FAQs regarding Account Opening/Updation in CDS
(after the roll out of CKO Regime)

1. What is CKO Regime?

Federal Government notified the Centralized Know Your Customer (KYC) Organization Rules, 2017 (“the Rules”) while exercising their powers under section 175 of the Securities Act, 2015. Under the said Rules, SECP designated the said function to National Clearing Company of Pakistan Limited and issued licensed as CKO. NCCPL, being a CKO, notified the “Centralized Know Your Customer (KYC) Organization Regulations, 2017” with the prior concurrence of the SECP. Under this regime PSX and CDC have merged the Trading Account Opening Form and Sub-Account Opening Form into a Customer Relationship Form (CRF) which will be obtained along with Specified Know Your Customer Form (KYC Form) of NCCPL for the purpose of opening of new accounts.

2. What is Customer Relationship Form (CRF) Form?

Trading Account Opening Form and Sub-Account Opening Form have been merged into a standardized and simplified Customer Relationship Form (CRF). This form would be required to be filled every time a new account is opened.

3. What is KYC Form?

KYC Form is designed to collect all of those information which can be used for the verification purpose of the individuals. The KYC form would be required to be filled by each account holder (Main Applicant and Joint Account Holders) in an account. However, once the UKN is issued for a UIN (Individual / Corporate), the client would not need to fill this form in future account openings.

4. What is Central Portal?

Central Portal is a portal developed by NCCPL for the purpose of opening new account of clients not having UKN where broker will input all the information of a client collected through KYC Form and CRF.
5. **What is function of KIS?**

All the information collected through KYC Form are stored in the Know Your Customer Information System (KIS) for the purpose of verification, issuance of UKN and fetching of KYC related details for future account openings of the clients having UKN.

6. **What is UKN?**

Unique Know Your Customer Number (UKN) will be issued by NCCPL after successful completion of verification process of the client. It is pertinent to mention that in case of opening of Joint Account, the UKN would be required for all Joint Holders separately and if not available then the process of UKN issuance would be initiated.

7. **How many forms one should fill for account opening under CKO Regime?**

The new investors will be required to fill and submit KYC Form and CRF. While the clients already having UKN issued will only submit CRF.

8. **What is the process of account opening in CKO Regime for clients not having UKN?**

To open new Sub-Account Securities Brokers will obtain duly filled KYC Form and CRF to from their clients. Biometric verification of Sub-Account holder(s) will be executed as per NCCPL’s procedures and all the required information collected through KYC & CRF shall be registered/entered in Central Portal (CP) for account opening and to generate UKN.

Then client will enter UIN and will select the Contact Person and will press the “Get details from CKO System(s)” in Account Mapping screen of CDS which will auto-fill all the related fields from CP in CDS. The Securities Broker will then undertake the UKN issuance process in KIS.

9. **What will be the procedure of Account Opening for clients already having UKN?**

Securities Broker will be required to only obtain duly filled CRF from the client and ensure that UKN field is also filled. A biometric verification will be executed as per NCCPL’s procedure, then Broker will enter UIN and UKN and press the “Get details from CKO System(s)” in Account Mapping screen, which will auto-fill all the required information from KIS in CDS. After that all the remaining CRF related fields will be entered by Broker in CDS for opening of the account.

10. **Will every account holder require to get the Biometric done?**

No, only Domestic Individual Clients (Resident Pakistani Individuals) are required to get the Biometric done.
11. Will the client need to fill CRF for each existing account opened that is pre-CKO regime at the time of converting the account into CKO Regime?

No, it is not mandatory to fill CRF for existing account opened pre-CKO Regime.

12. If the client only has UIN, so will we be able to open his new account after CKO Regime?

Yes, you can open the account, however, new account opening process would also involve the application for UKN by filling the KYC form(s) along with CRF and insertion of data in Central Portal (CP). Subsequent to Account opening in CDS, UKN issuance process needs to be initiated in KIS by Securities Broker.

13. If Principal Account Holder’s UKN is issued but the Joint Account Holder is having UIN only, so will they be able to open a new account under CKO Regime?

Yes, account can be opened on the basis of Joint Account Holder having only UIN. The process would be such that KYC Form would be required for Joint Account Holder along with CRF. All the relevant data of Joint Account Holders would be inserted in CP before fetching the same in CDS by inserting UIN and UKN (only for Principal) in Account Mapping screen of CDS. Subsequent to Account opening in CDS, UKN issuance process needs to be initiated in KIS by Securities Broker for Joint Account Holder(s).

14. Is the Contact Person mandatory? If yes, then who can be the Contact Person?

Yes, Contact Person is mandatory and following persons can be the Contact Person:

- Principal Account Holder
- Any one from the Joint Account Holder(s)
- Attorney

15. If client’s UKN generation is already in process with one Broker, so can client apply to open another account?

No, the client cannot open another account till the issuance of UKN by NCCPL.

16. Once UKN is generated for Sub-Account, can the same UKN be used for IAS Account as well?

Once the UKN is issued to a UIN, the same will be used by every broker and CDC-IAS to open his/her account(s) in future.
17. Will the Contact Person of Corporate Account Holder also require to get the UKN?  
No, since the Contact Person of the corporate account is not the beneficial or nominal owner, hence does not require to process and get the UKN issued. However, if the same person desires to open the account being the Account Holder / Joint Account Holder in personal capacity then he/she will require to get the UKN issued as per normal process.

18. Will the Attorney require to get the UKN?  
No, Since the Attorney is not the beneficial or nominal owner, hence does not require to process and get the UKN issued. However, if the same person desires to open the account being the Account Holder / Joint Account Holder in personal capacity then he will require to get the UKN issued as per normal process.

19. Is the CKO Regime applicable for existing Account Holder?  
Yes, the CKO Regime is applicable on all account opened and operated under the umbrella of Authorized Intermediaries. However, it is not mandatory to convert the existing accounts in new Regime on Roll-out date. The timelines for conversion of existing account would be as communicated by NCCPL.

20. In case of a Joint Account, which fields shall have the details of Main Applicant & Contact Person separately?  
Details of Main Applicant would to be populated/inserted in the following fields of CDS:

- Zakat Status  
- IBAN Details  
- Permanent Address  
- Residential Status

Details of Contact Person would be populated/inserted in the following fields of CDS:

- Web Access  
- Alerts  
- All the contact details (mobile number, email address, mailing address)

21. Which are the fields that are updatable through CDS?  
Following are the fields updatable through CDS;

- Selection of Contact Person in Account Mapping Screen
Central Depository Company of Pakistan Limited

- Salutation Prefix (prior authority from CDC is required)
- Particulars of Nominee
- Basis of Remittance (prior authority from CDC is required)
- Details of Attorney
- Zakat Status
- e-info (Change in selection is allowed subject to mandatory requirements)

22. How the Registration Details of the existing accounts be updated after CKO Regime?

The updation mechanism will remain unchanged. However, following changes have been incorporated:

- Mandatory selection of Nationality for account holders having residential status other than Pakistani in CDS via a drop-down menu wherein, the values of Nationality can be selected from the options available.

- Selection of “Contact Reference” in the Account Details tab from a drop-down list for selection of the contact person while opening/updation of Joint Individual accounts or Individual Accounts where the contact person is an Attorney. Following options are available for selection in the Contact Person field:
  o Principal
  o Attorney
  o Joint Holder1
  o Joint Holder2
  o Joint Holder3