



**Central Depository Company  
of Pakistan Limited**

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Ref. No. CDC/LCR/N/07/2016

December 22, 2016

**Notification No. 07 of 2016**

**Sub: Proposed amendments in the CDC Regulations in respect of various matters**

To,  
The General Public,

This is to bring to the notice of general public that the Board of Directors of CDC has approved the attached amendments in the CDC Regulations in respect of various matters as listed below subject to approval of the Securities and Exchange Commission of Pakistan under Section 35 of the Central Depositories Act, 1997 (XIX of 1997) read with Section 51 of the Securities Act, 2015 (III of 2015):

As required under Section 51(2) of the Securities Act, 2015 (III of 2015), such amendments are placed for public comments which may be submitted at [comments@cdcpak.com](mailto:comments@cdcpak.com) within 7 days of this publication i.e. on or before **Friday 30 December 30, 2016**.

Regards,

  
Badiuddin Akber  
Chief Compliance & Risk Officer

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
1.	2.11.1 Attorney	means the person who, being duly authorized in this behalf by a power of attorney by a Sub-Account Holder, acts and signs a Sub-Account Opening Form on behalf of such Sub-Account Holder for opening and maintenance of a Sub-Account, through a Participant, in the CDS in the name of such Sub-Account Holder;	means the person who, being duly authorized in this behalf by a power of attorney by a Sub-Account Holder through duly signed and executed power of attorney, acts and signs a Sub-Account Opening Form on behalf of such Sub-Account Holder for opening and maintenance and operations of a Sub-Account of such Sub-Account Holder, through a Participant, in the CDS in the name of such Sub-Account Holder;	<i>The amendments seek to clarify that an Attorney should be appointed by way of duly signed and executed Power of Attorney. Further, the scope of authorization of an Attorney has also been elaborated.</i>
2.	2.11.1 Registration Details	<p>means:</p> <p>(a) in respect of an individual:</p> <p>(i) the name;</p> <p>(ii) the address;</p> <p>(iii) the residential status;</p> <p>(iv) the computerized national identity card number or, in case of a non-resident Pakistani, the national identity card number for over-seas Pakistanis or, in case of a foreigner, the passport details;</p> <p>(v) the occupation, and</p> <p>(vi) the email address and/or the local mobile phone number,</p> <p>of the individual;</p> <p>(b) in respect of a company or other body corporate:</p> <p>(i) the name;</p> <p>(ii) the JIN;</p> <p>(iii) the registered address;</p>	<p>means:</p> <p>(a) in respect of an individual:</p> <p>(i) the name;</p> <p>(ii) the address;</p> <p>(iii) the residential status;</p> <p>(iv) the computerized national identity card number or, in case of a non-resident Pakistani, the national identity card number for over-seas Pakistanis or, in case of a foreigner, the passport details;</p> <p>(v) the occupation, and</p> <p>(vi) the email address and/or the local mobile phone number,</p> <p>of the individual;</p> <p>(b) in respect of a company or other body corporate:</p> <p>(i) the name;</p> <p>(ii) the JIN;</p> <p>(iii) the registered address;</p>	<i>As NTN has become a mandatory requirement under tax laws for corporate entities, same has now been covered as part of Registration Details for opening and maintenance of Sub-Accounts in the CDS.</i>

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		<p>(iv) the residential status;</p> <p>(v) the shareholder category, and</p> <p>(vi) the email address and/or the local mobile phone number of the contact person</p> <p>of the company or other body corporate,</p> <p>and includes such other information as may be required under the Sub-Account Opening Form;</p>	<p>(iv) the residential status;</p> <p>(v) the shareholder category, and</p> <p>(vi) the email address and/or the local mobile phone number of the contact person; and</p> <p>(vii) National Tax Number</p> <p>of the company or other body corporate,</p> <p>and includes such other information as may be required under the Sub-Account Opening Form;</p>	
3.	2.11.1 Relevant Time	<p>(a) for the purposes of Regulations 5.5, 5.5A and 8AA.8, means the time and date on which the revocation of CDS Eligibility of any Securities of an Issuer becomes effective;</p> <p>(aa) for the purposes of Regulation 5.5A, means: (A) the End of Day on the Business Day immediately before the Books Closure Period or such other date as determined by the Issuer in case of events described in paragraphs (a), (b) and (c) of Regulation 5.5A.1; and (B) the Business Day specified in the order or resolution for events listed in paragraph (d), (e) or (f) of Regulation 5.5A.1 and if not so specified then the Business Day on which such resolution or order is communicated to the CDC;</p> <p>(b) for the purposes of Regulation 12.2, means the date specified by an Issuer in the notice given under Regulation</p>	<p>(a) for the purposes of Regulations 5.5, 5.5A and 8AA.8, means the time and date on which the revocation of CDS Eligibility of any Securities of an Issuer becomes effective;</p> <p>(aa) for the purposes of Regulation 5.5A, means: (A) the End of Day on the Business Day immediately before the Books Closure Period or such other date as determined by the Issuer in case of events described in paragraphs (a), (b) and (c) of Regulation 5.5A.1; and (B) the Business Day specified in the order or resolution for events listed in paragraph (d), (e) or (f) of Regulation 5.5A.1 and if not so specified then the Business Day on which such resolution or order is communicated to the CDC;</p> <p>(b) for the purposes of Regulation 12.2, means the date specified by an Issuer in the notice given under Regulation</p>	Please refer rationale for amendment no. 42 below.

