

General Guidelines about IPO Facilitation Account

About Centralized e-IPO System (CES)

CES has been developed by CDC. CES is integrated with almost all the commercial banks through 1Link (G) Limited. CES is provided by CDC in all IPOs since May 2017. For making application through CES, investors have to be registered with CES which is available 24/7 throughout the year. No fee is charged for registration. Registration is one time activity i.e. once you are registered then no registration is needed for subsequent IPOs, however, application will be submitted separately for each IPO.

Benefits of e-IPO

e-IPO has the following benefits:

- (i) It enables the investors to make application for subscription of securities through internet without going to the bank and waiting in long queues.
- (ii) It is efficient and simultaneously facilitative for both the Issuer and the investors.
- (iii) It is available for use 24 hours during the subscription period.
- (iv) If you are registered with CES or account holder of a bank providing e-IPO facility, you may get SMS for new IPOs.
- (v) By applying through CES, you can also trace your application status.

IPO Facilitation Account

IPO Facilitation Account (IFA) means an account to be maintained by CDC separately for each IPO wherein securities of such successful applicants who do not have CDS Accounts at the time of making subscription application, shall be parked for a certain period of time. Subsequent to parking, all the successful applicants shall be intimated via email to open an Investor Account with CDC or Sub-Account with any of the CDS Participants (i.e. licensed securities brokers or commercial banks). Upon opening of CDS Account, successful applicants shall approach CDC Investor Account Services and securities of such successful applicants shall be moved from the IFA to their respective CDS Accounts.

How can I invest in an IPO?

You have to submit application for subscription of securities through the following means:

- (i) Electronically through CES. For making application through CES, investors must be registered with CES. Registration with CES is available 24/7 throughout the year. No fee is charged for registration. Registration is one time activity i.e. once you are registered then no registration is needed for subsequent IPOs; however, application will be submitted separately for each IPO. You may register with CES if you have a valid Computerized National Identity Card (CNIC/NICOP), email address and mobile phone number. For registration and e-application through CES, you may access CES via link www.cdceipo.com or contact CDC Customer Support Services at Phone 0800-23275 or email at info@cdcpak.com; or
- (ii) Manually on prescribed form through your bank. The application form can be obtained from the bankers to the Issue, the securities brokers and the PSX. The form can also be downloaded from the websites of PSX, the Consultant to and the Issuer.

Why CDS Account is necessary?

- (i) As per the current regulatory frame work, securities cannot be issued in physical form . Investors who hold securities in physical form and intend to sell them must open a CDS account and Trading Account with the Broker.
- (ii) Securities held in IFA Account is required to be transferred to CDS Account either in Sub Account maintained with Participant OR at Investor Account Services.
- (iii) Holding securities in book entry form is safer and beneficial as compared to holding them in physical form. Corporate Actions in book entry-form are directly credited into CDS Account.

How I can open CDS Account?

Availing the CDC e-IPO services requires investors to first open a CDS account. However, now investors can avail the CDC IPO Facilitation Account facility to subscribe securities through IPO. Once, their application is successful, investor then only need to open an Investor Account with CDC or Sub-Account with CDC Participants. Following are different types of CDS Accounts:

- i. An Investor Account Services (IAS) account with CDC:

Investor IAS offered by CDC allows investors to directly open & maintain Investor Accounts with CDC for safe and secure custody of securities. The account offers quality service with a high standard of efficiency and transparency with minimum charges. For opening an IAS Account, investors can download the IAS Account Opening Form available on the “Downloads -> Forms” section of the CDC Pakistan website. The form is accessible from the following link:

http://cdcpakistan.com/downloads_category/forms/

or

Investor can submit online account opening form after login www.cdceipo.com website and accessing Account Opening Form under Forms tab.

After filling out the necessary information required in the form, the investor will present the form at the CDC premises. The individual whose account is being opened must present the form for mandatory In Person Verification.

ii. Sub-Account with Broker Participants

Sub accounts are opened by Broker Participants in CDS for their clients. Investor will approach the appropriate Broker directly to open sub account.

