

**Policies and procedures, systems and controls to resolve customer complaints, handle conflict management, monitor unethical conduct and market abuse, prevent money laundering and combat terrorist financing:**

### **1. Customer Registration**

Open an account by filling and signing the standardized account opening forms (SAOF) including KYC forms and any other form(s) deemed necessary from time to time by PSX and SECP. The compliance officer checks the forms and rates the clients according to the risk category (High, Medium, Low). In case the form is rejected, the compliance officer records the reason(s) and returns the forms to the prospective client with a letter of rejection stating the reason(s). After the compliance officer approves the SAOF, the form is forwarded to the CEO for final approval. If approved by the CEO, the Back Office operator creates a form number and client code on the Back Office software. The client's UIN is then entered into the NCCPL system. When the UIN is activated by the NCCPL, the sub-account is opened in the CDS system and subsequently tagged with the client code in NCCPL. This sub-account opening step is skipped for institutional clients (IDS). A trader is then assigned to the new client. The CDC set-up report and commission slabs are sent to the new client for signatures. Employees are allowed to open an account and trade after approval from the CEO. UIN of all employees is opened in NCCPL and tagged as Employee but CDC sub-account is optional. The compliance officer will periodically check trades of employees and report any unusual activity to the CEO.

### **2. Customer Dealing / Trades Recording**

KATS Operators have the authority to enter orders on the trading terminals after receiving the orders for respective client either through telephone or client's physical presence in the office. All orders received on telephone must be recorded. If the client is physically present in the office, client signature must be taken on the transaction summary report. The telephone recording is retained for a minimum period of six months. The confirmation of orders executed are sent by email or hand delivered to the clients within 24 hours of the trade.

### **3. Settlement of Trades**

Receiving or paying cash is discouraged. Cash above Rs 25,000, if accepted, is reported to the PSX and reasons provided. All payments are made/received by crossed cheques in the name of client as mentioned in the SAOF. All payments/receipts from clients are recorded in the respective client ledger in a timely manner and copies of cheques/deposit slips maintained. Client securities are transferred from the sub-account only as per specific instruction(s) received from client.

**4. Segregation of Client Assets**

The funds of clients are kept in a separate bank account titled Moonaco Securities (Private) Limited-Client Funds. Payments and receipts of clients are routed only through this account. The securities of clients are kept in their respective CDC sub-accounts.

**5. Periodic Statements**

Client ledger, CDC statement and trade summary is emailed to all clients within 15 days after the end of each quarter.

**6. Risk Management**

We have a prudent system of risk management to protect us from client defaults. Margin requirements of the stock exchange are followed under our risk management/back office system.

**7. Closure of Client Account**

Client accounts are closed on receipt of specific request from the client to close the account or on account of breach of terms and conditions of the SOAF by the client or on account of any action taken by the PSX/SECP.

**8. Investor Complaints**

Clients can file a complaint in person, through email or in writing specifying the nature of the grievance and providing all relevant information. On receiving the complaint, the Compliance Officer is authorized to dispose off the complaint on its merit or write personally to the client of action taken by him for satisfaction of the client. A drop box is present at the entrance of the office for investor complaints. The name, email address and phone number of the compliance officer is posted on the drop box.

**9. Unethical Conduct and Market Abuse**

All employees are required to stay updated with rules and regulations of PSX/SECP for trading and market practices. Employees are not allowed to circulate rumors or unverified information obtained from any source without verification.

**10. KYC, CDD, Anti-Money Laundering and Terror Financing**

We follow guidelines issued by PSX regarding KYC & CDD which cover customer identification and risk assessment of clients.

**11. Backup Policy**

Backup is taken to prevent loss of the data in the event of equipment failure or destruction.