

**TERMS AND CONDITIONS OF BUSINESS (TERMS)
BETWEEN
TAURUS SECURITIES LIMITED (TAURUS)
AND
(THE ACCOUNT HOLDER)**

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

1. On acceptance of the Account Holder's application, the agreement between Taurus and the Account Holder(s) will consist of:
 - a. The Application.
 - b. These Terms.
 - c. Account opening form for sub-account in CDS.
2. The services Taurus will provide to the Account Holder(s) are general equity brokerage services.
3. a. All transactions between the parties shall be subject to the Articles, Rules and Regulations of the Exchange, revised policies, Board Directions and new regulations to be framed in pursuance of Section 34 of the Securities & Exchange Ordinance, 1969. Moreover, all applicable provisions of the Securities & Exchange Ordinance, 1969 read with the Securities & Exchange Commission of Pakistan Act, 1997, Brokers and Agents Registration Rules, 2001, Securities and Exchanges Rules 1971 and all directions/directives passed from time to time to regulate the trades between the parties and to regulate Brokers conduct and the Central Depository Companies of Pakistan Act; 1997, Rules framed there under and the National Clearing and Settlement System Regulations and any other law for the time being in force. Taurus shall ensure provision of copies of all the above Laws, Rules and Regulations at its office for access to the Account Holder(s) during working hours.

b. This application and the Terms will be governed by the laws of the Islamic Republic of Pakistan. In the event of any disputes, differences or controversies, arising out of the Application and/or the Terms, including the interpretation of the Terms hereof ("Disputes") the same shall be settled through arbitration as per the General Rules and Regulations of the Karachi Stock Exchange (Guarantee) Limited, failing which arbitration shall be held in accordance with the Arbitration Act, 1940, as amended from time to time and the venue of the Arbitration shall be Karachi.
4. Taurus shall endeavor to provide but not guarantee "best execution" in respect of its dealings for the Account Holder(s). In the event that price limits are notified by the Account Holder(s), Taurus shall not be entitled to deal above the limit price for purchase and below the limit price for sale of shares. In applying "best execution", Taurus shall not take any account of charges Taurus may make to the Account Holder(s).
5. The amount deposited as security margin by the Account Holder(s) with Taurus shall only be used for the purposes of dealing in securities, such as trading and/or settlement of deliveries of securities, on behalf of the Account Holder(s). Taurus shall not use such amounts for its own use, unless it is explicitly authorized to do so by the Account Holder(s) in writing.
6. Taurus shall be authorized to act on the verbal instructions of the Account Holder(s). Taurus shall provide a written confirmation of the executed transactions as required under rule 4(4) of the Securities & Exchange Rules, 1971, and all such transactions recorded by Taurus in its books shall be conclusive and binding upon the Account Holder(s), which shall not be questioned by him/her/them, subject to clause 9 below.

Or

The Account Holder(s) shall give written instructions for the sale/purchase of securities to Taurus. The Account Holder(s) shall not give any verbal/oral instructions. Taurus shall provide a written confirmation of the executed transactions as required under rule 4(4) of the Securities & Exchange Rules, 1971 and all such transactions recorded by Taurus in its books shall be conclusive and binding upon the Account Holder(s), which shall not be questioned by him/her/them, subject to clause 9 below.

7. If the Account Holder(s) is acting as an agent of, or an intermediary for, any other person when asking Taurus to deal, Taurus will continue to treat the Account Holder(s) as its customer for all purposes related to such dealings. Taurus shall not treat the person(s) on whose behalf the Account Holder(s) is acting as its customer.
8. Taurus shall provide confirmations of executed transactions to the Account Holder(s) at the above stated address by means of acceptable modes of communication, or by hand subject to acknowledgment receipt, as noted in clause 25.
9. In case there are any error(s) in the daily confirmation statement, the Account Holder(s) shall report the same to Taurus within one-business day of the receipt of confirmation. In case the Account Holder(s) do not respond within one business day of the receipt of the said daily confirmation statement, the confirmation statement shall be deemed conclusively accepted by the Account Holder(s).

