

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

-.-.-

Islamabad, the June 7th, 2018

NOTIFICATION

S.R.O. 733 (I)/2018.___ In exercise of the powers conferred by section 512 read with section 42 and section 43 of the Companies Act, 2017 (XIX of 2017), the Securities and Exchange Commission of Pakistan is pleased to notify the following Associations with Charitable and Not for Profit Objects Regulations, 2018, the same having been previously published vide notification S.R.O 450 (I)/2017 dated June 07, 2017, namely:-

CHAPTER I

PRELIMINARY

1. Short title, commencement and application.- (1) These Regulations shall be called the Associations with Charitable and Not for Profit Objects Regulations, 2018.

(2) They shall come into force at once.

(3) These regulations shall apply to companies licensed under section 42 of the company law and shall not apply to trade organizations licenced under the Trade Organizations Act, 2013 (II of 2013).

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

- (i) "Act" means the Companies Act, 2017 (XIX of 2017);
- (ii) "Annexure" means annexures appended to these regulations;
- (iii) "association" for the purpose of these regulations means a group of persons united for a common object desirous of obtaining license under section 42 of the Act;
- (iv) "authorized intermediary" shall have the same meaning as assigned to it under the Intermediaries (Registration) Regulations, 2017;
- (v) "authorized officer" for the purpose of these regulations shall include a chief executive officer, director, secretary and chief financial officer of the company authorized by the board of directors of the company to sign a document or proceeding requiring authentication by the company;
- (vi) "benefits" means all monetary and non-monetary favors of any kind received from the company directly or indirectly including but not limited to company maintained car, medical plan, house rent, loans and advances but does not include official travelling reimbursements, boarding and lodging expenses incurred on attending official meetings or expenses incurred in attending office as per entitlement;
- (vii) "close relative" means spouse(s), siblings and their children, lineal ascendants and descendants;
- (viii) "donation" means contribution whether in cash or in kind, in the form of

charity, grant, aid, contribution, gift, assistance, subsidy or any other form, received directly or indirectly, from any source whether local or foreign, for the purpose of achieving the objects of the company;

- (ix) "Form" means a form appended to these regulations;
- (x) "promoter" means a person named as subscriber to the Memorandum of Association or member of Association who has applied for the grant of a license under section 42 of the Act; and
- (xi) "remuneration" means reward or compensation for employment in the form of pay, salary or wage including all other perquisites and non-cash incentives but does not include reimbursement for boarding or lodging for attending board meetings.

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

3. Compliance by existing companies.- (1) All companies licensed under section 42 of the company law at the time of coming into force of these regulations, shall comply with all the requirements of these regulations.

(2) The provisions of these regulations shall have effect notwithstanding anything contained in the memorandum or articles of a company, or in any contract or agreement executed by it, or in any resolution passed by the company in general meeting or by its directors, whether the same be registered, executed or passed, as the case may be, before or after coming into force of the said provisions and any provision contained in the memorandum, articles, agreement or resolution aforesaid shall, to the extent to which it is repugnant to the aforesaid provisions of these regulations, become or be void, as the case may be.

CHAPTER II

LICENSE

4. Application and procedure for grant of a license.- (1) An association desirous of obtaining a license under section 42 of the Act shall make an application to the Commission in the manner as specified in **NFP Form 1** along with all supporting documents as specified therein through an authorized promoter or authorized intermediary.

(2) An application for license under sub-regulation (1) may be made for promotion of single or multiple objects as provided in section 42 of the Act.

(3) Where an association applies for a license for the promotion of single object, one of the promoters shall have adequate experience in the field of proposed object.

(4) Where an association applies for a licence for the promotion of multiple objects, it shall have at least one promoter in each field of the proposed objects who possesses adequate experience in that field so that all the promoters or directors collectively have sufficient experience related to each object.

5. Grant of license.- (1) The Commission, while considering the application for grant of license under regulation 4, may make such enquiry and obtain such other information or clarification as it may deem necessary.

(2) The Commission may, on being satisfied that the promoters, proposed directors and proposed chief executive officer of an association comply with the fit and proper criteria specified in regulation 10, that all other requirements for the grant of a license have been fulfilled, and it shall be in the public interest so to do, may grant a license under section 42 of the Act to the association in the manner as provided in **NFP Annexure 1**, subject to such conditions as it may deem fit to impose.

(3) The license shall be issued for a period of three (3) years unless it is revoked earlier by the Commission:

Provided that the companies which were granted license for a period of five (5) years prior to notification of these regulations shall apply for renewal of license after expiry of term specified in their existing license.

(4) In case of refusal to grant the license, the Commission shall issue an order of refusal:

Provided that the Commission before issuing refusal order shall provide an opportunity of being heard to the applicant.

