

EMPLOYEE TRADING POLICY

Employee Trading Policy

The integrity of a brokerage house is its prime asset and the following personal trade policy is there to safeguard the interest of the clients:

1. Employees will only be allowed to trade on their own behalf through the Personal Trade Accounts held with the company.
2. To make sure that clients get the best execution and no front running is conducted on client orders, rules will be framed for employees wishing to conduct trading in stocks.
3. Employees will be able to trade in transactions permissible by PSX
4. No margin financing facility will be extended to Directors, employees, agents, companies in which directors, employees or agents hold more than 5 % of total equity
5. No short selling in regular market will be allowed to employees.
6. Short selling in futures market will be allowed conditional to fulfilling all the requirements by the exchange specially the uptick rule.
7. Employees will have to disclose their holdings in stocks before their account is opened with the company.
8. Compliance Officer will make sure to audit the trade of employees periodically and make it part of the monthly compliance report.
9. Traders, Accountants, and Compliance Officer cannot trade in equities market of Pakistan Stock Exchange.
10. Employees who do not have day to day interaction with customers can trade after approval from the management.
11. Employees who desire to trade must go through the same process of registration as any other client and once the UIN is issued it is registered with PSX.

Internal Control and Audit, Compliance Function, and Policies

Introduction:

1. The Internal Control and Audit Policy is formulated to assist AAA Securities(Private) Limited in accomplishing its objectives by providing independent appraisal of risk management, internal controls, effectiveness, efficiency, and compliance with applicable laws, regulations, rules, and procedures. The Board of Directors of AAA Securities (Private) Limited has approved the following policy on August 15 th, 2016 to address issues related to customer dealing, internal control and audit. The salient points of the policy are:

2. Customers Dealing and Account Opening:

2.1. No discriminatory behavior will be tolerated due to religion, gender, age, region, or for any other reason.

2.2. AAA Securities (Private) Limited accepts those clients who have proper reference viz., Director, Existing Clients, Employee or any other reputed person.

2.3. Provision of Account Opening and KYC forms to the prospective clients will be ensured.

2.4. Collection of duly filled Account Opening and KYC forms from client is mandatory before opening of an account.

2.5. Check list for the documents to be provided for account opening will be rechecked with the attached documents.

2.6. KYC Forms duly filed along with supporting documents should be received directly from the client by the Company.

2.7. Personal verification will be done at this stage as per well defined company policy dealing with KYC and CDD. During the personal meeting it will be ensured that the prospective client understands the risky nature of investing in securities and he understands the legality of the account opening forms and the terms and conditions given in the form.

2.8. Commission and fees will be explained to the client. Optional documents like Zakat declaration and NTN certificate and there impacts on Zakat and tax deduction will also be explained in detail to the client.

2.9. The forms shall be checked for their completeness and correctness with the supporting documents and any deficiency observed will be corrected immediately.

2.10. A Unique Client Code (UIN) will be allotted to the client through NCCPL.

2.11. A CDC sub-account will also be opened through CDC and will be attached to the UIN of the respective client.

2.12. All accounts will be opened only after signature of Compliance Officer and accounts requiring Enhanced Due Diligence will only be opened after approval of the CEO and Compliance Officer.

3. Documentation of Forms:

3.1. All account opening forms will be kept in safe custody for documentation.

3.2. The rate of brokerage is revised with the consent of management and intermediaries whereas the revision in brokerage rate of client is done with the consent of intermediaries and client there is no interference of the management in that change. The revised brokerage is updated in back office accordingly.

3.3. Expiry of CNIC or any other document will be communicated with the client in writing.

3.4. Information once given in the SAOF can only be updated with signed request from the client.

3.5. All documents related to any changes in information given in SAOF will be attached with the client's SAOF.

4. Closure of client account/ Dormant Account:

4.1. No account having credit balance or share balance in CDC can be closed.

4.2. Account can only be closed after receiving written request from the client.

4.3. Dormant account can be closed after sending registered letter to the client and waiting 10 days for the response from the client.

4.4. Dormant account cannot be reactivated without prior approval of Compliance Officer and only after performing KYC and CDD.

4.5. In back office no account can be closed without being synced with CDC and NCCPL UIN data. Permission should be set in back office in such a manner that account is closed first with CDC and NCCPL and only then it can be closed by syncing data with CDC and NCCPL.

