

**DEFINITIONS OF DIFFERENT TERMS USED IN VARIOUS LAWS, RULES,
REGULATIONS AND GUIDELINES GOVERNING FINANCIAL SECTOR FALLING UNDER
THE REGULATORY JURISDICTION OF THE SECP.**

Abridged Prospectus	<p>"Abridged Prospectus" means the condensed form of the full Prospectus. <i>[Guidelines for the Issue of Term Finance Certificates (TFCs) to the General Public]</i></p>
Accept re-Takaful	<p>"Accept re-Takaful" includes risks from Takaful pools or re-Takaful pools managed by other Takaful or re-Takaful operators for inclusion in Takaful pools managed by the Takaful operator; <i>[Takaful Rules 2005]</i></p>
Accounting period	<p>"Accounting period" means the period ending on an accounting date and commencing from the establishment of the pension fund or from the end of the last accounting period, as the case may be; <i>[Voluntary Pension System Rules, 2006]</i></p>
Accredited	<p>"Accredited" means accredited in accordance with section 67 <i>[Securities Act, 2015]</i></p>
Acquirer	<p>"Acquirer" means any person who, directly or indirectly, acquires or has proceeded to acquire voting shares in the target company, or acquires or has proceeded to acquire control of the target company, either by himself or through any person acting in concert; <i>[Securities Act, 2015]</i></p>
Actuary	<p>"Actuary" means a person possessing such actuarial qualifications as may be prescribed; <i>[Insurance Ordinance, 2000]</i></p>
Adjudicating authority	<p>"Adjudicating authority" means a Commissioner or an officer exercising the powers of the Commission in consequence of delegation under section 10 of the Act or any other law being administered by the Commission; <i>[Securities & Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003]</i></p>

Administrator	" Administrator " means a person appointed by the Commission to manage the affairs of a closed-end fund or venture capital fund upon cancellation of such license granted to the Non-Banking and Finance Companies by the Commission to operate as investment adviser or to manage the venture capital fund, subject to such terms and conditions as may be deemed appropriate by the Commission; <i>[Non-Banking and Finance Companies Rules, 2003]</i>
Advance electronic Signature	" Advanced electronic signature " has the same meaning as given in section 2(1)(e) of the Electronic Transactions Ordinance, 2002; <i>[Internet Trading Guidelines, 2005]</i>
Advisor	" Advisor " means a Scheduled Bank, Registered Corporate Broker or an Investment Finance Company appointed by the issuer to provide advice on the structuring, placement and issue of the commercial paper. <i>[Guidelines for issue of Commercial Paper]</i>
Advocate	" Advocate " means an advocate entered in any roll under the provisions of the Legal Practitioners and Bar Councils Act, 1973 (XXXV of 1973). <i>[Companies (Appointment of Legal Advisers) Act, 1974]</i>
Agent	" Agent " means a person appointed by a member of a Stock Exchange to act on his behalf for the purpose recognized by a stock exchange and includes a sub-broker or head of a branch office; <i>[Leasing Companies (Establishment and Regulation) Rules, 2000]</i>
Alternate nominee Director	" Alternate nominee director " means an individual nominated by a single member to act as nominee director in case of non-availability of nominee director; <i>[Single Member Companies Rules, 2003]</i>
Annuity	" Annuity " means a series of payments of set frequency; <i>[Federal Public Service Rules, 2006]</i>
Appellant	" Appellant " means a person who prefers an appeal before the Appellate Bench; <i>[Securities and Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003]</i>

Appellate bench	" Appellate Bench " means an Appellate Bench constituted by the Commission under section 33; <i>[Securities and Exchange Commission of Pakistan(Appellate Bench Procedure) Rules, 2003]</i>
Application	" Application " includes an application, petition or appeal; <i>[Companies (General Provisions and Forms) Rules, 1985]</i>
Appointed actuary	" Appointed actuary " means the actuary required to be appointed by a life insurer pursuant to the provisions of section 26 of this Ordinance; <i>[Insurance Ordinance, 2000]</i>
Approved auditors	" Approved auditor " means an auditor approved by the Commission for the purpose of performing the functions assigned to auditors under this Ordinance; <i>[Insurance Ordinance, 2000]</i>
Approved securities	" Approved securities " means Government securities and any other security charged on the revenues of the Federal Government or of a Provincial Government, or guaranteed fully as regards principal and profit or return (however called or designated) by the Federal Government or a Provincial Government; and any debenture or other security for money issued under the authority of any Act of the Federal Legislature or any Provincial Legislature by or on behalf of the trustees of the port of Karachi; any security issued under the authority of any Act of Parliament or of a Provincial Assembly; and any security specified as an approved security for the purpose of this Ordinance by the Federal Government by notification in the official Gazette; <i>[Insurance Ordinance, 2000]</i>
Approved securities	" Approved securities " means shares of listed companies and government securities deposited as margin and approved by the Stock Exchange for the purpose of margin trading and financing; <i>[Margin Trading Rules, 2004]</i>
Approved securities	" Approved Securities " means the securities approved by the Board with the prior approval of the Commission for the purpose of these Regulations. <i>[Continuous Funding System Regulations, 2005]</i>
Articles	" Articles " means the articles of association of a company as originally framed or as altered in accordance with the provisions of any previous Companies Act, or of this Ordinance, including, so far as they apply to the company, the regulations

	<p>contained in Table A in the First Schedule; <i>[Companies Ordinance, 1984]</i></p>
Associate	<p>"Associate", in relation to-</p> <p>(a) an individual, means-</p> <p>(I) that individual's spouse, son, adopted son, step-son, daughter, adopted daughter, step-daughter, father, stepfather, mother, stepmother, brother, stepbrother, sister or stepsister;</p> <p>(IT) any company of which that individual is a director;</p> <p>(III) any company in which that individual or any of the persons mentioned in sub-clause (i), has control of twenty per cent or more of the voting power in the company, whether such control is exercised individually or jointly; or corporation established by any special enactment for the time being in force</p> <p><i>[Securities Act, 2015]</i></p>
Asset management Company	<p>"Asset management company" means a company which offers investment schemes under trust deeds and issues redeemable securities;</p> <p><i>[Securities Act, 2015]</i></p>
Asset management company	<p>"Asset management company" means a company which has been licensed by the Commission under rule 5 of the Non-Banking Finance Companies Rules, 2003, to offer investment schemes under trust deeds and to issue redeemable securities;</p> <p><i>[Voluntary Pension System Rules 2005]</i></p>
Asset Management Company	<p>"Asset Management Company" means an Non-Banking and Finance Companies licensed by the Commission to provide asset management services;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>

Asset management services	<p>"Asset management services" mean the services provided for management of open-ended schemes and include offering of investment schemes under trust deeds and issue of redeemable securities;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Assets	<p>"Assets" mean properties of all kinds including shares, securities, deposits, right</p>

	<p>and bonus shares, cash, bank balances, profits, dividends, fees, commissions, all receivables, claims, contracts, licenses, privileges, accrued or accruing or contingent, the beneficial ownership of which vests in the shareholders of an investment company or certificate holders of a close-end scheme or unit holders of open-ended schemes;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Associate	<p>"Associate" means any partner, employee, officer or director of a member;</p> <p><i>[Securities Act, 2015]</i></p>
Associated companies	<p>"Associated companies" include associated issuer, associated client, companies and associated, undertakings as defined in sub-section (2) of section 2 of the Ordinance;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>

<p>Associated companies and associated undertakings</p>	<p>"Associated companies and associated undertakings" mean any two or more Companies or undertakings, or a company and an undertaking, interconnected with each other in the following manner, namely:-</p> <ul style="list-style-type: none"> i. if a person who is the owner or a partner or director of a company or undertaking, or who, directly or indirectly, holds or controls shares carrying not less than twenty per cent of the voting power in such company or undertaking, is also the owner or partner or director of another company or undertaking, or directly or indirectly, holds or controls shares carrying not less than twenty per cent of the voting power in that company or undertaking; or if the companies or undertakings are under common management or control or one is the subsidiary of another; or ii. if the undertaking is a modaraba managed by the company; and a person who is the owner of or a partner or director in a company or undertaking or, who so holds or controls shares carrying not less than ten per cent of iii. the voting power in a company or undertaking, shall be deemed to be an "associated person" of every such other person and of the person who is the owner of or a partner or director in such other company or undertaking, or who so holds or controls such shares in such company undertaking, or undertaking: Provided that shares shall be deemed to be owned, held or controlled by a person if they are owned, held or controlled by that person or by the spouse or minor children of the person: <ul style="list-style-type: none"> a) Provided further that directorship of a .person or persons by virtue of nomination by the Federal Government or a Provincial Government or a financial institution directly or indirectly owned or controlled by such Government; or b) shares owned by the National Investment Trust or the Investment Corporation of Pakistan or a financial institution directly or indirectly owned or controlled by the Federal Government or a Provincial Government; or shares registered in the name of a
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	<p>central depository', where such shares are beneficially owned by the central depository; shall not be taken into account for determining the status of a company, undertaking or person as an associated company, associated undertaking or associated person;</p> <p><i>[Companies Ordinance, 1984]</i></p>
Associate member	<p>"Associate member" means "a Non-Member Banking company, a Non- Banking Financial Institution, Investment Company, Uni-Trust Scheme, Pakistan Insurance Corporation, National Insurance Corporation and State Life Insurance Corporation, admitted as a Member of the Clearing House of the Exchange only for the purpose of executing their deliveries and settlement obligations in relation to their COT Transactions conducted. Through a Member Of the Exchange".</p> <p><i>[Regulations Governing Associate Membership of Karachi Stock Exchange Clearing House]</i></p>
Associated person	<p>"Associated person" means any partner, employee, officer or director of a broker;</p> <p><i>[Regulations for Proprietary Trading 2004]</i></p>
At best	<p>"At best" order means an order to buy or sell a security as soon as possible at the best available market price;</p> <p><i>[Regulations for Proprietary Trading, 2004]</i></p>
Audit	<p>"Audit" means the System Audit of brokers conducted as per these Regulations.</p> <p><i>[Regulations governing System Audit of Brokers]</i></p>
Audit Committee	<p>"Audit committee" means the Audit Committee of the Board.</p> <p><i>[Regulations Governing system audit of brokers]</i></p>
Auditor	<p>"Auditor" means a person qualified under the provisions of section 254 of the Companies Ordinance, 1984 (XI,VII of 1984), to act as an auditor of companies;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Authority	<p>"Authority" means the Corporate Law Authority constituted under the Companies Ordinance, 1984 (XLVII of 1984);</p> <p><i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
Authorized	<p>"Authorized representative" means,</p> <ol style="list-style-type: none"> i. in relation to a company, a person who is either the chief executive or a director or secretary of the company or an advocate entitled to appear before High Court or a member of Institute of Chartered

	<p>Accountants of Pakistan or Institute of Cost and Management Accountants and is duly authorized by the company to appear, plead and act on its behalf before the Appellate Bench;</p> <p>ii. in relation to the adjudicating authority or any other officer of the Commission, an officer not below the rank of a Deputy Director of the concerned division or any officer authorized by the adjudicating authority to appear, plead and act before the Appellate Bench; and</p> <p>iii. in relation to any other appellant or respondent, a person who is an advocate of High Court, or a member of Institute of Chartered Accountants of Pakistan or Institute of Cost and Management Accountants and is duly authorized by the appellant or respondent to appear, plead and act on his behalf before the Appellate Bench ; or</p> <p>iv. in relation to a director of the company, in addition to sub-clause (iii) a director representing fellow appellants or respondents and is duly authorized by the appellant or respondent to appear, plead and act on his behalf before the Appellate Bench;</p> <p><i>[Securities and Exchange Commission of Pakistan(Appellate Bench Procedure) Rules, 2003]</i></p>
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<p>Authorized person</p>	<p>"Authorized person" means, in the case of a company, a director, including the chief executive, (by whatever name called), or in the case of insurers being bodies corporate incorporated outside Pakistan and continuing business as such after the commencement of this Ordinance, the closest comparable equivalent thereto, under the laws of the place of incorporation of such foreign body corporate;</p> <p><i>[Insurance Ordinance 2000]</i></p>
<p>Balloter</p>	<p>"Balloter" means a person who provides services to an issuer for selecting the required number of applicants of public issue through a computer draw;</p> <p><i>[Securities Act, 2015]</i></p>
<p>Bank challan</p>	<p>"Bank challan" means an original receipt issued by one of the several bank branches which are for the time being authorized by the Commission for collection of receipts or other services to the account of the Commission;</p> <p><i>[Securities and Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003]</i></p>

Blank sale	<p>"Blank Sale" means "a-sale by a party that does not own shares or the sale does not constitute a sale with pre-existing interest or is a sale by a party that has not entered into a contractual borrowing arrangement to meet delivery requirements".</p> <p><i>[Regulations for Short Selling under Ready Market, 2002]</i></p>
Bankers acceptance	<p>"Bankers acceptance" means a draft drawn on a commercial bank by an individual or firm ordering the drawee bank to pay to the order of a certain person a specified sum of money, either on demand or at some future specified date, and accepted by the drawee;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Bankers Acceptance	<p>"Bankers Acceptance" means an instrument drawn on a scheduled bank by a person ordering and accepted by the drawee bank to pay to the order of a person a specified sum of money, either on demand or at a future specified date;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Bankers committee	<p>"Bankers Committee" means the Committee constituted by the State Bank of Pakistan comprising Heads of banks and financial institutions to implement the recommendations of the State Bank of Pakistan Coordination Committee relating to the revival of sick units;</p> <p><i>[Companies (Rehabilitation of Sick Industrial Units) Rules, 1999]</i></p>

Banking company	<p>"Banking company" has the meaning assigned to the term in clause (a) of section 2 of the Banking Companies (Recovery of Loans, Advances, Credits and Finances) Act, 1997 (XV of 1997);</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Banking company	<p>"Banking company" means a banking company as defined in the Banking Tribunals ordinance, 1984 (LVIII of 1984);</p> <p><i>[Companies (Invitation and Acceptance of Deposits) Rules, 1987]</i></p>