6. Incorporation of association.- (1) The association which has been granted a license by the Commission under regulation 5, shall apply for its incorporation as a public limited company under the provisions of the Act within sixty (60) days of the date of issuance of such license:

Provided that the Commission may, under special circumstances, on an application made by the promoters, extend such time as deemed appropriate in the circumstances.

(2) The license granted to an association under section 42 may be revoked by the Commission if the association does not apply for its incorporation as a company under the provisions of the Act within the time period as provided in sub-regulation (1) or such time as extended by the Commission:

Provided that before a license is so revoked, the Commission shall give an opportunity of being heard to the association against the revocation.

7. Conditions applicable to section 42 companies.- In particular and without prejudice to the generality of the powers of the Commission under section 42 of the Act and regulation 5 of these regulations, a license may be granted subject to the following conditions, namely,-

- (i) the conditions imposed under these regulations or any other additional conditions imposed by the Commission shall be deemed to be included in the memorandum of association of the company;

- (ii) the company shall utilize all its money, property, donations or income or any part thereof solely for promoting its objects:

Provided that any surplus or money not exceeding the amount as specified in the Income Tax Ordinance, 2001 may be invested in the instruments or securities as specified therein;

- (iii) It shall be registered as a public limited company having at least three promoters;
- (iv) the limit of liability for each of its members shall not be less than one hundred thousand rupees or such other amount as may be notified by the Commission;
- (v) each promoter shall undertake to donate a reasonable amount but not less than two hundred thousand rupees as start-up donation or such other amount as may be required by the Commission:

Provided that this requirement shall not be applicable in case of a promoter representing or nominated by an entity or by Government or an institution or authority or other statutory body of the Federal or Provincial Government(s) and in such case, the start-up donation shall be contributed by the said entity, Government, institution, authority or statutory body as the case may be;

- (vi) the directors and the chief executive officer shall be entitled only for reimbursement or payment of actual expenses incurred by them for attending meetings;
- (vii) payment of remuneration and other benefits shall be allowed only to the chief executive officer and directors who are non-members and are in the whole-time employment of the company:

Provided that this requirement shall not be applicable on the chief executive officer and directors who are members and are in the whole-time employment of non-bank microfinance company licensed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003;

- (viii) payment of remuneration or other benefits by the company or its subsidiary entity for services or otherwise to members of the company or to their close relatives whether holding an office in the company or its subsidiary or not, shall be prohibited:

Provided that the prohibition shall continue to apply for a period of one year after a member quits from the membership of the company;

- (ix) no change in the memorandum of association shall be made except with the prior approval of the Commission;
- (x) patronage of any government or authority or renowned personalities and organizations whether local or foreign, express or implied, shall not be claimed

unless such person has signified its consent thereto in writing;

- (xi) the company shall not engage in any activities to function as a trade organization;
- (xii) the company shall not exploit or offend the religious susceptibilities of the people;
- (xiii) the company shall not, directly or indirectly, participate in any political campaign for elective public office or other political activities akin to those of a political party or contribute any funds or resources to any political party or any individual or body for any such purpose;
- (xiv) the promoters of the company shall continue to be the members of the company unless allowed by the Commission to quit as member of the company on an application made by it in the manner as provided in **NFP Form 3**;
- (xv) the company shall not admit any new member unless he meets the fit and proper criteria as contained in these regulations:

Provided that this condition shall not be applicable on members representing or nominated by Government or an institution or authority or other statutory body of the Federal or Provincial Government(s);

- (xvi) the company shall appoint directors and chief executive officer who meet the fit and proper criteria as specified under these regulations with the prior approval of the Commission:

Provided that this condition shall not be applicable on nominees of Government or an institution or authority or other statutory body of the Federal or Provincial Government(s):

Provided further that this requirement shall not be applicable on the chief executive officer and directors of a non-bank microfinance company licensed under the Non-Banking Finance Companies (Establishment and Regulation) Rules, 2003 as such persons shall be required to comply with the fit and proper criteria specified in Non-Banking Finance Companies and Notified Entities Regulations, 2008;

- (xvii) subject to compliance with section 199 of the Act and regulations made thereunder, the company shall make no investment, whatsoever, in any of its associated companies or associated undertakings except with prior approval of the Commission and subject to such conditions as it may deem fit to impose;
- (xviii) the company shall state with its name, the phrase "A company set up under section 42 of the Companies Act, 2017", in all its letterheads, documents, signboards, and all other modes of communication;
- (xix) the income and any profits of the company, shall be applied solely towards the promotion of objects of the company and no portion thereof shall be distributed, paid or transferred directly or indirectly by way of dividend, bonus or otherwise by

way of profit to the members of the company or their close relatives;

- (xx) the company shall close its accounts on 30th of June each year;
- (xxi) notwithstanding anything stated in any object clause, the company shall obtain such other licenses, permissions, or approvals of the relevant public authorities as may be required under any relevant statutory regulations and laws for the time being in force, to carry out any specific object;
- (xxii) the company shall not appeal, solicit, receive or accept donations from foreign sources except with the prior permission, clearance or approval from the relevant authorities as may be required under any law or specified by the Government;
- (xxiii) the company shall receive all funds, grants, contribution and donations through proper banking channels:

Provided that amounts equivalent to or less than twenty thousand rupees can be received in cash for which proper entries in the books and records of donor shall be maintained and such amount shall be immediately deposited in the bank account of the company;

- (xxiv) the company shall ensure that the donations received and the charitable assets are utilized exclusively for charitable purposes and are not utilized or diverted to the benefit of the entities and individuals designated under the United Nations Security Council's (UNSC) sanctions list as maintained and periodically updated on UNSC's website;
- (xxv) the company shall ensure that a system of sound internal control is established, which is effectively implemented and maintained at all levels within the company to ensure safeguarding of its charitable assets. Such a system of sound internal control is characterized, *inter-alia*, by,
 - (a) the issuance and implementation of policies, procedures, delegation of decision making powers, record management systems, financial management systems and tools, etc.;
 - (b) having appropriate controls in place to ensure that donors, beneficiaries, promoters, members, directors, stakeholders, employees, volunteers or other people associated with the company or its associated company are not listed as a designated individual or entity which is subject to targeted financial sanctions;
- (xxvi) the company shall separately maintain the following registers in addition to the books of account as required under the Act,-
 - (a) register of donors and donations including information about donor's names, addresses, type of donation received *i.e* in cash or in kind, amount/value of donation received, date of receipt of donation, mode of

- payment, particulars of payment instrument and the purpose of donation;
- (b) register of donees and beneficiaries of the funds disbursed including information about their names, addresses, type of disbursement *i.e* in cash or in kind, amount/value of disbursement, date of disbursement and the purpose and other details of disbursement;
- (xxvii) the company shall ensure compliance with the conditions prescribed in relations to anti-money laundering and counter financing of terrorism under the applicable laws; and
- (xxviii) the company shall comply with any other condition(s) as may be imposed by the Commission at the time of grant of license or renewal thereof or from time to time subsequent to such grant or renewal of license.

8. Renewal of license.- (1) The company which was issued license under the company law shall, within a period of three months, prior to expiration of license, make an application to the Commission for renewal .

(2) The application for renewal under sub-regulation (1) shall be made to the Commission in the manner as provided in **NFP Form 2** along with all the supporting documents as specified therein along with original receipt evidencing payment of fee as specified in seventh schedule of the Act:

Provided that till such time the license is renewed the existing license shall be deemed valid for the purposes of these regulations unless the company failed to apply as specified in sub-regulation (1) or fails to fulfil all the requirements to the satisfaction of the Commission for the renewal of license:

Provided further that if the company fails to apply within the specified time period or fails to fulfil all the requirements to the satisfaction of the Commission, the Commission may initiate proceedings in terms of provisions of sub-section (5) of section 42 of the Act.

(3) The Commission, on being satisfied, that the directors and chief executive officer of the company comply with the fit and proper criteria specified in regulation 10, that all other requirements for the renewal of a license have been fulfilled, and that it shall be in the public interest so to do, may renew the license for a period of three years in the manner as provided in **NFP Annexure 2**, subject to such conditions as it may deem fit to impose.

9. Refusal to renew license. – The Commission may, after affording opportunity of being heard to the company, may refuse to renew the license if in the opinion of the Commission such company does not fulfil the requirements specified under the Act 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 to renew a license.

10. Fit and proper criteria for promoters, members, directors and chief executive officer.- (1) Each of the promoters, directors, chief executive officer and members of an

association shall meet the fit and proper criteria as provided in these regulations:

Provided that the Commission shall assess the fitness and propriety of the promoters, directors and the chief executive officer whereas the company shall assesses the fitness and propriety of its members:

Provided further that the fit and proper criteria shall remain applicable at all times and in case of any non-compliance at any point of time, the company shall be responsible for replacement of above referred persons for which necessary approval of the Commission shall be obtained.

(2) The fitness and propriety shall be assessed by taking into account all the relevant facts including but not limited to the following,-

(i) **Integrity and track record.**-A person shall fulfil the following requirements in order to act as promoter, member, director or chief executive officer of the company,-

- (a) he has not been found associated with any money laundering or terrorist financing activities, illegal banking business, illegal deposit taking or financial dealings, and also understand the company's unique risks including the money laundering and terrorism financing risks in the locations where the company operates;
- (b) he or the companies in which he is a director or major shareholder have not been declared by tax authorities as a tax defaulter;
- (c) he or the companies in which he was a promoter or is a director or major shareholder have not been found involved in any fraudulent activities or illegal activities;
- (d) he has not been found convicted of fraud or breach of trust or of an offence involving moral turpitude by a court of law;
- (e) he has not been actively involved in the management of a company whose registration or license has been revoked or cancelled or which has gone into liquidation or other similar proceedings due to financial irregularities or malpractices;
- (f) he is not ineligible, under the Act and company law or any other legislation;
- (g) he has not been found involved in any undesirable or anti-state activities; and
- (h) he has not been found involved in multi-level marketing (MLM), Pyramid and Ponzi Schemes, or other related activities/businesses or any lottery business.