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		<p>12.2.1 to the CDC;</p> <p>(c) for the purposes of Regulation 8AA.3 and Chapters 8C and 8D means the End of Day on the Business Day before the Book Closure Date to which the Relevant Time pertains; and</p> <p>(d) for the purposes of Regulations 12.3 and 12.4 means the End of Day on the day before the Book Closure Date to which the Relevant Time pertains;</p>	<p>12.2.1 to the CDC;</p> <p>(c) for the purposes of Regulation 8AA.3 and Chapters 8C and 8D means the End of Day on the Business Day before the Book Closure Date to which the Relevant Time pertains; and</p> <p>(d) for the purposes of Regulations 12.1.3, 12.3 and 12.4 means the End of Day on the day before the Book Closure Date to which the Relevant Time pertains;</p>	
4.	<p>2.11.1 <u>Free Float</u></p>	<p>Does not Exist</p>	<p>In relation to the Securities of an Issuer listed on the Stock Exchange, shall have the meaning as ascribed thereto in the rule book of the Stock Exchange;</p>	<p><i>This new definition has been inserted in support of newly inserted Regulation 5.24 that deals in insertion of information relating to Free Float of Securities listed on Stock Exchange for trading.</i></p>
5.	<p>2.11.1 <u>Hardware Specifications</u></p>	<p>Does not exist</p>	<p>means the hardware specifications as prescribed by CDC in the Procedures from time to time to be employed by CDS Elements for the purpose of communication with the CDS;</p>	<p><i>This new definition has been inserted in support of Regulation 7.1.1 as amended below requiring CDS Elements to have hardware having such specification as prescribed by CDC in the Procedures for the purpose of communication with the CDS.</i></p>
6.	<p>2.11.1 <u>Software Specifications</u></p>	<p>Does not exist</p>	<p>means the software specifications as prescribed by CDC in the Procedures from time to time to be employed by CDS Elements for the purpose of communication with the CDS;</p>	<p><i>This new definition has been inserted in support of Regulation 7.1.1 as amended below requiring CDS Elements to have software having such specification as prescribed by CDC in the Procedures for the purpose of communication with the CDS.</i></p>

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7.	Trading Right Entitlement Certificate or TRE certificate	means a Trading Right Entitlement Certificate or TRE certificate as defined in clause (xxvii) of sub-section (1) of section 2 of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012;	shall have the same meaning as assigned in the Securities Act, 2015 (III of 2015);	To align the definition with the Securities Act, 2015.
8.	Trading Right Entitlement Certificate Holder or TRE certificate holder	means a Trading Right Entitlement Certificate Holder or TRE certificate holder as defined in clause (xxvii) of sub-section (1) of section 2 of the Stock Exchanges (Corporatization, Demutualization and Integration) Act, 2012;	shall have the same meaning as assigned in the Securities Act, 2015 (III of 2015);	To align the definition with the Securities Act, 2015.
9.	2.11.2	Does not exist	The capitalized words used but not defined in these Regulations shall have the same meaning as assigned to them in the Act, the Securities Act, 2015 (III of 2015), the Securities and Exchange Commission of Pakistan Act, 1997 (XLI of 1997) or the Companies Ordinance, 1984 (XLVII of 1984) or any rules or regulations made thereunder;	This new Regulation has been added to clarify that capitalized terms used but not defined in the CDC Regulations shall have the same meanings as assigned to them in the relevant rules and regulations.
10.	3.17.1(b)	a Securities transaction involving a loan of Securities;	a Securities transaction involving a loan of Securities;	These grounds pertain to lending and borrowing of Securities (SLB) on the basis of which transfer of securities are to be made in the CDS as Free Delivery Transactions. Since SLB function is performed by NCCPL, these grounds are no more required under the CDC Regulations.
11.	3.17.1(c)	a Securities transaction by way of a return of borrowed Securities;	a Securities transaction by way of a return of borrowed Securities;	
12.	3.17.1 (oa)	Does not exist	Securities transactions whereby Securities are transferred to a holding company for the purpose of formation of a group and registration thereof with the Commission under	We often receive requests from sponsor directors for allowing direct transfer of securities as Free Delivery Transaction for the

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13.	3.17.1 (ob)	Does not exist	the Group Companies Registration Regulations, 2008;	purpose of group formation. While the Board has already allowed such transactions, the SECP has not granted general approval, hence, considerable amount of time is incurred which delays the transaction. It is therefore proposed to prescribe such type of transaction as a line item.
14.	3.17.1 (oc)	Does not exist	Securities transactions whereby Securities are transferred from an employees' fund account under the control of a trustee to the Accounts or Sub-Accounts of relevant employees entitled to beneficial interest in such Securities in terms of the trust deed of such employees' fund;	It is proposed that transfer of securities from an employee fund account to the accounts of entitled employees shall also be allowed as Free Delivery Transaction.
15.	3.17.1 (od)	Does not exist	Securities transactions whereby Securities are transferred to a nominee director as qualification shares pursuant to the requirement of articles of association of a company;	It is also proposed that transfer of securities from one employee fund account to another employee fund account may also be allowed as Free Delivery Transaction as no monetary consideration is involved in such transfers.
16.	4.1.1	Any: (a) TRE certificate holder; (b) banking company within the meaning of the Banking Companies Ordinance, 1962 (LVII of 1962); (c) company, corporation or institution to which Section 3A of the Banking	Any: (a) TRE certificate holder eligible for licensing as securities broker under the Securities Brokers (Licensing and Operations) Regulations, 2016 in the category of trading and self-clearing or trading and clearing; (b) banking company within the meaning of	This type of transfers have also been approved by the Board and SECP. It is proposed to reflect the same in line item.
				The amendments seek to clarify that only those TRE certificate holders who are eligible for licensing under the Securities Brokers (Licensing and Operations) Regulations, 2016 in the category of trading and self-clearing or trading and clearing will be entitled for admission to the CDS as a Participant.



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		<p>Companies Ordinance, 1962 (LVII of 1962) is applicable; or</p> <p>(d) company, corporation or institution in such class as the Board may, from time to time, determine in this behalf,</p> <p>may apply to the CDC for admission to the CDS as a Participant by an application which:</p> <p>(e) is on the most current version of the relevant Admission Form in which are filled out, inter alia, the particulars of the Registration Details in respect of the Accounts which will be opened by the Participant; and</p> <p>(f) complies with the additional requirements of Regulation 4.9.1.</p>	<p>the Banking Companies Ordinance, 1962 (LVII of 1962);</p> <p>(c) company, corporation or institution to which Section 3A of the Banking Companies Ordinance, 1962 (LVII of 1962) is applicable; or</p> <p>(d) company, corporation or institution in such class as the Board may, from time to time, determine in this behalf,</p> <p>may apply to the CDC for admission to the CDS as a Participant by an application which:</p> <p>(e) is on the most current version of the relevant Admission Form in which are filled out, inter alia, the Registration Details and other particulars of the Accounts which will be opened by the Participant; and</p> <p>(f) complies with the additional requirements of Regulation 4.9.1.</p>	<p><i>Participants who opt to have license as "trading only broker" will have to close their CDS Participant Account with necessary arrangement with a trading and clearing broker or PCM for custody and settlement purposes.</i></p>
17.	5.2A	Does not Exist	<p><b>Free Float of Securities</b></p> <p>An Issuer of CDS Eligible Securities (with the exception of Securities represented by redeemable debt instruments) that are listed on the Stock Exchange for the purpose of trading shall enter the Free Float in respect of such Securities into the CDS in the manner prescribed by the CDC in the Procedures on the basis of methodology determined by the Stock Exchange with the prior written approval of the Commission.</p>	<p><i>New heading</i></p> <p><i>To establish the responsibility of Issuers whose equity securities are listed on Stock Exchange for the purpose of trading for providing information relating to Free Float of such securities to be used by Stock Exchange and the Clearing Company for risk management and statistics purposes.</i></p>
18.	5.2A.1	Does not Exist		



