

Government of Pakistan
Securities and Exchange Commission of Pakistan

DRAFT NOTIFICATION

Islamabad the 17th August, 2017.

S. R. O. 832 (I)/2017. - The following **draft** Licensing of Accredited Representatives Regulations, 2017 proposed to be made by Securities and Exchange Commission of Pakistan in exercise of powers conferred by sub-section (4) of section 169 read with sections 66, 68, 69, and 151 of the Securities Act, 2015 (III of 2015) and sub-section (4) of section 114 read with sections 49, 51, 52 and 95 of the Futures Market Act, 2016 (XIV 2016), are hereby published for the information of all persons likely to be affected by and notice is hereby given that objections and suggestions, if any, received within the next fifteen days will be taken into consideration.

DRAFT REGULATIONS

CHAPTER I

PRELIMINARY

1. Short title and commencement.- (1) These regulations shall be called the Licensing of Accredited Representatives Regulations, 2017.

(2) They shall come into force at once.

2. Applicability.- The provisions of these regulations shall be applicable to the accredited representatives of regulated persons, by whatever name called, as listed at **Annexure A**.

3. Definitions.- (1) In these regulations, unless there is anything repugnant in the subject or context.-

- (a) "Branch manager" means a person appointed by a regulated person to act on its behalf for the purpose of operating or supervising its Branch Office;
- (b) "Branch office" shall mean an office or branch or shop opened and maintained by a regulated person for conducting the regulated activity

and includes the regulated person's main office;

- (c) "Futures Act" means the Futures Market Act, 2016 (XIV of 2016);
- (d) "Head of regulated activity" means a person, by whatever name called, including the chief executive officer or head of operations, who is responsible for heading the regulated activity for, or on behalf of the regulated person;
- (e) "Rating manager" means the chairman of rating committee of a credit rating company licensed by the Commission;
- (f) "Securities Act" means the Securities Act, 2015 (III of 2015);
- (g) "System operator" means an employee of a securities broker or futures broker who is authorized by such securities broker or futures broker to execute proprietary trades or trades of the customers through the automated trading system in a securities exchange or futures exchange or has the responsibility to handle the automated order placement software; and
- (h) "Trader" means an employee of a securities broker or futures broker who is authorized by such securities broker or futures broker to execute trades of the customers through the automated trading system in a securities exchange or futures exchange.

(2) Words and expressions used but not defined in these regulations shall have the same meaning as assigned to them in the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997); any administered legislation and any rules or regulations made thereunder.

CHAPTER II

ELIGIBILITY AND LICENSING FOR ACCREDITED REPRESENTATIVES

4. Prohibition.— No person shall act as an accredited representative of a regulated person unless such person is licenced by the Commission as an accredited representative.

5. Eligibility criteria for licensing of an accredited representative.— (1) Subject to ongoing compliance with the provisions of the Securities Act, the Futures Act and these regulations, a regulated person, hereinafter referred to as the principal, may apply to the Commission for licence for a person as its accredited representative, hereinafter referred to as the applicant, if the applicant:

- (a) fulfills the fit and proper criteria as specified in **Annexure B**;

- (b) its principal holds a valid TRE Certificate of the securities/futures exchange (in case the principal is a securities/futures broker);
- (c) its principal is licensed by the Commission and such license is valid on the date of submission of application for license under these regulations;
- (d) the applicant maintains membership of such exchange or association which is approved by the Commission for the purpose, if any, and the applicant fulfills the conditions specified by such exchange or association; and
- (e) has passed such examination or undertaken such training as may be specified by the Commission, or relevant association as the case may be.

(2) An accredited representative may be accredited with only one principal and may be licensed for more than one function in respect of a regulated activity or multiple regulated activities:

Provided he is fit and proper, and there is no conflict in him performing such activities.

6. Application and procedure for granting a licence.- (1) An application for licence for an accredited representative shall be made to the Commission in **Form A** along with all the information and documents specified in **Annexure C** and receipt evidencing payment of non-refundable fee of such amount as prescribed in **Schedule-I**.