(ii) **Solvency and financial soundness.**- A person must fulfil the requirement, in order to act as promoter, director or chief executive officer of the company that there is no instance of overdue or past due payment to a financial institution, irrespective of amount, appearing in the latest Consumer Credit Information Report (CCIR) of the person and of the companies, firms, sole

proprietorship etc. where the person is a chief executive, director (other than nominee director), owner or partner, etc.

(iii) **Qualification and experience.**— A person shall possess adequate qualification and experience in order to act as promoter, director or chief executive officer of the company:

(3) The fit and proper criteria shall also apply to directors being elected or appointed or opted on the board of directors including chief executive officer of the company, prior approval of which shall be sought from the Commission on an application made in the manner as provided in **NFP Form 3** by an authorized officer or authorized intermediary of the company.

CHAPTER III

REVOCATION OF LICENSE AND WINDING UP

11. Revocation of license.- (1) In addition to the grounds provided under sub-section (5) of section 42 for revocation of the license, where the promoters, directors or chief executive officer of the company licensed under section 42 of the Act and registered under these regulations or company law do not comply with any of the conditions imposed by these regulations or are disqualified under regulation 10 at any time or fail to get the license renewed within the time period provided under these regulations or have violated any provision of these regulations or of the Act, the Commission may, after giving a notice in writing and an opportunity of being heard, revoke the license.

(2) Where the Commission revokes the license granted under section 42 of the Act, it shall send the revocation order to the company at its registered office address and place this information on the website of the Commission.

(3) Upon revocation of the license by the Commission, the company shall cease to enjoy the exemptions and privileges conferred upon it by virtue of license granted under section 42 of the Act.

(4) The company shall immediately prepare and arrange audit of its financial statements for the period starting from the day following the date of last audited financial statements till date of revocation of license in case the latest available audited financial statements are older than three months and the auditor shall submit its report within fifteen days of its engagement for the purpose.

(5) Subject to the requirements of section 43 of the Act, the board of directors of the company shall within a period of ten days of revocation of license shortlist and approve the name of transferee company which has provided concurrence to receive the assets of the company.

(6) Subsequent to the approval of the board, the chief executive officer shall proceed to transfer the assets of the company after satisfaction of all debts and liabilities by entering into agreement with approved transferee company and such agreement shall set out the roles and

responsibilities of transferor and transferee companies and mechanism for transfer of assets along with details of assets to be transferred.

(7) Subject to the provisions of sub-section (2) of section 43 of the Act, the board shall file the report to the registrar in the manner as provided in **NFP Form 4** along with following documents,-

- (i) affidavit by the chief executive officer stating that all requirements of the Act and these regulations have been fully complied regarding transfer of assets to another section 42 company;
- (ii) latest audited financial statements along with auditors report exhibiting complete details of total assets, total debts and liabilities along with net assets to be transferred to another company licensed under section 42 of the Act;
- (iii) copy of minutes of board meeting in which transferee company was short listed;
- (iv) copy of letter of concurrence from the transferee company;
- (v) copy of agreement for transfer of assets; and
- (vi) certificate confirming completion of transfer of assets issued by the auditor of transferee company.

12. Surrender of License.- (1) The Company may apply to the Commission for voluntary surrender of license along with reasons for the same and the Commission may revoke the license if it deems it expedient.

(2) Upon revocation of license, the company shall follow the procedure specified in sub-regulation (4), (5), (6) and (7) of regulation 11 and provisions of section 43 of the Act.

CHAPTER IV

MISCELLANEOUS

13. Financial Statements.- The company shall ensure that its income and expenditure accounts clearly exhibits a statement of all funds, grants, contributions, donations received from local and foreign sources separately.

14. Monthly Reporting.-The company shall submit to the Commission in the manner as provided in **NFP Form 5**, a monthly statement of amount received from local and foreign sources equivalent to or in excess of five million rupees.

15. Security Clearance.- The Commission shall obtain prior security clearance in accordance with policy announced by the Government in respect of foreign funding or foreign

promoters, directors, or chief executive officer of applicant seeking license under these Regulations whereas the company shall also obtain prior security clearance of its foreign members through the Commission.

16. Penalties.- Any contravention or violation of these regulations shall be punishable in accordance with the provisions of the Act.