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<b>S. #</b>	<b>Regulation #</b>	<b>Existing Regulations</b>	<b>Regulations Proposed by CDC</b>	<b>Rationale for changes</b>
19.	<u>5.2A.2</u>	Does not Exist	An Issuer of CDS Eligible Securities entering information of Free Float of Securities into the CDS under Regulation 5.2A.1 shall be responsible for ensuring the correctness and completeness of such information.	<i>To clarify that omis of ensuring validity of Free Float information entered in to the CDS rests with the Issuers.</i>
20.	<u>5.2A.3</u>	Does not Exist	CDC shall provide information relating to Free Float of Securities to the Stock Exchange and the Clearing Company as entered by the Issuers of CDS Eligible Securities in the CDS pursuant to Regulation 5.2A.1.	<i>Enabling provision where Free Float reports will be made available to PSX and NCCPL as required by them in performance of their duties and functions under their respective regulations.</i>
21.	<u>5.2A.3</u>	Does not Exist	Where an Issuer does not comply with Regulation 5.2A.1, CDC shall report the matter to the Stock Exchange under intimation to the Commission.	<i>Enabling provision has been made in respect of providing a report to the Stock Exchange relating to Non-compliant Issuer.</i>
22.	<u>6.2.2A</u>	Does not exist	A Participant shall ensure that it has obtained signature of the Sub-Account Holder on the posted account report generated from the CDS after establishing the Sub-Account in the name of such Sub-Account Holder and maintain proper documentary record of such signed report.	<i>Currently, Participants are required to obtain signatures of relevant sub-account holders on the CDS report after opening of sub-account so account details as entered by the Participants in the CDS are validated. Such compliance has been created as part of Procedures. It is proposed to bring the same under the ambit of CDC Regulations to improve the effectively and enforcement.</i>
23.	6.7.1	A Participant shall Handle the Book-entry Securities entered in the Sub-Accounts of his Sub-Account Holders only for the specific purposes as set out in the Authorization provided in the Sub-Account Opening Forms of such Sub-Account Holders as signed by them or, as the case may be, their Attorney.	A Participant shall, in accordance with the instructions as regards operation of a Sub-Account contained in the Sub-Account Opening Form, Handle the Book-entry Securities entered in the Sub-Accounts of his Sub-Account Holders only for the specific purposes as set out in the Authorization provided in the Sub-Account Opening Forms of such Sub-Account Holders as signed by them or, as the case may be, their Attorney.	<i>These changes pertain to formalities to be ensured where a sub-account is to be operated by an Attorney on behalf of the sub-account holder where the Participant shall obtain Power of Attorney duly signed, executed and issued by the relevant sub-account holder in favour of the Attorney.</i>

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			<p>Provided that, where a Sub-Account is to be maintained and/or operated by an Attorney of the Sub-Account Holder, the Participant shall obtain an attested copy of duly signed and executed power of attorney issued by the relevant Sub-Account Holder and maintain proper documentary record of such instrument.</p> <p>Provided further that, where a local mobile number or an email address of any other person as permissible has been provided by the Sub-Account Holder exclusively for the purpose of receiving services under the CDC Access, the Participant shall obtain an authority letter from the relevant Sub-Account Holder on a format prescribed by CDC and maintain proper documentary record of such document.</p>	<p><i>Further, provisions have been also been made for providing local mobile number or email of any family member for receiving SMS or alerts under proper authorization.</i></p>
24.	6.7.3	<p>Where, a Participant has not obtained the Sub-Account Opening Forms in respect of Sub-Account maintained by him in accordance with Regulation 6.2.6, the Participant shall not Handle the Book-entry Securities owned by the Holders of such Sub-Accounts with the exception of Free Delivery Transactions resulting in debiting of any Book-entry Securities entered in such Sub-Accounts, provided that the underlying Securities Transactions to which such Free Delivery Transactions relate fall under Regulations 9.1.1 (i) or 9.2.1 (i).</p>	<p>Where, a Participant has not obtained the Sub-Account Opening Forms in accordance with Regulation 6.2.6;</p> <p>(a) the Participant shall not Handle the Book-entry Securities owned by the Holders of such Sub-Accounts; with the exception of Free-Delivery Transactions resulting in debiting of any Book-entry Securities entered in such Sub-Accounts, provided that the underlying Securities transactions to which such Free-Delivery Transactions relate fall under Regulations 9.1-1 (i) or 9.2-1 (i).</p> <p>(b) where there is a nil Holding Balance in such Sub-Accounts, the Participant</p>	<p><i>These changes seek to provide the following scheme to deal with sub-accounts opened by Participants without having Sub-Account Opening Forms:</i></p> <ol style="list-style-type: none"> <li><i>1. The Participants shall not make any transaction in respect of such sub-accounts as presently required.</i></li> <li><i>2. CDC shall block such sub-accounts where unblocking shall only be allowed when SAOFs have been made available.</i></li> <li><i>3. The concerned investor may</i></li> </ol>