(2) A principal, applying for licence under sub-regulation (1) above shall submit the application to the Commission along-with supporting documents through the securities exchange or the futures exchange as the case may be or the association where applicable:

Provided that in case the principal is a securities broker or futures broker, the application for accredited representative for regulated activities under Securities Act or Futures Act as the case may be, other than brokerage services being carried out by such principal, shall be submitted through the securities exchange or the futures exchange:

Provided further that in case where the principal is neither a securities broker nor a futures broker and an association has not been specified for the respective regulated activity, the application by such principal for licence shall be directly submitted to the Commission.

(3) The application for licence under sub-regulation (1) shall be supported by an authority letter and an undertaking in **Form B** and **Form C** respectively from the principal with whom the applicant is or is to be accredited.

(4) The exchange or association shall scrutinize the application for grant of licence and the documents submitted by the principal and within thirty business days of receipt of application, shall submit the application for consideration of the Commission along-with a letter of recommendation inter alia covering the following:

- (a) the contents of the application for licence and supporting documents are in conformity with these regulations;

- (b) the applicant meets the requirements of the Securities Act or the Futures Act as the case may be, and these regulations, for the purposes of licence under these regulations;
- (c) the applicant is a fit and proper person as per the criteria specified in these regulations; and
- (d) the applicant is in compliance with the conditions specified by the exchange or association.

(5) The Commission, while considering the application for licence, may require the applicant, its principal or the relevant exchange or association to furnish such further information or clarification as it deems appropriate.

(6) The applicant shall, if so required, appear before the Commission for a representation.

(7) Any subsequent change in the information provided to the Commission at the time of filing of application under sub-regulation (1) shall be communicated to the Commission within five business days from the date of such change.

(8) An applicant must provide all relevant information to the prospective principal to enable it to undertake the necessary due diligence before submitting an application for obtaining licence for a representative.

7. Grant of licence. (1) The Commission, while considering the application for granting a licence, shall inter-alia take into account the following matters,-

- (a) that the applicant meets the requirements of the Securities Act and/or the Futures Act as the case may be, and these regulations;
- (b) that the applicant has the ability to efficiently handle its responsibilities as an accredited representative of a principal and honor his/her obligations in accordance with the Securities Act and/or the Futures Act as the case may be and these regulations;
- (c) that the applicant satisfies the Commission that the reasons for an earlier refusal for grant or renewal of licence, if any, as an accredited representative no longer exist or applicable;
- (d) conviction or involvement of the applicant in an offence involving fraud or breach of trust; and
- (e) history of past regulatory compliance and any pending penal action against the applicant for an offence under the Securities and/or Futures Act, the Companies Act, 2017 or any other relevant laws.

(2) The Commission upon being satisfied, after conducting such inquiries and after obtaining such further information as it deems appropriate,-

- (a) that the applicant is eligible for a licence;
- (b) the applicant is in compliance with the provisions of the Securities Act and/or the Futures Act as the case may be and these regulations and any directives/guidelines/codes issued thereunder; and
- (c) it is in the public interest and interest of capital market;

shall grant a licence to the applicant in **Form D** for a period of one year under the provisions of the Securities Act and/or the Futures Act as the case may be, communicate this to the exchange/association and the principal, and update its register of regulated persons accordingly:

Provided that while deciding to grant licence, the Commission may seek any information from Government agencies, regulatory bodies including obtaining credit information bureau (CIB) reports from the State Bank of Pakistan.

(3) Nothing in these regulations shall affect power of the Commission to restrict, suspend or cancel the licence of an accredited representative under the Securities Act and/or the Futures Act as the case may be if any or all of the events as mentioned therein have occurred or the accredited representative fails to comply with any of the requirements of these regulations.

