

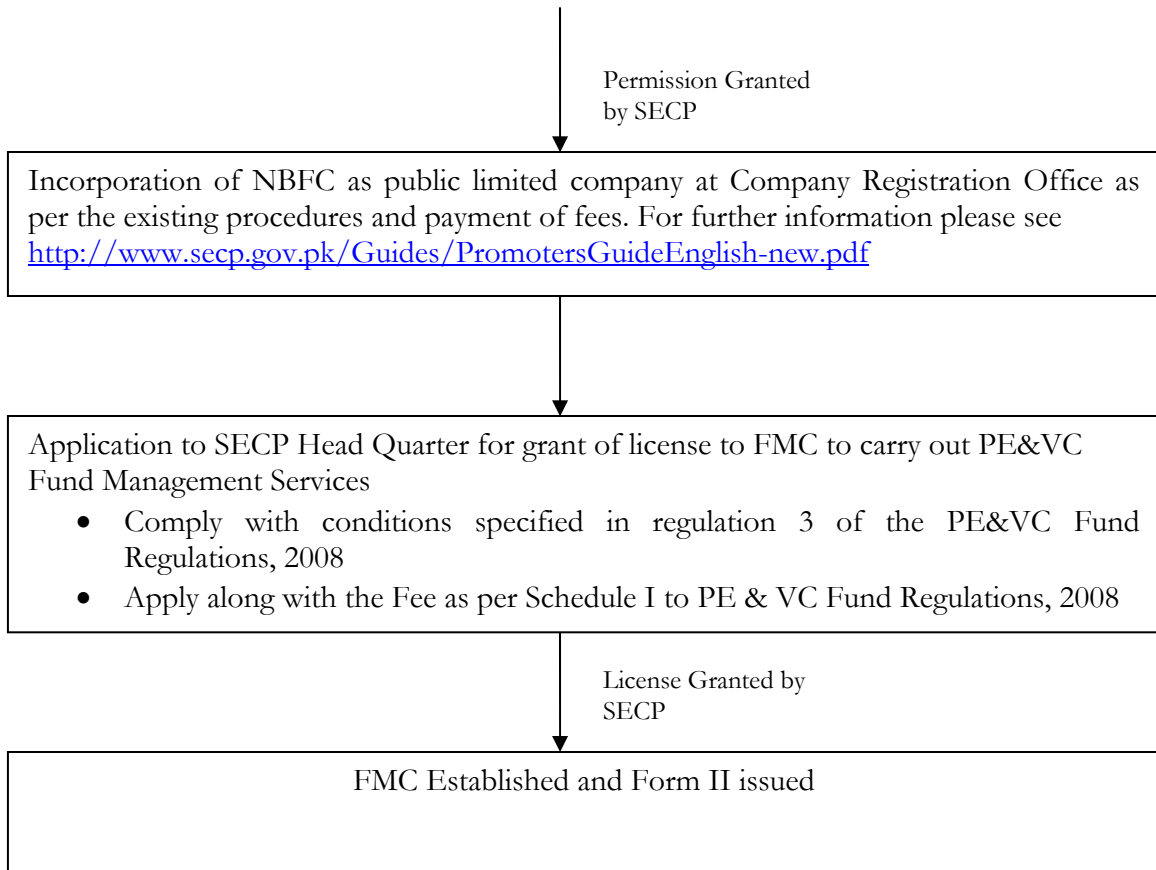
## **Flow Chart: 1**

### **Incorporation of FMC and Grant of License (For company using funds raised within Pakistan)**

The Fund Management Company (the “FMC”) is a Non-Banking Finance Company (“NBFC”) licensed by the Securities and Exchange Commission of Pakistan (“SECP”) to carry out Private Equity and Venture Capital (PE&VC) Fund Management Services in accordance with Part VIII-A of the Companies Ordinance, 1984 (the “Ordinance”) and the PE&VC Regulations, 2008. The FMC is to be incorporated under the Ordinance read with the provisions of the NBFC (Establishment and Regulation) Rules, 2003 (the “NBFC Rules”). Following is the suggested chronological methodology for the Incorporation of a FMC.

Application to Specialized Companies Division, SECP Headquarter Islamabad for obtaining permission to form a NBFC along with the following documents:

- Form I of NBFC Rules along with all relevant supporting documents
- Fee with Form I (as per Schedule I of PE&VC Regulations 2008)
- Compliance with Fit and Proper of PE&VC Regulations 2008, along with all relevant supporting documents



### **Incorporation of FMC and Grant of License (For company using foreign funds only)**

If a FMC is not raising any funds from investors within Pakistan and wants to invest in a Pakistani company, it is only required to register the fund with SECP. The procedure is as follows

- Establish Office in Pakistan
- Apply to REITs and New Initiatives Wing, SECP Head Quarter for registration of the Fund on Form III of PE&VC Fund Regulations, 2008
- Fee to be submitted as per Schedule I

Permission Granted  
by SECP

- Fund Registered and Form IV issued

The information contained on this page is for general guidance on formation of a Fund Management Company ("FMC"). Accordingly, the information on this page is provided with the understanding that the Securities and Exchange Commission of Pakistan (the "Commission") is not herein engaged in rendering legal, or otherwise professional advice and services. All information on this page is provided "as is", with no assurance of any kind, express or implied, including, but not limited to assurance of providing a permission to form a FMC and a license to carry out PE&VC Management Services. In no event will the Commission or its officers be liable to you or anyone else for any decision made or action taken in reliance on the information contained on this page or for any consequential damage