

AGREEMENT FOR MARGIN FINANCING

THIS AGREEMENT is made at on the February 02, 2017 BETWEEN **M/s. Sakarwala Capital Securities (Pvt) Ltd.** (hereinafter referred to as the "Margin Financier") having its office at 114, 3TH Floor, Stock Exchange Building, Stock Exchange Road, Karachi, Pakistan, AND

_____, Bearing CNIC/NICOP _____,
Share Trading Account Number _____ and CDC Sub Account No: _____ an
individual, resident of _____
_____(Hereinafter referred to as the
"Margin Finanee") for the administration of margin account for the purpose of Margin Financing.

WHEREAS

Sakarwala Capital Securities (Pvt) Ltd. at the request of the client has agreed to grant margin Financing facility to the Client from the day of this agreement for the purchase of securities as approved by the Commission for the purpose of Margin Financing subject to the provisions of Securities (Leveraged markets & Pledging) Rules, 2011 and the directions of the Commission, NCCPL (National Clearing Company of Pakistan Limited) and the Stock Exchange from time to time.

NOW THIS AGREEMENT WITNESSETH AND THE PARTIES HERETO AGREE AS UNDER;

1. At the request of the Client, **Sakarwala Capital Securities (Pvt) Ltd.** has approved a limit of **PAK RS _____ (Pak Rupees _____)** for the purpose of Margin Financing in approved securities by the Client. This limit is subject to the range specified by the Commission from time to time generally, any direction by NCCPL and Stock Exchange to reduce the outstanding position of the Client to a certain level within the time specified by NCCPL and the Stock Exchange, or any other action that the Stock Exchange and NCCPL may deem fit and proper in this regard. The above limit can be increased at the discretion of **Sakarwala Capital Securities (Pvt) Ltd.**
2. **Sakarwala Capital Securities (Pvt) Ltd.** has made its satisfaction that the Client is eligible to avail the Margin Financing facility.
3. The Margin Financing shall be carried out by the Client only in securities specified that are approved by the NCCPL and Stock Exchange from time to time. However, **Sakarwala Capital Securities (Pvt) Ltd.** in its sole discretion may disallow margin financing to any of its client(s) in any of the approved Securities, without assigning any reason(s).

Authorized Person

Client Signature

4. The Client shall ensure that Finanee Participation Ration (FPR) is always kept in his/its account against its margin financed exposure/trade value. FPR means the ratio between the minimum equity participation required to be paid by the Margin Finanee for the purchase of each MF Eligible Security and the MF Transaction Value. For this purpose, the minimum equity participation ratio for each MF Transaction shall be 30% of MF Transaction Value or VAR Estimate of the relevant MF Eligible Security, whichever is higher. Further, every day the contract will be marked to market based on that day's closing VaR price. If the settlement price has moved against the Client, He/she/it will be required to deposit the amount of loss resulting from such movement so as to make sure that the equity participation ratio of 30% to 35% is maintained at all material times. These margins shall be paid before the commencement of next day's trading.
5. The FPR to be maintained by the Client in the margin account shall be in the form of cash only or any other margin eligible security that **Sakarwala Capital Securities (Pvt) Ltd.** may consider. However, **Sakarwala Capital Securities (Pvt) Ltd.** shall have absolute discretion in order to accept/reject portion of FPR in shape of margin eligible security, without assigning any reason(s).
6. Rollover charges will be levied for the unreleased period, when the scrip is released from Margin Finance based on share prices specified in the attached statements.
7. Corporate actions of the margin financed securities shall accrue to the client.
8. If the Client fails to deposit additional cash as a margin within one business day of the margin call, **Sakarwala Capital Securities (Pvt) Ltd.** shall have absolute discretion without any further notice to the Client to liquidate his / her margin account, including the securities deposited or purchased and carried in such account, to the extent that the margin is maintained at the required level. In such an event, **Sakarwala Capital Securities (Pvt) Ltd.** shall have the authority to use its discretion and on best effort basis shall sell or dispose off any or all the collateral securities in any lawful manner in order to meet the fixed margin requirements as may be specified from time to time.
9. The communication mode for margin calls shall be telephonic calls, e-mails and or postal mails at

Mobile number: _____

Email ID: _____

Address: _____

Respectively. The client hereby acknowledges that telephonic calls, e-mails and postal mails sent will be treated as the satisfactory mode of communication for the margin calls.

10. It is hereby distinctly understood that the grant of this Margin Financing facility by **Sakarwala Capital Securities (Pvt) Ltd.** to the Client is subject to the provisions of Securities (Levered Markets & Pledging) Rules, 2011 with such variations and modifications as may be made from time to time. The Client hereby undertakes that he/she/it has read, understood and agreed to abide by the provisions of the said Rules & Regulations. Further, all applicable procedures, prescribed documents, policies, notifications, etc. issued by the Stock Exchange and NCCPL in respect of Margin Financing shall also be binding on the Client. If any fine is imposed or other adverse action is taken by the Commission, Stock Exchange and or NCCPL against **Sakarwala Capital Securities (Pvt) Ltd.** due to non-compliance of any of the provisions of the said Rules and Regulations and / or any direction of the Commission, Stock Exchange and or NCCPL by the Client, the Client shall indemnify and keep indemnified **Sakarwala Capital Securities (Pvt) Ltd.** its directors and officers against all losses, costs, expenses, demands, proceedings, suits, damages, litigations and compensate **Sakarwala Capital Securities (Pvt) Ltd.** in all respect to the full extent.
11. The Client further represents that the funds being provided for Margin Financing are its own funds and not obtained or borrowed from any other person.

12. This Agreement is subject to the provisions of the Securities (Leveraged Markets & Pledging) Rules, 2011 and directions presently in force and as may be issued from time to time by the Commission, NCCPL and / or the Stock Exchange. These Rules & Regulations presently in force with such amendments as may be made in future along with the said directions shall be fully binding on both **Sakarwala Capital Securities (Pvt) Ltd.** and the Client and shall prevail over the terms of this Agreement in case of any conflict.

13. The tenure of this agreement shall continue until terminated by either party or by both the parties with mutual consent. Further, **Sakarwala Capital Securities (Pvt) Ltd.** reserves the right to terminate and or amend the agreement subject to one day's prior written notice, without assigning any reason thereof, whereas the client can terminate this agreement after ensuring all his/her transactions and his /her obligations towards **Sakarwala Capital Securities (Pvt) Ltd.** have been fully settled.

IN WITNESS WHEREOF the parties hereto, have executed this Agreement on the date and year mentioned above.

Signature:

Authorized Person

Sakarwala Capital Securities (Pvt) Ltd

Client Signature

Client Name: _____

WITNESSES:

SIGNATURE _____

NAME: _____

CNIC NO: _____

SIGNATURE _____

NAME: _____

CNIC NO: _____