
<tr>
<th>ACCOUNT TITLE (As per Constitutive documents)</th>
<th>CONTACT DETAIL(s)</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Office</td>
</tr>
<tr>
<td>CONTACT PERSON</td>
<td></td>
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<tr>
<td></td>
<td>Office</td>
</tr>
<tr>
<td>MAILING ADDRESS</td>
<td></td>
</tr>
<tr>
<td>(To be used for correspondence, notices &amp; corporate actions)</td>
<td>Local Mobile</td>
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<tr>
<td></td>
<td>Fax</td>
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<tr>
<td></td>
<td>E-mail</td>
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<tr>
<td>(Mandatory)</td>
<td>(Mandatory)</td>
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<tr>
<td>REGISTERED ADDRESS</td>
<td></td>
</tr>
<tr>
<td>NTN (Mandatory)</td>
<td>REGISTRATION NO./ UNIQUE IDENTIFICATION NO. (UIN)</td>
</tr>
</tbody>
</table>

**PART - B**

**RESIDENTIAL STATUS** Mark tick [✓] in appropriate box

- [ ] RESIDENT
- [ ] NON-RESIDENT/FOREIGN ENTITY

**PART - C**

**BANK MANDATE** (will be used for payments)

- BANK ACCOUNT TITLE
  
  (Must be same as mentioned above)

- BANK ACCOUNT NO.

- BANK & BRANCH NAME WITH BRANCH CODE

- BANK BRANCH ADDRESS

**PART - D**

**CATEGORY** Mark tick [✓] in appropriate box

- [ ] INVESTMENT COMPANY
- [ ] COOPERATIVE SOCIETY
- [ ] INSURANCE COMPANY
- [ ] MUTUAL FUND
- [ ] MODARABA MGMT. COMPANY
- [ ] TRUST/ CHARITABLE TRUST
- [ ] LEASING COMPANY
- [ ] FINANCIAL INSTITUTION
- [ ] JOINT STOCK COMPANY
- [ ] OTHERS (specify)
PART - F

1. We have read, understood, accepted and agreed to be bound by the Terms and Conditions for IPS Accounts contained herein below. We further declare that all the information contained in this form is true and correct.

2. We hereby irrevocably and unconditionally authorize CDC to provide copies of our account opening documents as available in the record of CDC to the relevant authority or investigating agency or court with respect to our IPS Account with CDC and securities transactions made therein as deemed necessary from time to time or otherwise make disclosures as may be required by any applicable law.

3. We the undersigned, hereby declare that:

   a) We are not in receivership, court appointed managership or winding up or under any equivalent form of administration; and

   b) None of our chief executive, directors or other officer at any time 5 years before making of this application for opening an IPS Account with CDC, has been convicted of an offense involving moral turpitude or an offense under any law in connection with business, professional or commercial activities.

   c) It is our sole responsibility to immediately inform CDC about any change in my/our registration details including any change in mailing and permanent addresses, email address, bank detail and contact numbers, failing which it will be deemed that our available information in the record of CDC is correct.

PART - G

ENCLOSURES

- Certified true copy of board resolution or resolution of the trustees or board of governors, etc. as may be applicable
- Certified true copy of memorandum & article of association /bye laws/charter (relevant document where applicable)
- Certified true copy of certificate of incorporation (if applicable)
- Certified true copy of registered trust deed, list of current trustees and approval letter from income tax authorities (in case of trust)
  (If the trust is not registered, please provide certified true copy of income tax exemption certificate or NTN certificate)
- Specimen signature card
- Certified true copy of NTN certificate
- Certified true copies of CNIC/NICOP/PASSPORT of directors and authorized signatory(ies)
- Certified true copy of list of directors
- Proof of registered address as provided in AOF, if different from the address available in the constitutive documents
- In case of a foreign corporate entity, all documents must be attested by consulate office of Pakistan

(Note: CDC may require additional documents or information, if required)
Central Depository Company of Pakistan Limited Terms and Conditions for IPS Accounts

We hereby unconditionally and irrevocably agree to bound by and comply with the following Terms and Conditions (and any other terms and conditions which may be notified from time to time by the Central Depository Company of Pakistan Limited modifying or substituting all or any of the following Terms and Conditions) in connection with CDC’s IPS services and the operations of IPS Account which are hereby opening or in which we may hereafter open with CDC.

