

**Centralized Know-Your-Customer**

This is in continuation to Notification No. PMEX/MKT, BD&CSS/2019/05 dated January 22, 2019, whereby all brokers were informed that National Clearing Company of Pakistan Limited (NCCPL) has been licensed as a Centralized Know-Your-Customer (KYC) Organization (CKO) under Centralized Know—Your-Customer (KYC) Organization Rules, 2017.

Please note that for the performance of CKO functions, NCCPL has developed the KYC Information System (KIS), which will become effective from **June 17, 2019**. Thereafter, registration of all new clients by PMEX Brokers will only be possible under CKO regime.

In this regard, Brokers are required to register with NCCPL as Authorized Intermediary (AI) by submitting the registration documents specified in **Annexure A**. After registration of Broker as an AI, User ID and Password to access KIS through <https://kyc.nccpl.com.pk/> will be directly issued by NCCPL. PMEX Brokers are advised to immediately initiate AI registration process with NCCPL to avoid any inconvenience.

Moreover, Brokers are required to arrange Biometric Device to carry out the Biometric Verification for its "Individual Customers". The required model, specifications and vendor of the Biometric device are specified in **Annexure B**. In addition, CKO Biometric Mobile App has also been made available for investors to facilitate them in performing biometric verifications directly. The modus operandi, installation guide and user manual of the Mobile App is specified in **Annexure C**.

To facilitate PMEX Brokers to better understand CKO functions and KIS, NCCPL has scheduled following awareness/training sessions. PMEX Brokers are requested to actively participate in the sessions.

Date	City	Venue	Time
Thursday, June 13, 2019	Karachi	NCCPL Head Office at PSX Building (Karachi)	03:30pm
	Lahore	NCCPL Office at LSE Building (Lahore)	03:30pm
	Islamabad	NCCPL Office at ISE Tower (Islamabad)	03:30pm

For further details on KYC regime, please refer to NCCPL Circulars dated April 15, 2019 and June 10, 2019 specified in Annexure D. The schedule of charges of NCCPL is also attached as Annexure E.

For further information and assistance, please feel free to contact our Customer Support Services by phone on 021-111-11- PMEX (7639) or by email at [support@pmex.com.pk](mailto:support@pmex.com.pk).

Best regards,



Hasan Mahmood  
Head of Marketing, Business Development  
& Customer Support Services

Annexure A

**NATIONAL CLEARING COMPANY  
OF PAKISTAN LIMITED**

8<sup>th</sup> Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi-74000, Pakistan  
Phone: (92-21) 32460811-19, Fax: (92-21) 32460827

**AUTHORIZED INTERMEDIARY REGISTRATION FORM**

The Chief Executive Officer,  
National Clearing Company of Pakistan Limited (NCCPL),  
Karachi-Pakistan

KIS ID. \_\_\_\_\_

**Eligible Authorized Intermediaries:**

- a) Securities Broker
- b) Asset Management Company
- c) Central Depository Company
- d) Futures Broker of PMEX
- e) Other

NCSS ID (Applicable for Securities Broker) \_\_\_\_\_

We hereby apply for admission as Authorized Intermediary under Centralized Know Your Customer (KYC) Organization (CKO) Regulations, 2017 of NCCPL

**Particular of Applicant**

1. Full name of Applicant \_\_\_\_\_  
*(Please use BLOCK LETTERS)*  
*(Must be same for those admitted as Clearing Member)*
2. Mobile No(s) / Land Line Number \_\_\_\_\_
3. Email \_\_\_\_\_
4. Fax No (Optional) \_\_\_\_\_
5. NTN (Optional) \_\_\_\_\_
6. Website (Optional) \_\_\_\_\_
7. Membership of Pakistan Stock Exchange
 

YES	NO	Stock Exchange Member ID
8. Name and Designation of Authorized Person (for NCCPL) \_\_\_\_\_
9. Mailing Address \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAME OF SIGNATORY \_\_\_\_\_  
TITLE \_\_\_\_\_  
SIGNATURE \_\_\_\_\_  
STAMP \_\_\_\_\_