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			<p>(c) shall close the Sub-Accounts under prior written notice to the relevant Sub-Account Holders;</p> <p>(c) in case of Holding Balance, the Participant shall provide the Sub-Account numbers, copies of CNICs and such other details as CDC may require with respect to such Sub-Accounts;</p> <p>(d) upon receipt of details provided by the Participant under clause (c) above, CDC shall block the relevant Sub-Accounts where unblocking shall be allowed upon production of Sub-Account Opening Forms duly filled and signed by the relevant Sub-Account Holders; and</p> <p>(e) during the blocking period, the relevant Sub-Account Holder may request CDC through the concerned Participant for transfer of his Book-entry Securities held in such Sub-Account as portfolio transfer under Regulation 9.2.1(f) which request may be granted by CDC at its sole discretion.</p> <p>Provided that where CDC otherwise becomes aware that Sub-Accounts are maintained by Participants without having Sub-Account Opening Forms, CDC shall block such Sub-Accounts under intimation to the relevant Participants where unblocking shall be subject to receipt of Sub-Account Opening Forms duly filled and signed by the relevant Sub-Account Holders.</p>	<p>approach CDC (through the relevant Participant) for transfer of securities as portfolio transfer.</p> <p>4. In case of nil securities balance, the Participant may close the sub-account under prior notice to the concerned sub-account holder.</p>

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25.	6.8.4	<p>CDC shall, in accordance with the Procedures, define the Capital Adequacy Level of the Participants (to whom Regulations 6.8.2 applies) in the CDS as provided by such Participants pursuant to Regulations 6.8.3.</p>	<p>Provided further that, where CDC blocks any Sub-Account pursuant to the first proviso to this Regulation 6.7.3, the relevant Sub-Account Holder may, during the blocking period, request CDC in accordance with the Procedures, for transfer of his Book-entry Securities held in such Sub-Account as portfolio transfer under Regulation 9.2.1(f) which request may be granted by CDC at its sole discretion.</p>	<p><i>This is a consequential change where reference of Regulation 13.1.7(c) has been replaced with 6.8.5 due to shifting of provisions of such Regulation to Chapter 6 so that all Asset under Custody related Regulations are placed at one place.</i></p>
26.	6.8.5	<p>Does not Exist</p>	<p>CDC may monitor compliance of Participant who is a TRE certificate holder, in respect of:                      (a) Regulation 6.8.1 by daily monitoring and where such exercise discloses that the Participant has breached the Maximum Custody Limit, then, CDC shall require</p>	<p><i>It is proposed to apply the regulations on a business day basis so that full working days are available with the Participants for ensuring compliance.</i></p>

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27.	7.1.1	<p>Each CDS Element shall:</p> <p>(a) establish and maintain an interface with the CDS in accordance with the Procedures; and</p> <p>(b) ensure that no person other than the CDS Element itself or an Authorised Person has access to that interface with the CDS.</p>	<p>Each CDS Element shall:</p> <p>(a) comply with the Hardware Specifications and the Software Specifications for the purpose of establishing and maintaining an interface with the CDS in accordance with the Procedures; and</p> <p>(b) ensure that no person other than the CDS Element itself or an Authorised Person has access to that interface with the CDS.</p>	<p>The hardware and software requirements have been covered under the Regulations for compliance by CDS Elements for the purpose of communication with the CDS.</p>
28.	8.3.1	<p>Within 5 days of the receipt of the documents referred to in Regulation 8.2.1(d), the Issuer shall verify the Registrable Transfer Documents and may, after satisfying itself about their genuineness, valid use of authorization by the Depositing Account Holder in terms of Regulation 8.1.1 and the fitness for transfer of the Eligible Securities represented by them into the name of the CDC:</p> <p>(a) register the transfer of the Eligible Securities being deposited into the CDS</p>	<p><del>Within 5 days of the receipt of the documents referred to in Regulation 8.2.1(d), the Issuer shall verify the Registrable Transfer Documents and may, after satisfying itself about their genuineness, valid use of authorization by the Depositing Account Holder in terms of Regulation 8.1.1 and the fitness for transfer of the Eligible Securities represented by them into the name of the CDC:</del></p> <p>(a) register the transfer of the Eligible Securities being deposited into the CDS</p>	<p><i>These are consequential changes in view of recent amendments in the Companies Ordinance, 2016 where 10 days have been specified for the completion of process entailing deposit of physical securities in to CDS.</i></p>

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		<p>in the name of the CDC and:</p> <ul style="list-style-type: none"> <li>(i) Transmit, within the Designated Time, a Valid Deposit Approval Transaction to the CDC in respect of such Securities;</li> <li>(ii) prominently and indelibly mark the Documents Evidencing Title of the Eligible Securities as "Canceled"; and</li> <li>(iii) retain the documents referred to in Regulation 8.2.1(d) (i) and (ii) for its own record;</li> </ul> <p>(b) reject the transfer of the Eligible Securities into the name of the CDC and:</p> <ul style="list-style-type: none"> <li>(i) Transmit, within the Designated Time, a Valid Deposit Rejection Transaction to the CDC in respect of such Securities;</li> <li>(ii) mark all the documents submitted to the Issuer, except the relevant Registrable Transfer Documents, referred to in Regulation 8.2.1(d), as "Rejected"; and</li> <li>(iii) return the documents (except any fake/bogus/counterfeit documents for which a confirmation letter will be given by the Issuer) referred to in</li> </ul>	<p>in the name of the CDC and:</p> <ul style="list-style-type: none"> <li>(i) Transmit, within the Designated Time, a Valid Deposit Approval Transaction to the CDC in respect of such Securities;</li> <li>(ii) prominently and indelibly mark the Documents Evidencing Title of the Eligible Securities as "Canceled"; and</li> <li>(iii) retain the documents referred to in Regulation 8.2.1(d) (i) and (ii) for its own record;</li> </ul> <p>(b) reject the transfer of the Eligible Securities into the name of the CDC and:</p> <ul style="list-style-type: none"> <li>(i) Transmit, within the Designated Time, a Valid Deposit Rejection Transaction to the CDC in respect of such Securities;</li> <li>(ii) mark all the documents submitted to the Issuer, except the relevant Registrable Transfer Documents, referred to in Regulation 8.2.1(d), as "Rejected"; and</li> <li>(iii) return the documents (except any fake/bogus/counterfeit documents for which a confirmation letter will be given by the Issuer) referred to in</li> </ul>	