4.6. Certificate of clearance should be obtained from NCCPL before closing an account.

4.7. No transactions should be allowed after the initiation of the account closing process. No transactions will be allowed after closing of an account. If the client's wants to trade after the account closing, new account opening process will be followed and a new account will be opened for the client after due diligence.

5. Trading:

5.1. No trade will be executed without UIN.

5.2. All trader errors will be rectified through NCHS.

5.3. Proprietary trade will be executed using KATs terminal II or KITs terminal of that particular UIN provided to the employees or management. Employees designated as traders will not be allowed to trade in PSX.

5.4. Order will be queued on first come first bases.

5.5. All orders will be defined as buy or sell orders, limit or market orders, and future or ready market orders. All stop-loss orders will have defined upper and lower range. Trade will feed the order in the timely fashion and any delay will be communicated to the client.

5.6. Purchase of securities will only be allowed after having sufficient funds in the account.

5.7. Trading hall have camera installed with right to shut down camera at day end and data access to be given to compliance officer only. Camera will start recording automatically every morning before the start of trading.

5.8. Telephone recording system installed with right to shut down at day end and data access to be given to compliance officer only.

5.9. All physical orders taken in the hall shall be signed by clients using trade order slips.

5.10. All orders taken through mobile phone will be rechecked and confirmation should be given by day end to respective clients through telephone recording system. All such orders should be recorded. Order taking through mobile phones should be highly discouraged and only allowed if there is any issue on landline phone systems.

5.11. Client codes will be confirmed while taking trading orders and giving confirmation of execution to the clients.

5.12. Order register will be maintained electronically through the back-office system. The order register will show details of every order queued, cancelled, changed, executed, or rejected and this register will be maintained and preserved on daily bases.

5.13. Traders are not allowed to trade on behalf of any client. An order will only be entered after receiving instructions of the client.

5.14. Next day or weekly orders should be recorded showing clear communication by the client regarding the duration of the order.

5.15. No relaxation or increase in commission rates will be authorized by traders. All such decisions will be taken by written approval of the senior management.

6. Short Selling:

6.1. No Short Selling will be allowed in the regular market.

6.2. Short Selling in Future is allowed following uptick or zero-plus tick rule.

6.3. Clients will be briefed about margin risk regarding short selling in future market.

6.4. Clients will also be clearly briefed that AAA Securities (Private) Limited will not facilitate any delivery on Short Future Scripts. Therefore, every position should be settled through the market before the expiry of the futures contract.

7. Trade Confirmations:

7.1. All clients whose trade is executed on a particular date will be send trade confirmation, ledger, complete breakdown of charges, holding and open positions, and any other information related to their trade or required by regulations within 24 hours of the trade.

7.2. If there are any delays in sending such confirmations to the clients due to technical issues or any unforeseen event, same will be communicated to the Compliance Officer and the CEO. All efforts should be made to deliver these confirmations as soon as possible.

7.3. All statements should be sent through email and on every account opening form client should sign in front of his email verifying it and accepting his statements through that email.

7.4. If any emails are returned undelivered the accounts department will at once notify the compliance officer to rectify the email of that account through proper documentation.

7.5. If a client opts for physical statements to be delivered through courier, extra charges should be clearly mentioned and conveyed to the client.

7.6. Any annual or periodic charges like CGT, CGT Tariff, Account maintenance fee, or any other charges should clearly be visible to the client in his ledger.

7.7. Any disputes received through client regarding his statement will at once be reported to compliance officer.

7.8. Quarterly CDC statements should be delivered to clients within 7 days of the end of a quarter. If an email address is not provided by the client, the statement should be delivered through the courier.

8. Collection and release of payments of funds & securities:

8.1. Receipts from the clients will be collected by cross cheques or cash below 20,000/= and same will be deposited into designated client accounts with the banks.

8.2. Any cash received above 20,000/= will be reported in writing to the exchange.

8.3. Any returned cheques will at once be notified to the compliance officer by the accounts department.

8.4. Payments will be made via account payee cross cheque in favor of clients or open cheques of amount below 20,000/= only. All payment cheques should have name of the client and his CNIC number.

8.5. All cheques received or paid should be scanned and attached with the entry in the back office system.

8.6. Proper receipt and payment slips should be used and signed by the client. In case client is not present and cross cheque is given to someone else upon request of the client or directly deposited to his bank account, copy of the deposit slip and cheque will be attached with the payment voucher.

8.7. Reconciliation of bank accounts and receipt and payment vouchers should be done on the monthly bases and should be checked by compliance officer as well.