DATED \_\_\_\_\_  
PLACE \_\_\_\_\_

**ENCLOSURES**

- A. For Securities Brokers / PMEX Brokers

1. Signature Card
2. Undertaking/ Agreement with NCCPL
3. Board Resolution

B. Other Entities

1. Signature Card
2. Certified True copy of Board Resolution on standard format authorizing execution of this Registration Form and the relevant Undertaking/Agreements with NCCPL
3. Power of attorney in case form is signed by agent of the applicant
4. Articles and Memorandum of Association
5. Undertaking/ Agreement with NCCPL

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**NCSS USER ACCESS POLICY**

<b>User No.</b>	<b>Authority in NCSS</b>
• User No. 1	SAVE & POST
• User No. 2	POST
• User No. 3	SAVE

**OPTION II**

<b>User No.</b>	<b>Authority in NCSS</b>
* User No. 1	* POST
* User No. 2	* POST
* User No. 3	* SAVE
* User No. 4	* SAVE

1. **SAVE** functionality means to preserve the data into KIS within the designated time.
  2. **POST** functionality means to execute the Save functionality.
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**SPECIMEN OF BOARD RESOLUTION**  
(Must Be Printed On Company's Letter Head)

Resolved that:

An application be made on behalf of the Company to National Clearing Company of Pakistan Limited ("NCCPL") for admission of the Company to the KYC Information System ("KIS") in the capacity of Authorized Intermediary and that for the aforesaid purpose, the Authorized Intermediary Application Form in the prescribed form of Centralized KYC Organization (CKO) be executed on behalf of the Company;

If CKO accepts the Company's application for admission to KIS in the capacity of Authorized Intermediary, the company do enter into a Authorized Intermediary Agreement with NCCPL.

Mr. \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_, be and are hereby authorized singly\*/jointly\* for and on behalf of the company to sign, execute and deliver the said application, the CKO Agreements and other necessary documents in connection therewith and to do any other act, deed or thing for and on behalf of the company in respect of Company's application for admission to KIS in the capacity of Authorized Intermediary; and

Mr. \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_ be and are hereby authorized singly\*/jointly\* for and on behalf of the Company to represent the Company to NCCPL on all matters pertaining to the implementation and performance of the CKO Agreements, to deal liaise and correspond with CKO and to fulfill all responsibilities and obligations of the Company under the CKO Regulations, 2017 and CKO Procedures from time to time and to do all other incidental and ancillary acts, things and deeds.

CERTIFIED TRUE COPY

I hereby certify that the above resolution was dully passed by the Board of Directors of the Company in its meeting held on (date of meeting) \* / through circular resolution dated (date of circular resolution) \* and the same has been entered in the minutes book of the company in accordance with the Articles of Association of the company.

Company Secretary / Chief Executive Officer  
Company Seal/Stamp

Date :

**NATIONAL CLEARING COMPANY  
OF PAKISTAN LIMITED**

8<sup>th</sup> Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi-74000 Pakistan  
Phone: (92-21) 3246-0811-19 Fax (92-21) 3246-0827

Date: \_\_\_\_\_

**SIGNATURE CARD**  
*(For Authorized Intermediary - CKO Functionality)*

Element Name

\_\_\_\_\_  
\_\_\_\_\_

**AUTHORISED SIGNATURES**

	<b>NAME</b>	<b>SIGNATURE</b>
1.	_____	_____
2.	_____	_____
3.	_____	_____
4.	_____	_____
5.	_____	_____

**ADDITIONAL INSTRUCTIONS (if any)**

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## Annexure B

### Biometric Device

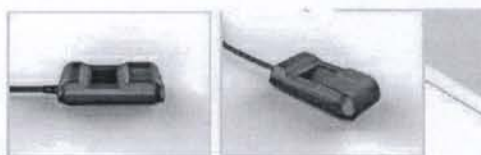
Note: Authorized Intermediary (“AI”) shall be required to arrange Biometric Devices model “Suprema Korea Finger Print Biomini Slim 2” having following specifications to provide Biometric Verification facility for its “Individual Domestic Customers”.

