

SPECIAL TERMS AND CONDITIONS

Terms and conditions set herein below shall be equally binding on the Broker and the Account Holder(s).

1. All transactions between the parties shall be subject to the Articles, Rules and Regulations of the Exchange, revised policies, Board Directions and new regulations to be framed in pursuance of Section 34 of the Securities & Exchange Ordinance, 1969. Moreover, all applicable provisions of the Securities & Exchange Ordinance, 1969 read with the Securities & Exchange Commission of Pakistan Act, 1997, Brokers and Agents Registration Rules, 2001, Securities and Exchange Rules 1971 and all directions/directives passed from time to time to regulate the trades between the parties and to regulate Brokers conduct and the Central Depository Companies of Pakistan Act, 1997, Rules framed there under and the National Clearing and Settlement System Regulations and any other law for the time being in force. Companies of Pakistan Act, 1997, Rules framed there under and the National Clearing and Settlement System Regulations and any other law for the time being in force. The Broker shall ensure provisions of copies of all the above Laws, Rules and Regulations at his office for access to the Account Holder(s) during working hours.
2. In case any dispute in connection with the trade or transaction between the Broker and the Account Holder is not settled amicably, either party may refer the same to arbitration in accordance with the provisions of KSE Regulations, which shall be binding on both the parties. Account Holder hereby agrees that he would have no objection if his name and other relevant particulars are placed on Exchange's database accessible by Brokers of the Exchange if he fails or refuses to abide by or carryout any arbitration award passed against him in his dispute with the Broker.
3. The amount deposited as security margin by the Account Holder(s) with the Broker shall only be used for the purposes of dealing in securities, such as trading and/or settlement of deliveries of securities on behalf of the Account Holder(s). Broker shall not use such amounts for his own use.
4. Any credit amount of the Account Holder(s) shall be kept by the Broker in a separate bank account titled "Vector Securities (Pvt.) Limited - Client Account" and shall not be used by the Broker for his own business.
5. Broker shall be authorized to act on verbal instructions of the Account Holder(s). Broker shall provide a written confirmation of the executed transactions as required under Rule 4(4) of the Securities & Exchange Rules, 1971, and all such transactions recorded by the Broker in his books shall be conclusive and binding upon the Account Holder(s), which shall not be questioned by him/her/them, subject to Clause 8 below. OR
6. Account Holder(s) shall give written instructions for the sale/purchase of securities to the Broker. Account Holder(s) shall not give any verbal/oral instructions. Broker shall provide written confirmation of the executed transactions as required under Rule 4(4) of the Securities & Exchange Rules, 1971, and all such transactions recorded by the Broker in his books shall be conclusive and binding upon the Account Holder(s), which shall not be questioned by him/her/them, subject to Clause 8 below.
7. Broker shall provide confirmation of executed transactions to the Account Holder(s) at the above stated address by means of acceptable mode of communication or by hand subject to acknowledgement receipt.
8. In case there are any error(s) in the daily confirmation statement, Account Holder(s) shall report the same to the Broker within one business day of the receipt of confirmation. In case the Account Holder(s) do not respond within one business day of the receipt of the said daily confirmation statement, the confirmation statement shall be deemed conclusively accepted by the Account Holder(s).
9. In the event that the Account Holder(s) fail to deposit additional cash or securities as margin within one business day of the margin call (in writing), Broker shall have absolute discretion to and, without further notice to Account Holder(s), liquidate the Account Holder(s) outstanding positions, including the securities purchased and carried in such account, so that the margin is maintained at the required level.
10. Broker shall be responsible to ensure delivery of CDC eligible securities in the CDC account of the Account Holder(s) subject to full payment by the Account Holder(s). In case of companies which are not on the CDS, Broker shall ensure delivery of physical shares along with verified transfer deeds against payments to the Account Holder(s). Further the Broker shall be responsible for the payment of any credit cash balance available in the account of the Account Holder(s) preferably in form of 'Account Payee' cross cheque only within one business day of the request of the Account Holder(s) (subject to the maintenance of the margin requirements).
11. In the event of non-receipt of payment from Account Holder(s) on settlement day against securities bought on account of the Account Holder, Broker may transfer such securities to his Collateral Account under intimation to the Exchange, after complying with the requirements as mentioned in relevant clause of KSE Rule Book.