17. Repeal.- (1) The following rules, circulars and notifications hereinafter referred to as repealed instruments, are hereby repealed, namely,-

- (i) Rule 6 of Companies (General Provisions and Forms) Rules, 1985;
- (ii) Circular No. 29 of 2008 dated December 24, 2008;
- (iii) Circular No. 4 of 2009 dated February 27, 2009;
- (iv) Circular No. 12 of 2011 dated August 19, 2011;
- (v) Circular No. 2 of 2012 dated January 16, 2012;
- (vi) Circular No. 02 of 2015 dated January 01, 2015;
- (vii) Circular No. 04 of 2015 dated January 30, 2015;
- (viii) Circular No. 05 of 2015 dated January 30, 2015;
- (ix) Circular No. 28 of 2015 dated August 10, 2015;
- (x) Circular No. 45 of 2015 dated December 16, 2015;
- (xi) Circular No. 13 of 2016 dated April 05, 2016;
- (xii) Circular No. 16 of 2016 dated April 11, 2016;
- (xiii) Circular No. 34 of 2016 dated November 07, 2016;
- (xiv) S.R.O 527(I)/2016 dated June 07, 2016; and
- (xv) S.R.O 285(I)/2017 dated April 18, 2017.

(2) Anything done, actions taken, orders passed, registration granted, notifications issued, proceedings initiated and instituted, prosecutions filed, processes or communications issued and powers conferred, assumed or exercised by the Commission under the repealed instruments, shall, on the coming into operation of these Regulations, be deemed to have been validly done, taken, passed, granted, issued, initiated or instituted, filed, conferred, assumed and exercised and every action, prosecution or proceeding instituted and every order, directive, notification, circular etc. issued by the Commission shall be deemed to have been initiated, instituted or issued under these Regulations and shall be proceeded with to completion and be enforced and have effect accordingly.

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THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018

[See Regulation 4]

APPLICATION FOR GRANT OF LICENSE UNDER SECTION 42 OF THE ACT

PART-I

(To be completed by the applicant in block letters.)

1. Fee Payment Details 1.1 Challan No 1.2 Challan Amount (Rs.)

PART-II**Association's information****2.1 Proposed Name and brief object(s) of the association**Name Brief object(s) **2.2 Whether the association is already in existence -**Yes No

If the association is already in existence, state the following:

i. Name of existing entity

ii. Object(s)

iii. Entity registered as State whether society, trust, etc.

iv. Registration authority

2.3 Particulars of promoters/proposed directors/proposed CEO*:

Name and surname (present and former) in full	Father's/ Husband's Name in full	GNIC/NICOP (in case of Pakistani national) or Passport No(in case of foreigner)	** Incorporation/ Registration Number	Nationality (with former nationality and nationality of the origin, if different)	***Occupation	Residential address/ registered office address (in case of a subscriber other than a natural person)	NTN (in case of director, where applicable)	Designation (Director / Subscriber/ CEO) Please specify	No of shares subscribed, only in case of company having share capital (for promoter)

* Add details as applicable

** Applicable to subscribers other than natural persons

***Please also mention names of other companies where directorship is held.

2.4 Details of donation by promoters and other persons:

Name of Promoter/others	Nature of Donation (cash or in Kind)	Amount of Cash donation (Rs.)	Description including ownership of in-kind donation	Value including basis of calculation of in-kind donation

Note: minimum required start-up donation shall be in the form of cash only to be deposited through proper banking channel

2.5 Declaration by the applicant

I do hereby solemnly and sincerely declare that:

- a) I have been authorized as declarant by the promoters;
- b) all the requirements of the Companies Act, 2017, and Associations With Charitable and Not For Profit Objects Regulations, 2018 have been complied with;
- c) I make this solemn declaration conscientiously believing the same to be true.

PART-III

3.1 Signature

3.2 Name of Authorized Promoter/ Authorized Intermediary

3.4 Registration No of Authorized Intermediary, if applicable

3.5 Contact details of the applicant, i.e. address, email and cell No. etc.

Address:
Email:
Cell No.

3.6 Date

Day	Month	Year
<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>	<input style="width: 40px; height: 20px;" type="text"/>

Enclosures:

1. copy of national identity card (NIC)/ NICOP/valid passport (in case of foreigner) of each promoter, proposed directors and proposed chief executive officer;
2. curriculum vitae of each promoter, proposed directors and proposed chief executive officer as per **Appendix-A to NFP Form 1** ;