1. Binding effect of the Terms and Conditions: Terms and Conditions for IPS Accounts set out herein below will govern the IPS Accounts and shall be binding on the IPS Accountholders.

2. Definitions

2.1 In these Terms and Conditions, the following terms shall have the meaning assigned thereto:

a) Account Closing Request Form: Means the standard form prescribed by CDC for making of application by the IPS Accountholder to CDC for closing of the IPS Account.

b) Bank Account: Means the bank account maintained by a IPS Accountholder.

c) CDC: Means the Central Depository Company of Pakistan Limited, a company incorporated under the laws of Pakistan and shall, where the context permits, also include its respective offices/branches and successors and assigns.

d) Delivery-in: Means the transfer to the IPS Account of Government Securities in accordance with these Terms and Conditions and the Operating Procedures.

e) Delivery-out: Means the transfer of Government Securities from the IPS Account in accordance with these Terms and Conditions and the Operating Procedures.

f) Due Date: In relation to payment of charges by the IPS Accountholder under Clause 9 the due date for the services availed, means the last Business Day of every month.

g) DVF Means Delivery versus Free.

h) DVP Means Delivery versus Payment.

i) Government Security: Means a security, created and issued, by the Government for the purpose of raising a public loan from time to time.


k) IPS Account Opening Form: Means this form prescribed by CDC for opening of IPS Accounts with CDC as amended from time to time.

l) IPS Account: Means the account opened by a IPS Account holder with CDC in accordance with the Procedures and Terms and Conditions.

m) IPS Accountholder: Means a person who, is allowed by CDC at its discretion to open or maintain an IPS Account with CDC.

n) Operating Procedures: Means the procedures made by CDC from time to time for the day-to-day operation of IPS Accounts and for giving effect to the Terms and Conditions.

o) Regulatory Authority: Means any person or body empowered to regulate the functions of CDC and handling of Government Securities including (but not limited) to the State Bank of Pakistan and SBP Banking Services Corporation.

p) Trade Feed: Means the trading details pertaining to the IPS Accountholders trading activity in Government Securities through a broker side the Bond Automated Trading Systems (BATS) platform provide by the relevent Stock Exchange.

q) Transaction Order: Means the standard application form prescribed by CDC for submission by the IPS Accountholder to CDC for the purpose of Delivery-in/Delivery-out of any Government Securities.

r) Unless otherwise otherwise required, the words importing the masculine gender shall include the feminine gender, and words importing the plural persons shall include bodies corporate.

2.2 Opening of an IPS Account

3.1 Any company or body corporate mentioned in Part-D of this form desirous of opening an IPS Account may submit the IPS Account Opening Form prescribed by CDC for opening of IPS Accounts with CDC as amended from time to time.

3.2 Fees and other charges as are specified by CDC from time to time for opening of the IPS Account shall be paid by the IPS Accountholder to CDC on or before the Due Date.

3.3 CDC shall have the right to close the IPS Account if any of the details, particulars and other information set out in the IPS Account Opening Form relating to such IPS Account is found to be incomplete or incorrect whatever the at the time of the opening of the IPS Account or subsequently. Provided, however, that before closing the IPS Account for the said reason, CDC may in its discretion give an opportunity to the IPS Accountholder to explain his position.

3.4 Subject to the terms and conditions set forth herein, the IPS Accountholder hereby irrevocably and unconditionally authorizes CDC to perform such functions and activities as may be necessary or deemed appropriate by CDC for performance of its functions under these Terms and Conditions and the applicable law.

4. Delivery-in

The IPS Account will be credited with Government Securities that are: (a) transferred as a result of Purchase transaction through OTC market (against Transaction Order) or through Stock Exchange (against trade feed); (b) Delivery versus Free transaction (against Transaction Order); (c) portfolio transfer (against Transaction Order)

5. Reversal of Erroneous Transfers

Notwithstanding anything contained in these Terms and Conditions, in the case of erroneous or unauthorized transfer of Government Securities to or from any IPS Account, CDC is hereby authorized to reverse such transfer by transacting such Government Securities from the said IPS Account to the correct IPS Account.