12. Broker shall accept from the Account Holder(s) payments through "A/c Payee Only" crossed cheque, bank drafts, pay orders or other crossed banking instruments in case of amounts in excess of Rs. 25,000. Electronic transfer of funds to the Broker through banks would be regarded as good as cheque. Broker shall be responsible to provide the receipt to the Account Holder(s) in the name of the Account Holder(s) duly signed by authorized agents/employee of the Broker and the Account Holder(s) shall be responsible to obtain the receipt thereof. In case of cash dealings, proper receipt will be taken and given to the Account Holder(s) specifically mentioning if payment is for margin or the purchase of securities. Broker shall immediately deposit in its bank account all cash received in whole i.e. no payments shall be made from the cash received from clients. However, in exceptional circumstances, where it becomes necessary for the Broker to accept cash in excess of Rs.25,000, Broker shall immediately report within one business day such instances with rationale thereof to the Exchange in accordance with the mechanism prescribed by the Exchange.
13. The Brokers shall make all the payments of Rs. 25,000 and above, through crossed cheques/bank drafts/pay orders or any other crossed banking instruments showing payment of amount from their business bank account. Copies of these payment instruments including cheques, pay orders, demand drafts and online instructions shall be kept in record for a minimum period of five years.
14. Account Holder(s) shall have a right to obtain a copy of his/her or their ledger statement under official seal and signature of the Broker or his authorized representative on a periodic basis. In case of any discrepancy in the ledger statement, the Account Holder(s) shall inform the Broker within one day of receipt of the ledger statement to remove such discrepancy.
15. Account Holder(s) shall operate the account and execute transactions themselves unless the Account Holder(s) authorize an Authorized Person (Third Party) under a prescribed Letter of Authority to transact in the account. All transactions executed by the Authorized Person shall be binding upon the Account Holder(s).
16. **For Joint Account Holder(s) only:**
We, the Account Holders shall operate the account jointly or severally and the instructions issued either jointly or severally shall be binding on us as well as upon the Broker in respect of the joint titled account.
Or
Our titled account shall be operated only by _____ who shall be deemed as the authorized person for operating the joint account or issuing any instructions relating thereto.
17. Broker shall append a list of his authorized agents / traders and designated employees who can deal with the Account Holder(s) with this account opening form and a copy of both the Account Opening Form and the List will be provided to the Account Holder(s). Any change therein shall be intimated in writing to the Account Holder(s) with immediate effect.
18. Broker shall debit the account of Account Holder(s) for commission charges or any other charges in connection with brokerage services rendered which shall be clearly detailed in the ledger statement/daily confirmations.
19. Broker shall not disclose the information of the transactions of the Account Holder(s) to any third party and shall maintain the confidentiality of this information. However, in case the Exchange or the Commission, as the case may be, requires any such information, the Broker shall be obliged to disclose the same for which the Account Holder(s) shall not raise any objection, whatsoever.
20. In case a Broker converts his individual brokerage rights to corporate brokerage and vice versa, the agreement and conditions mentioned herein above shall remain effective, unless otherwise agreed by the parties.
21. Acceptable modes of communication between the Account Holder(s) and the Broker shall be through letter (courier / registered post / fax / email) or by hand, subject to receipt/acknowledgment. The onus of proving that the email has been received by the recipient shall be on the sender sending the email. Confirmation of orders to clients made through fax or email will have a time record.
22. All orders received telephonically and placed on Trading System shall be supported by recording on dedicated telephonic lines, preferably connected with a computerized taping system so as the orders could possibly be sorted on UIN basis and made user friendly.
23. In case of change of address or contact numbers of either party, the concerned party shall immediately notify the other party of the changes in writing.
24. I/We, the Account Holder(s) acknowledge receipt of this Account Opening Form (signed here by me/us in duplicate) along with copies of all Annexure and I/we, the Account Holder(s), also undertake that I/we have understood all the above terms and conditions of this Agreement which are acceptable to me/us.
25. I/We, the Account Holder(s), understand that the shares trading business carries risk and that I/we may incur losses for which I/we, the Account Holder(s), shall not hold the Broker responsible.
26. I/We, the Account Holder(s), further confirm that all information given in this Application is true and complete and hereby authorize the Broker to verify any information mentioned above.