3. an affidavit by each promoter, proposed directors and proposed chief executive officer as per **Appendix-B to NFP Form 1**;
4. the approximate future annual income and expenditure, specifying the expected sources of income and objects for its expenditure along with detailed breakup of the estimates as per **Appendix-C to NFP Form 1**;
5. a brief statement of charitable or other relevant work if already undertaken and projects proposed to be undertaken in foreseeable future as per **Appendix-D to NFP Form 1**;
6. a copy of the draft memorandum and articles of association as per Table F of the First Schedule to the Act;
7. the names of the companies, associations and other institutions in which the promoters, proposed directors and proposed chief executive officer hold any office or position, with descriptions of offices and positions so held;
8. a letter of authority as per **Appendix-E to NFP Form 1** by all the promoters in favor of either one of them or an authorized intermediary to present the application before the Commission on their behalf, and to make other amendments, additions, corrections etc., in the documents and also to collect license;
9. copy of availability of name letter issued by Company Registration Office indicating that the proposed name is available;
10. original paid bank challan as evidence of payment of fee specified in seventh schedule of the Act;
11. If the association is already registered under any other law for the time being in force, the following shall also be annexed with the application:
 - (i) a brief statement of charitable or other relevant work undertaken, if any;
 - (ii) a copy of the audited balance sheet, income and expenditure account and the annual report on the working of the association for the financial year immediately preceding the date of the application;
 - (iii) copy of certificate of registration or any document evidencing registration under any other law, duly certified by relevant authority ;
 - (iv) resolution of all existing members for the proposed change of status along with names of proposed members of the section 42 company being formed;
 - (v) list of members of the association, duly certified by relevant authority;
 - (vi) latest copy of its constitution or charter or statute, duly certified by relevant authority;
 - (vii) list of all pending court cases filed by or against the association with brief description thereof, if any; and
 - (viii) list of all pending disputes among the members, if any.

THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018
[Regulations 4, 8 and 10]

Information to be provided by promoters, proposed directors/directors, proposed chief executive officer/chief executive officer of the Company

1 Profile

1.1	Name in Full including former name:	
1.2	Father's/Husband's Name	
1.3	Nationality	
1.4	NIC No/Passport No	
1.5	Old NIC	
1.6	Date of Birth	
1.7	Contact details:	
1.7.1	Residential Address	
1.7.2	Business Address	
1.7.3	Telephone Number	
1.7.4	Mobile Number	
1.7.5	Fax Number	
1.7.6	Email address	
1.8	Academic and Professional Qualifications	
1.9	Status	Promoter <input type="checkbox"/> <input type="checkbox"/> Director <input type="checkbox"/> Chief Executive Officer <input type="checkbox"/>

2 Experience Detail:

- 2.1 Current Position (describing office held presently with the name of the company/ /association/institution/ business entity, etc., and work responsibilities related to such office held indicating length of period of such experience with reference dates):
- (i) _____
 - (ii) _____
 - (iii) _____
- 2.2 Previous experience related to main objects of the company/proposed company
- (i) _____
 - (ii) _____
 - (iii) _____
- 2.3 Other experience details:

- (i) _____
- (ii) _____
- (iii) _____

Note: If needed, separate extra sheets can be used for each item

APPENDIX-B TO NFP FORM 1

THE COMPANIES ACT, 2017

**ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018
[Regulations 4, 8 and 10]**

AFFIDAVIT / UNDERTAKING

I, Mr./Miss./Mrs. (name of promoter/member/proposed director/director/proposed chief executive officer/chief executive officer) son/daughter/wife of (father/husband name), resident of _____ and holding NIC/Passport No _____, do hereby state on solemn affirmation as under that I:-

- (a) am eligible to act as (promoter/member/director/chief executive officer) of M/s. _____ (proposed) [*word "proposed" is only applicable in case of grant of fresh license to association*] according to fit and proper criteria specified in the Regulations;
- (b) have sufficient skills, expertise and resources for the attainment of object of the association/company;
- (c) shall contribute a reasonable amount but not less than Rs.200,000/- as startup donation to the association/company. The same shall be deposited in the company's account within a period of six months of its incorporation which shall be used for the attainment of its object(s) and shall not be refundable to the promoters, directly or indirectly;
(this clause (c) is applicable only on promoters in case of application for grant of fresh license under regulation 4)
- (d) shall ensure that the funds raised shall be spent for objects of the association/company and for other ancillary purposes;
- (e) am fully aware of the affairs of the association/company; and
- (f) am fully aware of the contents of application for (grant of license under these Regulations/ renewal of license/grant of approval of directors, chief executive officer) and whatsoever stated in the application and accompanied documents is true and correct and nothing has been concealed in the application.

Deponent
Signature: _____
Dated: _____

Witness to the above:
Signature: _____
Name: _____
NIC: _____
Address: _____



[To be filed on stamp paper of requisite value duly verified by an Oath Commissioner]

THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018
[Regulation 4]STATEMENT OF ESTIMATED FUTURE ANNUAL INCOME AND EXPENDITUREPART-I

INCOME	Notes	Year 1	Year 2	Year 3
Donations and Grants –Local	1			
Donations and Grants –Foreign	2			
Members’ donations – Start-up	3			
Members’ donations – Other	4			
Other sources, specify, if any	5			
Previous year’s surplus(deficit) B/F				
Total funds available for the year				
EXPENDITURE		Year 1	Year 2	Year 3
Registration and Legal fee	6			
Expenditures on object related projects:	7			
Project 1 (specify)	7.1			
Project 2 (specify), if any	7.2			
Project 3 (specify), if any, etc.	7.3			
Administrative and operational expenditures	8			
Total Expenditures for the year				
Excess of income over expenditures: Surplus/(Deficit), if any				

Enclosure: Notes to the statement of estimates, where required**Note 1: Donations and Grants - Local**

		Amount in Rupees		
		Year 1	Year 2	Year 3
Source I (specify)	1.1			
Source II (specify), if any	1.1			
Source III (specify), if any	1.1			
Total				

1.1: There can be further descriptive/break up notes to elaborate the item.