6. Delivery-out

For the purpose of delivery-out, the IPS Accountholder will submit the Transaction Order to CDC and pay the amount of charges as is due in that time or all else to CDC to recover its charges from the IPS Accountholder. For the purpose of delivery-out, the IPS Account holder has paid in advance to CDC. Incomplete or unsigned Transaction Orders or any Transactions Orders covering any Government Security for which, in excess of the credit balance in the IPS Account will not be accepted or acted upon. CDC will, subject to aforesaid, transfer the Government Securities specified in the Transaction Order from the IPS Account in accordance with the instructions contained in such Transaction Order. Transaction Orders executed for and on behalf of the IPS Accountholder on BATS platform authorized stock brokers will be processed by CDC on the basis of Trade Feed of the relevant Stock Exchange and no Physical Transaction Order will be required from IPS Accountholder.

7. Money Transactions

7.1 Any payment received by CDC on account of Sale of securities, profit payable on a Government Security or on maturity of a Government Security will be transferred to the bank account of IPS Accountholders as per the given bank mandate and procedures laid down by CDC.

7.2 CDC will make payment for the purchase of any Government Securities to be transferred into the respective IPS account on the basis of Transaction Order of IPS Accountholder or Trade Feed of relevant Stock Exchange.

8. Charges

8.1 Subject to Clause 8.2, the IPS Accountholder shall pay to CDC the charges from time to time specified by CDC for its services under these Terms and Conditions. Such charges shall be payable to the IPS Accountholder on account of fees, charges or any other amounts payable in connection with operation of IPS Account.

8.2 CDC shall have a paramount lien on the Government Securities in the IPS Account, any proceeds received on account of profit or maturity payment of such Government Securities or any other amounts payable to CDC, to the IPS Accountholder, for the recovery of the charges which are payable to CDC.

8.3 Subject to serving by CDC of written notice on the IPS Accountholder in accordance with the Procedures requiring the same to pay the outstanding charges within seven Business Days of receipt of such notice, CDC shall have the right to dispose of the necessary number of Government Securities entered in the IPS Account of the IPS Accountholder in accordance with the Procedures and Terms and Conditions and to receive as compensation for such adjustment of such outstanding charges. In case of any deficit, the IPS Accountholder shall continue to be liable to CDC for the amount of such deficit.

8.4 Where CDC exercises its right under Clause 8.3, CDC will close the present IPS Account in accordance with the Procedures.

9. No Liability of CDC

9.1 Neither CDC nor any of its directors, officers, employees or agents shall be liable for any loss or damage that may be suffered or sustained by the IPS Accountholder in opening and maintaining the IPS Account and any transactions conducted in connection therewith, except in case of deliberate and willful misconduct by CDC.

9.2 Without prejudice to the generality of clause 9.1 above, neither CDC nor its directors, officers, employees or agents shall be liable for any loss or damage that may be suffered or sustained by the IPS Accountholder:

(a) any error or mistake provided CDC is acting in good faith;

(b) any action taken or omitted or purported to be taken or omitted, in good faith;

(c) any delay, in ability or failure to take any action, if it is prevented or delayed by any law, any order passed by a Regulatory Authority;

(d) any computer or machinery break-down or malfunction, or as a result of the closure, malfunction, break-down, repair, maintenance, mechanical or electrical defect in or to the computer and allied equipment of CDC, State Bank of Pakistan or any settlement mechanism related to the performance of any of CDC’s functions pursuant to these Terms and Conditions;

(e) any action taken by any Regulatory Authority;

(f) any suspension, malfunction or breakdown of the Real Time Gross Settlement System of the State Bank of Pakistan or CDC’s interface with the said system.

10. CDC’s Advisory Powers

10.1 The IPS Accountholder represents and warrants to CDC that the registration details and other information set out in the IPS Account Opening Form or in any other document, form, instruction or communication submitted by the IPS Accountholder to CDC in terms of the Terms and Conditions are true and correct. The IPS Accountholder shall indemnify CDC for any losses, damages, costs or expenses that may be sustained, incurred or sustained by CDC as a result of any inaccuracy or mis-statement of any details supplied by the IPS Accountholder to CDC in the IPS Account Opening Form or any other document, form, instruction or communication, as referred to above, submitted by the IPS Accountholder to CDC in terms of the Terms and Conditions.

10.2 The IPS Accountholder shall, during the subsistence of the IPS Account, comply with:

(a) These Terms and Conditions;

(b) All applicable laws, rules and regulations and the rules and regulations of relevant Stock Exchange and Regulatory Authorities;

(c) All rules and regulations applicable to Government Securities or any transfer, clearing or settlement system relating to such Government Securities.
12.6 The IPS Accountholder shall keep all information pertaining to CDC’s affairs which may come to his knowledge in strict confidence.