For facilitation of AIs, such devices can be purchased from the following vendor at discounted price specially negotiated by NCCPL for AIs:

M/s. LIMTON Innovative Systems  
 Landline: 021-34140884-86 Ext: 346  
 Address: Level 04, Shahnaz Arcade  
 Shaheed-e-Millat Road, Karachi - 74800, Pakistan

# BioMini Slim 2

Ultra-slim FAP20 Fingerprint Scanner



#### FEATURES



- World's slimmest FAP20 optical sensor
- Multi Dynamic Range (MDR) technology
  - Operates under max 100,000 lux of direct sunlight
- Advanced Live Fingerprint Detection (LFD) technology



- Android support
  - Micro-USB interface to android devices
  - Simpler operation without PC
  - Versatile solution with custom-made Android apps



- FBI PIV/FIPS201 and FBI Mobile ID FAP20 certificates
- NIST certified interoperable image & template format standards (ANSI-378, ISO19794-2/4)



- World's best performing Suprema algorithm
  - Ranked top in NIST MINEX tests and FVCs
  - FBI certified template extractor & matcher
  - Fastest matching speed up to 100,000 match/sec\*
  - \*with Intel Core2Duo CPU



- Full SDK support for easier integration
- MS Windows & Linux compatible

#### SPECIFICATIONS

Fingerprint Sensor	Optical (IP65 on the sensor surface)
Resolution	500 dpi, 256 gray
Platen Size	16.5 x 21.0 mm
Sensing Area	15.24 x 20.32 mm
LFD (Live Fingerprint Detection)	Yes (In progress)
FBI PIV / FIPS201	Yes
Mobile ID	FAP20
Image Size	300 X 400
Interface	USB 2.0 High Speed
Operating System	MS Windows/ Linux(32/64bit)/Android 4.1 above
Operating Temp./Humidity	-10 ~ 50°C / 0 ~ 90%
Weight	52g (including cable 95g)
Certificates	CE, FCC, KCC, WHQL, RoHS, REACH (In progress: UL)
Dimension(WxLxH)	72.8 x 40.7 x 18.5 mm (Slim 2) 59 x 32 x 13.5 mm (OEM Module)

## Annexure C



National Clearing Company of Pakistan Limited  
8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/MAY-19/15  
May 28, 2019

### Implementation of Centralized Know Your Customer "KYC" Organization Functions

Dear Market Participants,

This is with reference to our circular NCCPL/CM/APRIL-19/14 regarding MOCK session with respect to implementation of Centralized know your customer "KYC" organization function. All Authorized Intermediaries (AI) are requested to actively participate in MOCK as KYC System is available for participants.

Considering the live CKO date is June 17, 2019, all participants are requested to complete process of admission as an Authorized Intermediary at earliest and acquire biometric device to perform Biometric Verification as it is necessary for admission as AI as per CKO Regulations.

To facilitate the market investors, **CKO Mobile App** for Investors has also been made available under the Mock environment now to facilitate investors to perform biometric verifications directly, disregarding the requirement of physical appearance of the investor at any broker/AI premises. With this app, we are providing facility to such Investors to directly submit Biometric data who reside in remote areas or are unable to physically reach to Brokers/AI's for verification due to any reason. Moreover, this app does not require the biometric scanner and works directly with the mobile camera to take the image of the fingers to be scanned.

#### Modus Operandi

In order to avail this facility, investors have to request for a One-time Password (OTP) from their relevant broker/AI with which they desire to associate. The relevant broker/AI will submit a request for the generation of the OTP in the CKO system for that particular investor for his direct Biometrics. An OTP shall be sent on client's mobile number, which shall be used in this application as the login credentials of the user.

After successful login, investor will be required to capture Biometric images as per app recommendations and then submit it for necessary verifications. Success and failures result shall be accordingly displayed on the mobile app.