TERMS AND CONDITIONS FOR ONLINE TRADING

1. Online trading will be permitted through an online trading system provided by the Broker. This will be utilized for the purpose of buying and selling securities and all other eligible products available at the Pakistan Stock Exchange.
2. A PIN (Personal Identification Number) will be issued to the Account Holder(s) by the Broker to enable the Account Holder(s) to access and use the online trading system. PIN may be communicated through email or through any courier to the Account Holder(s) at his/her/their/its own risk. Account Holder(s) shall not disclose the PIN to any person and shall take every reasonable precaution to prevent discovery of the PIN by any other person. Account Holder(s) shall immediately change the PIN as soon as it is received from the Broker.
3. Broker may electronically transfer delivery of confirmation, statements, and other notices in connection with Electronic / Online Trading. It shall be the responsibility of the Account Holder(s) to review, upon receipt of e-mails, confirmation statement, notices, margin and maintenance calls whether delivered by mail, e-mail or electronic terminal at the discretion of the Broker. If the PIN is disclosed to any third party, the Account Holder(s) should immediately notify the same to the Broker. Account Holder(s) will immediately notify of any loss, theft, or unauthorized use of his / her / their / it's account number and PIN. Account Holder(s) shall immediately notify and change his/her/its/their email or other address as mentioned in the Account Opening Form.
4. All risks connected and involved with Electronic/Online Trading will be assumed fully by the Account Holder(s). Neither the Broker nor any of its directors or officers would be responsible or liable in any manner for any losses or damages that may be suffered by the Account Holder(s), including those due to the misuse of the Account Holder(s) Password or PIN, hacking of lines, outages and slowdowns in the internet connection and piracy of Account Holder(s) information and affairs by unscrupulous persons.
5. Broker may at any time and from time to time require additional margins in the Account (in cash or securities) before executing any orders or undertaking any transactions through Online Trading for the Account Holder(s). The amount and timing may vary depending on factors solely at Brokers discretion. Broker shall have the right to liquidate the Account Holder(s) trading position(s) if the margin is insufficient at any time.
6. Broker may at its discretion elect with or without notice to square off the Account Holder(s) account and make obligations in the account immediately due and payable by the Account Holder(s) without assigning any reason.
7. All other terms and conditions including Special Terms and Conditions and CDC Terms and Conditions of this Account Opening Form shall be equally applicable to Online Trading Account(s).

WITNESSES

I bear witness that this document has been signed in my presence.

WITNESS NAME 1 _____ WITNESS NAME 2 _____

CNIC NUMBER _____ CNIC NUMBER _____

DATE _____ DATE _____

SIGNATURE _____ SIGNATURE _____

BROKER

AUTHORIZED SIGNATORIES OF APPLICANT

ANNEXURE A

BOARD RESOLUTION

"RESOLVED that an application be made on behalf of _____
(name of entity) to Vector Securities (Pvt.) Limited to open an Account and for this purpose the Account Opening Form, including Terms and Conditions, as set out herein be executed on behalf of _____ (name of entity)

FURTHER RESOLVED that _____ and _____
be and are hereby authorized and empowered singly/jointly for and on behalf of _____
(name of entity) to sign and execute and deliver this Account Opening Form and Terms & Conditions and other documents in connection therewith and to do any other act, deed or thing for and on behalf _____ of (name of entity) in respect of company's application for opening an Account.

FURTHER RESOLVED that _____ and _____
be and are hereby authorized and empowered singly/jointly to represent to the Broker on all matters pertaining to the maintenance and operation of the Account, to deal, liase and correspond with the Broker and give instructions to fulfill all the responsibilities and obligations to the Broker under the Law, Rules and Regulations and the Terms & Conditions in relation to the Account from time to time, and to deal with other incidental and ancillary acts, things and deeds."

Signatures of the Directors

Date of Resolution: _____

ANNEXURE B

LETTER OF AUTHORIZATION

Dear Sir:

RE: ACCOUNT NUMBER _____

This Letter of Authorization will serve to authorize _____

Holding CNIC _____ and residing at _____

_____ to convey my instructions to you
among others on the following matters:

1. To place orders for purchase/sale of shares at the Exchange at various rates.
2. To sign confirmation statements of various trades carried out on my behalf during the period.
3. To issue written instructions for receipt /transfer of shares through normal trade into/out of my CDC Account.
4. To receive A/C Payee cheques in my name from you and make payments on my behalf in cash or by cheques.
5. To receive original /copies of bills, proceeds and difference bills and copies of account statements on my behalf.

Vector Securities (Pvt.) Limited will be fully indemnified for all acts and omissions done on my behalf by Authorized Person, whose instructions shall be deemed as my instructions.

Yours truly,

ACCOUNT HOLDER

Specimen Signature(s) of Authorized Person(s)

Dated:

BROKER

AUTHORIZED SIGNATORIES OF APPLICANT