8.8. Clients will be advised to not to deposit any cash/cheque directly to the company's bank account. If cheque deposited then intimation must be given in writing along with pay in slips otherwise credit will not be given to the client till proper document are received from clients.

9. Settlement of Securities, Trade, and Margin:

9.1. All funds will be available for withdrawal by the client on the settlement date. AAA Securities (Private) Limited can hold up to 20% of the total amount for the purpose of CGT and CGT Tariff from the client.

9.2. Future profit or loss will only be settled by the end of the month.

9.3. Mark to Market losses and exposure limits due to trade in future contract will be communicated to the clients in timely. All efforts will be made to collect these margins.

9.4. Back Office reflects share custody based on trade date. However, shares will be available in CDC based system on its settlement cycle.

9.5. All securities will be delivered by CDC to respective client's sub-CDC account.

9.6. Delivery of securities will be done as per respective client authorization in the client opening form.

9.7. Other than with PSX for margin requirement for that particular client, no securities will be pledged with any financial institution without written direction of the CEO and written consent of the Client and approval of the compliance officer.

9.8. The securities will remain in the client's sub account and will only be moved to his CDC Investor account or his CDC sub account with another broker at his specific instructions. The client may give AAA Securities (Private) Limited standing instructions or through our specific form.

9.9. Profits given to AAA securities (Private) Limited on exposure deposit will be credited to client's respective accounts. Those client's who do not desire to receive money due to interest payment will give letter of consent and such amount will be transferred to AAA Securities (Private) Limited

10. Risk Management:

10.1. AAA Securities (Private) Limited compulsorily collects margins from the clients. The Management decided percentage of collecting margin on client to client basis.

10.2. In Future & Derivative segment of the market AAA Securities (Private) Limited ensures strict margin collection from the clients before placing any order on behalf of them.

10.3. Margin is collected in the form of crossed banking instruments and / or eligible securities applying appropriate hair cut and other assets, as permitted by the Exchange.

10.4. AAA Securities (Private) Limited may deduct extra margin as and when desired.

10.5. AAA Securities (Private) Limited may increase or decrease the haircut levels on any of the margin eligible securities after informing the clients.

10.6. Risk management reports and exposure levels will be shared on daily bases with CEO.

11. Backup and Disaster Recovery:

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

11.2 AAA Securities(Private) Limited maintains backup of all important data on periodic basis or on daily basis keeping in view the importance.

11.3 A backup server and disaster recovery terminal will always be maintained. For trading purposes, backup server by KITs should be maintained

12. Segregation of Duties:

Compliance Officer will perform periodic audit and report any trespassing of designated areas by unauthorized personal. Compliance Officer will also make sure that no one has access to the systems other than the operators assigned to those systems.

12.1 FRONT OFFICE:

- All transactions will only be executed through trading desk and by traders only.
- Traders will have no access to back-office system.
- Traders can only request account department to check exposure limits or balances.
- Traders are not allowed to trade in equities market.

- Traders will not receive any order through the account department.
- No trader will leave his terminal unattended.

12.2 BACK OFFICE:

- Account department will not access trading area where terminals are located.
- No traders should be allowed inside the account department.
- No changes in transaction will be allowed unless done through Trade Rectification System of PSX.
- All day end statements and confirmations will be sent by accounts department without any instructions from the traders.
- Accountants will not be allowed to trade in equities market.

12.3 COMPLIANCE OFFICE:

Compliance Officer will conduct audit that the data retrieved from the KATs terminal is in accordance with the documented orders placed by the clients. Compliance Officer will also check for any Wash Trades and the back-office system will generate report regarding the Wash Trades.

13. Propriety Trading:

- Compliance Officer will periodically check positions of employees, management, and propriety trading and report any conflict of interest to management.
- Propriety and employee trading are only allowed to those who do not have day to day interaction with clients.
- All such trades will be executed through separate KATs terminal by the designated trader for propriety trading or through separate KITS terminal.
- Any employee or management involved with propriety or employee trading will not have access to trade rectification.

14. Segregation of Assets:

Compliance Officer will verify every Asset Segregation Report prepared. Compliance Officer will also ensure that no funds from Clients Bank Account are transferred to House Account other than mentioned in this policy. Compliance Officer will also ensure that no funds are utilized by the House for its own benefit.

14.1 All cheques and funds received from the client will be deposited in the designated bank accounts maintained for clients.