8. Renewal of licence.- (1) Subject to the provisions of the Securities Act and/or the Futures Act as the case may be and these regulations, a principal shall, one month prior to the date of expiry of its representative's licence, apply to the Commission in **Form E** along with all the documents as specified in **Annexure D** and receipt evidencing payment of renewal fee of such amount as specified in **Schedule I**, for renewal of licence of representative.

(2) A principal applying for renewal of licence under sub-regulation (1) shall submit the application along-with supporting documents through the exchange, association or directly to the Commission as specified in regulation 6.

(3) The application for renewal of licence under sub-regulation (1) shall be accompanied by a letter from the principal with whom the applicant has been accredited, which should clearly state that the principal has no objection to the renewal of the applicant as its accredited representative.

(4) The exchange/association shall scrutinize the application for renewal of licence and the documents submitted by the principal prior to submission of the same for consideration of the Commission, along-with a letter of recommendation stating that it has reviewed the contents of the application and the supporting documents and has found the same to be in conformity with the Act and these regulations:

Provided that while submitting the letter of recommendation to the Commission, the exchange/association shall also take into account the accredited representative's track record with respect to its compliance with the applicable regulatory requirements and the conditions specified by the exchange/association including the code of conduct specified by the exchange/association.

(5) The exchange/association shall submit the scrutinized application along-with the letter of recommendation to the Commission within fifteen business days of receipt of the same.

(6) The Commission upon being satisfied that the applicant continues to meet the requirements for licensing, is in compliance with the provisions of the Act, rules, regulations and any directives/guidelines/codes issued thereunder and it is in the public interest and interest of the capital market, shall renew the licence for one year and issue a certificate of renewal of licence to the applicant as per **Form F**.

(7) Where the application for renewal of licence is made within the provided time but has not been decided by the Commission, the licence of the accredited representative shall continue to be valid until the application for renewal is decided by the Commission.

(8) Where the application for renewal of licence is not made within the provided time, the licence of the accredited representative shall be cancelled in accordance with the provisions of the Securities Act and Futures Act.

(9) While renewing the licence of an accredited representative the Commission may, in addition to the criteria laid down for grant of licence, also take into account the past track record and history of regulatory compliance of the accredited representative.

(10) The Commission shall send an intimation of renewal of licence of the accredited representative to the exchange/association and the principal and update its register of the regulated persons accordingly.

9. Procedure where licence is not granted or renewed.- (1) The Commission, after giving a reasonable opportunity of hearing to the applicant, may refuse to grant or renew a licence if in the opinion of the Commission such applicant does not fulfill the requirements prescribed under the Securities Act and/or the Futures Act, as the case may be, and these regulations and where the Commission after taking into account the facts, is of the view that it is not in the public interest or in the interest of the capital market to grant or renew a licence.

(2) The applicant, if aggrieved by the decision of the Commission under sub-regulation (1), may, within a period of thirty days from the date of receipt of such refusal, prefer an appeal to the appellate bench of the Commission under section 33 of the Securities and Exchange Commission of Pakistan Act, 1997.

(3) The Commission shall communicate its decision of refusal to grant or renew the licence to the applicant or accredited representative, as the case may be, the exchange/association and the principal.

10. Automatic cancellation of licence.- (1) The licence granted to an accredited representative shall stand automatically cancelled where-

(a) the licence of the principal to whom he/she is accredited is cancelled; or

- (b) the accreditation of such representative is terminated by the principal or the representative himself; or
- (c) the application for renewal of licence is not made within the specified time; or
- (d) the licence of an accredited representative is suspended by the Commission and such suspension has not been revoked till the time of expiry of licence issued to the representative.

11. Public notice by the principal in case of suspension, refusal to renewal and termination of accreditation. – Where the Commission suspends, cancels or does not renew the license of an accredited representative, or where the accreditation of such representative is terminated by the principal or the representative himself, the principal shall publish in two daily newspapers having wide circulation, a notice advising of such termination and shall make arrangements for the placement of the notice on the website of the exchange/association.

12. On noticing irregularities, if any, in the operations of the accredited representatives, the principal shall seek withdrawal of such representative's licence, withhold all moneys due to him till resolution of customer complaints, alert customers in the location where the accredited representative operates, and take all measures required to protect the interest of customers and the market.