11. Suspension and Closing of IPS Account

11.1 CDC may close the IPS Account at any time by giving three (03) Business Days’ prior written notice to the IPS Accountholder without assigning any reason whatsoever.

11.2 Notwithstanding any other provisions of these Terms and Conditions, CDC may suspend the IPS Account at any time by giving a written notice to IPS Accountholder, if the IPS Accountholder commits a breach of any of these Terms and Conditions or the subjective opinion of CDC or if the IPS Accountholder violates any applicable laws, rules or regulations and such breach or violation, if capable of being rectified, is not rectified within the period of the written notice of CDC requiring such rectification.

11.3 If a IPS Account is suspended, the CDC shall withdraw all the facilities in respect of such IPS Account, provided that, subject to payment of CDC’s charges and of any costs, expenses, penalties and/or damages incurred or suffered by CDC as a consequence of the circumstances which led to the suspension of the IPS Account, CDC shall allow Delivery-out of Securities in respect of such IPS Account in accordance with these Terms and Conditions and then close such IPS Account.

11.4 If CDC is satisfied that the circumstances that gave rise to the suspension of IPS Account under Clause 12.2 no longer exist, CDC may remove the suspension by giving a notice to the concerned IPS Accountholder.

11.5 CDC may close the IPS Account where the IPS Account remains suspended for consecutive 30 days.

11.6 The IPS Accountholder may at any time close his IPS Account by submitting an Account Closing Request Form to CDC. Upon receiving such a form, CDC shall close the IPS Account as soon as practicably possible, subject to the payment to CDC of CDC’s charges for closing of IPS Accounts and of all other charges and amounts due from the IPS Accountholder to CDC and subject to the condition that no transaction, action or proceeding is pending at such time in connection with any Government Securities in the Investor Account. Subject to aforesaid, CDC shall allow the IPS Accountholder, prior to the closure of the IPS Account, to transfer all Government Securities entered in his IPS Account.

12. Miscellaneous

12.1 The IPS Account and the Terms and Conditions contained herein shall be governed by the laws of Islamic Republic of Pakistan and IPS Accountholder irrevocably submits to the exclusive jurisdiction of the Courts of Karachi and consents to the service of process by post or in any other manner permitted by law.

12.2 CDC’s failure or delay to exercise or enforce any of its rights against the IPS Accountholder shall not operate as a waiver of such rights nor shall it prejudice or affect CDC’s rights subsequently to act strictly in accordance with these Terms and Conditions.

12.3 All costs and expenses, including legal costs, on attorney client basis, incurred by CDC in connection with the enforcement of any of its rights under these Terms and Conditions or to resolve any dispute relating to the Government Securities Delivered-in or Delivered-out of the IPS Account shall be payable by the IPS Accountholder to CDC on a full indemnity basis.

12.4 The illegality, invalidity or enforceability of any provisions contained in these Terms and Conditions shall not affect the legality, validity or enforceability of the other provisions of this Chapter.

12.5 Any or all applications, requests or other documents to be submitted to CDC by the IPS Accountholder or by any other person on his behalf under these Terms and Conditions shall be submitted only on a Business Day during the working hours of CDC notified by CDC for this purpose from time to time.

12.6 The IPS Accountholder may enter into a separate facilitation agreement (to which CDC will be a party as well)

13. Notice

13.1 For the purposes of any of these Terms and Conditions that requires or permits a notice or document to be given to a person, the notice or document may be given:

(a) If to the IPS Accountholder: (i) by delivering it to the IPS Accountholder personally with acknowledgment obtained; or (ii) by sending it by courier or registered post to, the address of the IPS Accountholder recorded with CDC; or (iii) by sending it by facsimile to the IPS Accountholder’s facsimile number last notified to CDC; or (iv) by sending it by email to the IPS Accountholder’s email address recorded with CDC.

(b) If to CDC by delivering it personally to CDC’s office where the IPS Account is maintained with acknowledgment obtained or by sending by courier or registered post to CDC’s office where the IPS Account is maintained or by sending it by facsimile to CDC’s designated fax number or by sending it by email at CDC’s designated email address. Any notice to CDC shall be marked to the attention of Manager Investor Portfolio Securities.