#### How to Download CKO Biometric Application for Investors

Users can download the mobile application from Play Store on recommended android devices by searching the following key words:

"CKO Biometric App"



**Reference Documents**

Installation Guide & User Manual for "CKO Biometric Mobile App for Investors" has been placed under the CKO page on NCCPL website for your necessary reference.

For any further queries or concerns, please feel free to contact the Customer Support Services Department at UAN No. 021-111-111-622

Regards,

\_\_\_\_\_sd  
**Rehan Saif**  
Head of PD & CSS

CC:

1. Director / HOD - Policy, Regulation and Development Department - SMD  
Securities & Exchange Commission of Pakistan - Islamabad
2. Chief Executive Officer - Pakistan Stock Exchange Limited
3. Chief Executive Officer - Central Depository Company of Pakistan Limited



**National Clearing Company of Pakistan Limited**  
**User manual / Installation Guide Document**  
**For**  
**CKO Biometric For Investors**

**Version 1.0**

**Internal & Confidential**

- **Purpose**

The purpose of this document is to share installation mechanism and usage of the application fro end user.

- **Application Requirements for android**

Minimum Android version 4.4 KitKat or higher

5-megapixel smartphone camera.

Data connection 4G.

- **Download App**

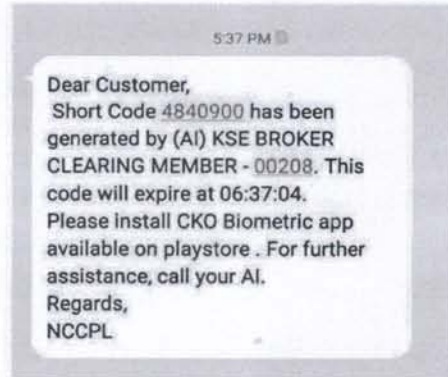
Download the mobile application from Play Store on recommended android devices by searching the following key words:

"CKO Mobile App for Investors"

**CKO Biometric Verification (For Investors)** is a platform to facilitate investors to perform biometric verifications directly, disregarding the requirement of physical appearance of the investor at any broker/AI premises

**How To get Short code:**

- The relevant broker/AI will submit a request for the generation of the OTP in the CKO system for that particular investor for his direct Biometrics.
- An short code shall be sent on client's mobile number, which shall be used in this application as the login credentials of the user.