CHAPTER III

CONDUCT OF AN ACCREDITED REPRESENTATIVE

13. General Conduct of Business-

- (a) No accredited representative shall deal with customers in his own name. All transactions and communications shall be in the name of the principal.

Explanation.- Dealing with customers includes receiving cash or cheque from the customer in the representative's own name and issuing cash memos, receipts, delivery notes or any other document in his name;

- (b) An accredited representative must act in accordance with the best interests of the market and the customers, and must follow the internal code of practice/ethics and code of conduct put in place by its principal;
- (c) A branch manager accredited with a principal shall be deployed at such branch office which he/she is operating or supervising on behalf of the principal;

- (d) A branch manager accredited with a securities/futures broker shall not match the purchase and sale orders of his customers and each such order must invariably be routed through his principal in accordance with the regulations;
- (e) A principal shall enter into an agreement with its accredited representative for specifying the scope of his authority and responsibilities, confidentiality of information, remuneration or compensation, termination clause, etc.;
- (f) An accredited representative shall maintain high standards of integrity, promptitude and fairness in the conduct of all his business;
- (g) An accredited representative shall act with due skill, care and diligence in the conduct of all his business;
- (h) An accredited representative shall abide by the conduct of business, accounting and record keeping requirements and code of conduct if any, applicable on the representative as specified in the respective regulations of the principal, and as detailed in the agreement between the principal and the accredited representative, while discharging its duties in such capacity;
- (i) An accredited representative shall abide by all the provisions of the Securities Act and/or the Futures Act as the case may be, and the rules, regulations, directives, guidelines, codes etc. issued by the Commission, the exchange/association from time to time, as may be applicable to him; and
- (j) An accredited representative shall not neglect, fail or refuse to submit to the Commission, the exchange/association, such books, special returns, correspondence, documents and papers or any part thereof as may be required.

14. Regulated Persons to retain minimum number of accredited representatives in each Branch Office.- Every regulated person shall have at least one accredited representative in each of its branch offices.

Annexure A

Regulated Person	Accredited Representative
Securities/Futures Broker	Head of regulated activity, Branch Manager where applicable, Agent, System operator, Trader
Securities Manager	Head of regulated activity, Branch Manager where applicable, Person responsible for managing customer portfolios, Agent
Securities/Futures Adviser	Head of regulated activity, Branch Manager where applicable, Person involved in giving advice to customers, Agent
Ballotter/Share Registrar	Head of regulated activity, Branch Manager where applicable, Person dealing/collecting or processing applications, Person dealing with matters relating to corporate actions, Agent
Credit Rating Company	Head of regulated activity, Rating Manager
Underwriter	Head of regulated activity, Branch Manager where applicable, Agent, sub-underwriter
Debt Securities Trustee	Head of regulated activity, Branch Manager where applicable, Agent

Annexure B

FIT AND PROPER CRITERIA FOR ACCREDITED REPRESENTATIVES OF REGULATED PERSONS

This Fit and Proper Criteria is perpetual in nature and its compliance is mandatory.

All persons subject to Fit and Proper Criteria must submit any change in the submitted information or if such person is in non-compliance of any of the provisions of the Fit and Proper Criteria, to the exchange/association, as applicable, as well as its principal, within three business days of such change, which shall within a period of seven business days report the same to the Commission.

a) Financial Soundness and Integrity:

(i) The person should not have been adjudged as an insolvent or he should not have suspended payment of debts or compounded liabilities with his creditors.

(ii) The person should not have been convicted by a court of competent jurisdiction as a defaulter in payment of any loan to a financial institution including banking company, a Development Financial Institution or a Non- Banking Financial Company.

(iii) The person should not have availed write-off from any financial institution including banking company, a Development Financial Institution or Non- Banking Financial Company.

