

Circular No.: PMEX/MKT, BD&CSS/2015/07

February 19, 2015

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**Conversion of Individual Membership into Corporate Entity**

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All individual members of Pakistan Mercantile Exchange (PMEX) are hereby informed that the Securities & Exchange Commission of Pakistan vide its directive dated February 4, 2015 has advised all the existing individual members to convert into corporate entity before December 31, 2015 failing which their Membership will be cancelled.

Therefore, members are advised to ensure conversion of their membership into corporate from individual before the due date. Please note that for conversion an individual member is required to have majority shareholding in the corporate entity otherwise the case will be treated as transfer of membership.

For your convenience, a checklist containing requirements for Conversion and Transfer is attached with this circular.

For further information and assistance, please feel free to contact our Customer Support Services by phone on 021-111-623-623, 0300-8213-324 and 0321-8756-623 or by email at [support@pmex.com.pk](mailto:support@pmex.com.pk).

Best regards,



Nauman Lakhani  
Head of Marketing, Business Development & Customer Support Services



## Transfer of Membership

### a. Checklist for Transferor (Seller)

No.	Description of Documents
1.	Application on standard format for transfer of PMEX Membership rights signed by the Member / Chief Executive in favour of eligible transferee
2.	Application on standard format for assignment of advance against office space signed by the Member / Chief Executive in favour of eligible transferee, where applicable
3.	Certified copy of board resolution as per standard format authorizing the transfer application and a Director for transfer of Membership, in case of Corporate Member
4.	Pay Order of Membership transfer fee of PKR 200,000/- in the name of Pakistan Mercantile Exchange Limited
5.	Pay Order / Cheque as room Assignment fee of PKR 50,000/- in the name of NCEL Building Management Limited, where applicable
6.	Pay Order / Cheque of PKR 25,000/- as room processing fee in the name of Pakistan Mercantile Exchange Limited, where applicable
7.	Original PMEX Membership certificate issued to the transferor
8.	Original Broker Registration Certificate (BRC) issued by the SECP to the transferor, in case of registered broker
9.	Admission documents of Transferee (as mentioned below)

### b. Checklist for Corporate Transferee (Buyer)

No.	Description of Documents
1.	Attested copy of Certificate of Incorporation and Memorandum & Articles of Association
2.	Attested copy of Certificate of Commencement of Business, in case of Public Limited Company
3.	Certified copy of Board Resolution authorizing the application and Chief Executive for PMEX Membership
4.	List of Directors & Shareholders with attested copies of CNIC / Passport of all directors



5.	Attested copies of educational and experience certificates of CEO (minimum graduation / five years' experience of buying and selling or dealing in commodities or securities market required)
6.	Statement of Net Worth as per standard format: <ul style="list-style-type: none"> <li>• Minimum PKR 20 million for Universal Membership</li> <li>• Minimum PKR 10 million for Commodity Specific Membership</li> </ul> certified by the State Bank of Pakistan's approved panel A or B category auditor
7.	Statement of Net Capital Balance as per standard format of minimum PKR 2.5 million certified by the State Bank of Pakistan's approved panel A/B/C category auditor
8.	Affidavit as per standard format on a non-judicial stamp paper of PKR50/-
9.	Undertaking(s) in the prescribed format
10.	Reference Letter from Principal Bank
11.	Attested copy of NTN certificate of CEO and latest filed income tax return of the company
12.	Latest audited financial statements, where applicable
13.	Company Profile and CV of CEO
14.	Completed Membership Application Form as per standard format duly signed and stamped
15.	Pay Order of Membership Security Deposit of PKR 750,000/-, where applicable

Note: Standard formats for all documents will be provided on request.

2



## Conversion of Membership (Corporatization)

### a. General Documents

No.	Description of Documents
1.	Request for conversion of Membership on member's letterhead duly signed by the Member
2.	Undertaking in prescribed format on member's letterhead signed by the member
3.	Pay Order/Demand Draft of PKR 10,000/- in the name of Pakistan Mercantile Exchange Limited towards processing charges
4.	Original Membership Certificate issued to the member
5.	Original Broker Registration Certificate (BRC) issued by the SECP, in case of broker
6.	Admission documents of corporate entity (as mentioned below)

### b. Checklist of Corporate Documents

No.	Description of Documents
1.	Attested copy of Certificate of Incorporation and Memorandum & Articles of Association
2.	Attested copy of Certificate of Commencement of Business, in case of Public Limited Company
3.	Certified copy of Board Resolution authorizing the application and Chief Executive for PMEX Membership
4.	List of Directors & Shareholders with attested copies of CNIC / Passport of all directors
5.	Attested copies of educational and experience certificates of CEO / Nominee director (minimum graduation / five years' experience of buying and selling or dealing in commodities or securities market required)
6.	Statement of Net Worth of the company as per standard format: <ul style="list-style-type: none"> <li>• Minimum PKR 20 million for Universal Membership</li> <li>• Minimum PKR 10 million for Commodity Specific Membership</li> </ul> certified by the State Bank of Pakistan's approved panel A or B category auditor
7.	Statement of Net Capital Balance as per standard format of minimum PKR 2.5 million certified by the State Bank of Pakistan's approved panel A/B/C category



	auditor
8.	Affidavit on a non-judicial stamp paper of PKR 50/- on prescribed format
9.	Undertaking(s) in the prescribed format
10.	Reference Letter from Principal Bank
11.	Attested copy of NTN certificate of CEO and latest filed income tax return of the company
12.	Latest audited financial statements
13.	Company Profile and CV of CEO / Nominee Director
14.	Completed Membership Application Form as per standard format duly signed and stamped

Note: Standard formats for all documents will be provided on request.