<p>Base rate</p>	<p>"Base rate" means the-effective annual rate implied by the most recent repurchase rate that is published from time to time in a circular issued by the Securities Department of the State Bank of Pakistan for six months Pakistan Treasury Bills, or, if such rate is not available, the most recent repurchase rate for six months Short Term Federal Bonds, or, if neither of such rates is available, the most recent repurchase rate for any other short term paper issued by the Federal Government of an approximately similar tenor, whether in addition to or in substitution for any of the foregoing;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
<p>Bid price</p>	<p>"Bid price" means the price for which a Market Maker is willing to pay for the purchase of a Company's security.</p> <p><i>[The Regulations Governing Over-The-Counter (OTC) Market]</i></p>
<p>Board</p>	<p>"Board" means the Securities and Exchange Policy Board established under section 12;</p> <p><i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
<p>Board</p>	<p>"Board" means the Board of Directors of the Karachi Stock Exchange (Guarantee) Limited as defined in the Articles of Association of the Exchange.</p> <p><i>[Karachi Automated Trading System Regulations]</i></p>
<p>Body corporate</p>	<p>"Body corporate" or "corporation" includes a company incorporated outside Pakistan, but does not include-</p> <ul style="list-style-type: none"> i. a corporation sole; or a co-operative society registered under any law relating to the registration of co-operative societies; or ii. any other body corporate, not being a company as defined in this Ordinance, which the Federal Government may notification in the official Gazette, specify in this behalf, <p><i>[Companies Ordinance, 1984]</i></p>
<p>Book and paper</p>	<p>"Book and paper", "book or paper" or "books of accounts" include accounts, deeds, vouchers, registers, writings and documents;</p> <p><i>[Companies Ordinance, 1984]</i></p>
<p>Book entry security</p>	<p>"Book-entry security" in relation to a central depository, means a security which is transferable by book-entry in the central depository register pursuant to a declaration made by the central depository under sub-section ii of section 4 and which is:</p> <ul style="list-style-type: none"> i. in the case of a security transferable by registration, registered

	<p>in the name of the central depository or issued to the central depository pursuant to section 14 ; or</p> <p>ii. in the case of a security transferable by delivery or endorsement, deposited with or transferred by endorsement to the central Depository</p> <p><i>[Central Depositories Act, 1997]</i></p>
Borrower	<p>"Borrower" has the meaning assigned to the term in clause (c) of section 2 of the Banking Companies Recovery of Loans, Advances, Credits and Finances) Act, 1997 (XV of 1997);</p> <p><i>[Insurance Ordinance,2000]</i></p>
Borrower	<p>"Borrower" includes a person on whom an Non-Banking and Finance Companies has taken an Exposure during the course of its business;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Branch office	<p>"Branch office" means an office, branch or shop opened and maintained by a member within or outside the premises of a stock exchange for conducting the business and trading of shares and securities;</p> <p><i>[Stock Exchange Members (Inspection of Books and Record) Rules , 2001]</i></p>
Broker	<p>"Broker" means any person engaged in the business of effecting transactions in securities for the account of others;</p> <p><i>[Securities and Exchange Ordinance, 1969]</i></p>
Broker	<p>"Broker" means any person engaged in the business of effecting transactions in securities for the account of others and is registered with the Commission;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Broker	<p>"Broker" means any member of the Exchange engaged in the business of executing transactions in securities for the account of others and is registered with the Commission for this purpose.</p> <p><i>[Continuous Funding System Regulations 2005]</i></p>
Broker	<p>"Broker" means any broker registered with the Commission under Brokers and Agents Registration Rules, 2001 or under the Commodity exchange and Future Contracts Rules, 2004;</p> <p><i>[Internet Trading Guidelines, 2005]</i></p>
Capital adequacy	<p>"Capital adequacy" means "Trading Limits assigned to the members equivalent to 25 times of their respective certified Net Capital balance";</p> <p><i>[Margin Trading Regulations]</i></p>

Central depository	"Central depository" means a central depository as defined in clause (cc) of section 2 of the Securities and Exchange Ordinance, 1969 (XVII of 1969), and registered with the Authority under section 32A of that Ordinance ; <i>[Central Depository Act, 1997]</i>
Central depository	"Central depository" means a company formed to establish and operate a system for the central handling of securities, whether or not listed on a stock exchange, whereby such securities are deposited with and held in custody by, or registered in the name of, the company as a nominee for the depositors and dealings in respect of such securities are affected by means of entries in securities accounts without the physical delivery of scraps." <i>[Securities and Exchange Ordinance 1969]</i>
Central depository companies regulations	"Central Depository Companies Regulations" means the regulations of a central depository company registered with the Commission under the Central Depository Companies (Establishment and Regulation) Rules, 1996; <i>[Stock Exchange Members (Inspection of Books and Record) Rules , 2001]</i>
Central depository company	"Central depository company" means a company formed to establish and operate a system for the central handling of securities, whether listed or not on a stock exchange, whereby such securities are deposited with and held in custody by, or registered in the name of, the company as a nominee for the depositors and dealings in respect of such securities are effected by means of entries in securities accounts without the physical delivery of scrips and which has been registered under section 32-A of the Securities and Exchange Ordinance, 1969 (XVII of 1969); <i>[Voluntary Pension System Rules, 2006]</i>

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Central depository register	"Central depository register" means a computerized electronic register maintained by a central depository in respect of book-entry securities ; <i>[Central Depository Act, 1997]</i>
Central depository system	"Central depository system" means central depository system established under section 4 ; <i>[Central Depository Act, 1997]</i>
Central Shariah Board	"Central Shariah Board" means the Central Shariah Board constituted by the Securities and Exchange Commission of Pakistan under rule 33; <i>[Takaful Rules 2005]</i>

Certificate	" Certificate " means a certificate of definite denomination issued by the Modaraba to the contributory acknowledging the receipt of money contributed by him under these guidelines on the basis of arrangement described herein <i>[Guidelines for issue of certificates of musarakas for modarabas]</i>
Certificate holders	" Certificate holders " means holders of Modaraba Certificates <i>[Modaraba companies and Modaraba Rules, 1981]</i>
Certificate of investment	" Certificate of investment " means a certificate of investment issued by a leasing company under these rules; <i>[Leasing Companies (Establishment and Regulation) Rules, 2000]</i>
Certificate of investment or deposit	" Certificate of Investment or Deposit " means a certificate of investment or certificate of deposit issued by Non-Banking and Finance Companies, duly licensed by the Commission to undertake leasing or investment finance services or housing finance services and the permission to issue certificates of investment or deposit has been obtained by such Non-Banking and Finance Companies from the Commission in terms of sub-rule (2) of rule 12; <i>[Non-Banking and Finance Companies Rules, 2003]</i>
Certificate of Deposit	" Certificate of Deposit " means a certificate of investment or a certificate of deposit issued for raising funds for a specified time by a Leasing Company, Investment Finance Company or a Housing Finance Company; <i>(Non-Banking Finance Companies and Notified Entities Regulations, 2008)</i>
Certified	" Certified " in relation to any copy or translation of a document required to be furnished by or on behalf of an insurer means certified by an authorized person on behalf of such insurer to be a true copy or a correct translation, as the case may be; <i>[Insurance Ordinance, 2000]</i>
CFS	" CFS " means Continuous Funding System. <i>[Continuous Funding System Regulations, 2005]</i>
Chairman	" Chairman " means the Chairman of the Commission; <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i>
Charge	" Charge " includes a mortgage, an interest created in consequence of an agreement for redeemable capital, term finance, participation term certificate, musharika, lease or hire, hire-purchase or any other similar interest in the assets of a company; <i>[Companies (General Provisions and Forms) Rules, 1985]</i>

Chartered Accountant	<p>"Chartered Accountant" means a person who is a chartered accountant within the meaning of the Chartered Accountants Ordinance, 1961 (X of 1961); <i>[Securities and Exchange Rules, 1971]</i></p>
Chief executive	<p>"Chief executive", in relation to a company means an individual who, subject to the control and directions of the directors, is entrusted with the whole, or substantially the whole, of the powers of management of the affairs of the company, and includes a director or any other person occupying the position of a chief executive, by whatever name called, and whether under a contract of service or otherwise; <i>[Companies Ordinance, 1984]</i></p>
Civil servant	<p>"Civil servant" means a civil servant as defined in section 2 of the Civil Servants Act, 1973 (LXXI of 1973); <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
Class of business	<p>"Class of business" means a classification of insurance business having similar characteristics, into which life insurance or non-life insurance may be divided; <i>[Insurance Ordinance, 2000]</i></p>
Clearing and settlement fund	<p>"Clearing and settlement fund " means the fund created pursuant to rule 12; <i>[Clearing Houses (Registration and Regulation) Rules, 2005]</i></p>
Clearing day	<p>"Clearing Day" means the clearing day fixed by the Exchange from time to time; <i>[Regulations for Futures Trading in Provisionally Listed Companies (FTPLC), 2002]</i></p>
Clearing fund contribution	<p>"Clearing fund contribution" means the contribution required to be made by a clearing member to the clearing and settlement fund; <i>[Clearing Houses (Registration and Regulation) Rules, 2005]</i></p>
Clearing house	<p>"Clearing house" means a clearing house by whatever name or designation established or arranged to be established by a Stock Exchange for the registration of dealing in securities or settlement of trading in futures contracts; <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
Clearing house	<p>"Clearing house" means a clearing house as defined in clause (f) of section 2 of the Securities and Exchange Commission of Pakistan Act; <i>[Clearing Houses (Registration and Regulation) Rules, 2005]</i></p>

Clearing house	<p>"Clearing house" means "the Clearing House of the Karachi Stock Exchange operating under the Clearing House Procedure Manual.</p> <p><i>[Regulations governing Associate membership of Karachi Stock Exchange Clearing House]</i></p>
Clearing member	<p>"Clearing member" means a person who is admitted as a clearing member for clearing and settlement on his own behalf as well as on behalf of other brokers, under the regulations;</p> <p><i>[Clearing Houses Registration and Regulation) Rules, 2005]</i></p>
Client	<p>"Client" means a person who executes margin agreement to borrow money from a broker to buy securities as specified by the Stock Exchange for the purpose of margin trading;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Close relative	<p>"Close relative" includes spouse and minor children;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Closed end scheme	<p>"Closed-end scheme" means a scheme constituted by way of trust to raise funds through issue of certificates to the public for investing in securities including money market instruments for a definite or indefinite period but which does not continuously offer certificates entitling the holder of such certificates, to receive, on demand, his proportionate share of the net assets of the closed-end scheme;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Closed-end fund	<p>"Closed-end fund" means an investment company or a closed-end scheme;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Collective investment scheme	<p>"Collective investment scheme" includes a closed-end fund and an open-ended scheme;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Commercial paper	<p>"Commercial paper" means an unsecured promissory note with a maturity of not less than 30 days and not more than one year</p> <p><i>[Guidelines for Issue of Commercial Paper]</i></p>
Commission	<p>"Commission" means the Securities and Exchange Commission of Pakistan established under section 3 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997);</p> <p><i>[Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002]</i></p>

Commissioner	" Commissioner " means a Commissioner of the Commission and shall include the Chairman thereof, <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i>
Committee	" Committee " means a committee of the Board constituted under section 157 <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i>

Commodity exchange	" Commodity Exchange " has the same meaning as given in section 2(1)(cc) of the Securities & Exchange Ordinance, 1969; <i>[Internet Trading Guidelines, 2005]</i>
Company	" Company " means a company formed and registered under this Ordinance or an existing company; <i>[Companies Ordinance, 1984]</i>
Company	" Company " means a company formed and registered under the Companies Act, 1913 (VII of 1913), but does not include a company the paid-up capital of which is less than five lakh rupees or a company limited by guarantee or an association registered under section 26 of that Act; <i>[Companies(Appointment of Legal Advisers) Act, 1974]</i>
Company	" Company " means a life insurance company or an asset management company registered as a Pension Fund Manager; <i>[Voluntary Pension System Rules 2005]</i>
Company	" Company " means "a company applying for listing under these regulations". <i>[Karachi Stock Exchange Listing Regulations]</i>
Company limited by guarantee	" Company limited by guarantee " means a company having the liability of its members limited by the memorandum to such amount as the members may respectively thereby undertake to contribute to the assets of the company in the event of its winding up: <i>[Companies Ordinance, 1984]</i>
Company limited by shares	" Company limited by shares " means a company having the liability of its members limited by the memorandum to the amount, if any, unpaid on the shares respectively held by them; <i>[Companies Ordinance, 1984]</i>
Company Registration Office	" Company Registration Office " means an office established by the Commission under sub-section (1) of section 466;

	<i>[Company (Registration Offices) Regulations, 2003]</i>
Compensation committee	<p>"Compensation Committee" means a Compensation Committee constituted under rule 4;</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
Connected person	<p>"Connected person", in relation to a company registered as a Pension Fund Manager means;-</p> <p>any person or company beneficially owning, directly or indirectly, ten percent or more of ordinary share capital of that company, or being able to exercise, directly or indirectly, ten per cent or more of the total voting power in that company;</p> <p>ii. any person or company controlled by a person who or which meets one or both, of the descriptions given in sub-clause (i);</p> <p>iii. any member of the group of which that company forms part; or</p> <p>iv. any director, officer and employee of that company or of any of their connected persons as specified in sub-clauses (i), (ii) and (iii) or any body providing service or exercising power of that company; Explanation.- The words director, officer and employee shall include their spouse, lineal ascendants and descendants, brothers and sisters;</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>