13.2 For the purpose of these Terms and Conditions:

(a) A notice or document sent or registered post shall be taken to be received on the fourth Business Day after the notice or document, in a correctly addressed and stamped envelope or other covering, is put in the registered post.

(b) A notice or document sent by courier shall be taken to be received at the time of delivery to the correct address.

(c) A notice or document sent by facsimile shall be taken to be received when the sender’s telefax machine indicates a successful transmission to the correct facsimile number; and

(d) A notice or document sent by email shall be taken to be received by the addressee when the sender’s computer indicates a successful transmission of such notice or document.

13.3 If a notice or document is sent by courier or registered post, as provided in Clause 13.1, and is returned undelivered because:

(a) Of the invalidity of the address(es) at which the notice or document was sent or, was put in the registered post;

(b) The place of residence, the place of business, the registered or the head office, as the case may be, to which the notice or the document was sent was found to be closed (other than due to holidays) or found to be place of business, the registered or the head office, as the case may be, of the addressee, such notice or document shall nevertheless be deemed to have been received by the addressee for the purposes of these Terms and Conditions.

13.4 Nothing in this Clause 13 prevents notices or documents being sent or given to, or served on, a person in any other manner required or permitted by law.

14. Amendment to the Terms and Conditions

14.1 CDC shall have the right at any time to amend, modify or substitute the Terms and Conditions in its discretion. Any such amendment, modification or substitution shall be binding on the IPS Accountholder.

14.2 Notwithstanding anything to the contrary contained in these Terms and Conditions, if any Regulatory Authority makes any changes, or orders the making of any changes, in these Terms and Conditions, these Terms and Conditions, as amended by or in accordance with the order of such Regulatory Authority, shall become applicable to the IPS Accounts, the IPS Accountholders from the date such amended Terms and Conditions come into operation.

We confirm having read the above Terms and Conditions which are acceptable to us and we undertake to abide by them.

ACCOUNT TITLE

AUTHORIZED SIGNATORY(IES)

WITNESSES:

AUTHORIZED SIGNATORY(IES)

Please Affix Company Stamp

NAME

SIGNATURE

CNIC/*NICOP/**PASSPORT NO.

NAME

SIGNATURE

CNIC/*NICOP/**PASSPORT NO.

*(In case of Non-Resident Pakistani) **(In case of Foreign National)

FOR THE USE OF CDC PERSONNEL ONLY

TARIFF VERIFIED BY

(APIED by finance department)

ACCOUNT STATUS

APPROVED

REJECTED

ACCOUNT STATUS

APPROVED

REJECTED

INVESTOR PORTFOLIO SECURITIES ACCOUNT NO. ISSUED

ACCOUNT

SAVED BY

POSTED BY

SIGNATURE

SIGNATURE

Authorized Signatory

DATE

DATE

SIGNATURE

SIGNATURE

DATE

DATE
## Tariff

<table>
<thead>
<tr>
<th>Custody Fee</th>
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<tbody>
<tr>
<td>Up to 3 Years</td>
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<td>4-7 Years</td>
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<td>13 Years onwards</td>
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Ceiling/annum: 150,000 for corporate clients & 75000 for Individual clients

<table>
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<tr>
<th>Transaction Fee</th>
<th>PKR 100 per transaction (incoming and outgoing) including maturity proceeds and coupon payments</th>
</tr>
</thead>
</table>

| IPS Account Maintenance Fee | PKR 750 per annum |

### Terms & Conditions

- The Same mechanism for charging tariff shall be followed as is currently followed for IAS Account Holders i.e. charges will be recovered upfront.
- Following fees/expenses will be borne by the clients:
  - Any other transaction or settlement charges by State Bank or other respective institution (like RTGS fees, etc.).
  - Any applicable duties, fees, taxes and other charges.
- Custody fee will be calculated on the basis of the Face value of Government Securities
- For tax exemption, certified true copy of valid tax exemption certificate will be required for non-individual entities, otherwise tax will be deducted as per the prevailing rates.
- IPS fee/charges/settlement amount can be paid through Cross Cheque / Pay Order / Demand Draft in favor of Central Depository Company of Pakistan Ltd. Credit will be given to the respective account for the utilization of funds after the realization of funds in the CDC’s respective bank account. Hence, CDC will not be held responsible for any delay due to the realization of funds in processing / settlement of IPS transactions.