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		<p align="center">Regulation 8.2.1(d) to the Depositing Account Holder; or</p> <p>(c) if the Issuer has been disabled by the CDC from Transmitting, in relation to such documents, any Deposit Approval Transaction and Deposit Rejection Transaction pursuant to Regulation 8.4.4, return the documents referred to in Regulation 8.2.1(d) to the Depositing Account Holder.</p>	<p align="center">Regulation 8.2.1(d) to the Depositing Account Holder; or</p> <p>(c) if the Issuer has been disabled by the CDC from Transmitting, in relation to such documents, any Deposit Approval Transaction and Deposit Rejection Transaction pursuant to Regulation 8.4.4, return the documents referred to in Regulation 8.2.1(d) to the Depositing Account Holder.</p>	
29.	8.3A.1	<p>If the Registrable Transfer Documents referred to Regulation 8.2.1(d) are not received by an Issuer within thirty (30) days after the Transmission by a Depositing Account Holder of a Deposit Request Transaction under Regulation 8.2.1(b) in respect of any Registered-Form Eligible Securities of such Issuer, the Issuer shall reject the transfer of such Securities in the name of CDC and shall Transmit, within the Designated Time, a Valid Deposit Rejection Transaction to CDC in respect of these Securities.</p>	<p><del>Provided that the Issuer shall complete the formalities stipulated in paragraphs (a) to (c) of this Regulation 8.3.1 within such number of days of receipt of documents referred to in Regulation 8.2.1(d) as specified in Section 74 of the Companies Ordinance, 1984 (XLVII of 1984) for conversion of physical Securities into Book-entry form.</del></p> <p>If the Registrable Transfer Documents referred to in Regulation 8.2.1(d) are not received by an Issuer within thirty (30) days after the Transmission by a Depositing Account Holder of a Deposit Request Transaction under Regulation 8.2.1(b) in respect of any Registered-Form Eligible Securities of such Issuer, the Issuer shall <del>may</del>, at its discretion, reject the transfer of such Securities in the name of CDC and shall Transmit, within the Designated Time, a Valid Deposit Rejection Transaction to CDC in respect of these <u>such</u> Securities.</p>	<p><i>Presently Issuers' RTAs have to reject the deposit request transactions after 30 business days where documents are not received. It is proposed to leave it at the discretion of Issuers whether or not to accommodate such cases.</i></p>
30.	8.7.1	<p>Within 5 days of the receipt of the documents referred to in Regulation 8.6.1(c), the Issuer may:</p>	<p><del>Within 5 days of the</del> Upon receipt of the documents referred to in Regulation 8.6.1(c), the Issuer may:</p>	<p><i>These are consequential changes in view of recent amendments in the Companies Ordinance, 2016</i></p>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

<b>S. #</b>	<b>Regulation #</b>	<b>Existing Regulations</b>	<b>Regulations Proposed by CDC</b>	<b>Rationale for changes</b>
		<p>(a) register the transfer of the Securities being withdrawn from the CDS from the name of the CDC into the name of the Transferee and:</p> <p>(i) Transmit, within the Designated Time, a Valid Withdrawal Approval Transaction to the CDC;</p> <p>(ii) prepare certificates of the Securities being withdrawn from the CDS in the name of the Transferee; and</p> <p>(iii) sign a copy of the printout referred to in Regulation 8.6.1(c)(ii) and despatch it to the Withdrawing Account Holder;</p> <p>(b) reject the transfer of the Securities from the name of the CDC into the name of the Transferee and:</p> <p>(i) Transmit, within the Designated Time, a Valid Withdrawal Rejection Transaction to the CDC;</p> <p>(ii) mark all the documents referred to in Regulation 8.6.1(c) as "Rejected"; and</p> <p>(iii) return to the Withdrawing Account Holder:</p>	<p>(a) register the transfer of the Securities being withdrawn from the CDS from the name of the CDC into the name of the Transferee and:</p> <p>(i) Transmit, within the Designated Time, a Valid Withdrawal Approval Transaction to the CDC;</p> <p>(ii) prepare certificates of the Securities being withdrawn from the CDS in the name of the Transferee; and</p> <p>(iii) sign a copy of the printout referred to in Regulation 8.6.1(c)(ii) and despatch it to the Withdrawing Account Holder;</p> <p>(b) reject the transfer of the Securities from the name of the CDC into the name of the Transferee and:</p> <p>(i) Transmit, within the Designated Time, a Valid Withdrawal Rejection Transaction to the CDC;</p> <p>(ii) mark all the documents referred to in Regulation 8.6.1(c) as "Rejected"; and</p> <p>(iii) return to the Withdrawing Account Holder:</p>	<p><i>where 10 days have been specified for the completion of withdrawal process.</i></p>