<p>Connected person</p>	<p>"Connected person" in relation to a Non-Banking and Finance Companies , means,-</p> <ul style="list-style-type: none"> i. any person or company beneficially owning, directly or indirectly, ten <i>per cent</i> or more of ordinary share capital of the Non-Banking and Finance Companies or the closed-end fund being managed by it, or being able to exercise, directly or indirectly, ten <i>per cent</i> or more of the total voting power in that Non-Banking and Finance Companies or the closed-end fund being managed by it; ii. any person or company controlled by a person who or which meets one or both, of the descriptions given in sub-clause (a); iii. any member of the group of which that company forms part; or iv. any director or officer of that Non-Banking and Finance Companies , or the closed-end fund being managed by it, or of any of their connected persons as specified in sub-clauses (a), (b) and <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
<p>Connected person</p>	<p>"Connected person" in relation to a company means,-</p> <ul style="list-style-type: none"> i. any person or company beneficially owning, directly or indirectly, ten per cent or more of the share capital of that company or able to exercise directly, or indirectly, ten per cent or more of the voting rights in that ii. any person or company controlled by a person who meets one or both of the descriptions given in sub-clause (i); or iii. any member of the group of which that company forms part; or iv. any director or officer of that company or of any of its connected persons specified in sub-clauses (i), (ii), or (iii); <p><i>[Companies(Asset Backed Securitization) Rules, 1999]</i></p>
<p>Connected person</p>	<p>"Connected person" means any person who-</p> <ul style="list-style-type: none"> a. is a director, as defined in clause (13) of sub-section (1) of section 2 of the Companies Ordinance, 1984; or b. occupies the position as an officer or an employee of the company or holds a position involving a professional or business relationship between himself and the company and who may reasonably be expected to have an access to

	unpublished price sensitive information in relation to that company; <i>[Listed Companies (Prohibition of Insiders Trading) Guidelines]</i>
Constitutive Documents	“ Constitutive Documents ” means the trust deed, Offering Document and other principal documents governing the formation of a Closed End Scheme or an Open End Scheme, including all related material agreements; <i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i>
Constitutive document	“ Constitutive document ” means the principal document governing the formation of the pension fund, and includes the trust deed of a pension fund and all material agreements; <i>[Voluntary Pension System Rules, 2006]</i>
Constitutive documents	“ Constitutive documents ” mean the principal documents governing the formation of a closed-end scheme or an open-ended scheme and all related material agreements; <i>[Non-Banking and Finance Companies Rules, 2003]</i>
Constitutive documents	“ Constitutive documents ” means the principal documents governing the formation of a Special Purpose Vehicle; <i>[Companies(Asset Backed Securitization) Rules, 1999]</i>
Continuous disability contract	“ Continuous disability contract ” means a contract under which a benefit is payable in the event of: <ul style="list-style-type: none"> a. the death, by a cause specified in the contract, of the person whose life is insured (the "insured"); or b. injury to, or disability of, the insured as a result of accident or sickness; or c. the insured being found to have a specified medical condition or disease; <i>[Insurance Ordinance, 2000]</i>

Contribution	Contribution means Takaful charge or installment payable by a participant; <i>[Takaful Rules 2005]</i>
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Contribution	<p>"Contribution" means an amount as may be voluntarily determined by an individual payable annually, semiannually, quarterly, or monthly to one or more Pension Fund Managers and held in one or more individual pension accounts of a participant, subject to any specified minimum limit;</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>
Contributories Fund	<p>"Contributories Fund" means the amount contributed by the Contributories through the Certificates issued under these Guidelines.</p> <p><i>[Guidelines for Issue of Certificates of Musharaka for Modarabas]</i></p>
Contributory	<p>"Contributory" means the holder of a valid Certificate.</p> <p><i>[Guidelines for Issue of Certificates of Musharaka for Modarabas]</i></p>
Control	<p>"Control" includes the right to appoint majority of directors or to control management or policy decisions, exercisable by a person individually or through any person acting in concert, directly or indirectly, whether by virtue of his shareholding, management right, shareholders agreement, voting agreement or otherwise</p> <p><i>[Securities Act, 2015]</i></p>
Consumer Financing	<p>"Consumer Financing" means the financing allowed to individuals for meeting their personal, family or household needs and includes:</p> <p>(a) credit cards mean cards which allow a customer to make payments on credit and supplementary credit cards shall be considered part of the principal borrower; and</p> <p>(b) personal loans obtained by individuals for the payment of goods, services and expenses;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Contingent Liabilities	<p>"Contingent Liabilities" mean,</p> <p>(a) a possible obligation that arises from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity; or</p> <p>(b) a present obligation that arises from past events but is not recognized on the books of the Non-Banking and Finance Companies and Collective Investment Scheme because:</p> <p>(I) it is not probable that an outflow of resources embodying economic benefits</p>

	<p>will be required to settle the obligation;</p> <p>Or</p> <p>(II) the amount of the obligation cannot be measured with sufficient reliability and includes letters of credit, letters of guarantee, bid bonds or performance bonds, advance payment guarantees and Underwriting Commitments;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Cost Auditor	<p>"Cost auditor" means a cost auditor appointed under rule 3.</p> <p><i>[(Audit Cost Accounts) Rules, 1998]</i></p>
COT Transaction	<p>"COT transaction" means transactions as defined under the Carry Over Transactions Regulations executed through. Karachi Automated Trading System".</p> <p><i>[Regulations governing Associate member of Karachi Stock Exchange Clearing House]</i></p>
Court	<p>"Court" means the Company Bench of a High Court as provided in sections 7 and 8 of the Companies Ordinance, 1984 (XLVII of 1984);</p> <p><i>[Securities Act, 2015]</i></p>
Credit rating company	<p>"Credit rating company" means a company which intends to engage in or is so engaged primarily in the business of evaluation of credit risk through a recognized and formal process of assigning rating to present or proposed loan obligations of any business enterprise;</p> <p><i>[Credit Rating Companies Rules, 1995]</i></p>
Custodian	<p>"Custodian" means a banking company within the meaning of the Banking Companies Ordinance, 1962 (LVII of 1962), or a central depository company approved by the Commission, which is appointed to be a custodian under these rules;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Customer	<p>"Customer" means a person on whose behalf a regulated person carries on any regulated securities activity and includes any person commonly known as an investor</p> <p><i>[Securities Act, 2015]</i></p>

Dealers	<p>"Dealers" means Investment Finance Companies, Registered Corporate Broker or Banking Companies who buys commercial paper and resell to investors</p> <p><i>[Guidelines for issue of Commercial paper]</i></p>
Dealing in securities	<p>"Dealing in securities" means making or offering to make, whether as principal or agent, with any person or inducing or attempting to induce any person to enter into or to offer to enter into-</p> <p>i. any agreement for or with a view to acquiring, disposing of, subscribing for or underwriting securities, or</p> <p>ii. any agreement the apparent or ostensible purpose of which is to secure a profit to any of the parties from the yield of securities or by reference to fluctuations in the value of securities;</p> <p><i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>

Dealing in securities	<p>"dealing in securities" means an act of buying, selling or agreeing to buy, sell or deal in any securities by any person either as principal or agent;</p> <p><i>[Listed Companies Ordinance (Prohibition of Insiders Trading) Guidelines]</i></p>
Debenture	<p>"debenture" means a debenture as defined in clause (12) of sub-section (1) of section 2 of the Companies Ordinance, 1984 (XLVII of 1984), and includes a debenture issued by an issuer other than a company;<i>[Central Depository Act, 1997]</i></p>
Defaulters counter	<p>"defaulters Counter" means a Separate counter set up by the Exchange in the trading hall for trading of listed securities for such listed companies who have committed irregularities mentioned in Para (a) to (g) of Regulation No. 32(1), and to whom an opportunity of being heard has been given</p> <p><i>[Listing Regulations of Karachi Stock Exchange]</i></p>
Deposit	<p>"Deposit" means any deposit of money with, and includes any amount borrowed by, a company, but shall not include a loan raised by issue of debentures or a loan obtained from a banking company or a financial institution;</p> <p><i>[Companies (Invitation and Acceptance of deposits) Rules, 1987]</i></p>

Depositor	<p>"Depositor" includes any person, other than a banking company or a financial institution, who has given a loan or provided finance other than;</p> <p>I) finance by way of contribution towards share capital; or</p> <p>II) finance by way of redeemable capital on contribution to debentures issued by the company to a company.</p> <p><i>[Companies (Invitation and Acceptance of deposits) Rules, 1987]</i></p>
DFIs	<p>"DFI" means any institution as notified under section 3A of Banking Companies Ordinance 1962 (LVII of 1962);</p> <p><i>[Margin Trading Rules, 2004]</i></p>
DFIs	<p>"DFIs" means any institution as defined in State Bank of Pakistan's (SBP's) Guidelines on Commercial Paper or as subsequently defined by SBP from time to time;</p> <p><i>[Guidelines for issue of Commercial paper]</i></p>

Direct	<p>"Direct", in relation to the business of insurance, means insurance other than reinsurance;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Director	<p>"Director" , in relation to a company, includes any person occupying in relation to the position of a director, by whatever name called</p> <p><i>[Securities Act, 2015]</i></p>
Discretionary Portfolio	<p>"Discretionary Portfolio" means a portfolio of securities managed by an Non-Banking and Finance Companies under an agreement entered into with a client on a duly notarized stamp paper of applicable value and whereby investment decisions are made and executed by the Non-Banking and Finance Companies on behalf of its client;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>

Distribution function	<p>"Distribution function" in relation to a Non-Banking and Finance Companies licensed to operate as an asset management company, means the functions with regard to,-</p> <ol style="list-style-type: none"> a. receiving application and money for units from persons; b. issuing receipts in respect of the applications received in accordance with clause (a); c. issuing contract notes to the applicants in accordance with the terms of the open-ended scheme; and d. receiving redemption notices, transfer instructions and conversion notices from the holders for immediate transmission to the asset management company or the open-ended scheme; <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Document	<p>"Document" includes summons, notice, requisition, order, other legal process, voucher and register</p> <p><i>[Companies Ordinance, 1984]</i></p>
Documents	<p>"Documents" include vouchers, bills, promissory notes, securities for leases/advances and claims by or against the modaraba and other documents supporting entries in the books of the Modaraba.</p> <p><i>[Prudential Regulations for Modarabas]</i></p>
Domestic insurance Policy	<p>"Domestic insurance policy" means a contract of insurance that provides insurance cover in respect of loss of or damage to a building used primarily and principally as a residence for the policy holder, for persons with whom the policy holder has a family or personal relationship, or for both the policy holder and such persons, or loss of or damage to the contents of such a building, or both;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Duly attested	<p>"Duly attested" means attested in the manner required for financial or future obligations by Article 17 of the Qanun-e-Shahadat Order, 1984 (P.O. 10 of 1984);</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Electronic database	<p>"Electronic database" means the system for maintaining a database relating to company information and includes the Corporate Registration System, Corporate Compliance and Facilitation System, and Diary System;</p> <p><i>[Company (Registration Offices) Regulations, 2003]</i></p>

Electronic media	" Electronic media " includes the internet, radio, television, tapes, cassettes, all forms of electronic recording media including computer diskettes and CD-ROMs; <i>[Insurance Ordinance, 2000]</i>
Electronic signature	" Electronic Signature " has the same meaning as given in section 2(l)(n) of the Electronic Transactions Ordinance, 2002; <i>[Internet Trading Guidelines, 2005]</i>
Eligible Investor	" Eligible Investor " means a person offering minimum of five million rupees for investment and who furnishes an undertaking to the Non-Banking and Finance Companies that such investor understands the risks involved in the management of portfolio on discretionary or non-discretionary basis: Provided that in the case of an entity such an undertaking shall be made by the board of directors or trustees as the case may be; <i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i>
Eligible person	" Eligible person " means a person specified in clauses (a) and (b) of sub-section (1) of section 5; <i>[Insurance Ordinance, 2000]</i>
Eligible pledgee	" Eligible pledgee " means any person who in accordance with the regulations, is recognized by a central depository as eligible for the purpose of receiving any pledge of book-entry securities ; <i>[Central Depository Act, 1997]</i>
Eligible security	" Eligible Security " means a security which the CDC has declared to be eligible for deposit with the CDS; <i>[Listing Regulations of Karachi Stock Exchange]</i>
Employee	" Employee " means any officer or servant of the Commission; <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i>
Employee	" Employee " means- i. a regular employee of a company working in Pakistan or out of Pakistan; ii. an executive director who is on pay roll of a company; or iii. a chief executive who is on pay roll of a company; <i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i>
Employees compensation	" Employees compensation " means the total cost incurred by a company towards gross salary of its employees; <i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i>

Encumbrance	<p>"Encumbrance" in relation to any property, movable or immovable, means any mortgage, charge (fixed or floating), hypothecation, pledge, assignment or transfer by way of security, or any other form of security or ownership interest less than absolute legal and beneficial ownership;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Enquiry Officer	<p>"Enquiry officer" means any officer of the Commission, or any other person, who is appointed by the commission under Ordinance or the Act; [brokers and & Agents Registration Rules, 2001] person, who is appointed by the Commission under the Ordinance or the Act;</p> <p><i>[Brokers & Agents Registration Rules, 2001]</i></p>
Equity	<p>"Equity" includes paid up share capital, reserves and inappropriate profits excluding deferred tax reserves, Surplus on Revaluation of Fixed Assets Account as described in section 235 of the Ordinance and treasury stocks;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Equity	<p>"Equity" includes paid-up share capital, free reserves, inappropriate profits and subordinated loans excluding deferred tax reserves and treasury stocks;</p> <p><i>[Leasing companies Rules 2000]</i></p>
Equity	<p>"Equity" includes Modaraba Fund (free of losses), reserves and un-appropriated profits.</p> <p><i>[Prudential Regulations for Modarabas]</i></p>
Equity of the Borrower	<p>"Equity of the Borrower" includes paid-up capital, general reserves, balance in share premium account, reserve for issue of bonus shares and retained earnings or accumulated losses, revaluation reserves on account of fixed assets and Subordinated Loans:</p> <p>Explanation: Revaluation reserves will remain part of the equity for first three years only, from the date of asset revaluation, during which time the Borrower will strengthen its equity base to enable it to avail Facility without the benefit of revaluation reserves;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>

Equity security	<p>"Equity security" means any stock or transferable share (preferred or common) or similar security representing ownership; any security convertible, with or without consideration, into such a security, or carrying any warrant or right to subscribe to or purchase such a security; any such warrant or right itself, and such other security as may be prescribed;</p>
Exercise	<p>"Exercise" means making of an application by an employee to a company for issue of shares against option vested in him in pursuance of a Scheme; <i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
Exercise period	<p>"Exercise period" means the time period after vesting within which an employee should exercise his right to apply for shares against an option vested in him in pursuance of the Scheme; <i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
Exercise price	<p>"Exercise price" means the price payable by an employee for exercising an option granted to him in pursuance of a Scheme; <i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
Existing company	<p>"Existing company" means a company formed and registered under any previous Companies Act; <i>[Companies Ordinance, 1984]</i></p>
Expert	<p>"Expert" includes banker, securities advisor, engineer, valuer, accountant, lawyer and any other person whose profession gives authority to a statement made by him <i>[Securities Act, 2015]</i></p>
Exposure	<p>"Exposure" would include fund and non-fund based facilities. <i>[Prudential Regulations for Modarabas]</i></p>
Exposure	<p>"Exposure" means "at any point in time, scrip-wise cumulative net unsettled amount of purchases and sales, added together, of a member, under Ready Counter. <i>[Regulations Governing Members Exposure of the Karachi Stock Exchange (Guarantee) Limited]</i></p>