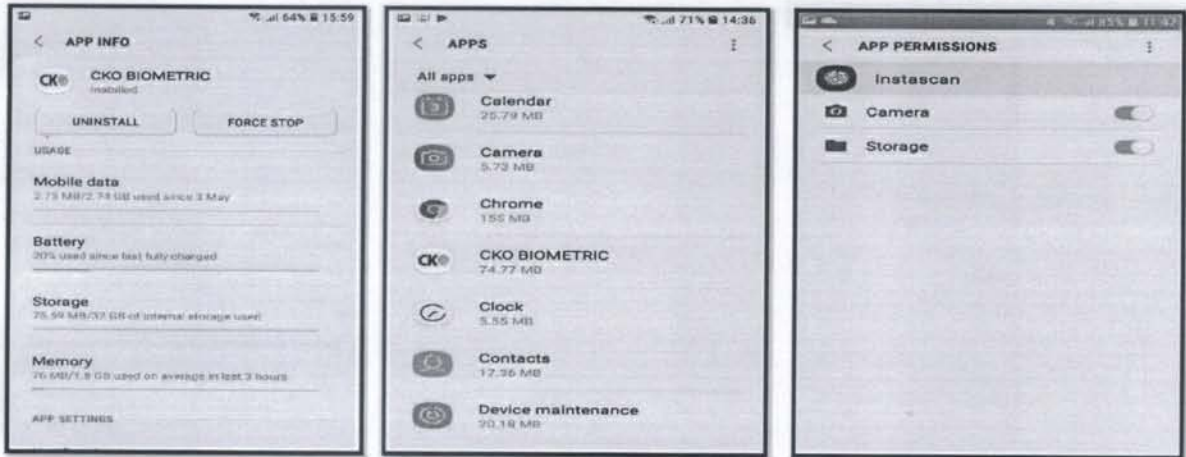
**Download Application**

**Download The application From Play Store and click on the Icon**

**After successful download please follow the below simple step to configure the application.**

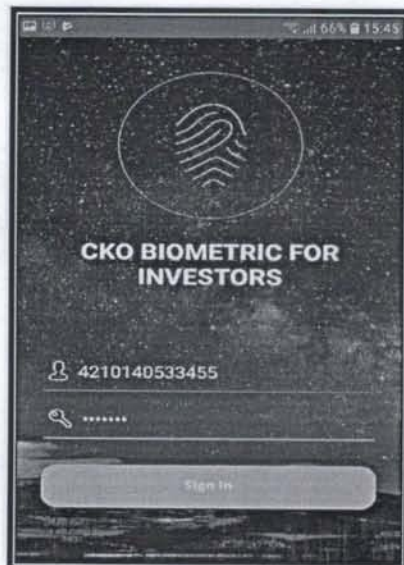


## Application Setting



- Application settings have to configure manually by user after successful android app installation
- Goto the Manage Application
- Select the InstaScan App
- Allow all the checks available and save settings.

## Login Screen



- Login User ID will be the 13 digit CNIC number.
- Password is the short code which is directly sent to the user registered mobile number on AI request
- After successful login user can proceed with the verification.
- Password will be expired once verifications process completed or after 1 hours.

## Home Screen



- Once Successfully login CKO BIOMETRIC FOR INVESTORS Home window appears click on 'Next'
- Kindly note that the Input CNIC number is not editable field. Make sure your CNIC number while creating your short code from CKO system.

## Home Screen



- Select the Index for Fingerprint images
- CNIC number is not editable field.

## Verification Screen



- When camera captured clear image of finger successfully it goes for verification process
- Once verification process completed following message received from NADRA
- Customer Verification Successful

## Annexure D



**National Clearing Company of Pakistan Limited**  
8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/CM/APRIL-19/08  
April 15, 2019

**Implementation of Centralized Know Your Customer "KYC" Organization Functions**

Dear Broker Clearing Members,

This is with reference to our Circular No. NCCPL/CM/FEBRUARY-19/04 Dated February 11, 2019 pertaining to performance of Centralized Know Your Customer (KYC) Organization "CKO" functions by the National Clearing Company of Pakistan Limited "NCCPL".

In this respect, we are pleased to inform you that the Securities and Exchange Commission of Pakistan (SECP) has approved amendments in the Centralized Know Your Customer (KYC) Organization (CKO) Regulations, 2017 "Regulations" and consequential amendments in NCCPL Regulations relating to CKO that are applicable with immediate effect.

For the performance of CKO functions, NCCPL has developed the KYC Information System (KIS) which shall be implemented as per the details provided in this circular.

The key features and requirements have been briefly explained below for the ready reference of market participants:

**A. Admission of an Authorized Intermediary (AI) with CKO**

1. The eligible person as defined in the Centralized Know Your Customer (KYC) Organization (CKO) Regulations, 2017 (the "Regulations") shall apply for registration with CKO as AI by submitting the registration documents attached herewith as Annexure-A along with necessary supporting documents. In this phase of implementation, CKO regime shall be applicable on Securities Broker (for customers maintaining trading and CDS sub-account) and on Central Depository Company of Pakistan Limited (CDC) (for the investor account holders).
2. Clearing Members registered with the CKO as an AI, shall be required to arrange Biometric Devices as per the specification and requirements attached herewith as Annexure-B to provide Biometric Verification facility for its "Individual Domestic Customers". Biometric Verification can also be performed through smart mobile phone application in the manner prescribed under the Regulations. Securities Brokers are advised to arrange such devices latest by May 03, 2019 to avoid any inconvenience.
3. The CKO, subject to verification, in accordance with the Regulations, shall admit an entity as AI to access KIS. Upon admission as AI, CKO will issue dedicated User ID and Password to AI to access KIS through this URL: <https://kvc.nccpl.com.pk/>
4. Standard Password Policy will also be communicated at the time of admission and AI shall be required to change password at first login into KIS.
5. Securities Brokers are advised to immediately start registration process with CKO as mentioned above and complete the same latest by April 30, 2019 to avoid any inconvenience.