14.2 Any short payment or delivery default will at once be covered by AAA Securities(Private) Limited by transferring funds from House/Propriety bank account to Client Settlement Bank Account. These funds will clearly be narrated to cover payments due to default on commitment by the client to transfer such funds.

14.3 Only Commission, Laga, Taxes, and Charges could be transferred from designated Client's bank account to House account. No cheques could be directly withdrawn from the designated Clients bank account.

14.4 Funds in designated Clients bank account will only be used for settlement to NCCPL or exposure purposes to PSX. These funds will not be loaned between clients or from clients to house bank accounts. No interest will be received from bank on these funds.

14.5 All cheques or funds deposited or withdrawn by the clients will be maintained in the back-office as well as hard copies of such transactions will also be maintained for at least 5 years. All deposit and withdrawal transactions will be accompanied by images of cheques deposited, bank receipts, or any other proof of such transactions will be recorded in the back-office system for safe keeping.

14.6 Compliance Officer will check Asset Segregation report on daily bases and report to management and PSX on fortnightly basis. Any discrepancies found in Asset Segregation will at once be communicated to the CEO.

14.7 Inventory and Custody position should be regularly reconciled from CDC system to backoffice system. Any discrepancies found should at once be communicated to the senior management.

14.8 Securities can only be pledged to PSX for exposure purposes only. All such pledge transactions should have prior written approval by the client.

14.9 Daily Activity Report from the CDC system will be updated directly to the back-office. No manual entries should be allowed in transferring Activity and Balance report from CDC to backoffice. No manual entries will be allowed by the system for inventory movement.

14.10 Verified Asset Segregation Report by the statutory auditor should be submitted to PSX within 45 days of the financial year.

14.11 Any discrepancy found in Asset Segregation should at once be communicated to the CEO and should be rectified within 3 business days. If the situation is not rectified within 3 business days, same should be reported to SECP and PSX by the compliance officer.

Asset Segregation Report

The Asset Segregation Report should be complied under following procedures.

a) Total number of securities held in securities brokers account and in clients' accounts reported in the Statement should be matched with the system generated report of the back-office system and CDC Account Balance Summary Report.

b) Total number of pledged securities under each of the following classifications held in own account and in clients' accounts reported in the Statement with the CDC Pledger Balance Activity Report should be matched:

- Securities pledged with PSX / NCCPL;
- Securities pledged with banks.

c) Total number of securities held in house account and in clients' accounts reported in the Statement should agree with the total number of securities held as per CDC records as reported in the Statement.

d) All the securities should be reported in the Statement.

e) Amount of Trade payables reported in the Statement should match with the books of accounts as at cutoff date.

f) Amount of Cash at bank reported in the Statement should match with the amount appearing in the bank statements of clients' bank accounts at cutoff date. Any discrepancy should be matched through bank reconciliation entries.

g) Amount of Trade payables as reported in the Statement should agree with the cash at clients' bank account as reported in the Statement.

15. Net Capital, Liquid Capital, and BMC:

Compliance Officer will verify every Net Capital and Liquid Capital prepared and submitted to management or any regulatory body. Compliance Officer will ensure that AAA Securities (Private) Limited is always maintaining Net and Liquid Capital as prescribed by the Regulatory Authorities.

15.1. AAA Securities(Private) Limited should comply with the requirements given in the Third Schedule of the Securities and Exchange Rules 1971, the Securities Brokers (licensing and Operations) 10 Regulations 2016 and the clarifications issued by Securities and Exchange Commission of Pakistan (SECP) for maintaining net capital balance.

15.2. Compliance Officer should ensure that the calculation of Net Capital Balance (NCB)/ Liquid capital is made in accordance with Schedule II & III of the Regulations. The calculation should also be reconciled with the back-office record.

15.3. NCB/ Liquid capital should be reported to the Stock Exchange in accordance with the guidelines prescribed by the PSX/ SECP.

15.4. Compliance Officer will ensure that AAA Securities (Private) Limited is in compliance with the requisite Liquid Capital and BMC requirements.

15.5. AAA Securities (Private) Limited will submit an audited Statement of NBC/ Liquid Capital semiannually.

15.6. Compliance Officer should ensure the accuracy and timely filing of the above statements.

16. Commission and Taxes:

Compliance Officer will ensure that all the commissions and taxes charged to the clients are according to the commission policy of AAA Securities (Private) Limited .

