



PAKISTAN  
MERCANTILE  
EXCHANGE

P M E X

**Circular No.: PMEX/MKT, BD&CSS/2019/34**

**August 06, 2019**

**Guidelines for Clients of Commodity Futures Brokers**

This is in continuation to Circular No.: PMEX/MKT, BD&CSS/2019/07 dated January 29, 2019.

All brokers are hereby informed that the Exchange has issued revised Guidelines for Clients of Commodity Futures Brokers consequent to implementation of Direct Fund Model. The revised Guidelines in English and Urdu are enclosed as Annexure A and B.

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

Best regards,

Syed Mumtaz Ali  
Chief Regulatory Officer

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## Annexure - A

### Guidelines for Clients of Commodity Futures Brokers

DO'S	DON'TS
<ol style="list-style-type: none"> <li>1. Verify the authenticity of a Broker and its branches from the list of registered brokers from PMEX website (<a href="https://www.pmem.com.pk/pmem-broker/">https://www.pmem.com.pk/pmem-broker/</a>)</li> <li>2. Carefully read and understand the terms and conditions along-with Risk Disclosure Document</li> <li>3. Ensure that all information is accurately filled in the Account Opening Form and a signed copy of the form is retained for future reference</li> <li>4. In case of any change in information provided in the Account Opening Form, immediately communicate in writing to Broker</li> <li>5. Only deposit payments to PMEX through cross cheque or online transfer from your own bank account registered with PMEX</li> <li>6. Ensure that Broker sends daily, weekly, monthly account balance and activity statements to know the trade activity and cash balances in the trading account</li> <li>7. Ensure that Broker sends SMS alerts for trades and cash movement in the trading account</li> <li>8. Approach PMEX in case of any complaint that remains unresolved by the Broker</li> </ol>	<ol style="list-style-type: none"> <li>1. Do not deal with Brokers or their branches not registered with PMEX</li> <li>2. Do not give wrong, contradictory or incomplete information in the Account Opening Form</li> <li>3. Do not issue cross cheque pay order demand draft or any other instrument in the name of Broker, or any of its employee/authorized representative</li> <li>4. Do not deposit payments in cash in your account</li> <li>5. Do not deposit payments through third party cheque or online transfer from third party account</li> <li>6. Do not get misled by alluring advertisements, rumors, hot tips or the promises of assured returns by the Brokers or their authorized representatives</li> <li>7. Do not share personal ID and password provided by the Exchange with the Brokers or their authorized representatives</li> <li>8. Do not surrender the right of receiving cash and trade balances reports via email and SMS</li> <li>9. Do not start trading before reading and understanding the Risk Disclosure Document provided by PMEX</li> <li>10. Do not give deposit by whatever name called, to any Broker or any of its employee/ authorized representative against fixed or guaranteed returns on deposits as the same is illegal and any claim in respect of such deposits would not be considered/entertained by PMEX</li> </ol>