Sub account Opening Forms are available with the Brokers and also on the CDC Pakistan website for information purpose, the form can be accessed through the following link:

http://cdcpakistan.com/downloads_category/forms/, however, investor need to obtain form from the Broker Participant.

A complete "Participants List" with their contact details is also available in the "Downloads - > Miscellaneous" section of the CDC Pakistan website for investor awareness and convenience. The list can be accessed through the following link:

http://cdcpakistan.com/downloads_category/miscellaneous/

iii. Sub Account opened with Banks

Banks are also eligible to provide CDS account opening and custodial services to their client. Details of Banks providing such service is available on the "Home page" of CDC Pakistan's website. The list can be accessed through the following link:

<http://cdcpakistan.com/bank-branches-offering-cdc-sub-account-opening-facility-across-pakistan/>

How can I get my subscribed securities?

After closing of the subscription period, all the e-applications submitted through CES and e-IPO facilities of the Bankers to the Issue and the applications submitted manually through the Bankers to the Issue are forwarded to the Balloter to the Issue for compilation, balloting, if required, and scrutiny. Subscription money of all the unsuccessful/unaccepted applications is refunded to the applicants through credit back to their respective bank accounts. Securities are issued against all the successful applications through credit in the CDS account of applicants or CDC IPO Facilitation Account within 10 days of the closing of the public subscription period. Investors who have opted

for CDC IPO Facilitation Account shall be required to open an Investor Account with CDC or Sub-Account with any of the CDS Participants (i.e. licensed securities brokers or commercial banks). Upon opening of CDS Account, successful applicants shall approach CDC Investor Account Services and securities of such successful applicants shall be moved from the IPO Facilitation Account to their respective CDS Accounts

IFA Applicability

Selection of IFA subscription option being offered through eServices Portal <https://eservices.cdcaccess.com.pk/> and also available on physical IPO Subscription Form for all listed securities being offered to General Public. This facility is available to Individual Account Holders being Resident & Non Resident Pakistani only. Corporate and Foreigners Account Holders are not allowed to avail such facility.

IFA Account Structure

IFA shall be opened by CDC under Investor Account Services (IAS) on behalf of Issuer on the basis of Approved Prospectus or Offer for Sale Document. Issuer shall provide a copy of the approved Prospectus / Offer for Sale document to CDC for the opening of IFA.

Applicants who do not have CDS sub-account or investor account will be allowed to select the IFA checkbox in the physical IPO Form or through eServices portal specifically structured for the purpose of credit and parking of securities. Investors already maintaining CDS IAS or Sub-Account with CDS Participant are not eligible to use IFA for credit and parking of securities.

Notification

Applicants availing IFA shall be notified regarding credit of securities by the respective Issuer / its R/TA and to open CDS Sub-Account / Investor Account for movement of securities from IFA Account to their respective CDS account which should be done immediately after credit of securities in IFA.

Transfer of Securities

It is mandatory for the applicant to open either IAS Account or Sub Account for transfer of securities.

IAS Account or Sub Account opening structure where the securities are to be transferred should be in accordance with the combination of title and joint holders applied for IPO subscription where all the applicants applied for subscription should exist in the target IAS or Sub Account.

Applicant(s) shall provide IFA Transfer Request Form (Annex 1) duly signed by main applicant and joint applicants (if any) along with attested copy(ies) of CNIC/NICOP/Passport to CDC for transfer of securities from IFA to their respective sub accounts. Requirement of attested copy(ies) of

CNIC/NICOP/Passport will not be applicable incases where securities will be transferred to Investor Accounts.

CDC shall perform necessary verification before processing the required transfer of securities. In case of any problem / mismatch of record, it will be the responsibility of applicant to contact Issuer / its R/TA / Ballotter to rectify the details and inform CDC for further processing.

Tariff & Charges

CDC shall not charge tariff and fees on opening of account, custody and transfer fee under IFA Account. Charges for opening of normal Investor Account / Sub Account shall be applicable in accordance with CDC Schedule of Fee & Charges available on www.cdcpakistan.com

Note: For further guidance and queries regarding CES, IPO Facilitation Account and opening of CDS account, investors may contact CDC at phone number: 0800 – 23275 (CDCPL) or e-mail at info@cdcpak.com.