16.1. All Commissions and Taxes charged to the client should be part of AOF of AAA Securities (Private) Limited

16.2. Any changes in the Commission structure should be communicated to the clients in advance.

16.3. Compliance Officer will ensure that commissions are charged as per agreed upon by client on AOF.

16.4. Any discounts should be approved by the senior management.

16.5. Confirmation statements should clearly show the commission, taxes, laga, and charges as deducted from the client's account.

16.6. Only senior management will have access to commission structure in the back-office system.

16.7. Any changes in the back-office system regarding commission will save in user logs.

16.8. Compliance Officer will ensure figures appearing in back-office related to commission are correctly represented in final accounts.

16.9. The Compliance Officer will periodically check bills and invoices issued to clients and report any discrepancies to senior management.

17. Conflict of Interest:

Compliance Officer will ensure that any conflict of interest between AAA Securities (Private) Limited and Clients is communicated in advance to the clients.

17.1. AAA Securities (Private) Limited management and traders will not disclose any information regarding to a script which is not public information.

17.2. Employees will not advise or encourage clients to buy stocks in which they have their own holdings.

17.3. Any conflict of interest should at once be reported to senior management. If the conflict is between senior management and clients, Compliance Officer will report it to BOD.

17.4. Any conflict of interest will be documented and reported in monthly compliance report.

17.5. BOD can restrict any employee from trading in securities if it feels that conflict of interest arises between the employee and clients.

18. Confidentiality of Information:

Compliance Officer will ensure that the data related to clients is not be shared with any outside entity other than deemed necessary for regulation purposes.

18.1. Front-office will not have access to complete ledgers of clients.

18.2. Compliance Officer should ensure that employees making proprietary investment decisions are not trading based on material nonpublic information obtained from another department or unit of the securities broker. Large position in one script should be justified by proprietary investment decision makers.

18.3. Compliance Officer will ensure that employees and accredited representatives should neither profit nor seek to profit from confidential information, nor provide such information to anyone with the objective of making profit for itself or for its customers.

18.4. Compliance Officer will ensure that employees and accredited representatives shall refrain from trading based on confidential information, and its employees and accredited representatives shall not reveal such information outside the company.

18.5. Compliance Officer will ensure that employees and accredited representatives shall not disclose or discuss with any other person other than normal course of business or make improper use of the details of investments of customers and other information of confidential nature of a customer.

19. Back-Office Data Transfer and Access Controls:

19.1. All trade data will be retrieved by the account department from KATs terminal and it should be tallied with settlement report from NCCPL terminal. Data should be reconciled final settlement if there is any difference between the KATs Data and NCCPL Data sheets.

19.2. Editing function should be available only for CEO or Finance Manager.

19.3. Every transaction entered by Accounts Department will be posted by Finance Manager or the CEO.

19.4. Data Backup function should only be available through main server in control of the CEO.

19.5. Data Backup should ensure that access logs are also preserved.

20. Maintenance of Books and Records:

20.1. All physical records and books should be maintained for the period of 5 years.

20.2. All phone records should be maintained for the period of 1 year and all signed statements and order receipts should be maintained for the period of 1 year.

20.3. All the data in the back-office should be maintained in the soft format for minimum period of 5 years.

20.4. All efforts should be made to preserve data for more than 5 years period.

21. Financial Statements Preparations and Reporting Policies

21.1. Accounts department should have disclosure checklist for analyzing the completeness of disclosures in the financial statements. Accounts department should also consult statutory auditors regarding any changes in the disclosures.

21.2. The personnel in accounts department should prepare draft financial statement and its disclosures based on the system generated trial balance and information received from various departments.

21.3. As the draft financial statements are prepared, it should be reviewed by the compliance officer against the disclosures checklist to ensure that they are in compliance with applicable laws and regulations relating to presentation and disclosure of financial statements.

22. Reconciliation of House Securities with CDC/NCCPL

22.1. Reconciliations should be prepared by accounts officer and reviewed by Compliance Officer and CEO.

22.2. Appropriate adjustments should be recommended by Compliance officer to accounts office and should be approved by the CEO.

22.3. These reconciliations should be performed on periodic basis.

23. Taxation

23.1. Final Accounts taxation will be prepared by statutory auditor or the tax consultant.

23.2. Accounts department will be responsible to calculate and submit taxes as per the back office system.

23.3. Manager Finance will ensure that all the amount withheld is accurate and paid to tax authorities in time.

24. Trade Debts

24. Trade Debts Compliance Officer should ensure that no inhouse financing is done by AAA Securities (Private) Limited . If it observes any such activity, it should notify the senior management at once. If no satisfactory action is taken by senior management, same should be reported to BOD, PSX, and SECP.