(iv) The person and companies, firms, sole proprietorship etc. where the person is a chief executive, director (other than nominee director), owner or partner etc., has/have no overdue payment to any customer, financial institution, securities exchange, futures exchange, clearing house, central depository and / or defaulted in payment of any taxes in the individual capacity or as a proprietary concern or any partnership firm or as director in any private unlisted and listed company.

Explanation: In case of overdue payment to any financial institution, CIB reports from the State Bank of Pakistan shall be examined and if there is any overdue/past due payment to a financial institution, irrespective of amount, in overdue column of latest CIB report of the person and of the companies, firms, sole proprietorship etc. where such person is a chief executive, director (other than nominee director), owner or partner etc., such person shall not be considered fit and proper person except:

- (a) in case where such overdue amount is under litigation and the same is also appearing as amount under litigation in CIB report; or
- (b) No overdue payment is appearing in the overdue column in the subsequent latest CIB report.

In case of any amount appearing in the overdue/write-off column of the CIB report, no rejection shall be made unless the person has been provided an opportunity of making a representation before the Commission.

(v) The person should not have been a director and/or chief executive of any company or body corporate which has defaulted in payment of Government duties/taxes/cess or has misused customer securities/assets or found involved in un-authorized trading through its customer account.

b) Competency:

(i) Membership or licence of the person or any company in which the person was a director or sponsor or majority shareholder, during the last three years has not been suspended/cancelled by the Commission, any other regulatory authority, any professional body, association or relevant entity e.g. the securities or futures exchange, central depository or clearing house:

Provided that eligibility of a person may be considered on the basis of prior clearance obtained from any such organization that suspended/ cancelled the membership or licence.

(ii) The person should not have been disqualified/ removed from the post of a key executive position of a company by the Commission or any other regulatory authority.

c) Integrity, Honesty and Reputation

(i) The person should not have been convicted in any criminal offence or directly involved in any settlement in civil/ criminal proceedings in a court of law, particularly with regard to moral turpitude, investments, financial/business misconduct, fraud/ forgery, breach of trust, financial crime etc. and/ or it has not been concluded by any regulatory authority that the person has been associated with any unauthorized financial activity including illegal brokerage business.

(ii) The person is not a party in litigation against the Commission in respect of any criminal offence or a matter relating to non-payment of customer claims or in any other manner prejudicial to the interest of customers and general public.

(iii) No investigation/enquiry/inspection, conducted under Section 138 or 139 of the Securities Act, 2015, Section 82 or 83 of the Futures Act, Section 29 of the Securities and Exchange Commission of Pakistan Act, 1997, Section 21 of the Securities and Exchange Ordinance, 1969, Section 263 or Section 265 of the Companies Ordinance, 1984, has been concluded against the person by the Commission with material adverse findings.

(iv) The person has not defaulted on settlement of a customer complaint where such complaint/an arbitration award has been adjudicated/decided by the Commission or the securities exchange.

(v) An order restraining, prohibiting or debarring him from dealing in securities in the capital market or from accessing the capital market has not been passed; or penalty of Rs.500,000/- or more has not been imposed on him by the Commission in the last three years, in respect of any laws administered by the Commission:

Provided that a person may be considered eligible in case a period of at least three years from the date of expiry of the period specified in the order for which such person has been restrained/prohibited/debarred has elapsed.

(vi) The person should not have provided false or misleading information either to the Commission or to any of the regulatory body, securities/futures exchange, central depository or a clearing house.

(vii) The person should not have been actively involved in the management or occupying the positions as specified in Annexure A, of a company whose registration or licence has been revoked or cancelled or which has gone into liquidation or other similar proceedings due to financial irregularities or malpractices.

d) Educational Qualification, Experience and Mandatory Certification/Examination:

(1) In case of the head of regulated activity, such person shall fulfil the minimum educational qualification, experience and certification requirements specified for the position of CEO in the respective regulations of the particular regulated activity.

Further, the exemption/grandfathering provision, if any, applicable to the CEO of a regulated activity shall also be applicable to the head of regulated activity, as the case may be.