Exposure	<p>"Exposure" includes Facility and subscription to or investment in equity securities, debt instruments or securities, units or certificates or shares of a Collective Investment Scheme, money-market placements, deposits, Certificate of Deposits, Continuous Funding System, forward contracts, derivatives and credit cards, but does not include:</p> <p>(a) obligations under letters of credit and letters of guarantee to the extent of cash margin held by an Non-Banking and Finance Companies ;</p> <p>(b) a Facility provided to financial institutions through REPO transactions with underlying statutory liquidity requirement eligible securities;</p> <p>(c) letters of credit established for the import of plant and machinery; and</p> <p>(d) deposits of less than ninety days.</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Exposure or facilities	<p>"Exposure or facilities" include fund based and non-fund based facilities;</p> <p><i>[Leasing Companies (Establishment and Regulation) Rules, 2000]</i></p>
Facilities	<p>"Facilities" include a fund based and non-fund based facilities.</p> <p><i>[Prudential Regulations, for Modarabas]</i></p>
Facility	<p>"Facility" includes a financing under a system which is based on participation in profit and loss, mark-up or mark-down in price, hire-purchase, lease, rent-sharing, bills of exchange, promissory notes or other instruments with or without buy-back arrangement by a seller, participation term certificate, musharika or modaraba certificate, term finance certificate or any other mode, guarantees, indemnities, letters of credit and any other obligation, whether fund based or non-fund based;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Family	<p>"Family" means a spouse and lineal ascendants and descendants</p> <p><i>[Securities Act, 2015]</i></p>
Family Takaful	<p>"Family Takaful" means Takaful for the benefit of individuals, groups of individuals and their families as elaborated in the provisions of the Ordinance pertaining to life insurance business;</p> <p><i>[Takaful Rules 2005]</i></p>
Finance	<p>"Finance" has the meaning assigned to term in clause (e) of section 2 of the Banking Companies (Recovery of Loans, Advances, Credits and Finances) Act,</p>

1997 (XV of 1997);

[Insurance Ordinance, 2000]

<p>Financial institution</p> <p style="text-align: right;">]</p>	<p>"Financial institution" means an institution, other than a banking company as defined in the Banking Companies Ordinance, 1962 (LVII of 1962), notified as such by the Commission either specifically or generally and shall include such other institutions or companies notified by the Federal Government as financial institutions.</p> <p><i>[Securities Act, 2015]</i></p>
<p>Financial institution</p>	<p>"Financial institution" includes:</p> <p>(i) a company or an institution whether established under any special enactment and operating within or outside Pakistan which transacts the business of banking or any associated or ancillary business through its branches;</p> <p>(ii) a modaraba, leasing company, investment bank, venture capital company, financing company, housing finance company, a non-banking finance company; and</p> <p>(iii) such other institution or companies authorized by law to undertake any similar business, as the Federal Government may, by notification in the official Gazette, specify for the purpose;"</p> <p><i>[Companies (Amendment) Ordinance, 2002]</i></p>
<p>Financial institution</p>	<p>"Financial institution" means a Bank or DFI or Non-Banking and Finance Companies</p> <p><i>[Margin Trading Rules, 2004]</i></p>
<p>Financial institution</p>	<p>"Financial institution" includes:</p> <p>i. a company or an institution whether established under any special enactment and operating within or outside Pakistan which transacts the business of banking or any associated or ancillary business through its branches;</p> <p>ii. a modaraba, leasing company, investment bank, venture capital company, financing company, housing finance company, a non banking finance company; and</p> <p>iii. such other institution or company authorized by law to undertake any similar business, as the Federal Government may, by notification in the official Gazette, specify for the purpose;</p> <p><i>[Companies Ordinance, 1984]</i></p>

Financial institution	<p>"Financial institution" means a Bank or DFI or Non-Banking and Finance Companies ; <i>[Margin Trading Rules, 2004]</i></p>
Financial year	<p>"Financial year" in relation to any body corporate, means the period in respect of which any profit and loss account or the income and expenditure account, as the case may be, of the body corporate, laid before it in general meeting, is made up, whether that period is a year or not; <i>[Companies Ordinance, 1984]</i></p>
FSV	<p>"FSV" means the forced sale value which reflects the possibility of price fluctuations and can be realized by selling the mortgaged, pledged, leased or collaterally held assets in forced or distressed sale conditions; <i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Form	<p>"Form" means a form set out in any of the schedules as prescribed; <i>[Companies Ordinance, 1984]</i></p>
Free reserves,	<p>"Free reserves" include any amount which, having been set aside out of the revenue or other surpluses is free in that it is not retained to meet any diminution in value of the assets, specific liability, contingency or commitment of that company known to exist at the date of the balance sheet; <i>[Companies(Invitation & Acceptance of Deposits) Rules, 1987]</i></p>
Fund	<p>"Fund" means the fund established under section 23; <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
Futures Brokers	<p>"Futures Broker" means a person who, by way of business, whether as principal or agent, -</p> <p>(a) makes or offers to make with any person or induces or attempts to induce any person to enter into or to offer to enter into any agreement for or with a view to the purchase or sale of a futures contract; or</p> <p>(b) solicits or accepts any order for, or otherwise dealing in, a futures contract</p> <p><i>[Securities Act, 2015]</i></p>

Futures Exchange	<p>"Futures Exchange" means a public company that is licensed by the Commission as a futures exchange</p> <p><i>[Securities Act, 2015]</i></p>
Future receivables	<p>"Future receivables" includes all such receivables against which income may accrue or arise at a future date;</p> <p><i>[Companies (Asset Backer Securitization) Rules, 1999]</i></p>
General Takaful	<p>"General Takaful" means Takaful other than Family Takaful;</p> <p><i>[Takaful Rules 2005]</i></p>
Government securities	<p>"Government securities" means Government securities as defined in the Securities Act, 1920 (X of 1920);</p> <p><i>[Insurance Ordinance, 2000]</i></p>

Government securities	<p>"Government securities" include such types of Pakistani rupee and foreign currency obligations of the Federal Government or of a Corporation wholly owned or controlled, by the Federal Government or Provincial Government and guaranteed by the Federal Government as the Federal Government may, by notification in the Official Gazette, declare to the extent determined from time to time, to be Government securities;</p> <p><i>[Leasing Companies (Establishment and Regulation) Rules, 2000]</i></p>
Government securities	<p>"Government securities" include monetary obligations of the Federal Government or a Provincial Government or of a corporation wholly owned or controlled, directly or indirectly, by the Federal Government or a Provincial Government and guaranteed by the Federal Government and any other security as the Federal Government may, by notification in the Official Gazette, declare, to the extent determined from time to time, to be a Government Securities;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Green Shoe Option (GSO)	<p>"Green Shoe Option (GSO)" means a pre-determined amount of TFCs to be retained in case of over-subscription of the issue.</p> <p><i>[Guidelines for the Issue of Term Finance Certificates (TFCs) to General Public]</i></p>
Group	<p>"Group" in relation to contracts of life insurance, including health insurance; means contracts having a term not dependent upon the termination or continuation of human life, under which the benefits are payable to a member of a group defined in the contract on the happening to that member during the term of the contract of a contingency defined in the contract, not being a contingency which is bound to happen;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Handling	<p>"Handling" with its grammatical variations and cognate expressions, in relation to a book-entry security, means the transfer of a book-entry security by electronic or similar means, the pledging of a book-entry security in accordance with section 12 or the withdrawal from the central depository system of the security represented by the book-entry security ;</p> <p><i>[Central Depository Act, 1997]</i></p>
HOIA	<p>"HOIA" means the Head of Internal Audit of the Exchange.</p> <p><i>[Regulations governing System Audit of Brokers]</i></p>
Holding Company	<p>"Holding company" means a holding company as defined in section 3 of the Companies Ordinance, 1984 (XLVII of 1984)</p> <p><i>[Securities Act, 2015]</i></p>

Hours of operation	<p>"Hours of Operation" means the time periods on each day that the Exchange is open for trading during which Karachi Automated Trading System is available to the Members for automated trading in the Exchange.</p> <p><i>[Karachi Automated Trading System Regulations]</i></p>
Housing finance company	<p>"Housing finance company" means a company licensed to provide housing finance services as mentioned in rule 20;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Housing finance company	<p>"Housing finance company" means an Non-Banking and Finance Companies licensed by the commission to provide housing finance services;</p> <p><i>[Non-Banking Finance Companies and Notified Entities Regulations, 2008]</i></p>
Housing finance services	<p>"Housing finance services" means financial services related to development and construction of residential and commercial properties and comprise the services as specified in rule 20;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Independent director	<p>"Independent director" means a director of a company, not being a whole time director and who is neither a promoter nor belongs to a promoter group;</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
Information	<p>"Information" includes data recorded in a form which can be processed by equipment operating automatically in response to instructions given for a particular purpose ;</p> <p><i>[Central Depository Act, 1997]</i></p>
Insider	<p>"Insider" means-</p> <ul style="list-style-type: none"> i. a person who is a director, chief executive, managing agent, chief accountant, secretary or auditor of a listed company or the beneficial owner holding directly or indirectly not less than 10% of the shares of a listed company; or ii. a person who, is or was connected with the company or is deemed to have been connected with the company, and who is reasonably expected to have access, by virtue of such connection, to unpublished price sensitive information in respect of securities of the company who has received or has had access to such unpublished price sensitive information; <p><i>[Listed Companies (Prohibition of Insiders Trading) guidelines 2001]</i></p>

Insurance	<p>"Insurance" means the business of entering into and carrying out policies or contracts, by whatever name called, whereby, in consideration of a premium received, a person promises to make payment to another person contingent upon the happening of an event, specified in the contract, on the happening of which the second-named person suffers loss, and includes reinsurance and retrocession: Provided that a contract of life insurance shall be deemed to be a contract of insurance notwithstanding that it may not comply with the definition set out in this clause;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Insurance broker	<p>"Insurance broker" means a person carrying on the business of insurance broking;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Insurance broking	<p>"Insurance broking" means the arrangement of insurance for reward by a person other than an agent of an insurance company;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Insurance Ombudsman	<p>"Insurance Ombudsman" means the officer appointed by the Federal Government under section 125;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Insurer	<p>"Insurer" means:</p> <ul style="list-style-type: none"> i. any company or other body corporate carrying on the business of insurance, which is a company or other body corporate incorporated under any law for the time being in force in Pakistan; and ii. any body corporate incorporated under the law of any jurisdiction outside Pakistan carrying on insurance business which carries on that business in Pakistan. <p><i>[Insurance Ordinance, 2000]</i></p>
Internet trading service provider	<p>"Internet trading service provider" means any person offering trading service in securities through the internet under these Guidelines;</p> <p><i>[Internet Trading Guidelines, 2005]</i></p>

Investment adviser	<p>"Investment adviser" includes, person who is, for compensation, engaged in the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing or selling securities, but does not include,-</p> <ul style="list-style-type: none"> i. a bank; ii. any lawyer, accountant, engineer or teacher whose performance of such services is solely incidental to the practice of his profession; iii. any broker, jobber, member or associate whose performance of such services is solely incidental to the conduct of his business as a broker, jobber, member or associate and who receives no separate compensation therefore iv. the publisher of any newspaper, news magazine, or other publication of general and regular circulation; or v. the Investment Corporation of Pakistan; <p><i>[Securities and Exchange Ordinance, 1984]</i></p>
Investment adviser	<p>"Investment adviser" means an Non-Banking and Finance Companies licensed by the Commission to provide investment advisory services;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Investment advisory services	<p>"Investment advisory services" mean the services provided for management of closed-end funds and include the business of advising others, either directly or through publications or writings, as to the value of securities or as to the advisability of investing in, purchasing or selling of securities for remuneration ;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Investment company	<p>"Investment Company" means a company engaged principally or wholly in buying and selling securities of other companies and includes a company, not being a holding company,' the investment of which in the share capital of other companies at any one time is of an amount equivalent to eighty per cent of the aggregate of its own paid up capital and free reserves, but does not include a bank or an insurance company or a corporation which is a member of a Stock Exchange;</p> <p><i>[Securities Act, 2015]</i></p>

Investment company	<p>"Investment Company" means a company registered with the Commission in accordance with these Regulations;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Investment contract	<p>"Investment contract" means a contract of insurance, providing for benefits to be paid on death or on a specified date or dates before death where the benefits paid are calculated by reference to either a running account or units under the contract whether or not the minimum value of that account or those units is guaranteed and providing for the account to be increased during the currency of the contract;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Investment finance company	<p>"Investment finance company" means a company licensed by the Commission to provide investment finance services as mentioned in rule 14;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Investment finance services	<p>"Investment finance services" include money market activities, capital market activities, project finance activities, corporate finance services and general services as described in rule 14;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Investment linked	<p>"Investment linked" in relation to life insurance means investment contracts, the principal object of which is the provision of benefits calculated by reference to units, the value of which is related to the market value of a specified class or group of assets of the party by whom the benefits are to be provided;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Investor	<p>"Investor" means a person holding any asset backed securities issued by-a Special Purpose Vehicle;</p> <p><i>[Companies (Asset Backed Securitization) Rules, 1999]</i></p>
Investor	<p>"Investor" means a person, not being Member, his agent or representative, who, has purchased or sold any of the securities listed at the Exchange</p> <p><i>[Investors Protection Fund Regulations]</i></p>
Investors	<p>"Investors" means the initial investors or subsequent buyers of commercial paper in the secondary market</p> <p><i>[Guidelines for the Issue of Commercial Paper]</i></p>
Issuer	<p>"Issuer", in relation to securities, means any person who has issued or proposes to issue a security</p> <p><i>[Securities Act, 2015]</i></p>

