



SECP

SECURITIES AND EXCHANGE
COMMISSION OF PAKISTAN

Grant and Renewal of License: Debt Securities Trustee

Section I: Grant of License to Debt Securities Trustee

It is a

- wholly owned subsidiary set up by a scheduled bank or a development financial institution or a depository company for carrying out the activities of debt securities trustee;
- It is any other company allowed by the Commission;

This section outlines the step-by-step documentation and compliance requirements for obtaining the license/permission as Debt Securities Trustee under Public Offering (Regulated Securities Activities Licensing) Regulations, 2017 (the "Regulations")

Sr.	Checklist Item	Submission (Yes/No/NA)						
General Requirements								
1.	An application for a license shall be made to the Commission on Form A of Public Offering (Regulated Securities Activities Licensing) Regulations, 2017 (Annexure A of this document).							
2.	Original Challan for payment of application fee as per Schedule II of the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017 <table border="1"> <thead> <tr> <th>Sr. no.</th><th>Subject of Application</th><th>Amount in Rs.</th></tr> </thead> <tbody> <tr> <td></td><td>Application for seeking license to act as Debt Securities Trustee</td><td>Rs.100,000/-</td></tr> </tbody> </table>	Sr. no.	Subject of Application	Amount in Rs.		Application for seeking license to act as Debt Securities Trustee	Rs.100,000/-	
Sr. no.	Subject of Application	Amount in Rs.						
	Application for seeking license to act as Debt Securities Trustee	Rs.100,000/-						
3.	Copy of Memorandum of Association of Applicant with enabling clause to act as Debt securities trustee							
4.	Undertaking from the Applicant that it is compliant with all the regulatory requirements of these regulations <ul style="list-style-type: none"> Issued on the name of the declarant Properly witnessed with submission of the CNIC's of the witnesses Duly stamped by oath Commissioner 							
5.	Entity credit rating, assigned by a credit rating company licensed by the Commission, is not less than A- (single A minus) and such rating is not more than six months old							
6.	Necessary infrastructure for performing efficient and uninterrupted functions as debt securities trustee							
7.	ATL of FBR status of sponsors / board of directors / dedicated compliance officer							
8.	CV of chief executive or any of its executive directors or the senior management officer heading the Debt securities trustee function has at least three years' experience of providing services as a Debt securities trustee or has at least three years' experience of working at the senior management level in any regulated financial services sector							
9.	Compliance with General and Specific Conditions as per Schedule I of the Regulations							

A. wholly owned subsidiary of depository company or any other company allowed by the commission			
i.	Auditor's certificate confirming that the company meets the minimum equity requirements/Net Worth under Regulations. Equity is not less than fifty million rupees,		
	Form of Business	Minimum Equity Requirement (MER)	
	Debt Securities Trustee	Rs. 50 million	
ii.	Copy of memorandum and articles of association		
iii.	Last annual audited account and latest quarterly or half yearly accounts.		
iv.	Latest Broker Fiduciary Rating from a Licensed CRC Minimum Credit Rating Should be A-		
v.	Profile of CEO, CFO, Company Secretary, Compliance officer, Directors and sponsors		
vi.	Detail of ongoing legal proceedings, if any, initiated against the applicant by the Commission or any other regulatory authority.		
vii.	Detail of penal action taken against company or its director, CEO or sponsors		
viii.	List of financial or criminal offenses in which the applicant or any of its sponsors or directors has remained involved during the last three years.		
ix.	In case any group or company of the applicant is already licensed under these Regulations, the following details shall be provided: (a) Name of such group or company; (b) Detail of warning notices, if any, issued to such group or company by the Commission during the last three years; (c) Detail of ongoing legal proceedings, if any, initiated against such group or company by the Commission; and (d) Penal action, if any, taken against such group or company by the Commission during the last three years.		
x.	Procedure for redressal of complaints		
xi.	Date-wise breakup of issues where applicant acted as DST during the last 3 years		
xii.	Filing of Form 29 and Form A		
B. wholly owned subsidiary set up by Registered Development Financial Institutions or a Scheduled Bank			
i.	Exempted from the Licensing Requirements under Regulation 12 of the regulations		
ii.	Apply to obtain Prior Permission of the Commission		
iii.	Board Resolution to undertake DST business		

i.	Original Challan for payment of application fee as per Schedule II of the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017		
	Sr. no.	Subject of Application	
	1.	Application for seeking license to act as DST in case of Development Financial Institution	
	2.	Application for seeking license to act as DST in case of Scheduled Bank	
9.	Any other information required by Commission.		