**B. Registration of New Customer with CKO**

**Please note that new CKO regime shall only be mandatory for registrations of new customers effective from May 06, 2019.**





ISO 27001 Certified

## National Clearing Company of Pakistan Limited

8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

The registration, verification and maintenance of KYC information of the Customers of AIs shall be performed by CKO in accordance with the Regulations, brief overview is given below:

1. Broker Clearing Member will register new client code in NCSS with their Unique Identification Number (UIN) and CDS Account as per the existing mechanism and submit on-line KYC Application Form in KIS by next working day. However, Broker Clearing Member shall be required to perform Biometric Verification successfully for "individual domestic Customer" before client code registration and initiating KYC process of a Customer in KIS in accordance with the Regulations.
2. NCCPL has developed an electronic platform termed as "Central Portal" for AIs to input KYC Information as required in the KYC Application Form in KIS and also to input necessary information of Customer Relationship Form (CRF) as required by CDC for the opening of CDS account of a Customer. Central Portal will facilitate Broker Clearing Members in a manner that all requirements of KYC Application Form and CRF shall be entered only through Central Portal.
3. Customer details once provided on Central Portal will be made available in KIS and CDS for further processing by AIs. Any further update (if required) in Customer details shall be carried out by AI into respective systems of NCCPL and CDC.
4. In case of joint account holder(s), the AI shall be required to carry out Biometric Verification and proceed with KYC Application Form for each account holder separately.
5. After submission of KYC Application Form electronically in KIS, AI will be required to submit hard copy of original KYC Application Form and Supporting Documents (as specified in Regulations, Annexure-I) to CKO **within 5 working days**, provided, the supporting documents may also be submitted through the upload functionality made available in the KIS in accordance with the Regulations.
6. CKO will initiate necessary processing and complete its verification **within 15 working days** from the date of receipt of KYC Application Form along with all the required supporting documents.
7. Upon such verification, CKO will approve KYC Application Form in KIS and Unique KYC Number (UKN) will automatically be generated for such Customer in KIS. However, in case of any discrepancy, **further 5 working days** will be given to AI for removing it.
8. After issuance of UKN, CKO will obtain confirmation from corporate Customer, foreign individuals and foreign corporate Customers for the issuance of UKN **within 15 working days** in accordance with the Regulations.
9. At any point in time, where KYC Requirements, as mentioned above are not fulfilled in KIS, CKO shall proceed in accordance with clause 9.1 (v) of the Regulations.

### C. Registration of Customer already having a UKN with CKO

1. Securities Broker will register new client code in NCSS with their UIN and CDS Account as per the existing mechanism and will also be required to generate UKN Tagging Request in KIS by **next working day**. However, Broker Clearing Member shall be required to perform Biometric Verification successfully for



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## National Clearing Company of Pakistan Limited

8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi

"individual domestic Customer" before client code registration and initiating KYC process of a Customer in KIS in accordance with the Regulations

2. After submission of Tagging Request in KIS, AI will be required to submit authority letter duly signed by customer and the designated officer of the AI to CKO within 5 working days. Such authority letter will be required in case of local corporate Customer, foreign individual and / or corporate Customers
3. CKO will initiate necessary verification **within 15 working days** from the date of receipt of the authorization letter.
4. Upon such verification, CKO will approve such tagging request and UKN will automatically be tagged with such AI in KIS. However, in case of any discrepancy, **further 5 working days** will be given to AI for removing it.
5. CKO will obtain written confirmation from the local corporate Customer, foreign individual and / or corporate Customers for tagging of UKN in KYC Database with the concerned AI **within 15 working days**
6. At any point in time, where KYC Requirements, as mentioned above are not fulfilled in KIS, CKO shall proceed in accordance with clause 9.1 (v) of the Regulations.