**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

<b>S. #</b>	<b>Regulation #</b>	<b>Existing Regulations</b>	<b>Regulations Proposed by CDC</b>	<b>Rationale for changes</b>
		<ul style="list-style-type: none"> <li>▪ one copy of the duly completed Securities Withdrawal Form; and</li> <li>▪ one copy of the printout received by the Issuer in pursuance of Regulation 8.6.1(c); or</li> </ul> <p>(c) if the Issuer has been disabled by the CDC from Transmitting, in relation to such documents, any Withdrawal Approval Transaction and Withdrawal Rejection Transaction pursuant to Regulation 8.8.4, return such documents to the Withdrawing Account Holder.</p>	<ul style="list-style-type: none"> <li>▪ one copy of the duly completed Securities Withdrawal Form; and</li> <li>▪ one copy of the printout received by the Issuer in pursuance of Regulation 8.6.1(c); or</li> </ul> <p>(c) if the Issuer has been disabled by the CDC from Transmitting, in relation to such documents, any Withdrawal Approval Transaction and Withdrawal Rejection Transaction pursuant to Regulation 8.8.4, return such documents to the Withdrawing Account Holder.</p>	
31.	8AA.3.1	<p>An Issuer, which has given notice to the CDC under Regulation 8AA.1, shall Obtain, after the End of Day on the 2nd Business Day after the Relevant Time, a Beneficial Owners Report to ascertain the Registration Details and Holding Balances of Holders whose Holdings show, as of the Relevant Time, corrected in accordance with Regulation 8AA.3.2, a Holding Balance of Book-entry Securities representing the Existing</p>	<p><u>Provided that the Issuer shall complete the formalities stipulated in paragraphs (a) to (c) of this Regulation 8.7.1 within such number of days of receipt of documents referred to in Regulation 8.2.1(d) as specified in Section 74 of the Companies Ordinance, 1984 (XLVII of 1984) for conversion of Book-entry Securities into physical form.</u></p> <p>An Issuer, which has given notice to the CDC under Regulation 8AA.1, shall Obtain, after the End of Day on the 2nd <u>immediately succeeding</u> Business Day after the Relevant Time, a Beneficial Owners Report to ascertain the Registration Details and Holding Balances of Holders whose Holdings show, as of the Relevant Time, corrected in accordance with Regulation 8AA.3.2, a Holding Balance of</p>	<p><i>Please refer item 42 for rationale.</i></p>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
		Securities of the Issuer in respect of which the Rights Entitlements is offered by the Issuer.	Book-entry Securities representing the Existing Securities of the Issuer in respect of which the Rights Entitlements is offered by the Issuer.	
32.	8C.2.6	The Transferee Company shall, in order to allot Securities of the Transferee Company, in terms of the Scheme of Amalgamation, in lieu of the Book-entry Securities relating to the Securities of the Transferor Company entered in any Holdings, Obtain at any time after the End of Day on the 5th Business Day after the Relevant Time a Beneficial Owners Report in respect of the Book-entry Securities relating to the Securities of the Transferor Company corrected in accordance with Regulation 8C.2.7(a) [DELETED] to ascertain the Registration Details and Holding Balances as of the Relevant Time.	The Transferee Company shall, in order to allot Securities of the Transferee Company, in terms of the Scheme of Amalgamation, in lieu of the Book-entry Securities relating to the Securities of the Transferor Company entered in any Holdings, Obtain at any time after the End of Day on the 5th immediately succeeding Business Day after the Relevant Time a Beneficial Owners Report in respect of the Book-entry Securities relating to the Securities of the Transferor Company corrected in accordance with Regulation 8C.2.7(a) [DELETED] to ascertain the Registration Details and Holding Balances as of the Relevant Time.	<i>Please refer item 42 for rationale.</i>
33.	8C.5.3	The Transferor Company shall Obtain at any time after the End of Day on the 5th Business Day after the Relevant Time a Beneficial Owners Report in respect of the Book-entry Securities relating to the Securities of the Transferor Company corrected in accordance with Regulation 8C.5.4 to ascertain the Registration Details of the Holders whose Holdings showed as of the Relevant Time a Holding Balance of the Book-entry Securities representing the Securities of the Transferor Company.	The Transferor Company shall Obtain at any time after the End of Day on the 5th immediately succeeding Business Day after the Relevant Time a Beneficial Owners Report in respect of the Book-entry Securities relating to the Securities of the Transferor Company corrected in accordance with Regulation 8C.5.4 to ascertain the Registration Details of the Holders whose Holdings showed as of the Relevant Time a Holding Balance of the Book-entry Securities representing the Securities of the Transferor Company.	<i>Please refer item 42 for rationale.</i>
34.	8D.2.3	The Issuer shall, in order to allocate consolidated or sub-divided shares, in lieu of the Book-entry Securities relating to the Existing Shares entered in any Holdings, Obtain at any time after the End of Day on the 5th Business Day after the Relevant Time a Beneficial Owners Report in respect of the	The Issuer shall, in order to allocate consolidated or sub-divided shares, in lieu of the Book-entry Securities relating to the Existing Shares entered in any Holdings, Obtain at any time after the End of Day on the 5th immediately succeeding Business Day after the Relevant Time a Beneficial Owners Report	<i>Please refer item 42 for rationale.</i>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
35.	9.1.1(g)	Book-entry Securities relating to the Existing Shares corrected in accordance with Regulation 8D.2.4 to ascertain the Registration Details and Holding Balances as of the Relevant Time.	in respect of the Book-entry Securities relating to the Existing Shares corrected in accordance with Regulation 8D.2.4 to ascertain the Registration Details and Holding Balances as of the Relevant Time.	<i>This Free Delivery Transaction was allowed for settlement of trades made by Custodial Banks for foreign investors. As per the recent arrangement made by NCCPL, such trades will now be settled through Balance Order mechanism, therefore this item is not required any more.</i>
36.	9.1.1(a)	pertains to transfer of Book-entry Securities from a Sub-Account, being joint Sub-Account, to another Sub-Account also being joint Sub-Account, provided that the UIN of at least one joint Holder is same in both the joint Sub-Accounts;	<del>pertains to transfer of Book-entry Securities from a Sub-Account, being joint Sub-Account, to another Sub-Account also being joint Sub-Account, provided that the UIN of at least one joint Holder is same in both the joint Sub-Accounts;</del>	<i>Before the implementation of CGT regime, portfolio transfers were allowed where at least one UIN in a joint sub-account was matching. With the full implementation of CGT regime, it became mandatory that all UINs in a joint sub-account should match. This old line item is therefore not required anymore.</i>
37.	9.2.1(h)	is a market-based Securities transaction settled or, as the case may be, to be settled through the Clearing Company in accordance with the NCCPL Regulations, subject to these Regulations and the Procedures;	<del>is a market-based Securities transaction settled or, as the case may be, to be settled through the Clearing Company in accordance with the NCCPL Regulations, subject to these Regulations and the Procedures;</del>	<i>Please refer rationale for amendment no. 35 above.</i>
38.	9.2.1(a)	pertains to transfer of Book-entry Securities from a Sub-Account, being joint Sub-Account, to another Sub-Account also being joint Sub-Account, provided that the UIN of at least one joint Holder is same in both the joint Sub-Accounts;	<del>pertains to transfer of Book-entry Securities from a Sub-Account, being joint Sub-Account, to another Sub-Account also being joint Sub-Account, provided that the UIN of at least one joint Holder is same in both the joint Sub-Accounts;</del>	<i>Please refer rationale for amendment no. 36 above.</i>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

