



Dated : 25.05.2021

Mandatory Conversion of Physical Shares in Book-Entry Form

Dear Sir / Madam

This is with reference to the compliance of Section 72 of the Companies Act, 2017 regarding conversion of all physical shares of companies in book-entry form, a copy of follow-up letter File No. CSD/ED/Misc./2016-639-640 dated March 26, 2021 written by the Securities and Exchange Commission of Pakistan (SECP) to all companies in this regard is enclosed herewith for your ready reference.

According to above directives, all physical shares are to be converted in book entry form and kept by shareholders in their CDS Accounts.

The key benefits of holding share in book-entry form in CDS Account are as follows:

- i. Physical share certificates may be lost, stolen or spoilt and their duplicate issuance is very cumbersome activity.
- ii. Physical share are not saleable in stock exchange and book-entry shares can instantly be traded/sold.
- iii. For transfer/sale of book-entry shares, there is no need of preparation and verification of transfer deeds.
- iv. Only book-entry shares can be pledged for any financing facility.
- v. Instant credit of bonus and right shares entitlements in CDS Accounts of shareholder who is holding shares in book-entry form.
- vi. Online access by you on book-entry shares kept in CDS Account for reviewing portfolio information and/or obtaining any statement/report, as and when required by you.

The CDS Account can be opened and maintained by any CDC Participant (Stock Broker or Financial Institution) or by any CDC Investor Account Services (CDC IAS) Department situated at Karachi, Lahore and Islamabad.

Following is the brief procedure for conversion of physical shares into book-entry form after opening of CDS Account:

- i. Fill the necessary columns of Transfer Deed/(TD) form as attached, sign, attach valid CNIC copy of yourself & witnessing person and get it verified by respective Registrar before submission of physical shares for conversion.
- ii. If Transfer Deeds lying already verified with you, lodge physical share certificates and verified transfer deeds to your respective CDC Participant or CDC IAS Department.
- iii. Obtain prescribed Securities Deposit Form (SDF) from your respective CDC Participant or CDC IAS Department and fill, sign and submit with them.
- iv. Provide share transfer stamps of required amount (as transfer duty) to CDC Participant or CDC IAS Department.
- v. CDC Participant or CDC IAS Department will initiate deposit request in Central Depository System (CDS) and send all above mentioned shares and documents in physical form to us (as Company's Share Registrar).
- vi. We will check/process the lodged shares/documents and give approval of deposit request in CDS.
- vii. After approval by us, the deposited/converted shares will instantly be reflected in your CDS Account.

Feel free to contact us for any clarification, our contact details are given below:

M/s. C & K Management Associates (Pvt.) Limited, Telephone Nos. 021 35687839, 35685930

We look forward for your contacting any CDC Participant or CDC IAS Department for opening of CDC Account and conversion of your all physical shares in book-entry form at your earliest.

Regards,

For **RELIANCE INSURANCE COMPANY LIMITED**

Note: The letter is system generated and does not require any signature.



File No. CSD/ED/Misc./ 2016 - 639-640

March 26, 2021

The Chief Executive Officer,
All the listed Companies,
(Through PUCARS).

Subject: Follow-up by the Listed Companies with their Such Shareholders who Hold Shares in Physical Form for Conversion of their Shares into the Book-Entry-Form

Dear Sir,

Please refer to the provisions of Section 72 of the Companies Act, 2017 (the Act) requiring all the then existing companies to replace shares issued by them in physical form with shares to be issued in the Book-Entry-Form within a period not exceeding four years from the date of the promulgation of the Act.

2. In this regard, it is to inform you that a recently conducted study revealed that 24% of the total shares issued by the listed companies are still held in physical form. As you know that holding shares in the Book-Entry-Form has a number of benefits not only for the shareholders and the issuers but for the capital market as well.

3. In order to ensure full compliance with the provisions of the aforesaid Section 72 and to be benefitted of the facility of holding shares in the Book-Entry-Form, all the listed companies are requested to pursue with their such members / shareholders who still hold shares in physical form, requiring them to convert their shares in the Book-Entry-Form. The listed companies while pursuing with the said shareholders may share with them benefits of holding shares in the Book-Entry-Form and procedure for conversion. The listed companies are also requested to continue this follow-up exercise with their shareholders till conversion of all the shares currently held in physical form, into the Book-Entry-Form.

Kind Regards

Imran Saif
Deputy Director
Corporate Supervision- Department

Copt to:

- (i) The Chief Executive Officer, the Pakistan Stock Exchange Limited, Karachi.
- (ii) The Chief Executive Officer, Central Depository Company Pakistan Limited, Karachi.
- (iii) The Chief Executives Officers, All the Share Registrars.
- (iv) Office Copy.

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| COMPANY NAME: | |
| FOLIO # | |
| NAME OF SHAREHOLDER: | |

| S # | SHARE CERTIFICATE # | DISTINCTIVE NUMBER FROM | DISTINCTIVE NUMBER TO | NUMBER OF SHARE |
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| 24. | | | | |
| 25. | | | | |
| TOTAL | | | | |

SHARE HOLDER SIGNATURE