(2) In case of branch manager of a regulated person, the person should:

- a) possess at least a graduate degree in finance, accountancy, business management, commerce, economics, capital market, financial services or related disciplines from a university recognized by the Higher Education Commission of Pakistan, or equivalent; and
- b) have a minimum experience of three years in the regulated activity for which its principal is licensed:

Provided that where a person possesses seven years of relevant experience of the capital markets, the minimum qualification requirement shall be relaxed in case of branch manager.

(3) In case of a securities manager, the person(s) responsible for managing customer portfolios should:

- a) possess at least a graduate degree in finance, accountancy, business management, commerce, economics, capital market, financial services or related disciplines from a university recognized by the Higher Education Commission of Pakistan, or equivalent; and
- b) have a minimum experience of three years of giving investment advice in financial products/securities/funds, asset or portfolio management:

Provided that where a person possesses seven years of the relevant experience mentioned above, the minimum qualification requirement shall be relaxed.

(4) In case of a securities/futures adviser (if the securities/futures adviser is a company), the person(s) responsible for giving advice to customers should:

- a) possess at least a graduate degree in finance, accountancy, business management, commerce, economics, capital market, financial services or related disciplines from a university recognized by the Higher Education Commission of Pakistan, or equivalent; and
- b) have a minimum experience of three years in trading, dealing or giving investment advice in financial products/securities/funds/derivatives, asset or portfolio management:

Provided that where a person possesses seven years of the relevant experience mentioned above, the minimum qualification requirement shall be relaxed.

(5) All accredited representatives must obtain the specialized certifications or pass the specified examinations for accredited representatives of a particular regulated activity specified by the Commission and/or the exchange and/or the association, for the purpose, within such time as may be specified.

FORM A

FORM OF APPLICATION FOR LICENCE AS AN ACCREDITED REPRESENTATIVE

To
The Securities and Exchange Commission of Pakistan,
Islamabad.

Dear Sir,

1. I/We ...(name of principal)...hereby apply for licence for ...(name of applicant).... as my/our accredited representative under section 68 of the Securities Act, 2015 and/or section 51 of the Futures Market Act, 2016.
2. The application for licence by ... (name of applicant).... is enclosed herewith as Annexure "A 1".
3. Necessary information/documents required under the Securities Act, 2015 and/or the Futures Market Act, 2016 and the Licensing of Accredited Representatives of Regulated Persons Regulations, 2017 is attached.

Yours faithfully,

Signature

Annexure "A 1"

Application for Licence for Accredited Representative of a Principal

To
The Securities and Exchange Commission of Pakistan,
Islamabad.

Dear Sir,

1. I ...(name of applicant)... hereby apply for license as accredited representative of ... (name of principal)... under section 68 of the Securities Act, 2015 and section 51 of the Futures Market Act, 2016.

2. Original receipt of the bank for the fee of Rs.....being the licence fee is enclosed.

Yours faithfully,

Signature

Annexure C

Information and Documents to be provided along-with application for licence as an Accredited Representative

1. Name of applicant
2. Residential address
3. Telephone No.
4. CNIC/Passport No.
5. Educational qualification of applicant (certified true copies of educational certificates to be provided along-with the application)
6. Evidence that the applicant has passed the requisite certification program/examination
7. Evidence of past experience of the applicant (experience letters from relevant employers to be provided along-with the application)
8. Name of the principal to which applicant is to be accredited to
9. Name of the relevant exchange/association of which the principal is required to be a member of
10. Authority letter and undertaking from the principal to whom the applicant is or is to be affiliated and two references, including one from the banker as required are enclosed.
11. An undertaking on a stamp paper specifying that the applicant is in compliance with all the requirements for grant of licence under the Securities Act, 2015 and/or Futures Market Act, 2016 and the Licensing of Accredited Representatives of Regulated Persons Regulations, 2017.
12. Any other information and document as may be required by the Commission/exchange/association from time to time.