Issuer	<p>"Issuer" means a company that intends to raise short-term finance by issuing commercial paper</p> <p><i>[Guidelines for issue of Commercial paper]</i></p>
Issuing and Paying Agent (IPA)	<p>"Issuing and Paying Agent (IPA)" means a Scheduled Bank, an Investment Finance Company or a DFI having a minimum Credit Rating Grade of "A-" (medium to long term) and "A2" (short term) from any rating agency</p> <p><i>[Guidelines for issue of Commercial paper]</i></p>
Jobber or dealer	<p>"Jobber or dealer" means any person engaged in the business of effecting transactions in securities for his own account, through a broker or otherwise, but does not include any person who trades in securities for his own account, either individually or in some fiduciary capacity, otherwise than as a part of a regular business;</p> <p><i>[Securities Act, 2015]</i></p>
Jumbo certificates	<p>"Jumbo certificates" mean one or more consolidated certificates of the securities of one kind or class issued by an issuer which are registered in the name of a central depository ;</p> <p><i>[Central Depository Act, 1997]</i></p>
Karachi Automated Trading System (KATS)	<p>"Karachi Automated Trading System (KATS)" means the securities automated trading system introduced by the Karachi Stock Exchange (Guarantee) Limited.</p> <p><i>[Karachi Automated Trading System Regulations]</i></p>
Last Quoted Price	<p>"Last Quoted Price" means "The Closing Price as reported by the Exchange, on each trading day, for the purposes of risk management and collection of market-to-market differences".</p> <p><i>[Margin Trading Regulations]</i></p>
Law of Insurance	<p>"Law of Insurance" means the Insurance Ordinance, 2000 (XXXIX of 2000) or any other law in relation to insurance, the administration of which is vested in the Commission by the Federal Government by notification in the official Gazette."</p> <p><i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
Lease key money	<p>"Lease key money" means lease security deposit;</p> <p><i>[Leasing Companies (Establishment and Regulation) Rules, 2000]</i></p>

Leasing	<p>"Leasing" includes financial services provided on operating lease or finance lease basis, in accordance with International Accounting Standard-17; <i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Leasing company	<p>"Leasing company" means a company licensed by the Commission to undertake leasing; <i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Leasing company	<p>"Leasing company" means a company engaged wholly in the business of leasing or which invests in such business at any one time an amount equivalent to at least seventy per cent of its assets. Provided that cash and bank balances and investment in government securities shall be excluded to calculate investment in leasing business for purposes of this definition; <i>[Leasing Companies (Establishment and Regulation) Rules, 2000]</i></p>
Legal adviser	<p>"Legal Adviser" means a person appointed as such under section 3; <i>[Companies (Appointment of Legal Advisers) Act, 1974]</i></p>
Lender	<p>"Lender" means a person inside or outside Pakistan carrying on the business of <i>advancing</i> money byway of loans or finance and includes a banking company; <i>[Insurance Ordinance, 2000]</i></p>
Licensed Person	<p>"Licenced Person" means any person or entity licenced under this Act and includes a regulated person <i>[Securities Act, 2015]</i></p>
Life Insurance Company	<p>"Life insurance company" means a company registered under the Insurance Ordinance, 2000 (XXXIX of 2000), to transact life insurance business, and includes the State Life Insurance Corporation of Pakistan; <i>[Voluntary Pension System Rules, 2006]</i></p>
Limit order	<p>"Limit order" means to buy or sell a security at a customer specified price; <i>[Regulations for Proprietary Trading, 2004]</i></p>

Liquid assets	<p>"Liquid assets" means the assets which are readily convertible into cash and includes encashment or realizable value of Government Securities, bank deposits, shares of listed companies which are actively traded on the stock exchange, NIT units, certificates or shares of a Closed End Fund, Certificate of Deposit issued by DFIs or Non-Banking and Finance Companies and Certificates of Musharika issued by Modarabas rated at least 'A' by a credit rating agency registered with the Commission, listed TFCs, Sukuks and commercial papers rated at least 'A' by a credit rating agency registered with the Commission, National Saving Scheme securities and units of Open End Scheme for which a duly licensed Asset Management Company quotes daily offer and redemption price;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Liquid net worth	<p>"Liquid net worth" means the book value or net worth of a Non-Banking and Finance Companies reduced by its fixed assets and direct investment of more than twenty percent in the paid up capital of client enterprises or a lease or leases in respect of its assets aggregating more than twenty per cent of the total assets of the enterprise;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Listed	<p>"Listed" in relation to securities, means securities which have been allowed to be traded on a stock exchange;</p> <p><i>[Companies Ordinance, 1984]</i></p>
Listed company	<p>"Listed company" "listed company" means a public company, body corporate or other entity any of whose securities are listed on securities exchange</p> <p><i>[Securities Act, 2015]</i></p>
Listed company	<p>"Listed company" means a company, a body corporate or corporation (including a body corporate or corporation incorporated outside Pakistan) or other body whose securities are allowed to be traded on a stock exchange (inside or outside Pakistan),</p> <p><i>[Insurance Ordinance, 2000]</i></p>

Listed company	" Listed company " means a company or a body corporate or other body whose securities are listed: <i>[Companies Ordinance, 1984]</i>
Listed company	" Listed company " means a company or a body corporate or other body which has been listed in accordance with the regulations and whose securities are listed and include a provisionally listed company under these regulations for trading in provisionally listed companies of the Exchange; <i>[Listing Regulations of Karachi Stock Exchange]</i>
Listed Securities	" Listed Securities " means securities listed on the securities exchange <i>[Securities Act, 2015]</i>
Loan	" Loan " has the meaning assigned to the term in clause (f) of section 2 of the Banking Companies (Recovery of Loans, Advances, Credits and Finances) Act, 1997 (XV of 1997); <i>[Insurance Ordinance, 2000]</i>
Maintenance margin	" Maintenance margin " means the minimum amount of margin that must be maintained by a client in a margin account; <i>[Margin Trading Rules, 2004]</i>
Major shareholder	" Major shareholder " means shareholder who holds, owns or control, directly or indirectly, more than fifty percent of the shares having voting rights in a company or who, for other reasons, has domination or control of the company and includes a group of shareholders who collectively own more than fifty percent of shares or otherwise have that domination or control <i>[Securities Act, 2015]</i>
Make market	" Make Market " means the continuous submission of two-way quotes by a Market Maker for the purchase and sale of the Company's securities". <i>[The Regulations Governing Over-The-Counter (OTC) Market]</i>
Manager to the offer	" Manager to the offer " means a manager appointed under section 7 of Listed Companies <i>[Securities Act, 2015]</i>
Managing agent	" Managing agent " has the meaning ascribed to that term in section 206 of the Companies Ordinance, 1984 (XLVII of 1984); <i>[Insurance Ordinance, 2000]</i>

Margin	<p>"Margin" means amount of cash, approved securities or any other form of margin as prescribed</p> <p><i>[Securities Act, 2015]</i></p>
Margin account	<p>"Margin account" means an account maintained with the broker, which records transactions of margin trading;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Margin agreement	<p>"Margin agreement" means the agreement between the broker and his client for the administration of margin account for the purpose of margin trading;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Margin call	<p>"Margin call" means a notice issued in writing by a broker to his client in the form of a letter by courier or registered post or fax or by hand subject to acknowledgement or by electronic mail (with the onus on the broker to prove issuance of such notice) requiring the client to provide additional margin in order to keep maintenance margin;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Margin financing	<p>"Margin financing" means financing to the client by the broker for tide purpose of margin trading;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Margin loan	<p>"Margin loan" means a loan made by a Non-Banking and Finance Companies , licensed to provide investment finance services to partly finance investment by the client in marketable securities, which shall be held by the Non-Banking and Finance Companies as collateral, the amount invested by the client being the "margin" against the loan;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Margin trading	<p>"Margin trading" means the buying of securities by the broker far his client through margin financing;</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Market maker	<p>"Market maker" means "a broker appointed under these Regulations who shall Make Market for the Company's securities on a compulsory a continuous basis".</p> <p><i>[The Regulations Governing Over-The-Counter (OTC) Market]</i></p>

Market price	<p>"Market price" in relation to shares on a given date, means the closing price of the shares on that date on the stock exchange on which the shares of a company are listed;</p> <p>Explanation. - If the shares are listed on more than one stock exchange, but quoted only on one stock exchange on a given date, then the price on that stock exchange shall be considered. If the share price is quoted on more than one stock exchange, then the stock exchange where there is highest trading volume on that date shall be considered. If share price is not quoted on a given date, then the share price on the last trading day shall be considered.</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
Member	<p>"Member" means a Member of the Board;</p> <p><i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>
Member	<p>"Member" means a member as defined in clause (21) of sub-section (1) of section 2 of the Companies Ordinance, 1984(XLVII of 1984), and includes the registered owner of any equity security of an issuer which is established under any other law</p> <p><i>[Central Depository act, 1997]</i></p>
Member	<p>"Member" means, in relation to a company havin^g share capital, a subscriber to the memorandum of the company and every person to whom is allotted, or who becomes the holder of, any share, scrip or other security which gives him a voting right in the company and whose name is entered in the register of members, and, in relation to a company not having a share capital, any person who has agreed to become a member of the company and whose name is so entered,</p> <p><i>[Companies Ordinance, 1984]</i></p>
Member	<p>"Member" means "An active Member of the Exchange, who has been duly registered with the Securities and Exchange Commission of Pakistan, under;</p> <p><i>[Brokers and Agents Registration Rules, 2001]</i></p>
Member	<p>'Member' means a member of the Religious Board and includes the Chairman</p> <p><i>[Modaraba Companies and Modaraba Rules, 1981]</i></p>

Member of the family	<p>"Member of the family" in relation to any person, means the husband or a wife, the dependent father, mother, brother or sister, or a minor son or unmarried daughter of that person;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Memorandum	<p>"Memorandum" means the memorandum of association of a company as originally framed or as altered from time to time in pursuance of the provision of any previous Companies Act or of this Ordinance;</p> <p><i>[Companies Ordinance, 1984]</i></p>
Modaraba	<p>"Modaraba" means a business in which a person participates with his money and another with his efforts or skill or both his efforts and skill and shall include Unit Trusts and Mutual Funds by whatever name called;</p> <p><i>[Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980]</i></p>
Modaraba Certificate	<p>"Modaraba certificate" means a certificate of definite denomination issued to the subscriber of the Modaraba acknowledging receipt of money subscribed by him;</p> <p><i>[Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980]</i></p>
Modaraba company	<p>"Modaraba company" means a company engaged in the business of floating and managing modaraba;</p> <p><i>[Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980]</i></p>
Modaraba fund	<p>"Modaraba fund" means a fund raised through floatation of modaraba;</p> <p><i>[Modaraba Companies and Modaraba (Floatation and Control) Ordinance, 1980]</i></p>
Modaraba based contract	<p>"Modaraba Based contract" means a Takaful contract based on the principle of modaraba;</p> <p><i>[Takaful Rules 2005]</i></p>
Mutual insurance company	<p>"Mutual insurance company" means an insurer, being a company incorporated under the law of Pakistan or any country or state other than Pakistan, which has no share capital and of which, by its constitution, only and all policy holders are members;</p> <p><i>[Insurance Ordinance, 2000]</i></p>

National Insurance corporation	"National Insurance Corporation" means the corporation established under the National Insurance Corporation Act, 1976; <i>[Insurance Ordinance, 2000]</i>
Non-Banking and Finance Company	"Non-Banking and Finance Company" shall have the same meaning as assigned to it in clause (a) of section 282A of the Companies Ordinance, 1984 (XLVII of 1984) <i>[Securities Act, 2015]</i>
NBFI	"NBFI" means a non-banking financial institution includes a development finance institution, a modaraba, a leasing company, a housing finance company and an investment bank but shall not include a banking company as defined in clause (c) of section 5 of the Banking Companies Ordinance, 1962 (LVII of 1962); <i>[Securities and Exchange Commission of Pakistan Act, 1997]</i>
Negotiated Deal	"Negotiated deal" means a deal which has been negotiated between two parties outside the regular market. <i>[Karachi Automated Trading System Regulations]</i>

Net asset value

"**Net asset value**" in relation to a pension fund, means the excess of assets over liabilities of the pension fund, such excess being computed in the manner specified hereunder or as may be specified by the Commission from time to time, namely :-

i A security listed on a stock exchange shall be valued at its last sale price on such exchange on the date as of which it is valued, or if such exchange is not open on such date, then at its last sale price on the next preceding date on which such exchange was open and if no sale is reported for such date, the security shall be valued at an amount not higher than the closing asked price nor lower than the closing bid price. Where price is not truly representative of the market value because it is thinly traded or not traded, the trustee with concurrence of the auditor may prescribe an alternate method;

ii an investment purchased and awaiting payment against delivery shall be included for valuation purposes as a security held, and the cash account of the company shall be adjusted to reflect the purchase price, including brokers' commission and other expenses incurred in the purchase thereof but not disbursed as of the valuation date;

iii an investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;

iv the value of any dividends, bonus, shares or rights which may have been declared on securities in the portfolio but not received by the company as of the close of business on the valuation date shall be included as assets of the company, if the security upon which such dividends, bonus or rights were declared is included in the assets and is valued ex-dividend, ex-bonus or ex-rights, as the case may be;

v debt security not listed or quoted on a stock exchange shall be valued at fair value determined to the satisfaction of the trustee;

vi interest accrued on any interest-bearing security in the portfolio shall be included as an asset of the company if such accrued interest is not otherwise included in the valuation of the security;

vii any other income accrued up to the date on which computation was made shall also be included in the assets;

[Voluntary Pension System Rules, 2006]

