

**FORM OF APPLICATION FOR RENEWAL OF LICENSE AS A FUTURES BROKER
[TO BE PRINTED ON LETTERHEAD OF FUTURES BROKER]**

Date: _____

To
The Securities and Exchange Commission of Pakistan,
Islamabad.

Dear Sir,

1. We, _____(Name of the futures broker), being member of **Pakistan Mercantile Exchange Limited** hereby apply for the renewal of the license of futures broker under section 52 of the Futures Market Act, 2016.
2. The existing license is due to expire on **November 14, 2018**
3. Original receipt of the bank for **Rs. 50,000** being the renewal fee is enclosed.
4. Certified true copies of all the documents specified in Annexure AI of the Futures Brokers (Licensing and Operations) Regulations, 2018 are enclosed.
5. It is requested that the license be renewed for a period of one year.

Yours faithfully,

Signature of the Chief Executive of Futures Broker

Appendix B

Annexure – AI of Futures Brokers (Licensing and Operations) Regulations, 2018

Information and Documents to be provided along with application for license as a futures broker

1	General and business information	Attached / Not Applicable
1.1	A. Brief history of applicant containing name of the applicant, date and place of its incorporation and date of commencement of business	
	B. In respect of sponsors, directors and senior management officers: names, contact details, group structure, length of experience as futures broker	
1.2	Address of the registered office of the applicant (postal address, postal code, telephone No., fax No.)	
1.3	Mailing address of the applicant (postal address, postal code, telephone No., fax No., Email address of the concerned officer of the applicant)	
1.4	Percentage of capital, each sponsor has/proposes to contribute in the company	
1.5	Name of the futures exchange of which the applicant is a TRE certificate holder, along with the TRE Certificate number	
1.6	Details of any outstanding legal proceedings initiated by the Commission or any other regulatory authority against: applicant, directors, or Senior management officers	
1.7	Details in case the applicant or any of sponsors, directors, major shareholders or senior management officers has been declared insolvent or bankrupt, or declared defaulter by any authority	
1.8	Details of any penal actions taken during the last three years by the Commission or any other regulatory authority against applicant, sponsors, directors, major shareholders, or senior management officers	
1.9	In case any associated company of the applicant is already licensed under the Securities Act, 2015 or the Futures Market Act, 2016 the following details shall be provided, namely: <ul style="list-style-type: none"> – Name of such associated company; – Details of warning notices, if any, issued to such associated company by the Commission; – Details of legal proceedings, if any, initiated against such associated company by the Commission or any other regulatory authority; and – Penal action, if any, taken against such associated company by the Commission during the last three years. 	
2	Details of infrastructural facilities	
2.1	Computer systems installed: <ul style="list-style-type: none"> – hardware configurations – software used 	
2.2	Data processing capacity: <ul style="list-style-type: none"> – available infrastructure (computers and other electronic equipment used for data processing and communication); – available manpower – office space (mention extent of area in square feet available) 	
3	Other Information	

3.1	Details of all pending disputes in which the applicant is a party as follows: <ul style="list-style-type: none"> – Name of the party – Name and place of court / tribunal where dispute is pending – Amount involved – Pending since – Date of last hearing – Decision at last hearing 	
3.2	List of civil and criminal offenses in which the applicant or any of the sponsors, directors, or senior management officer has remained involved during the last three years	
3.3	Any other information considered relevant to the business of the futures brokers	
3.4	Any significant awards or recognition, collective grievances against the applicant	
4	List of documents to be provided along with application	
4.1	CRO certified copies of following: <ul style="list-style-type: none"> – Memorandum and Articles of Association – Certificate of Incorporation – Certificate of Commencement of Business (where applicable) 	
4.2	CRO certified copies of Form A, Form 3, Form 27, Form 28, Form 29	
4.3	Audited accounts for the last three years, and latest half-yearly and quarterly accounts, where applicable.	
4.4	Copies of documents evidencing compliance with the financial resource requirements specified in the Futures Brokers (Licensing and Operations) Regulations, 2018.	
4.5	Profile of the applicant and information of its sponsors, senior management officers and directors as per the attached format along with fit and proper related documents	
4.6	An undertaking from the directors of the applicant and sponsoring company, if any, that they will inform the Commission in case of any change in the sponsors or majority shareholders, if any, of the sponsoring company.	
4.7	An undertaking that the applicant, its directors, sponsors, and senior management officers are in compliance with all the requirements for grant of a license under the Futures Brokers (Licensing and Operations) Regulations, 2018.	
4.8	Names, addresses and particulars of any business carried on by each person holding 10% or more in the share capital of the applicant	
4.9	Pattern of shareholding, identifying separately the sponsors and shares held by the sponsors	
4.10	Bank details along with bank statement of the applicant since its inception duly signed and stamped by bank manager.	
4.11	Details of the affiliation and outsourcing contracts, if any.	
4.12	Prior-permission of SECP to undertake the futures broker activity under Regulation 5 of Futures Brokers (Licensing and Operations) Regulations.	
4.13	Any other information / document as required by the Commission.	

Note: In case any of the above documents/information have already been submitted to the Commission, the applicant may only provide an undertaking that there is no change in the earlier submitted document/information.