Letters of consent/ letters of intent/letters of commitment shall be attached to support the above statement.

Note 2: Donations and Grants – Foreign

		Amount in Rupees		
		Year 1	Year 2	Year 3
Source I (specify)	2.1			
Source II (specify), if any	2.1			
Total				

2.1: There can be further descriptive/breakup notes to elaborate the item.

Letters of consent/ letters of intent/letters of commitment shall be attached to support the above statement.

Signature: _____

Name: _____

Date: _____

APPENDIX-D TO NFP FORM 1

THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018

[Regulation 4 and 8]

BRIEF STATEMENT OF THE WORK ALREADY DONE BY THE ASSOCIATION AND PROPOSED TO BE DONE AFTER GRANT/RENEWAL OF LICENCE UNDER SECTION 42 OF THE COMPANIES ACT, 2017

1	Work already done (salient features), if any:
	1.1
	1.2
	1.3

2	Work Proposed to be done (outlining salient features and the mechanism to achieve the object):
	2.1
	2.2
	2.3

[Note: If needed, separate extra sheets may be used for each item]

Signature: _____

Name: _____

Date: _____

THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018
[Regulation 4]

LETTER OF AUTHORITY

We, the undersigned promoters of the association M/S <.....>, do hereby authorize <.....> one of the promoters of the association; or <.....> a registered intermediary;

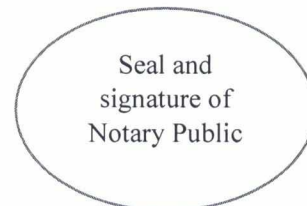
whose specimen signature is appended herein below to present us before the Securities and Exchange Commission of Pakistan to submit application/ documents for grant of license under section 42 of the Companies Act, 2017, and to make necessary amendments required by the SECP, to collect license, and to sign and give necessary explanation on our behalf in relation to the above and the allied matters.

	Name	Signature
Promoter-1		
Promoter-2		
Promoter-3		

Note: If the promoter is a subscriber other than a natural person, Board resolution authorizing the person/intermediary to be annexed.

Witness		
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Name and signature of authorized promoter/registered intermediary



THE COMPANIES ACT, 2017
ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018
[Regulation 8]
APPLICATION FOR RENEWAL OF LICENSE

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 CUIIN (Incorporation Number)

1.2 Name of the Company

1.3 Fee Payment Details 1.3.1 Challan No 1.3.2 Challan Amount

PART-II

2.1 Date of expiry of license dy mm yyyy

2.2 Declaration

I do hereby solemnly, and sincerely declare that the information provided in the form and its enclosure is:

- (i) true and correct to the best of my knowledge, in consonance with the record as maintained by the Company and nothing has been concealed; and
- (ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, directives, circulars and notifications whichever is applicable.

PART-III

3.1 Name of Authorized Officer with designation/ Authorized Intermediary

3.2 Signatures

3.3 Registration No of Authorized Intermediary, if applicable

3.4 Date Day Month Year

Enclosure:

1. Original paid bank challan evidencing payment of fee;
2. Updated Curriculum Vitae of directors and chief executive officer as per **Appendix-A to NFP Form 1** ;
3. Affidavits from the directors and chief executive officer as per **Appendix-B to NFP Form 1** ;

4. A 'brief statement of the work/project undertaken in last three years and proposed to be done in next three years as per **Appendix-D to NFP Form 1**; and
5. List of existing members with their occupations, residential addresses, contact numbers and copies of NICs in case of any change in the list of members as stated in the last Annual Return filed by the company with the concerned registrar (Company Registration Office).
6. Details of the amounts of local and foreign donations and grants received during last three (3) years with details of the donors indicating their names, country of origin (in case of foreign donor) and complete address duly certified by the Chartered Accountants that funds/donations was/were received through banking channel and are in conformity with the books of account of the company.