Net assets	<p>"Net assets" in relation to a collective investment scheme, means the excess of assets over liabilities of the collective investment scheme, such excess being computed in the manner specified hereunder, namely-</p> <ul style="list-style-type: none">a. a security listed on a stock exchange shall be valued at its last sale price on such exchange on the date on which it is valued or if such exchange is not open on such date, then at its last sale price on the next preceding date on which such exchange was open and if no sale is reported for such date the security shall be valued at an amount neither higher than the closing asked price nor lower than the closing bid price;b. an investment purchased and awaiting payment against delivery shall be included for valuation purposes as a security held and the cash account of the collective investment scheme shall be adjusted to reflect the purchase price including brokers' commission and other expenses incurred in the purchase thereof but not disbursed as of the valuation date;c. an investment sold but not delivered pending receipt of proceeds shall be valued at the net sale price;d. the value of any dividends; bonus or rights which may have been declared on securities in the portfolio but not received by the collective investment scheme as of the close of business on the valuation date shall be included as assets of the collective investment scheme if the security upon which such dividends, bonuses or rights were declared is included in the assets and is valued ex-dividend, ex-bonus or ex-rights as the case may be;e. mark-up accrued on any mark-up-bearing security in the portfolio shall be included as an asset of the collective investment scheme if such accrued mark-up is not otherwise included in the valuation of the security;f. any other income accrued upto the date on which computation was made shall also be included in the assets;g. all liabilities, expenses, taxes and other charges due or accrued up to the date of computation which are chargeable under these rules, other than the paid up capital of the closed-end fund, shall be deduced from the value of the assets; andh. the remuneration accrued upto the date of computation payable to the investment adviser or asset management company, as the case may be, for
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	<p>providing management and other services shall be included as an expense;</p> <p>i. a security not listed or quoted on a stock exchange shall be valued at investment price or its break up value as per last audited accounts, whichever is later;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Net capital	<p>"Net capital" in relation to a Non-Banking and Finance Companies licensed to operate as an investment adviser, means an amount by which the current assets, i.e. cash in hand or in bank, money receivable within a period of twelve months from the date of the balance sheet and such other assets, not being the value of securities referred to in clause (b) of rule 33, as are classified under generally accepted accounting principles, exceed the current liabilities, i.e. money payable within a period of twelve months from the date of the balance sheet and such other liabilities as are classified under generally accepted accounting principles;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Net capital	<p>"Net capital" in relation to a member of stock exchange, means an amount by which the current assets, namely, cash in hand or in bank, money receivable within a period of twelve months from the date of the balance sheet and such other assets, not being value of the membership card of the stock exchange, as are so classified under generally accepted accounting principles, exceed the current liabilities, namely, money payable within a period of twelve months from the date of the Balance sheet and such other liabilities as are so classified under generally accepted accounting principles;</p> <p><i>[Securities and Exchange Rules, 1971]</i></p>
Nominee director	<p>"Nominee director" means an individual nominated by a single member to act as director in case of his death;</p> <p><i>[Single Member Companies Rules, 2003]</i></p>
Non-Discretionary Portfolio	<p>"Non-Discretionary Portfolio" means a portfolio of securities managed by an Non-Banking and Finance Companies under an agreement entered into with the client on a duly notarized stamp paper of applicable value whereby investment decisions are executed by the Non-Banking and Finance Companies on written instructions of the client;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>

Notified Entity	<p>"Notified Entity" means a company or class of companies or corporate body or trust or any other entity or person notified by the Federal Government in the official Gazette;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Offer period	<p>"Offer period" means the period from the date of public announcement of public offer to the date of closure of public offer or earlier withdrawal thereof,</p> <p><i>[Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002]</i></p>
Offer price	<p>"Offer price" means "the price for which a Market Maker is willing to sell a Company's security".</p> <p><i>[The Regulations Governing Over-The-Counter (OTC) Market]</i></p>
Offering document	<p>"Offering document" means a published document containing information on a Collective Investment Scheme to invite the public for purchase of certificates or units in that scheme;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Offering document	<p>"Offering document" means documents containing information on a security calculated to invite offers for the purchase of such security;</p> <p><i>[Companies(Asset Backed Securitization) Rules, 1999]</i></p>
Offeror	<p>"Offeror" means any person or entity holding, directly or indirectly, such number of securities as may be prescribed and offers such securities for sale to the public or invites any other person to make subscription for such an offer and includes an issuer</p> <p><i>[Securities Act, 2015]</i></p>
Officer	<p>"Officer" has the meaning assigned to that expression in clause (24) of sub-section (1) of section 2 of the Companies Ordinance, 1984 (XLVII of 1984);</p> <p><i>[Insurance Ordinance, 2000].</i></p>
Officer	<p>"Officer" includes any director, chief executive, managing agent, secretary or other executive of the company, howsoever designated, but, save in sections 205, 220 to 224, 260, 261, 268, 351, 352, 412, 417, 418, 474 and 482, does not include an auditor;</p>

[Companies Ordinance, 1984].

Officer

"**Officer**" in relation to an issuer includes managing agents, manager, secretary or accountant of the issuer and any other person who by virtue of his office may be in possession of any material information with regard to the affairs of the issuer;

[Securities and Exchange Rules, 1971]

Officer	" Officer " means a person as defined in clause (24) of sub-section (1) of section 2 of the Companies Ordinance, 1984 and includes an auditor of the company; <i>[Listed Companies (Prohibition of Insiders Trading Guidelines)]</i>
Open-end scheme	" Open-end scheme " means a scheme constituted by way of a trust deed that continuously offers for sale its units as specified in the Constitutive Document that entitle the holder of such units on demand to receive his proportionate Share of the net assets of the scheme less any applicable charges; <i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i>
Option	" Option " means a right but not an obligation granted to an employee in pursuance of a Scheme to apply for shares of a company at a pre- determined price; <i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i>
Order	" Order " means a valid sale or purchase order placed by a Member through Karachi Automated Trading System. <i>[Karachi Automated Trading System Regulations]</i>
Originator	" Originator " means a person who transfers to a Special Purpose Vehicle any assets in the form of present or future receivables as a consequence of Securitization; <i>[Companies (Asset Backed Securitization) Rules, 1999]</i>
Other Form of Security	" Other Form of Security " includes hypothecation of stock (inventory), assignment of receivables, lease Rentals, contract receivables; <i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i>
Pakistan Insurance Corporation	" Pakistan Insurance Corporation " means the corporation established under the Pakistan Insurance Corporation Act, 1952 (XXXVIII of 1952); <i>[Insurance Ordinance, 2000]</i>

Participant	<p>"Participant" means</p> <ul style="list-style-type: none"> a. an account-holder who is a member of a stock exchange ; and b. any other account-holder who meets the qualifications of a participant prescribed in the regulations Provided that such account holders <ul style="list-style-type: none"> I. perform services for sub-account holders in accordance with the terms of an agreement entered into between the central depository and each of the participants ; II. transfer any securities to the central depository to the credit of any sub-accounts under their respective accounts ; and III. handle, on behalf of sub-account holders, the book-entry securities in the sub-accounts under their respective accounts <p><i>[Central Depository Act, 1997]</i></p>
Participant	<p>"Participant" means any person on whose behalf contributions are made into one or more pension funds and held in one or more identifiable individual pension accounts managed by one or more Pension Fund Managers;</p> <p><i>[Voluntary Pension System Rule 2006]</i></p>
Participants Investment Account (PIA)	<p>"Participants' Investment Account (PIA)" means the investment account of the participants under a Family Takaful plan;</p> <p><i>[Takaful Rules 2005]</i></p>
Participants Investment Fund (PIF)	<p>"Participants' Investment Fund (PIF)" means a separate fund comprising of the underlying assets representing the units of the PIA under a Family Takaful plan;</p> <p><i>[Takaful Rules 2005]</i></p>
Participants membership document (PMD)	<p>"Participants membership documents (PMD)" means the documents detailing the benefits and obligations of a participant;</p> <p><i>[Takaful Rules 2005]</i></p>
Participants Takaful Fund (PTF)	<p>"Participants Takaful Fund (PTF)" means a separate risk pool to which the participants' risk related contributions are paid and from which risk related benefits are paid out;</p> <p><i>[Takaful Rules 2005]</i></p>

<p>Participating</p>	<p>"Participating" in reference to life insurance business, means contracts of life insurance, other than investment-linked contracts, health contracts, group life contracts and group health contracts, under the terms and conditions of which the policy holder has an entitlement to participate in distributions by the life insurer of profits or surpluses;</p> <p>Explanation:</p> <p>a benefit paid under a policy is not a distribution of profit or surplus if the benefit is determined according to the terms and conditions of the contract and is not subject to the exercise of discretion by the insurer;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
<p>Participatory redeemable capital</p>	<p>"Participatory redeemable capital" means such redeemable capital as is entitled to participate in the profit and loss of a company;</p> <p><i>[Companies Ordinance, 1984]</i></p>
<p>Pension fund</p>	<p>"Pension fund" means a fund made up of sub-funds created from the contributions paid by the participants and would consist of all the assets for the time being held or deemed to be held by sub-funds and includes all income or investment returns thereon but excludes fees, charges and expenses related to the management of the investments of sub- funds;</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>
<p>Pension fund manager</p>	<p>"Pension fund manager" means an asset management company or a life insurance company duly authorized by the Commission to efficaciously manage the contributions made by or on behalf of participants in pension fund and meet such other conditions as may be prescribed from time to time by the Commission;</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>
<p>Permanent capital fund</p>	<p>"Permanent capital fund" means a fund that is established in the records of a life insurance company not having a share capital, and which contains that part of the assets and liabilities of a life insurer which is attributed to it and is not attributed to any statutory fund maintained by the life insurer;</p> <p><i>[Insurance Ordinance, 2000]</i></p>

<p>person</p>	<p>"Person is deemed to be a connected person" if such person-</p> <ul style="list-style-type: none"> a. is a company under the same management or group or any subsidiary Company b. is an official or a member of a stock exchange or of a clearing house of that stock exchange, or any employee of a member of a stock exchange; c. is an investment bank, share transfer agent, registrar to an issue, Trustee of Term Finance Certificates, Investment Advisor, Investment Company (closed end mutual fund) or an employee thereof, or, is a member of the Board of Directors of an investment company or a member of the Board of Directors of the Asset Management of an Investment Scheme (open- end mutual fund) or is an employee having fiduciary relationship with the company; d. is an official or an employee of a self-regulatory organization recognized by the Commission; e. is a relative of any of the aforementioned persons; or is a banker of the company. <p><i>[Listed Companies (Prohibition of Insiders Trading) Guidelines]</i></p>
<p>Person acting in concert</p>	<p>"Person acting in concert" means a person who co-operates with the acquirer to acquire voting shares or control of the target company</p> <p><i>[Listed Companies (Substantial Acquisition of Voting Shares and Take-overs) Ordinance, 2002]</i></p>
<p>Policy</p>	<p>"Policy" means a contract of insurance;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
<p>Policy holder</p>	<p>"Policy holder" means the person to whom a policy is issued or, in the case of a policy of life insurance, the person to whom the whole of the interest of the policy holder in the policy is assigned once and for all, but does not include an assignee thereof whose interest in the policy is de-feasible or is for the time being subject to any condition;</p> <p><i>[Insurance Ordinance, 2000]</i></p>

Policy holder liability	<p>"Policy holder liability" in relation to life insurance, means:</p> <p>a. a liability that has arisen under a policy of life insurance; or</p> <p>b. a liability that, subject to the terms and conditions of a policy, will arise on the happening of an event, or at a time, specified in the policy;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Prescribed	<p>"Prescribed" means prescribed by regulations made by the Commission</p> <p><i>[Securities Act, 2015]</i></p>
Prescribed	<p>"Prescribed" means,</p> <p>a. as respects the provisions of this Ordinance relating to the winding up of companies and other matters requiring to be determined or decided by the Court, prescribed by rules made by the Supreme Court in consultation with the High Courts or, where the Supreme Court advises the Federal Government to do so, by the Federal Government in consultation with the High Courts; and</p> <p>b. as respect the other provisions of this Ordinance, prescribed by rules or regulations made by the Federal Government after previous publication in the official Gazette;</p> <p><i>[Companies Ordinance, 1984]</i></p>
Previous companies Act	<p>"Previous Companies Act" includes any Act or Acts relating to companies in force before the Indian Companies Act, 1866 (<i>X of 1866</i>), or the Acts repealed thereby, the Indian Companies Act, 1866 (<i>X of 1866</i>), the Indian Companies Act, 1882, (<i>VI of 1882</i>) the Indian Companies Act 1913 (<i>VT1 of 1913</i>), or any law corresponding to any of those Acts and in force in any of the territories now constituting Pakistan before the extension of the Companies Act, 1913 (<i>VII of 1913</i>), to such territories;</p> <p><i>[Companies Ordinance, 1984]</i></p>
Principal Officer	<p>"Principal Officer" means a person, by whatever designation called, appointed by a Takaful operator and charged with the responsibility of managing the affairs of the Takaful operator;</p> <p><i>[Takaful Rules 2005]</i></p>
Principles of Sharia	<p>"Principles of Sharia" means the pertinent principles of Sharia as interpreted by the Religious Board;</p> <p><i>[Guidelines for Issue of Certificates of Musharaka for Modarabas]</i></p>

<p>Prior contractual borrowing arrangement</p>	<p>"Prior Contractual Borrowing arrangement" means "shares already borrowed or a contract or agreement to borrow shares needed to make delivery on the settlement date".</p> <p><i>[Regulations for Short Selling under Ready Market, 2002]</i></p>
<p>Private company</p>	<p>"Private Company" means a private company as defined in clause (28) of subsection (1) of section 2 of the Companies Ordinance, 1984 (XLVII of 1984)</p> <p><i>[Securities Act, 2015]</i></p>
<p>Private company</p>	<p>"Private company" means a company which, by its articles,</p> <ul style="list-style-type: none"> a. restricts the right to transfer its shares, if any; b. limits the number of its members to fifty not including persons who are in the employment of the company; and c. prohibits any invitation to the public to subscribe for the shares, if any, or debentures of the company Provided that, where two or more persons hold one or more shares in a company jointly, they shall, for the purposes of this definition, be treated as a single member; <p><i>[Companies Ordinance, 1984]</i></p>
<p>Private company</p>	<p>"Private company" means a private company which is not a single member company;</p> <p><i>[Single Member Companies Rules, 2003]</i></p>
<p>Private motor property damage policy</p>	<p>"Private motor property damage policy" means a contract of insurance that provides insurance cover in respect of loss of or damage to a motor vehicle or of the contents of a motor vehicle used primarily and principally as a means of private transport by the policy holder, by persons with whom the policy holder has a family or personal relationship, or by both the policy holder and such persons,</p> <p><i>[Insurance Ordinance, 2000]</i></p>
<p>Private sector person</p>	<p>"Private sector person" means a person who is not in the service of Pakistan or of any statutory body or any body which is owned or controlled by the Federal Government or a Provincial Government not including a University or an educational institution;</p> <p><i>[Securities and Exchange Commission of Pakistan Act, 1997]</i></p>

<p>Promoter</p>	<p>"Promoter" means-</p> <ul style="list-style-type: none"> i the person or persons who are in over-all control of a company; ii the person or persons who are instrumental in the formation of a company or the shares offering to public; or iii the person or persons named in the offer document as directors: <p>Provided that a director or an officer of a company, if he is acting as such only in his professional capacity, shall not be deemed to be a promoter;</p> <p>Explanation; Where a promoter of a company is a body corporate; the promoters of that body corporate shall also be deemed to be promoters of the company.</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
<p>Promoters</p>	<p>"Promoters" means persons who are in control of a company or named in any offer document and includes</p> <ul style="list-style-type: none"> (a) any relative of a promoter; and (b) in case of a company or body corporate,— <ul style="list-style-type: none"> (i) a subsidiary or holding company of such company or body; (ii) any company in which the promoter holds ten per cent or more of the equity capital or which holds ten per cent or more of the equity capital; or (iii) any company or body corporate wherein a group of individuals or companies or bodies corporate or combinations thereof holds twenty per cent or more of the capital in the target company and also holds twenty per cent or more of the capital of the promoter; and (c) in case of an individual, — <ul style="list-style-type: none"> (i) any company in which ten per cent or more of the share capital is held by the promoter or a relative of the promoter or a firm or Hindu undivided family in which the promoter or his relative is a partner or co-partner or a combination thereof; or (ii) any company in which a company specified in paragraph (i) holds ten percent or more of the share capital; <p><i>[Securities Act, 2015]</i></p>