FORM B

AUTHORITY LETTER TO BE GIVEN BY THE PRINCIPAL TO WHOM THE REPRESENTATIVE IS TO BE ACCREDITED

To
The _____ Securities and Exchange Commission of Pakistan/(Name of Relevant Exchange/Association of which the principal is a member of)

Dear Sir,

I/We understand that _____ son/daughter of _____, aged _____ years, residing at _____ desires to be accredited / has been accredited to me/us at _____ for carrying on the business of _____ as my/our representative.

I/We confirm that the aforesaid person is a fit and proper person to be registered as a representative.

I/We confirm that the aforesaid person is known to me/us for _____ (period of time) _____ and has got good financial background, moral character and integrity, and has been transacting business frequently and was meeting the market commitments as and when they arise. (In case the representative has been affiliated with the principal prior to commencement of the Licensing of Accredited Representatives of Regulated Persons Regulations, 2017).

I/We take full responsibility for the actions and dealings of the aforesaid person as representative.

I/We hereby recommend the application of the aforesaid person for granting licence for carrying on business of _____ as representative. I/We also wish to state that whatever the information that has been submitted is true to the best of our knowledge and if at a later date if any material information comes to our knowledge subsequent to the submission of this application, I/We undertake to keep the (name of relevant exchange/association) and the Commission informed about the same.

I/We, licenced as _____ with the SECP, hereby agree to recommend the aforesaid person.

Yours faithfully,

Signature of authorized person on behalf of the regulated person

Date

FORM C

**Affidavit to be provided by the Principal/authorized person on behalf of the Principal
along-with application for licence of the applicant as its representative**

(On Stamp Paper of Appropriate Value)
AFFIDAVIT

I, _____ son/daughter/wife of _____ adult, resident of _____ and holding CNIC/ Passport No. _____ do hereby, on behalf of (name of the principal)..... state on solemn affirmation that as per provisions of Securities Act, 2015 and/or the Futures Market Act, 2016, as applicable

1. The (name of the principal)..... shall take full responsibility for the actions and dealings of the(name of applicant)..... within the scope of his/her office or employment.

2. An act, omission or failure of(name of applicant)..... within the scope of his/her office or employment shall be deemed to be the act, omission or failure of the ... (name of principal).... as well as of the ...(name of applicant).

DEPONENT

The Deponent is identified by me

Signature _____
ADVOCATE
(Name and Seal)

Solemnly affirmed before me on this _____ day of _____ at _____ by the Deponent above named who is identified to me by _____, Advocate, who is known to me personally.

Signature _____
OATH COMMISSIONER FOR TAKING AFFIDAVIT

FORM D

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

LICENCE AS AN ACCREDITED REPRESENTATIVE

No.

Islamabad,(date).....

The Securities and Exchange Commission of Pakistan having considered the application for licence under section 68 of the Securities Act, 2015 and/or section 51 of the Futures Market Act, 2016 by(name of the applicant).... who is to be accredited with __ (name of principal)__: a licenced __ (category of regulated person)__ as a ..(designation of accredited representative)...., and upon being satisfied that the applicant is eligible for a licence, and that it would be in public interest and in the interest of the capital market so to do, hereby grants licence, in exercise of the powers conferred by section 69 of the Securities Act, 2015 and/or section 52 of the Futures Market Act, 2016 to.....(Name of the applicant).... subject to the provisions of the Securities Act, 2015 and/or Futures Market Act, 2016 and the rules and regulations made thereunder, as amended from time to time.

This licence is valid up to one year from the date of issuance unless it is suspended or cancelled earlier by the Commission.

Signature of the Officer

FORM E

FORM OF APPLICATION FOR RENEWAL OF LICENCE AS AN ACCREDITED REPRESENTATIVE

To
The Securities and Exchange Commission of Pakistan,
Islamabad.