NFP Form 3

THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018

[Regulation 7 and 10]

Application for approval

i.	By a promoter to quit as member	
ii.	For appointment of a director	
iii.	For appointment of Chief Executive Officer	

(Tick appropriate boxes)

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 CUIIN (Incorporation Number)

1.2 Name of the Company

1.3 Fee Payment Details 1.3.1 Challan No 1.3.2 Challan Amount

PART-II

(applicable in case of application for grant of approval to promoter to quit as member)

2.1 Name of the Promoter(s)

2.2 Reason for quitting

PART-III

(applicable in case of application for grant of approval for appointment of directors and chief executive officer)

3.1 Particulars of directors/ CEO:

Name	Father/ Husband Name	NIC or Passport No (in case of foreign national)	Nationality	Occupation alongwith directorships in other companies etc.	Residential address	Designation (Director/ CEO/ member)

3.2 Declaration

I do hereby solemnly, and sincerely declare that the information provided in the form and its enclosure is:
 (i) true and correct to the best of my knowledge, in consonance with the record as maintained by the Company and nothing has been concealed; and
 (ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, directives, circulars and notifications whichever is applicable.

PART-IV

4.1 Name of Authorized Officer with designation/ Authorized Intermediary

4.2 Signatures

4.3 Registration No of Authorized Intermediary, if applicable

4.4 Date Day Month Year

Enclosures

1. original paid bank challan evidencing payment of fee;
2. copy of NIC or Passport (in case of a foreign national);
3. Curriculum Vitae of directors and chief executive officer as per **Appendix-A to NFP Form 1**;
4. affidavit from the directors and chief executive officer as per **Appendix-B to NFP Form 1**;
5. copy of minutes of meeting of the Board in which the proposal was discussed and approved; and
6. copy of resignation letter of quitting promoter or director or chief executive officer stating precise reasons for such decision to leave the company.

Note: Enclosure 2, 3 and 4 shall not be required in case of approval to promoter to quit as member.

THE COMPANIES ACT, 2017

ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018

[Regulation 11]

FILING OF REPORT SUBSEQUENT TO TRANSFER OF ASSETS UPON REVOCATION OF LICENSE

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 CUIIN (Incorporation Number)

1.2 Name of the Company

1.3 Fee Payment Details 1.3.1 Challan No 1.3.2 Challan Amount

PART-II

2.1 Date of board's Resolution dy mm yyyy

2.2 Declaration

I do hereby solemnly, and sincerely declare that the information provided in the form and its enclosure is:

- (i) true and correct to the best of my knowledge, in consonance with the record as maintained by the Company and nothing has been concealed; and
- (ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, directives, circulars and notifications whichever is applicable.

PART-III

3.1 Name of Authorized Officer with designation/ Authorized Intermediary

3.2 Signatures

3.3 Registration No of Authorized Intermediary, if applicable

3.4 Date Day Month Year

Enclosures:

1. Original paid bank challan evidencing payment of fee; and

2. Report along with requisite documents as per sub-regulation (7) of regulation 11.

NFP Form 5

THE COMPANIES ACT, 2017

**ASSOCIATIONS WITH CHARITABLE AND NOT FOR PROFIT OBJECTS REGULATIONS, 2018
[Regulation 14]**

FILING OF MONTHLY REPORT

PART-I

(Please complete in typescript or in bold block capitals.)

1.1 CUIIN (Incorporation Number)

1.2 Name of the Company

PART-II

2.1 Details of Funding								
Company Name						Registration No		
For the Month								
				Amount Received				
				In Currency, applicable	Foreign if			
S. No	Donor Name	Donor Address	Transaction Date	US\$ etc	Equivalent in Pak Rupees	In Pak Rupees	Bank Branch Name where funds are received	Account Number where funds are received

2.2 Declaration

I do hereby solemnly, and sincerely declare that the information provided in the form and its enclosure is:

- (i) true and correct to the best of my knowledge, in consonance with the record as maintained by the Company and nothing has been concealed; and
- (ii) hereby reported after complying with and fulfilling all requirements under the relevant provisions of law, rules, regulations, directives, circulars and notifications whichever is applicable.



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

LICENSE
UNDER SECTION 42 OF THE COMPANIES ACT, 2017

Whereas the competent authority, granted licence on <date> and the company was registered on <date> and in pursuance whereof the company namely-

<name of company >

was established with the primary object <insert object> and as more specifically contained in its Memorandum of Association and intending to (a) apply its profits and income towards those objects and (b) prohibit the payment of any dividend or profit to its members.

2. Now, upon satisfaction with information provided by the company in its application for renewal of licence, the Commission is pleased to renew the licence for a term of three years upto <insert date>, renewable for further terms of three years each on application to be made by the company to the Commission within a period of not earlier than six months and not later than three months before the expiration of validity period of the earlier issued licence.

3. This renewal of licence is granted subject to the conditions as mentioned in the Association with Charitable and Not for Profit Objects Regulations, 2018 or any other additional condition(s) as mentioned overleaf.

4. Given under my hand at Islamabad this _____ day of _____.

*[Authorized Officer of the
Commission]*

Licence No.

[File No.CLD/CCD/PR(14)/2017]


(Bilal Rasul)
Secretary to the Commission