<b>S. #</b>	<b>Regulation #</b>	<b>Existing Regulations</b>	<b>Regulations Proposed by CDC</b>	<b>Rationale for changes</b>
39.	12A.2.1  Securities Deposit Form	<p><b>Definitions</b></p> <p>means the standard instruction form prescribed by CDC for submission by the Investor-Accountholder in quadruplicate to CDC for the purpose of deposit of Registered-Form Eligible Securities in CDS.</p>	<p><b>Definitions</b></p> <p>means the standard instruction form prescribed by CDC for submission by the Investor-Accountholder in quadruplicate <u>triplicate</u> to CDC for the purpose of deposit of Registered-Form Eligible Securities in CDS.</p>	<p><i>Please refer rationale for amendment no. 40 below.</i></p>
40.	12A.4B.1	<p>The Investor-Accountholder requesting deposit into CDS of any Registered-Form Eligible Securities shall:</p> <p>(a) Validly complete the Securities Deposit Form;</p> <p>(b) use separate Securities Deposit Form for each class of Eligible Securities to be processed for deposit into CDS;</p> <p>(c) submit within Designated Time to CDC the Securities Deposit Form in quadruplicate together with the Registrable Transfer Documents, provided that where a Book Closure Period has been publicised by any Issuer of any Eligible Securities pursuant to Regulation 12.1.1, CDC may refuse to accept any Securities Deposit Form in respect of such Securities submitted to CDC later than five Business Days before the Book Closure Date; and</p> <p>(d) pay to CDC the fees and other charges prescribed by CDC from time to time in respect of deposit of Registered-Form Eligible Securities into CDS for Investor-Accountholders.</p>	<p>The Investor-Accountholder requesting deposit into CDS of any Registered-Form Eligible Securities shall:</p> <p>(a) Validly complete the Securities Deposit Form;</p> <p>(b) use separate Securities Deposit Form for each class of Eligible Securities to be processed for deposit into CDS;</p> <p>(c) submit within Designated Time to CDC the Securities Deposit Form in <del>quadruplicate</del> <u>triplicate</u> together with the Registrable Transfer Documents, provided that where a Book Closure Period has been publicised by any Issuer of any Eligible Securities pursuant to Regulation 12.1.1, CDC may refuse to accept any Securities Deposit Form in respect of such Securities submitted to CDC later than five Business Days before the Book Closure Date; and</p> <p>(d) pay to CDC the fees and other charges prescribed by CDC from time to time in respect of deposit of Registered-Form Eligible Securities into CDS for Investor-Accountholders.</p>	<p><i>These changes have been proposed to be consistent with Regulations dealing with deposit of securities in sub-accounts or House Account where only three copies of SDF is required as against four copies in IAS.</i></p> <p><i>One copy of SDF is provided to the investor, the other copy is retained by the Participant while the third copy is sent to the Issuer for its record. The fourth copy is therefore not required.</i></p>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
41.	12.1.3	<p>The CDC shall, after recording a Books Closure Period on the CDR under Regulation 12.1.2 in relation to any class of Book-entry Securities:</p> <p>(a) reject:</p> <p>(i) any Valid Deposit Request Transaction Transmitted to the CDC in respect of Securities represented by that class of Book-entry Securities during such Books Closure Period; and</p> <p>(ii) any Valid Withdrawal Request Transaction Transmitted to the CDC in respect of Book-entry Securities in that class during such Books Closure Period; and</p> <p>(b) Notify the rejection to the Originating Account Holder together with the reasons for the rejection.</p>	<p>The CDC shall, after recording a Books Closure Period on the CDR under Regulation 12.1.2 in relation to any class of Book-entry Securities:</p> <p>(a) reject:</p> <p>(i) any Valid Deposit Request Transaction Transmitted to the CDC in respect of Securities represented by that class of Book-entry Securities during such Books Closure Period; and</p> <p>(ii) any Valid Withdrawal Request Transaction Transmitted to the CDC in respect of Book-entry Securities in that class during such Books Closure Period; and</p> <p>(b) Notify the rejection to the Originating Account Holder together with the reasons for the rejection; and-</p> <p>(c) not reflect the change(s) (if any) made in the Registration Details of any Account or Sub-Account in the List of Beneficial Owners Report provided to the Issuers of CDS Eligible Securities pursuant to these Regulations where such change(s) have been made after the Relevant Time.</p>	<p><i>The changes made in this Regulation are consequential to changes proposed in Regulations 84A.3.1, 8C.2.6, 8C.5.3, 8D.2.3, 12.3.5 and 12.4.3 according to which the List of Shareholders will be provided to the Issuers on the first day of book closure period. The changes seek to clarify that any changes made in the Registration Details of accounts or sub-accounts after the cutoff date i.e. date of start of book closure will not be reflected in the List of Beneficial Owners provided to the Issuer.</i></p>
42.	12.3.5	<p>An Issuer of Eligible Securities to which any of Sections 9(1)(c), 9(1)(d), 9(1)(e) and 9(1)(f), as the case may require, of the Act applies shall:</p> <p>(a) Obtain, at any time after the End of Day</p>	<p>An Issuer of Eligible Securities to which any of Sections 9(1)(c), 9(1)(d), 9(1)(e) and 9(1)(f), as the case may require, of the Act applies shall:</p> <p>(a) Obtain, at any time after the End of Day</p>	<p><i>Issuers, particularly those competing for the Top 25 Companies Awards of PSX, require list of shareholders / share book details on the first day of</i></p>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
43.	12.4.3	<p>on the 2nd Business Day after the Relevant Time, a Beneficial Owners Report, corrected in accordance with Regulation 12.3.6(a) and adjusted in accordance with Regulation 12.3.6(b), to ascertain the Registration Details and Holding Balances of Holders whose Holdings show, as of the Relevant Time, a Holding Balance of Book-entry Securities representing the Securities of the Issuer in respect of which a Statutory Action is to be taken by the Issuer; and</p> <p>(b) take action in accordance with Sections 5(4), 5(5) or 9(5), as the case may require, of the Act on the basis of the Registration Details shown in the Beneficial Owners Report.</p>	<p>on the 2nd immediately succeeding Business Day after the Relevant Time, a Beneficial Owners Report, corrected in accordance with Regulation 12.3.6(a) and adjusted in accordance with Regulation 12.3.6(b), to ascertain the Registration Details and Holding Balances of Holders whose Holdings show, as of the Relevant Time, a Holding Balance of Book-entry Securities representing the Securities of the Issuer in respect of which a Statutory Action is to be taken by the Issuer; and</p> <p>(b) take action in accordance with Sections 5(4), 5(5) or 9(5), as the case may require, of the Act on the basis of the Registration Details shown in the Beneficial Owners Report.</p>	<p><i>start of book closure period so as to have ample time at their disposal for completing the dividend related formalities in a timely manner.</i></p> <p><i>Considering that much of the physical securities have now been dematerialized which has lessen the workload at RTA's end and also keeping in view the genuine requests of Issuers, the management proposes amendments in Regulations 8A.3.1, 8C.2.6, 8C.5.3, 8D.2.3, 12.3.5 and 12.4.3 which also include Regulations relating to rights issue, split / consolidation and merger / demerger of securities for provision of list of shareholders / share book details on the first day of start of book closure period.</i></p>
44.	15.4.1	<p>An Issuer which has given notice to the CDC under Regulation 12.4.1 shall Obtain, after the End of Day on the 5th Business Day after the Relevant Time, a Beneficial Owners Report to ascertain the Registration Details and Holding Balances of Holders whose Holdings show, as of the Relevant Time, corrected in accordance with Regulation 12.4.4, a Holding Balance of Book-entry Securities representing the Securities of the Issuer in respect of which the bonus issue is proposed to be made by the Issuer.</p>	<p>An Issuer which has given notice to the CDC under Regulation 12.4.1 shall Obtain, after the End of Day on the 5th immediately succeeding Business Day after the Relevant Time, a Beneficial Owners Report to ascertain the Registration Details and Holding Balances of Holders whose Holdings show, as of the Relevant Time, corrected in accordance with Regulation 12.4.4, a Holding Balance of Book-entry Securities representing the Securities of the Issuer in respect of which the bonus issue is proposed to be made by the Issuer.</p>	<p><i>Please refer item 42 for rationale.</i></p>
		<p>If the Board imposes a Restriction on the</p>	<p>If the Board CDC imposes a Restriction on the</p>	<p><i>These are consequential changes</i></p>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
		<p>admission to CDS of a non-compliant Account Holder, CDC shall reject any Valid Transaction Transmitted by or to the Account Holder in contravention of the Restriction.</p> <p>Provided further that, where the imposition of Restriction on the admission to the CDS of a non-compliant Account Holder is due to occurrence of an Event of Non-Compliance specified in Regulation 15.1.1(a)(vi), then CDC shall, subject to the first proviso of this Regulation 15.4.1, take following actions:</p> <p>(b) where the Event of Non-Compliance occurs due to non-submission of the statement referred to in Regulation 6.8.2 or, as the case may be, the statement submitted by the Account Holder pursuant to such Regulations discloses negative Capital Adequacy Level or non-compliance with the notice issued by CDC under Regulation 13.1.7(c) or Regulation 13.1.7(d), then CDC shall, during the Restriction period:</p> <p>(d) where the non-compliant Account Holder does not comply with Regulation 13.1.7(b) at the expiry of 60 days from the date of imposition of Restriction, then CDC shall impose suspension on the admission to the CDS of such Account Holder in accordance with these Regulations.</p>	<p>admission to CDS of a non-compliant Account Holder, CDC shall reject any Valid Transaction Transmitted by or to the Account Holder in contravention of the Restriction.</p> <p>Provided further that, where the imposition of Restriction on the admission to the CDS of a non-compliant Account Holder is due to occurrence of an Event of Non-Compliance specified in Regulation 15.1.1(a)(vi) <u>where such non-compliance pertains to Regulation 6.8, then CDC shall, subject to the first proviso of this Regulation 15.4.1, take following actions:</u></p> <p>(b) where the non-compliant Account Holder does not submit the statement in accordance with Regulation 6.8.2 or comply with the notice issued by CDC under <u>Regulation 13.1.7(e) or Regulation 13.1.7(d) 6.8.5</u> or, as the case may be, fails to improve his Capital Adequacy Level within 60 <u>Business d</u>Days of imposition of such Restriction, then CDC shall impose suspension on the admission to the CDS of such Account Holder in accordance with these Regulations;</p> <p>(d) where the non-compliant Account Holder does not comply with Regulation <u>13.1.7(b)6.8.5</u> at the expiry of 60 <u>Business d</u>Days from the date of imposition of Restriction, then CDC shall impose suspension on the admission to the CDS of such Account Holder in accordance with these</p>	<p><i>in view of shifting of Asset under Custody (AUC) related provisions to Chapter 6 and introduction of working day concept in respect of AUC related compliances.</i></p>