24.1. AAA Securities (Private) Limited does not deal with inhouse financing and no such facilities should be extended to the clients.

24.2. AAA Securities (Private) Limited does not deal in MTS market and no such facility should be provided to clients.

24.3. Exposure limits as defined by the exchange should be maintained.

24.4. In case of payment default by the client, no further buying should be allowed till the payment is received or the securities are disposed off by the client.

24.5. No changes will be allowed in the exposure limit by the traders.

24.6. Aging of the debts will be checked on fortnightly basis for 30 days, 14 days, and 5 days. At the end of each financial year, all non-secured debits by clients should be considered as losses and should be written off in the final financial statements.

24.7. All aging will be calculated automatically by the back-office system and no changes could be made in it.

24.8. All aging should be based on FIFO method.

24.9. Compliance will ensure that accurate aging reports are generated by the system.

25. Cash and Bank

25.1. A board resolution will be passed every time a bank account is opened. Resolution will specify the authorized personnel who could operate the account

25.2. Preferably, only CEO and Manager Finance should be signatories to bank accounts.

25.3. A bank account should not be closed without the prior approval of the board.

25.4. At least each month, accounts department personnel, shall prepare bank reconciliation of all bank accounts which should be reviewed and approved by the compliance officer.

25.5. All unusual items in bank reconciliation should be investigated by the compliance officer or the finance manager.

25.6. Only CEO or Finance Manager will be able to issue cheques/ pay orders/instruments.

25.7. Once funds are received, finance manager shall verify relevant supporting documents and entry shall then made in the system after the authorization.

25.8. Payment voucher should be prepared by accounts department once the invoices or bills are received from user department. Payment shall be processed after payment voucher is approved by the CEO or Manager Finance.

25.9. Only cross cheques will be received from clients for trading or exposure purposes. Any online deposits should only be credited in the clients account upon receiving deposit slips or some other documentation showing the deposit.

25.10. The CEO is authorized to carry up to Rupees 250,000/= as cash in hand and the accounts department is authorized to carry up to Rupees 20,000/= as cash in hand. All cash in hand transactions will be maintained in a register.

25.11. No profit will be received from bank on Client's Bank Accounts.

25.12. Any profit received from house account will be credited and treated as interest income. Prior BOD approval is must before signing any agreement with the banks.

26. Expenses

26.1. All expenses will be authorized by CEO or Manager Finance.

26.2. All expenses will be recorded, and record will be maintained including original receipts and expense vouchers.

26.3. All vouchers will contain cheque numbers.

27. Compliance Department

27.1. Compliance department will be led by full time compliance officer.

27.2. Appointment of compliance officer should be done by CEO subject to the approval of Audit Committee/BOD.

27.3. Compliance Officer should have meet minimum qualification of being a graduate and having 2 years of accounting experience.

27.4. Compliance officer should be held responsible for monitoring compliance of the securities broker with the applicable regulatory regime.

27.5. Compliance Officer should report findings directly to the Audit Committee/ BOD for the actions

27.6. Compliance Scope and Monitoring Mechanism

- Compliance Officer will provide monthly compliance report covering the areas as described above in this document.
- Monthly reports will be presented to Audit Committee who will recommend actions to the CEO. • Monthly reports will be signed by the CEO and Compliance Officer.
- Compliance Officer can recommend any changes in the scope or monitoring frequency to the Audit Committee which can be implemented after audits committee approval.
- All non-compliances should be reported to senior management, audit committee, and BOD. The CEO and senior management will resolve any such non-compliances within three business days and the compliance officer will update the audit committee regarding the status of non-compliances.

28. Internal Audit Department

28.1. Internal Audit Department will constitute of 2 directors, CEO, and an external member with extensive audit experience.

28.2. Internal Audit Department will monitor all the compliance reports every month.

28.3. Internal Audit Department can ask the Compliance Officer to conduct any extra monitoring or reporting as deemed necessary by Internal Audit.

28.4. Internal Audit will follow the monthly schedule of the Compliance Officer and can advise to add any new monitoring on monthly basis.

28.5. Internal Audit will ensure compliance with the Corporate Governance Code requirements