## Annexure - B

### Guidelines for Clients of Commodity Futures Brokers

گریز کریں	عمل کریں
۱- ان بروکرز یا برانچز کے ساتھ کاروبار نہ کریں جو پی ایم ای ایکس کے پاس رجسٹرڈ نہ ہوں	۱- بروکرز اور اس کی برانچز کی تصدیق پی ایم ای ایکس کی ویب سائٹ <a href="https://www.pmem.com.pk/pmex-broker/">https://www.pmem.com.pk/pmex-broker/</a> پر فراہم کردہ لسٹ سے کریں
۲- اکاؤنٹ اوپننگ فارم میں غلط، متضاد یا نامکمل معلومات کا اندراج نہ کریں۔	۲- شرائط و ضوابط کے ساتھ خطرات کی نشاندہی کرنے والی دستاویز کو احتیاط سے پڑھیں اور سمجھیں
۳- بروکر یا اس کے کسی بھی ملازم/نامزد کردہ نمائندہ کے نام کراس چیک پیس آرڈر، ٹیمانڈ ٹرافٹ یا کوئی بھی بینکنگ انسٹرومنٹ جاری نہ کریں	۳- اس بات کو یقینی بنائیں کہ اکاؤنٹ کھولنے کے فارم میں معلومات کا درست اندراج کیا گیا ہے اور اس فارم کی دستخط شدہ کاپی حاصل کریں جس کو ضرورت کے وقت بطور حوالہ استعمال کیا جاسکے
۴- اپنے اکاؤنٹ میں کوئی نقد رقم نہ جمع کرائیں	۴- اکاؤنٹ کھولنے کے فارم میں فراہم کردہ معلومات میں کسی بھی قسم کی تبدیلی سے بروکر کو تحریری طور پر فوری آگاہ کریں
۵- کسی بھی قسم کی ادا نگی تھرڈ پارٹی اکاؤنٹ سے نہ کریں	۵- پی ایم ای ایکس کو ادائیگی کراس چیک یا آن لائن ٹرانسفر سے اپنے بینک اکاؤنٹ سے کریں جو پی ایم ای ایکس کے پاس رجسٹرڈ ہو
۶- بروکر یا اس کے نامزد نمائندہ کی جانب سے جاری کردہ پمکس اسٹیمپڈ افواہ، ہاٹ ٹپ یا یقینی منافع کی ادائیگی کی پیشکش سے گمراہ نہ ہوں	۶- اس بات کو یقینی بنائیں کہ بروکر آپ کو آپ کے ٹریڈنگ اکاؤنٹ میں ہونے والے سودوں اور کیش بیلنس کی تفصیلات روزانہ، ہفتہ وار اور ماہانہ کی بنیاد پر فراہم کرے
۷- ایکسچینج کی طرف سے جاری کیا گیا آئی ڈی اور پاس ورڈ کسی بھی صورت میں بروکر یا اس کے نامزد کردہ نمائندہ کو نہ بتائیں	۷- اپنے بروکر کو ہدایت کریں کہ وہ آپ کو ٹریڈنگ اکاؤنٹ میں ہونے والی ٹریڈ اور کیش موومنٹ کے بارے میں ایس ایم ایس الرٹ باقاعدگی سے بھیجے
۸- اپنے کیش بیلنس اور ٹریڈ کے بذریعہ ایس ایم ایس یا ای میل وصول کرنے کے حق سے دستبردار نہ ہوں	۸- ایسی شکایت جو بروکر دور کرنے میں ناکام رہے اس کی اطلاع پی ایم ای ایکس کو دیں
۹- پی ایم ای ایکس کی جانب سے جاری کردہ خطرات کی نشاندہی کرنے والی دستاویز کو مکمل طور پر سمجھے بغیر ٹریڈنگ شروع نہ کریں	
۱۰- ڈپازٹ چاہے اس کو کوئی بھی نام دیا گیا ہو مقررہ یا یقینی منافع کے عوض بروکر یا اس کے کسی بھی ملازم/نامزد کردہ نمائندہ کو برگز نہ دیں کیونکہ یہ غیر قانونی ہے اور اس قسم کے غیر قانونی ڈپازٹ کے کسی بھی کلیم پر پی ایم ای ایکس کی جانب سے کوئی توجہ نہیں دی جائے گی اور نہ ہی اس پر غور کیا جائے گا	

**Direct Funds Model**

This is in continuation to PMEX Notification No.: PMEX/MKT, BD&CSS/2018/48 dated November 23, 2018 whereby all brokers were informed about Direct Funds Model (DFM). Under this model, the Exchange will directly collect funds from the Clients as well as directly transfer the withdrawals into their bank accounts without the involvement of a broker.

DFM has been made available from today. This will run in parallel with the existing funds movement model till May 31, 2019. Thereafter, existing funds movement model will be replaced by DFM.

Following are the guidelines for DFM:

**1. Client Account Management**

- 1.1. All Brokers are advised to ensure correct and updated data entry of existing Clients' personal details including Client's own bank account number (IBAN) in TAMS by May 31, 2019.
- 1.2. The profile of all existing Clients must be approved by the Client in the Client Portal by May 31, 2019. If the Client does not approve the profile or approves profile with incorrect bank account number, funds allocation and withdrawal requests will not be initiated either from the Client Portal or by the broker in Clearing and Settlement Reporting System (CSR).
- 1.3. Trading account of all new Clients created by brokers will only be activated after approval of the profile by the Client in the Client Portal and verification of Client's IBAN. The verification may take two days.
- 1.4. The Client's profile can be amended only by the Broker upon authorization by the Client. However, any amendment would again require Client's approval.
- 1.5. In case of online transfer of funds, the Client's bank account should be maintained in one of the banks as specified in Annexure A.
- 1.6. The Client's email, mobile number and IBAN will be tagged with UIN (CNIC/CUIN, etc.) and cannot be entered against any other UIN.

**2. Client Funds Deposit**

- 2.1. The Client will deposit funds in the following PMEX's bank account through online banking (IBFT) or cheque.