Proprietary trading	<p>"Proprietary Trading" means trading conducted by a broker, agent or an associated person trading on his own account for direct gain instead of Commission.</p> <p><i>[Regulations for Proprietary Trading, 2004]</i></p>
Prospectus	<p>"Prospectus" means any document described or issued as a prospectus and includes any document, notice, circular, material, advertisement, offer for sale document, publication or other invitation offering to the public (or any section of the public) or inviting offers from the public for the subscription or purchase of any securities of a company, body corporate or entity, other than deposits invited by a bank and certificate of investments and certificate of deposits issued by non-banking finance companies</p> <p><i>[Securities Act, 2015]</i></p>
Provisionally listed companies	<p>"Provisionally Listed Companies" means "Companies provisionally listed under these Regulations on the Exchange" <i>[Regulations for Futures Trading in Provisionally Listed Companies (FTPLC), 2002]</i></p>
Public announcement	<p>"Public announcement" means public announcement of offer or intention to be made under section 5, section 6 or section 8, as the case may be, and includes any announcement of any competitive bid for acquisition of voting shares of a target company;</p> <p><i>[Securities Act, 2015]</i></p>
Public company	<p>"Public company" has the meaning assigned to that expression in clause (30) of sub-section (1) of section 2 of the Companies Ordinance, 1984 (XI VII of 1984), or an existing company which is not a private company or a subsidiary of a private company;</p> <p><i>[Insurance Ordinance, 2000]</i></p>
Public company	<p>"Public company" means a company which is not a private company.</p> <p><i>[Companies Ordinance, 1984]</i></p>
Public offer	<p>"Public offer" means a public company as defined in clause (30) of sub-section (1) of section 2 of the Companies Ordinance, 1984 (XLVII of 1984)</p> <p><i>[Securities Act, 2015]</i></p>

Purchase	<p>"Purchase" means purchase by the companies of their own shares. <i>[Companies(Buy-back of Shares) Roles. 1999]</i></p>
Readily Realizable Assets	<p>"Readily Realizable Assets" include Liquid Assets and stocks pledged with the Non-Banking and Finance Companies s and are in their possession, with 'perfected lien' duly supported with complete documentation; <i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Record	<p>"Record" includes, in addition to a record in writing,</p> <ul style="list-style-type: none"> a. any photograph ; b. any disc, tape, sound-track or other device in which sounds or other data (not being visual images) are embodied so as to be capable (with or without the aid of some other instrument or machine) of being reproduced there from in audible or readable form ; and c. any film, tape or other device in which visual images are embodied so as to be capable (with or without the aid of some other instrument) of being reproduced there from in visual form ; and d. any reference to a copy of a record includes; <ul style="list-style-type: none"> I. in the case of a record falling within paragraph (b) but not paragraph (c) of this clause, a transcript of the sounds or other data embodied therein II. in the case of a record falling within paragraph (c) but not paragraph (b) of this clause, a still reproduction of the images embodied therein, whether enlarged or not ; and III. in the case of a record falling within both paragraph (b) and paragraph (c) of this clause, the transcript of the sounds or other data embodied therein together with the still reproduction of the images embodied therein ; <p><i>[Central Depository Act, 1997]</i></p>
Records	<p>"Records" means all documentary, electronic and digital materials created, generated, sent, communicated, received or stored, regardless of physical form or characteristics <i>[Securities Act, 2015]</i></p>

Redeemable capital	<p>"Redeemable able capital" includes finance obtained on the basis of participation terms certificate (PTC), musharika certificate, terms finance certificate (TFC), or any other security or obligation not based on interest, other than an ordinary share of a company, representing an instrument or a certificate of specified denomination, called the face value or nominal value, evidencing investment of the holder in the capital of the company on terms and conditions of the agreement for the issue of such instrument or certificate or such other certificate or instrument as the Federal Government may, by notification in the official Gazette, specify for the purpose;</p> <p><i>[Companies Ordinance, 1984],</i></p>
Register concerned	<p>"Registrar concerned" means the registrar in charge of the registration office in which the company is registered or in whose territorial jurisdiction the registered office, or, where a company is to be registered, the proposed registered office, is situate;</p> <p><i>[Companies (General Provisions and Forms) Rules, 1985]</i></p>
Register concerned	<p>"Registrar concerned" means additional registrar, joint registrar, deputy registrar or assistant registrar who is incharge of a Company Registration Office in which a company is registered or in whose territorial jurisdiction its registered office is situated;</p> <p><i>[Company (Registration offices) Regulations, 2003]</i></p>
Register debenture-holders	<p>"Register of debenture-holders" means the register of debenture holders referred to in section 149 of the Companies Ordinance, 1984 (XLVII of 1984), and includes the register of holders of any non-equity securities of an issuer other than a company ;</p> <p><i>[Central Depository Act, 1997]</i></p>
Register of members	<p>"Register of members" means the register of members referred to in section 147 of the Companies Ordinance, 1984 (XLVII of 1984), and includes the register of owners of any equity securities of an issuer established under any other law ;</p> <p><i>[Central Depository Act, 1997]</i></p>
Registered firm	<p>"Registered firm" means firm registered under the Partnership Act, 1932 (IX of 1932), all the partners of which are advocates.</p> <p><i>[Companies (Appointment of Legal Advisers) Act, 1974]</i></p>

Registrar	" Registrar " means a registrar, an additional registrar, a joint registrar, a deputy registrar or an assistant registrar, performing under this Ordinance the duty of registration of companies; <i>[Companies Ordinance, 1984]</i>
Registrar	" Registrar " means an officer of the Commission who is appointed as the Registrar of the Appellate Bench and for the purpose of these rules shall also include a Deputy Registrar performing functions of the Registrar under these Rules <i>[Securities and Exchange Commission of Pakistan(Appellate Bench Procedure) Rules, 2003]</i>
Registrar of companies	" Registrar of companies " means the Registrar posted at headquarters of the Commission and includes an additional registrar; <i>[Company (Registration Offices) Regulations, 2003]</i>
Regulations	" Regulations " means regulations made by the Commission under this Act <i>[Securities Act, 2015]</i>
Reinsurance	" Reinsurance " means a contract of insurance under which the event, specified in the contract, contingent upon the happening of which, payment is promised to be made to the policy holder there under, is payment by the policy holder of a claim or claims made against that policy holder under another contract or contracts of insurance issued by that policy holder; <i>[Insurance Ordinance, 2000]</i>
Religious Board	" Religious board " means the Board constituted under section 9; <i>[Modaraba Companies' and Modaraba Rules, 1981]</i>
Rental	" Rental " include lease Rentals, Rentals in respect of housing finance facilities, hire purchase installments or any other amount received by Non-Banking and Finance Companies from Borrower against the grant of a Facility; <i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i>
Repealed Act	" Repealed Act " means the Insurance Act, 1938 (IV of 1938); <i>[10, 2000]</i>

Responsible officer	<p>"Responsible officer" in relation to a company, means ,--</p> <ol style="list-style-type: none"> a. the chief executive of the company; b. a director of the company; c. the secretary of the company; d. any other officer of the company who is declared by the Commission in writing as a responsible officer of the company for the purposes of these rules; e. in the case of a company in relation to which an administrator has been appointed under sub-section (1) of section 295, the administrator of such Company f. in the case of a company in liquidation, the liquidator of such company. <p><i>[Companies (General Provisions and Forms) Rules, 1985]</i></p>
Re-Takaful	<p>"Re-Takaful" means an arrangement consistent with sound Takaful principles for re-Takaful of liabilities in respect of risks accepted or to be accepted by the Takaful operator in the course of his carrying on Takaful business and includes ceding risks from Takaful pool(s) managed by the Takaful operator(s) to one or more re-Takaful pool(s) managed by any other one or more Takaful operator(s) in line with Takaful principles;</p> <p><i>[Takaful Rules 2005]</i></p>
Retrocession	<p>"Retrocession" means a contract of reinsurance under which the event, specified in the contract, contingent upon the happening of which, payment is promised to be made to the policy holder there under, is payment by the policy holder of a claim or claims made under another contract or contracts of reinsurance issued by that policy holder; <i>[10, 2000]</i></p>
Risk assets	<p>"Risk assets" mean marketable securities and other assets held by a Non-Banking and Finance Companies in the ordinary course of its business;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Rules	<p>"Rules" means the rules made by the Federal Government.</p> <p><i>[Securities and Exchange Commission of Pakistan Act1997]</i></p>

<p>Sale with pre-existing interest</p>	<p>"Sale with pre-existing interest" means:</p> <ul style="list-style-type: none"> • The squaring up of an earlier purchase on the same exchange in the same settlement. • The squaring up of an earlier purchase on the same exchange in a different settlement which will settle prior to the settlement of the sale. • The squaring up of an earlier purchase on another exchange in a different settlement which will settle prior to the settlement of the sale. • The squaring up of an earlier purchase on another exchange in the same settlement". <p><i>[Regulations for Short Selling under Ready Market, 2002]</i></p>
<p>Scheduled bank</p>	<p>"Scheduled bank" has the meaning assigned to it in clause (m) of section 2 of the;</p> <p><i>[State Bank of Pakistan Act, 1956 (XXXIII of 1956); (10, 2000)]</i></p>
<p>Scheme</p>	<p>"Scheme" means the Employees Stock Option Scheme approved by the Commission and introduced under these rules;</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
<p>Scheme</p>	<p>"Scheme" means a unit trust scheme constituted by way of a trust deed which continuously offers for sale a security which entitles the holder of such security on demand to receive his proportionate share of the net assets of the security</p> <p><i>[Asset Management Companies Rules, 1995]</i></p>
<p>Securities and Exchange Commission of Pakistan ACT</p>	<p>"Securities and Exchange Commission of Pakistan Act" means the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997); <i>[10, 2000]</i></p>
<p>Secretary</p>	<p>"Secretary" means any individual appointed to perform the secretarial, administrative or other duties ordinarily performed by the secretary of a company;</p> <p><i>[Companies Ordinance, 1984]</i></p>

Secured	<p>"Secured" means Exposure backed by Tangible Security and any Other Form of Security with appropriate margins (in cases where margin has been specified by the Commission appropriate margin shall at least be equal to the specified margin);</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Securitization	<p>"Securitization" means a process whereby any Special Purpose Vehicle raises funds by issue of Term Finance Certificates or any other instruments with the approval of the Commission, for such purpose and uses such funds by making payment to the Originator and through such process acquires the title, property or right in the receivables or other assets in the form of actionable claims;</p> <p><i>[Companies (Asset Backed Securitization) Rules, 1999]</i></p>
Security	<p>"Security" means</p> <ol style="list-style-type: none"> a. a security as defined in sub-clause (i) of clause (1) of section 2 of the Securities and Exchange Ordinance, 1969 (XVII of 1969) b. any Government security ; c. any derivative relating to a security or a Government security ; or d. any other instrument specified by the Federal Government, by a notification in the official gazette, to be a security for the purposes of this Act ; <p><i>[Central Depository Act, 1997]</i></p>
Securities	<p>"Securities" in the case of listed instruments includes-</p> <ol style="list-style-type: none"> (a) shares and stock of a company (shares); (b) any instrument creating or acknowledging indebtedness which is issued or proposed to be issued by a company including, in particular, debentures, debenture stock, loan stock, bonds, notes, commercial paper, sukuk or any other debt securities of a company, whether constituting a charge on the assets of the company or not (debt securities); (c) loan stock, bonds, sukuk and other instruments creating or acknowledging indebtedness by or on behalf of a government, central bank or public authority (Government and public debt securities) ; (d) modoraba certificates, participation term certificates and term finance certificates; (e) any right (whether conferred by warrant or otherwise) to subscribe for shares or debt securities (warrants);

- (t) any option to acquire or dispose of any other security (options);
- (g) units in a collective investment scheme, including units in or securities of a trust fund (whether open-ended or closed end);
- (h) the rights under any depository receipt in respect of shares, debt securities and warrants (custodian receipts); and
- (i) any other instrument notified by the Commission to be securities for the purposes of this Act,

but does not include -

- (a) futures contracts;
- (b) bills of exchange;
- (c) promissory notes; and
- (d) certificates of deposit;

[Securities Act, 2015]

Share

"Share" means share in the share capital of a company;

[Companies Ordinance, 1984]

Share

"Share" means equity shares and securities convertible into equity shares and shall include American Depository Receipts (ADRs), Global Depository Receipts (GDRs) or other depository receipts representing underlying equity shares or securities convertible into equity shares;

[Public Companies (Employees Stock Option Scheme) Rules, 2001]

Shareholders	" Shareholders fund " means a fund that is established in the records of a life insurance company and which contains that part of the assets and liabilities of a life insurer which is attributed to it and is not attributed to any statutory fund maintained by that life insurer; <i>[10, 2000]</i>
Shariah Board	" Shariah Board " means a Shariah Board constituted by a Takaful operator for its Takaful business under rule 34; <i>[Takaful Rules 2005]</i>
Shariah compliant investments	" Shariah compliant investments " means investment that adhere to principles and injunctions of Islam as laid down in Shariah (i.e., the Quran, Sunnah, Ijma and Qiya) and established by practice and usage and as approved by the Shariah Board of the Takaful operator; <i>[Takaful Rules 2005]</i>
Shelf Registration	" Shelf Registration " means an arrangement that allows a single offering document allowing companies to make multiple offerings as disclosed in the offering document within a prescribed time and subject to prescribed conditions <i>[Securities Act, 2015]</i>
Short sale	" Short sale " means "a sale by a party that does not own shares or the sale does not constitute a sale with pre-existing interest but is a sale by a party that has entered into a contractual borrowing arrangement to meet delivery requirements". <i>[Regulations for Short Selling under Ready Market, 2002]</i>
Short Term Facilities	" Short Term Facilities " mean a Facility with maturities up to one year; <i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i>
Single member company	" Single member company " or "Single Member Companies" means a private company which has only one member; <i>[Single Member Companies Rules, 2003]</i>
Small entrepreneurs	" Small entrepreneurs " mean individuals, firms and companies having fixed assets excluding land and building the value of which is not more than twenty million rupees and includes software exporters, software houses and information technology companies; <i>[Non-Banking and Finance Companies Rules, 2003]</i>
Sole director	" Sole director " means the director of a single member company who is for the time being the only director. <i>[Single Member Companies rules, 2003]</i>