**COMPARATIVE STATEMENT - AMENDMENTS IN THE CDC REGULATIONS FOR VARIOUS MATTERS**

S. #	Regulation #	Existing Regulations	Regulations Proposed by CDC	Rationale for changes
45.	15.10.3	If the Account Holder fails to complete the formalities of the Procedures referred to in Regulation 15.10.2, the Account Holder shall pay Rs. 100 per day to the CDC from the first day after the expiry of the notice period mentioned in CDC's notice issued under Regulation 15.10.2 until such time such formalities are completed by the Account Holder in every respect.	If the Account Holder fails to complete the formalities of the Procedures referred to in Regulation 15.10.2, the Account Holder shall pay Rs. 100 per day to the CDC from the first day after the expiry of the notice period mentioned in CDC's notice issued under Regulation 15.10.2 until such time such formalities are completed by the Account Holder in every respect. <u>The Chief Executive Officer or his delegate may, for any reasonable cause, grant remission to any Account Holder in full or in part, in respect of any charges imposed under this Regulation 15.10.3.</u>	<i>The amendments have been proposed to have power to waive the charges on account of genuine reason due to which compliance could not be made within the stipulated time period.</i>
46.	15.11.3	Does not Exist	If the Eligible Pledgee fails to complete the formalities of the Procedures referred to in Regulation 15.11.2, the Eligible Pledgee shall pay Rs. 500 per day to the CDC from the first day after the expiry of the notice period mentioned in CDC's notice issued under Regulation 15.11.2 until such time such formalities are completed by the Eligible Pledgee in every respect. <u>The Chief Executive Officer or his delegate may, for any reasonable cause, grant remission to any Eligible Pledgee in full or in part, in respect of any charges imposed under this Regulation 15.11.3.</u>	<i>Same as in 45 above.</i>