### D. Change in KYC Information of Customers Having UKNs

1. A customer requiring to change his KYC Information, will inform concerned AI to initiate necessary changes electronically in KIS.
2. The duly signed physical copy of authorization of change from Customer and necessary supporting documents will be required to be provided physically by AI to CKO **within 7 working days** from the date of submission of electronic request.
3. In case of incomplete documents, AI shall be required to remove such shortcomings **within 3 working days**.
4. CKO **within 07 working days** after receipt of complete documents and its verification will send a confirmation letter to a local corporate Customer, foreign individual or corporate Customer informing about the change of information in its KYC Database and shall seek customer's confirmation
5. In case a Customer does not respond or give his acknowledgment **within 15 working days** from the date of the confirmation letter, the CKO shall inform the respective AI and cancel the request for change of KYC information of the Customer.

### E. Sahulat Account

Facility of opening Sahulat Account for Customers with simplified KYC requirements shall also be made available to AIs in KIS from the date prescribed by the CKO in due course of time. The AIs that are Securities Brokers and offering Sahulat Account opening facility to their individual resident Pakistani Customers in accordance with the relevant rules and regulations of the Securities Exchange shall be required to obtain a duly filled Sahulat KYC Application Form and proceed with applicable KYC Process in accordance with the Regulations.

F. Approved Centralized Know Your Customer (KYC) Organization (CKO) Regulations, 2017 are attached herewith as Annexure-C.



National Clearing Company of Pakistan Limited  
8th Floor, Pakistan Stock Exchange Building, Stock Exchange Road, Karachi



NCCPL/CM/JUNE-19/02  
June 10, 2019

**Implementation of Centralized Know Your Customer "KYC" Organization Functions**

**Dear Broker Clearing Members,**

This is with reference to our circular NCCPL/CM/MAY-19/03 dated May 3, 2019 pertaining to Implementation of Centralized Know Your Customer "KYC" Organization Functions by National Clearing Company of Pakistan Limited effective from June 17, 2019.

All participants who have not yet started Authorizes Intermediary (AI) registration process along with acquirement of biometric device are advised to immediately complete admission process otherwise they will not be allowed to register a new customer after June 14, 2019 onwards.

For any further queries or concerns, please feel free to contact the Customer Support Services Department at UAN No. 021-111-111-622

Regards,

Sd  
Rehan Saif  
Head of PD & CSS

CC:

1. Director / HOD - Policy, Regulation and Development Department - SMD  
Securities & Exchange Commission of Pakistan - Islamabad
2. Chief Executive Officer - Pakistan Stock Exchange Limited
3. Chief Executive Officer - Central Depository Company of Pakistan Limited
4. Chief Executive Officer - Pakistan Mercantile Exchange

**Annexure E**

S. No.	NAME	RATE	BASIS	LEVIED ON	COLLECTION	
					TIME	MODE
1	<b>CKO Maintenance Fee</b>					
a.	Individual Customers	Rs. 50	Per UIN Record	Clearing Member and PMEX	Annually	Through NCSS Pay & Collect
b.	Corporate Customers	Rs. 200	Per UIN Record	Clearing Member and PMEX	Annually	Through NCSS Pay & Collect
2	<b>Other fee &amp; charges</b>					
a.	Charges for non-submission / submission of wrong information within stipulated timelines	Rs 1,000	Per Customer of Clearing Member, AMC and PMEX, as applicable	Clearing Member, PMEX and AMC as applicable	Monthly	Through NCSS Pay & Collect / P. O. / Draft / Cheque as applicable
3	<b>Direct levies</b>					
a.	Mobile verification and NADRA charges related to BIOSIS and VERISYS	At Actual	At Actual	Clearing Member, PMEX and AMC as applicable	Monthly	Through NCSS Pay & Collect / P. O. / Draft / Cheque as applicable
4	Fortinet Token Device	Rs. 5,000	Per Device	Clearing Member, PMEX and AMC as applicable.	Annually	Through NCSS Pay & Collect/ P.O. / Draft/ Cheque as applicable.