APPLICANT SIGNATURE

JOINT HOLDER SIGNATURE

TSL AUTHORISED PERSON
SIGNATURE

10. In the event that the Account Holder(s) fail(s) to deposit additional cash or securities as margin within one business day of the margin call (in writing), Taurus shall have absolute discretion to and, without further notice to Account Holder(s), Liquidate Account Holders(s) outstanding positing, including the securities purchased and carried in such account, so that the margin is maintained at the required level. Margin call notices will be delivered to the Account Holder (s) by Taurus by the acceptable modes of communication defined in clause 25 of these Terms. In proving service of the margin call notice it shall be sufficient to prove, in the case of delivery by mail, that the letter was correctly addressed and was mailed by first class prepaid recorded delivery airmail or, in case delivery otherwise than by the mail, that it was delivered to the correct address or, in the case of transmission by fax/e-mail, that it was transmitted to the correct number/e-mail address.
11. Any notice (including margin calls) will be delivered to the Account Holder(s) by Taurus by means of the acceptable modes of communication defined in clause 25 of these Terms. In proving service of the notice it shall be sufficient to prove, in the case of delivery by mail, that the letter was correctly addressed and was mailed by first class prepaid recorded delivery airmail or, in case of delivery otherwise than by mail, that it was delivered to the correct address or, in the case of transmission by fax/e-Mail, that it was transmitted to the correct number/e-mail address.
12. a. The Account Holder(s) will open a separate sub-account with the CDS through Taurus on a written request only, along with particulars required under the Rules and Regulations of the CDC.
b. Transaction fee, deposit & withdrawal fee and portfolio management fee shall be charged by Taurus as per the Schedule of Charges issued by the CDC from time to time. This would be in addition to brokerage commissions charged by Taurus.
13. Taurus shall be responsible for ensuring delivery of CDS eligible securities in the CDS account of the Account Holder(s) subject to full payment by the Account Holder(s)/ In the case of companies which are not on the CDS, Taurus shall ensure delivery of physical shares along with verified transfer deeds against payment of the Account Holder(s). Further, Taurus shall be responsible for the payment of any credit cash balance available in the account of the Account Holder(s) preferable in the form of "A/c payee only" cheque. within 1 business day of the request of the Account Holder(s), (subject to the maintenance of the margin requirements).
14. Taurus shall encourage the Account Holder(s) to make payments to Taurus by "A/c payee only" cheque (in case of amounts in excess of Rs. 50,000/-) and "A/c payee only" cheque or cash (for amounts below Rs. 50,000). Taurus shall be responsible for providing a receipt to the Account Holder(s) in the name of the Account Holder(s) duly signed by authorized agents/employees of Taurus, and the Account Holder(s) shall be responsible for obtaining a receipt there of In case of cash dealings, proper receipt will taken and given to the Account Holder(s), specifically mentioning if payment is for margin or the purchase of securities. The broker shall immediately deposit in its bank account all cash received in whole i.e no payments shall be made from the cash received from clients.
15. The members shall make all the payments of Rs. 25000/- and above, through crossed cheques/bank drafts/payorders or any other crossed banking instruments showing payment of amount from their business bank account. Copies of these payment instruments including cheques, payorder, demand draft and online instructions shall be kept in record for a minimum period of five years.
16. In the event of the Account Holder's refusal to obtain delivery and/or to make payment against any any Purchase Contract, or refusal or delay in effecting delivery against any Sale Contract, the Account Holder(s) shall be liable to compensate Taurus for all losses and damages, including the cost as well as legal expenses which Taurus may suffer or sustain on account of the Account Holder's delay or default as mentioned above. In the event of the Account Holder's failure to settle his/her/their open position on the settlement date, Taurus will have full rights to settle the Account Holder's outstanding dues by squaring the positions at Market rates. The losses incurred due to this settlement will be borne by the Account Holder(s) in addition to any markup on the funding cost incurred by Taurus. Taurus may at its discretion dispose shares held by it to recover the loss or damage resulting from the difference between purchase amount and sale amount of unsettled trades.
17. In the event of failure or refusal. to effect delivery against any Purchase Contract by any Member of the Exchange through whom Taurus may have purchased the shares, or refusal to accept delivery against any Sale Contract by any Member of the Exchange through whom Taurus may have sold the Securities, Taurus shall not be liable for any damages, cost or legal expenses which the Account Holder(s) may suffer or sustain and in such and event, the Rules and Regulations of the Karachi Stock Exchange will prevail and be binding upon the parties.
18. The Account Holder(s) shall have a right to obtain a copy of his/her/their ledger statement under official seal and signature of Taurus or its authorized representative on a periodic basis. In case of any discrepancy in the ledger statement, the Account Holder(s) shall inform Taurus within one day of receipt of the ledger statement to remove such discrepancy
19. The Account Holder(s) shall operate the account and execute transactions himself/herself/themselves unless the Account Holder(s). authorize in writing a third party to transact in the account (Letter of Authorization). All transactions executed by the authorized person(s) shall be binding upon the Account Holder(s).
20. Taurus accepts no liability in the event of default by any third party of the Account Holder's choice who holds money belonging to the Account Holder(s) which has been paid to the third by Taurus on the Account Holder's behalf, or who is the nominal holder of the Account Holder's registered shares, or who holds documents of title or certificates evidencing title to any of the Account Holder's shares.

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21. **For Joint Account Holder(s) only**

We, the Account Holders shall operate the account jointly or severally and the instructions issued either jointly or severally shall be binding on us as well as upon Taurus in respect of the joint titled account.

Or

Our titled account shall be operated only by _____ who shall be deemed as the authorized person for operating the joint account or issuing any instructions relating thereto.