Dear Sir,

1. I/we ...(name of principal)... hereby apply for the renewal of license of ... (name of applicant).... as my/our accredited representative of _____ under section 69 of the Securities Act, 2015 and section 52 of the Futures Market Act, 2016.
2. The existing licence is due to expire on
3. The application for renewal of licence by ... (name of applicant)... is enclosed herewith as Annexure "B 1".
4. Necessary information/documents required under the Securities Act, 2015 and/or the Futures Market Act, 2016 and the Licensing of Accredited Representatives of Regulated Persons Regulations, 2017 are attached.
5. It is requested that the licence be renewed for a period of one year.

Yours faithfully,

Signature

Annexure "B 1"

Application for Renewal of Licence by Accredited Representative of Principal

To
The Securities and Exchange Commission of Pakistan,
Islamabad.

Dear Sir,

1. I ...(name of applicant)... hereby apply for the renewal of my license as accredited representative of ... (name of principal)... under section 69 of the Securities Act, 2015 and section 52 of the Futures Market Act, 2016.

2. Original receipt of the bank for the fee of Rs.....being the renewal fee is enclosed.

3. It is requested that the licence be renewed for a period of one year.

Yours faithfully,

Signature

Annexure D

Information and Documents to be provided along-with application for renewal of licence as an accredited representative

The following details shall be provided along-with application for renewal of licence by an applicant for its accredited representative along with the relevant supporting documents for the last one year:

1. Details of the non-compliance by the applicant, if any, with any provision of the applicable laws including the Securities Act and/or Futures Act and rules or regulations made thereunder.
2. Details of the non-compliance by the applicant, if any, with any of the licensing conditions.
3. Details of any penal or disciplinary action initiated or taken against the applicant or its principal by any regulatory authority or government agency/department.
4. Details of legal proceedings, if any, initiated against the applicant or its principal and penal actions taken against the applicant or its principal and penalty imposed by the Commission or any other regulatory authority.
5. Authority letter from the principal.
6. An undertaking on a stamp paper specifying that the applicant is in compliance with all the requirements for grant of renewal of licence under the Securities Act, 2015 and/or Futures Market Act, 2016 and the Licensing of Accredited Representatives of Regulated Persons Regulations, 2017.
7. Any other information and document as may be required by the Commission/relevant exchange/association from time to time.

FORM F

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

RENEWAL OF LICENCE AS ACCREDITED REPRESENTATIVE

No.
.....(date).....

Islamabad, the

The Securities and Exchange Commission of Pakistan having considered the application for renewal of licence under section 69 of the Securities Act, 2015 and/or section 52 of the Futures Market Act, 2016 by(Name of applicant)..... who is accredited with ___(name of principal)___; a licenced ___(category of regulated person) as a ...(designation of accredited representative)... , and upon being satisfied that the applicant is eligible for a renewal of licence and that it would be in public interest and in the interest of the capital market so to do, hereby grants renewal of licence, to the said applicant for one year subject to the provisions of the Securities Act, 2015 and/or the Futures Market Act, and the rules and regulations made thereunder, as amended from time to time.

Signature of the Officer

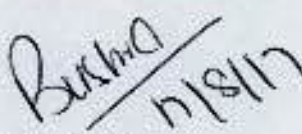
Schedule I

SCHEDULE OF FEES*

Description of fee	Amount of fee in PKR
Fee to be paid at the time of applying for license as an accredited representative	
a) In case of Head of regulated activity in case regulated person in involved in multiple regulated activities, Branch Manager, Person responsible for managing customer portfolios, Person involved in giving advice to customers, Rating Manager, Agent	Rs 15,000
b) In all other cases	Rs 5,000
Fee to be paid at the time of applying for renewal of license as an accredited representative	
a) In case of Head of regulated activity in case regulated person in involved in multiple regulated activities, Branch Manager, Person responsible for managing customer portfolios, Person involved in giving advice to customers, Rating Manager, Agent	Rs8,000
b) In all other cases	Rs2,500

* The above fees shall be deposited into the designated bank account of the Commission, along with applicable collection charges.

[No.SY/SECP/8/13]


Bushra Aslam
Secretary to the Commission