Special purpose vehicle	"Special Purpose Vehicle" means a special purpose vehicle registered by the Commission for the purpose of Securitization; <i>[Companies (Asset Backed Securitization) Rules, 1999]</i>
Special resolution	"Special resolution" means a resolution which has been passed by a majority of not less than three-fourths of such members entitled to vote as are present in person or by proxy at a general meeting of which not less than twenty-one days notice specifying the intention to propose the resolution as a special resolution has been duly given: Provided that, if all the members entitled to attend and vote at any such meeting so agree, a resolution may be proposed and passed as a special resolution at a meeting of which not less than twenty-one days notice has been given; <i>[Companies Ordinance, 1984]</i>
Special terms orders	"Special terms orders" means an order which has special conditions for trading. <i>[Karachi Automated Trading System Regulations]</i>
Sponsoring member	"Sponsoring member" means "a Corporate Brokerage House of the Exchange or a Commercial Bank or an Investment Bank or a Discount House or any other financial institution approved by the Exchange which is appointed by the companies seeking listing on the Exchange under these regulations and to perform functions as provided under these regulations". <i>[The Regulations Governing Over-The-Counter (OTC) Market]</i>
Spread	"Spread" means "the difference between the Bid Price and Offer Price". <i>[The Regulations Governing Over-The-Counter (OTC) Market]</i>
State Bank	"State Bank" means the State Bank of Pakistan established under the State Bank of Pakistan Act, 1956 (XXXIII of 1956); <i>[Central Depository Act,97]</i>
State Life Insurance Corporation	"State Life Insurance Corporation" means the corporation established under Article 11 of the Life Insurance (Nationalization) Order, 1972 (P.O. 10 of 1972); <i>[10, 2000]</i>
Statutory Fund	"Statutory fund" means a fund that is established in the records of a life insurer and which relates solely to the life insurance business of that life insurer, or a particular part of that life insurance business. <i>[10, 2000]</i>

Stock exchange	<p>"Stock exchange" means any person who maintains or provides a market place or facilities for bringing together buyers and sellers of securities or for otherwise performing with respect to securities the functions commonly performed by a Stock Exchange, as that term is generally understood, and includes such market place and facilities;</p> <p><i>[Securities and Exchange Ordinance, 1969]</i></p>
Sub-account	<p>"Sub-account" means a sub-account maintained, as part of the account of a participant, in accordance with the regulations by a central depository in the name of sub-account holder so as to record any book-entry securities entered in such sub-account ;</p> <p><i>[Central Depository Act, 1997]</i></p>
Sub-account holder	<p>"Sub-account holder" means a person in whose name a sub-account is opened and maintained by a participant with a central depository and is operated by that participant.</p> <p><i>[Central Depository Act, 1997]</i></p>
Subordinated Loan	<p>"Subordinated Loan" means an unsecured loan extended by the sponsors to the Borrower which is subordinate to the claim of an Non-Banking and Finance Companies taking Exposure on the Borrower and documented by a formal subordination agreement between the provider of the loan and the Borrower;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Subsidiary	<p>"Subsidiary" means a subsidiary as defined in section 3 of the Companies Ordinance, 1984 (XLVII of 1984)</p> <p><i>[Securities Act, 2015]</i></p>
Sub-underwriter	<p>"Sub-underwriter" means a person who has made a contract with an underwriter to take up a part of the securities not fully subscribed by the public issue;</p> <p><i>[Securities and Exchange Ordinance 1969]</i></p>
Supplement to the prospectus	<p>"Supplement to the prospectus" means an updated condensed form of the full prospectus for inviting public subscription through subsequent tranche(s).</p> <p><i>[Guidelines for the issue of Term Finance Certificates (TFCs) to General Public]</i></p>
Surveyor	<p>"Surveyor" means a person (by whatever name called) who examines the goods, property or any interests insured under a contract of non-life insurance to express an independent opinion as to the cause, extent, location and amount of any loss incurred or claimed to be incurred under that contract; <i>[10, 2000]</i></p>

TFC	<p>"TFC" means debt instrument issued for the purpose of raising funds in the form of redeemable capital;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Takaful benefit	<p>"Takaful benefit" includes any benefit, whether pecuniary or not, which is secured by a Takaful policy, and the word "pay" and other expressions, where used in relation to Takaful benefit, shall be construed accordingly;</p> <p><i>[Takaful Rules 2005]</i></p>
Takaful broker	<p>"Takaful broker" means a person who is permitted by the Securities and exchange Commission to carry on Takaful business as Takaful broker;</p> <p><i>[Takaful Rules 2005]</i></p>
Takaful business	<p>"Takaful business" means business of Takaful whose aims and operations do not involve any element which is not in consonance with the injunction of Islam as laid down in the Shariah;</p> <p><i>[Takaful Rules 2005]</i></p>
Takaful operator	<p>"Takaful operator" means a person who is permitted by the Securities and Exchange Commission to carry on Takaful business as Takaful operator ;</p> <p><i>[Takaful Rules 2005]</i></p>
Takaful policy	<p>"Takaful policy" includes any contract of Takaful for Family Takaful business or General Takaful business whether or not embodied in or evidenced by an instrument in the form of a participants' membership document, and references to issuing a policy shall be construed accordingly;</p> <p><i>[Takaful Rules 2005]</i></p>
Tangible Security	<p>"Tangible Security" means Readily Realizable Assets, mortgage of land, plant, building, machinery and any other fixed assets;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
Target company	<p>"Target company" means a listed company whose voting shares or control are directly or indirectly acquired or intended to be acquired.</p> <p><i>[Securities Act, 2015]</i></p>
Term Finance Certificate	<p>"Term finance certificate" means a debt instrument issued for the purpose to raise fund in the form of redeemable capital.</p> <p><i>[Guidelines for the issue of Term Finance Certificates (TFCs) to General Public]</i></p>
Total Fund	<p>"Total fund" means the aggregate of Contributions fund and Modaraba Fund as defined in (c) and (e) above.</p> <p><i>[Guidelines for the issue of Certificates of Musharaka for Modarabas]</i></p>

Trader	<p>"Trader" means an employee of a member who is authorized by such member to execute trade of the investors through the automated trading system in such exchange.</p> <p><i>[Members Agents and Traders (Eligibility Standards) Rules, 2001]</i></p>
Tranche	<p>"Tranche" means an offer of a certain portion out of the total amount of TFCs approved by the Commission.</p> <p><i>[Guidelines for the issue of Term Finance Certificates (TFCs) to General Public]</i></p>
Transfer agent	<p>"Transfer agent" means a person appointed by the issuer to assist in the maintenance of record for issuance and transfer of securities and to perform functions of persons commonly known as Registrar;</p> <p><i>[Securities Act, 2015]</i></p>
Trust	<p>"Trust" means a trust established by a deed under the provisions of the Trusts Act, 1882 (II of 1882);</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>
Trustee	<p>"Trustee" means a financial institution or a central depository having legal title to securities, and holding such securities in trust for the benefit of another person or entity and owes a fiduciary duty to that beneficiary.</p> <p><i>[Margin Trading Rules, 2004]</i></p>
Trustee	<p>"Trustee" means a company appointed as a trustee and includes a bank licensed under the Banking Companies Ordinance, 1962 (LVII of 1962) or a trust company which is a subsidiary of such a bank or a banking institution incorporated outside Pakistan acceptable to the Commission or a central depository company approved by the Commission or a Non-Banking and Finance Companies carrying out investment finance services provided it has been approved by the Commission to act as trustee;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Underwriter	<p>"Underwriter" means a person who</p> <p>(a) on a firm commitment basis purchases newly issued securities or securities offered for sale for the purpose of public resale on behalf of the issuer or offeror or who guarantees to an issuer or offeror that the unsold residue of the issuer's public issue or sale will be taken up; or</p> <p>(b) on a best efforts basis acts as an underwriter for the issuer</p> <p><i>[Securities Act, 2015]</i></p>

<p>Underwriting Commitments</p>	<p>"Underwriting Commitments" mean commitments given by Non-Banking and Finance Companies to the limited companies at the time of new issue of equity or debt instrument, that in case the proposed issue of equity or debt instrument is not fully subscribed, the un-subscribed portion will be taken up by them (Non-Banking and Finance Companies);</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
<p>Unit</p>	<p>"Unit" means an undivided share in a sub-fund of the pension fund</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>
<p>Unlisted Debt Security</p>	<p>"Unlisted Debt Security" means a debt security not listed or quoted on a stock exchange;</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
<p>Unlisted Equity Security</p>	<p>"Unlisted Equity Security" means an equity security not listed or quoted on a stock exchange.</p> <p><i>[Non-Banking and Finance Companies and Notified Entities Regulations, 2008]</i></p>
<p>Unlisted security</p>	<p>"Unlisted security" means a security not listed or quoted on a stock exchange.</p> <p><i>[Voluntary Pension System Rules, 2006]</i></p>
<p>Unpublished price sensitive information</p>	<p>"Unpublished price sensitive information" in relation to a listed security means any information which relates to the following matters or is of concern, directly or indirectly, to a company, and is not generally known or publishes by such company for general, information, but which if published or known, is likely to materially affect the price, of securities of that company in the market:-</p> <ol style="list-style-type: none"> a. financial results (both half-yearly and annual) of the company; b. intended declaration of dividends (both interim and final) c. issue of shares by way of rights, bonus, etc.; d. any major expansion plans or execution of new projects e. amalgamation, mergers and takeovers; f. disposal of the whole or substantially the whole of the undertaking; g. such other information as may affect the earnings of the company; and h. any changes in policies, plans or operations of the company. <p><i>[Listed Companies (Prohibition of insiders Trading) Guidelines]</i></p>

Uptick	<p>"Uptick" is the price which is above the next preceding different price at which a trade of such security was affected on such Exchange.</p> <p><i>[Regulations for Short Selling under Ready Market, 2002]</i></p>
Venture capital company	<p>"Venture capital company" includes a company which is engaged principally in financing through direct equity investment in another company and provides managerial expertise thereto;</p> <p><i>[Securities Act, 2015]</i></p>
Venture capital company	<p>"Venture capital company" means a company licensed by the Commission to invest in venture projects through equity or other instruments whether convertible into equity or not and provides managerial or technical expertise to venture projects, or acts as a management company for management of venture capital fund;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Venture Capital company	<p>"Venture capital company" means a company which is engaged in financing any venture project, through equity or other instruments whether convertible into equity or not and provides managerial or technical expertise to venture projects, or acts as a management company for management of venture capital fund</p> <p><i>[Venture Capital Companies and Venture Capital Funds Rules, 2001]</i></p>
Venture capital fund	<p>"Venture capital fund" means a fund licensed under rule 26;</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>
Venture capital fund	<p>"Venture capital fund" means a company which is managed by a venture capital company and raises funds through private placement of equity and other securities, as specified in these rules and invests its resources in venture projects</p> <p><i>[Feature Capital Companies and Venture Capital Fund Rules, 2001]</i></p>
Venture capital investment	<p>"Venture capital investment" means financing of any venture project by a Non-Banking and Finance Companies licensed to operate as a venture capital company or by a venture capital fund being managed by such Non-Banking and Finance Companies, through equity or other instruments whether convertible into equity or not.</p> <p><i>[Non-Banking and Finance Companies Rules, 2003]</i></p>

<p>Venture project</p>	<p>"Venture project" means a project which is in the start-up phase of its business or commercial operations or undergoing expansion or engaged in a service, manufacturing or production activity based on a new process, service or technology or located in a remote or underdeveloped area of the country and is financed by a venture capital fund or a Non-Banking and Finance Companies licensed as venture capital company and includes a wholly owned subsidiary of the Non-Banking and Finance Companies provided it invests in the projects having the above said characteristics.</p> <p>Provided that the shares of venture project shall not be listed on any of the stock exchanges in Pakistan at the time of investment by the venture capital company or venture capital fund and the project shall not engage in any of the following business activity, namely:-</p> <ol style="list-style-type: none"> a. arms and ammunitions; b. high explosives; c. radioactive substances; d. security printing, currency and mint e. manufacture of alcoholic beverages; f. environmentally hazardous projects; g. gold financing; h. real estate; or i. non-banking finance companies <p><i>[Non-Banking and Finance Companies Rules,2003]</i></p>
<p>Venture project</p>	<p>"Venture project" means a company, registered under the Companies Ordinance. 1984 (XLVII of 1984), or a partnership, or a sole proprietorships which is engaged in a business activity and has such characteristics as may be notified by the Commission, from time to time, to be treated as venture projects.</p> <p><i>[Venture Capital Companies and Venture Capital Funds Raffles. 2001]</i></p>
<p>Vesting</p>	<p>"Vesting" means exercise of right to apply for shares of a company;</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>
<p>Vesting period</p>	<p>"Vesting period" means the period during which the vesting of an option granted to an employee in pursuance of a Scheme takes place.</p> <p><i>[Public Companies (Employees Stock Option Scheme) Rules, 2001]</i></p>

Voting shares	<p>"Voting shares" mean the shares in the share capital of a listed company having voting rights;</p> <p><i>[Securities Act, 2015]</i></p>
Wakala based contract	<p>"Wakala based contract" means a Takaful contract based on the principle of Wakala;</p> <p><i>[Takaful Rules 2005]</i></p>
Window Takaful operator	<p>"Window Takaful Operator" means a life insurer registered under the Ordinance and carrying out the business of Family Takaful under window operations within its corporate structure, and follows the rules applicable to other Takaful operators.</p> <p><i>[Takaful Rules 2005]</i></p>
Working capital limit	<p>"Working capital limit" means the aggregate fund-based limits including those by way of purchase/discount of bills sanctioned by one or more financial institutions to a company for meeting its working capital requirements, and also includes any working capital term finance limits.</p> <p><i>[Guidelines for the issue of Commercial Paper]</i></p>