Bank	Meezan Bank Limited
Account Title	Pakistan Mercantile Exchange Ltd.
Branch Code	0107
Account No.	0103648355
IBAN	PK08MEZN0001070103648355
Beneficiary email (if available)	<a href="mailto:funds@pmex.com.pk">funds@pmex.com.pk</a>

- 2.2. After funds are deposited in PMEX bank account, the Client will place a funds allocation request in the Client Portal. Transaction ID or cheque number will be required at the time of initiating funds allocation request.

- 2.3. In case of deposit through cheque, scanned copy of the cheque along with the deposit slip shall be emailed to the Exchange at [funds@pmex.com.pk](mailto:funds@pmex.com.pk) from Client's registered email.
- 2.4. Funds deposited through cash or any bank account other than the account included in Client's profile is strictly prohibited. In case of such deposits, reversal may take substantial time.
- 2.5. The funds allocation request (through online transfer and cleared cheque) received during banking hours will be executed on the same day. The requests received after banking hours will be executed on the next working day.
- 2.6. The Client and Broker can view the status of funds allocation request by accessing reports in their respective portals i.e. Client Portal and CSR.
- 2.7. The Client and Broker will be notified of the initiation of funds allocation request by the Client and approval or rejection of funds allocation request by the Exchange through system generated email and SMS.
3. **Client Funds Withdrawal**
  - 3.1. If Client's profile is not approved and IBAN is not verified, withdrawal request will be executed as per current practice till May 31, 2019.
  - 3.2. If Client's profile is approved and IBAN is verified, funds withdrawal request will be initiated through Client Portal. Upon Broker's approval, successful withdrawal request will be directly credited into Client's designated bank account within two banking days.
  - 3.3. If a request remains unapproved for more than a day, the Client should contact respective Broker. The Client can also view the status of withdrawal request by accessing Trader Funds Details Report in the Client Portal
  - 3.4. In case the Client is unable to initiate withdrawal request, the broker can initiate withdrawal request on Clients behalf having approved profile and verified IBAN from CSR. The successful withdrawal request will be directly credited into Client's designated bank account.
4. **Broker Commission Deduction**
  - 4.1. The Broker can place commission deduction requests through *EBooks* as well as *Commission Upload* through file in CSR. The commission will be credited into Broker's clearing deposit in CSR after End of Day (EOD) validation.
  - 4.2. The withdrawal from Clearing Deposit Account will continue to function as per current practice.
  - 4.3. All other requests placed by Broker will be treated as Client's withdrawals and will be directly credited to Client's bank accounts.
5. **Bank Charges on Deposits and Withdrawals of Funds**
  - 5.1. Bank charges applicable on deposit and withdrawal of funds in case of other than Meezan Bank are specified in Annexure B.

For the convenience of brokers and their clients, DFM user manual has been made available on PMEX website.

For further information and assistance, please feel free to contact our Customer Support Services by phone on 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 and CSS

**Annexure A**

- 1 Allied Bank Limited
- 2 Askari Bank Limited
- 3 Bank Al-Falah Limited
- 4 Bank Al-Habib Limited
- 5 Bankislami Pakistan Limited
- 6 Dubai Islamic Bank Pakistan Limited
- 7 Faysal Bank Limited
- 8 Habib Bank Limited
- 9 Habib Metropolitan Bank Limited
- 11 JS Bank Limited
- 12 MCB Bank Limited
- 13 MCB Islamic Bank Limited
- 14 Meezan Bank Limited
- 15 Samba Bank Limited
- 16 Silk Bank Limited
- 17 Soneri Bank Limited
- 18 United Bank Limited

*[Handwritten signature]*

**Annexure B**

Funds Deposit Charges		
1	Inward IBFT/Outward Clearing Cheque	PKR 25 per IBFT/Cheque
3	Same Day Clearing	Meezan Bank Schedule of Charges ( <a href="https://www.meezanbank.com/wp-content/themes/mbi/downloads/home-downloads/SOC-English-2019.pdf">https://www.meezanbank.com/wp-content/themes/mbi/downloads/home-downloads/SOC-English-2019.pdf</a> )
4	Collection Through Intercity Clearing	
5	Instrument Returned Charges	
Funds Withdrawal Charges		
2	Inter Bank Fund Transfer (IBFT)	PKR 35
3	Issuance of eBiz + Cheque (Pay Order)	PKR 35

Note: Government taxes and (SST, FED etc.) will be applicable on the above stated charges. The above charges shall be recovered from Client's account.