22. Taurus shall be responsible for providing the Account Holder(s) a list of its authorized agents/traders and designated employees, who can deal with the Account Holder(s). Any change therein shall be intimated in writing to the Account Holder(s) with immediate effect.
23. Taurus shall debit the account of the Account Holder(s) for the commission charges or any other charges in connection with the brokerage services rendered, which shall be clearly detailed in the ledger statement/daily confirmations.
24. Taurus shall not disclose details of the transactions of the Account Holder(s) to any unauthorized third party and shall maintain the confidentiality of this information. However, in case any regulatory authority lawfully requires any such information, Taurus shall be obliged to disclose the same to which the Account Holder(s) shall not raise any objection whatsoever.
25. In case Taurus converts its individual membership rights to corporate membership and vice versa the agreement and conditions laid down herein above shall remain effective unless otherwise agreed by the parties.
26. All orders received telephonically and placed on KATS shall be, supported by recording on dedicated telephonic lines preferably connected with a computerized taping system so as the orders could possibly be sorted on UIN. basis and made user friendly.
27. Acceptable mode of communication between the Account Holder(s) and Taurus shall be through letter (courier/registered post/fax/e-mail) or by hand subject to receipt/acknowledgement. The onus of proving that the e-mail has been received by the recipient shall be on the sender, sending the email. Confirmation of order to clients made through fax or email will have a time record.
28. The Account Holder(s) is solely responsible for the management of the Account Holder's affairs to the best advantage for tax purposes. Taurus does not hold itself out as having tax expertise and can accept no responsibility for any tax consequences of anything done within the scope of its authority.
29. The State Bank of Pakistan has imposed certain restrictions and reporting requirements for transactions in foreign currency. The Account Holder(s) is strongly advised to seek legal opinion on such restrictions and reporting requirements. TSL is not responsible for any liabilities arising out of breach of these restrictions and requirements.
30. Taurus shall not be liable to the Account Holder(s) for any loss or damage suffered by the Account Holder(s) which arises from the non-performance of any of Taurus' obligations hereunder where such non-performance results from any events or cases, not within Taurus' control, including (without limitation) failure of telecommunication or computer facilities, industrial disputes, failure of third parties to carry out their obligations, or acts of governmental or supranational authorities.
31. Taurus shall not be liable for any errors or omissions or mistakes appearing in any list of shares annexed to any Purchase Bill or Proceeds Bill or for any consequences thereof.
32. Taurus shall not be liable for any fraud, forgery, mis-declaration or any other act or omission on the part of any constituent or Member of any Stock Exchange or their respective clients and the shares shall be deemed to have been purchased or sold at the risk and cost of the Account Holder(s) with no obligation on Taurus' part.
33. a. The Application and these Terms represent terms on which Taurus will execute the Account Holder's order. No person has been authorized to give any representation on behalf of Taurus as regards these Terms and any representation given must not be relied upon.
b. Taurus shall be entitled to amend, delete or introduce new rules to the Terms from time to time upon giving notice to the Account Holder(s), which shall form part of these Terms. The Account Holder(s) shall be deemed to have received notice of and accepted any and all changes by not closing his/her/their account and/or continuing to give instructions and orders to Taurus.
34. These Terms shall continue to apply between the parties effective from the date hereof unless or until terminated by either party by giving maximum (21) days notice, without assigning any reason thereof. Termination may be at any time and for any reason. Upon termination, Taurus will deliver any shares and/or money held by Taurus to the Account Holder(s) after deducting any outstanding charges and expenses. Any unsettled transaction will be completed by the parties before final settlement with Taurus.

APPLICANT SIGNATURE

JOINT HOLDER SIGNATURE.

TSL AUTHORIZED PERSON
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These Terms are personal to the parties and may not be assigned by either of the parties.

I/We, the Account Holder(s) acknowledge receipt of this account opening form (signed here by me/us in duplicate) along with the copies of all the annexures and I/we, the Account Holder(s) also undertake that I/we have understood all the above terms and conditions of this agreement which are acceptable to me/us.

I/We, the Account Holder(s) understand that the shares trading business carries risk and subject of due diligence on the part of Taurus I/we may incur losses for which I/we, the Account Holder(s) shall not hold Taurus responsible.

I/We, the Account Holder(s) further confirm that all information given in this application is true and complete and hereby authorize Taurus to verify any information mentioned above.

Authorized Signature of Taurus

Signature of Account Holder

Signature of Joint Account Holder

Witnesses: 1. _____ (I.D. Card No. _____)
2. _____ (I.D. Card No. _____)

Opened by: _____ Checked by: _____ Date: _____

Enclosure (for individuals):

1. Attested copies of National Identity Card of the applicant.
2. Attested copies of National Identity Card of the Joint Holders and or Nominee(s) (if applicable)
3. Attested copies of passports of the applicant, Joint Holders and or Nominee(s) (in case of non-residents)
4. Copy of the Letter of Authorization from the Account Holder(s) of the person(s) authorized to operate the applicant's account (if another than the account holder),
5. A list of transaction fee, commission to be charged by Taurus and other CDC charges to be levied.

Enclosures (for corporate entities)

1. Certified true copy of Board Resolution (specimen provided as per Annexure 'A')
2. Certified true copies of Memorandum and Article of Association.
3. List of authorized signatories.
4. List of nominated persons allowed to place orders.

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