Renewal of license/permission as Debt Securities Trustee

This section outlines the step-by-step documentation and compliance requirements for renewal of the license/permission as Debt Securities Trustee under Public Offering (Regulated Securities Activities Licensing) Regulations, 2017 (the "Regulations")

Checklist for Renewal of License/permission as Debt Securities Trustee

Sr.	Checklist Item	Submission (Yes/No/NA)
General Requirements		
1.	Application to be made on Form C of the PROSAL Regulations (Annexure B of this document)	
2.	undertaking from the Applicant that it is compliant with all the regulatory requirements of these regulations <ul style="list-style-type: none"> Issued on the name of the declarant Properly witnessed with submission of the CNIC's of the witnesses Duly stamped by oath Commissioner 	
3.	latest Credit Rating from a credit rating company duly licensed by the Commission	
4.	Chief executive or any of its executive directors or the senior management officer heading the Debt securities trustee function has at least three years' experience of providing services as a Debt securities trustee or has at least three years' experience of working at the senior management level in any regulated financial services sector. OR CV of a CEO who has above experience	
5.	CTC of Form A, Form 9, Filing of Annual Account	
6.	ATL of FBR status of sponsors / board of directors / dedicated compliance officer	
7.	Details of activities performed during last one year	
8.	Compliance with General and Specific Conditions as per Schedule I of the Regulations	
Specific Requirements		
A. wholly owned subsidiary of depository company or any other company allowed by the commission		

i.	Entity Credit Rating by Licensed CRC (not older than 6 months)			
A. wholly owned subsidiary set up by Registered Development Financial Institutions or a Scheduled Bank				
i.	Exempted from the Licensing Requirements under Regulation 12 of the regulations, therefore, follow the following procedure to continue to act as DST			
B. Renewal of Permission for DFIs				
i.	within one month of the end of each calendar year, every development financial institution engaged in the business of debt securities trustee shall submit an affidavit that it is compliant with all the requirements of these Regulations.			
ii.	Sr. no.	Subject of Application	Amount in Rs.	
		Application for permission to continue carry out the activity of Debt Securities Trustee	100,000	
C. Renewal of Permission for Banks				
i.	Submission of affidavit by commercial banks that it is compliant with all the requirements of these Regulations in following manner;			
ii.	In case a scheduled bank already licensed as a DST, it shall submit the affidavit one month prior to expiry of existing license			
iii.	In case a scheduled bank granted permission under Regulation 12(2) of the Regulations, it shall submit an affidavit within one month of the end of each calendar year.			
iv.	Sr. no.	Subject of Application	Amount in Rs.	
		Application for permission to continue carry out the activity of Debt Securities Trustee	100,000	

Annexure A – Form A

[See regulation 5(1)]

**APPLICATION FOR [LICENSE] AS _____ * UNDER THE
PUBLIC OFFERING (REGULATED SECURITIES ACTIVITIES LICENSING)
REGULATIONS, 2017.**

To
The Securities and Exchange Commission of Pakistan
(Full Address of SECP)

Pursuant to the decision of the board of directors (BOD) of[name of applicant] taken in its meeting held on[date of meeting]....., we hereby apply for license as _____* under regulation 5 of the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017. (the Regulations) read with section 68 of the Securities Act, 2015. The requisite information and documents mentioned at Annexure I of the Regulations are attached herewith.

Date: _____
Signature: _____
Place: _____

Name and designation of the chief executive, the company secretary or the chief financial officer duly authorized by the BoD through a resolution to sign and submit application for registration as _____*.

*** Name of the regulated securities activity**

Annexure B

Annexure-II

[See 67[clause vii] of Annexure I)
(On stamp paper of appropriate value

AFFIDAVIT

I, _____ son/daughter/wife of _____ adult, resident of _____ and holding CNIC/Passport No. _____ do hereby state on solemn affirmation as under:-

1. That I am the chief executive/director of(name of the applicant)..... and as such I am well conversant with the facts stated below.
2. That the statements made and the information and documents provided along with the application for licence as _____* under the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017. are correct to the best of my knowledge and belief and no facts have been concealed.
3. That the Securities and Exchange Commission of Pakistan will be notified of any change in the information provided to it along with the application for licence under regulation 5 of the said Regulations during the period the applications for licence is being considered.
4. That all the documents provided to the Securities and Exchange Commission of Pakistan are true copies of the originals.
- 68[5. That the(name of applicant).....is compliant with all the regulatory requirements of these regulations.]

Pakistan are true copies of the originals.

That I do hereby verify that the statements made above are correct to the best of my knowledge and belief and nothing has been concealed therein.

DEPONENT

The Deponent is identified by me

Signature _____

ADVOCATE

(Name and Seal)

Solemnly affirmed before me on this _____ day of _____ at _____ by the Deponent above named who is identified to me by _____, Advocate.

Signature _____

Annexure C

FORM-C

**Application for Renewal of license as DST under the
PUBLIC OFFERING (REGULATED SECURITIES ACTIVITIES LICENSING)
REGULATIONS, 2017**

To,
The Securities and Exchange Commission of Pakistan
Pursuant to the decision of the Board of Directors of [Name of the Applicant]..... taken in its meeting held on[Date of Meeting]....., we hereby apply for renewal of licence as an _____* under sub-regulation (1) of regulation 7 of the Public Offering (Regulated Securities Activities Licensing) Regulations, 2017.

Date: _____

Signature: _____

Place: _____

Name and designation of the chief executive, the company secretary or the chief financial officer duly authorized by the BoD through a resolution to sign and submit application for registration as _____*.

* Name of regulated securities activity



SECP

SECURITIES AND EXCHANGE
COMMISSION OF PAKISTAN