

## SECTION 9

### TRANSFER OF SECURITIES

#### A. TRANSFER OF SECURITIES WITHIN THE CDS

##### 9.1 **Transfer of Securities between Client Accounts held by the same Account Holder (Intra – Account transfer of Securities) / Change of Participant pertaining to a Client Account**

- i. Subject to the provisions of these Rules, an Account Holder who intends to transfer the Securities held in his/her Client Account with one Participant to his/her Client Account held with another Participant shall submit a written request for the transfer of such Securities (intra-account transfer request) to the existing Participant and the Participant receiving such Securities.

The Participants shall, at all times, maintain complete and accurate records of intra-account transfer requests received by such Participants from the Account Holders, either in hard copy or electronic form.

- ii. The Participants shall process intra-account transfer requests of Account Holders by electronic means through the system provided by the CDS, in the manner set out in the CDS Operational Guidelines and Procedures applicable from time to time.
- iii. The Participants shall be solely responsible to verify the genuineness, authenticity and the accuracy of an intra-account transfer request, prior to processing such request.
- iv. The existing Participant shall not delay or refuse to carry out an intra-account transfer request to change the Participant unless;
  - the Account Holder has not paid for the Securities held in the Client Account, or;
  - the Securities are held under lien for payments outstanding to the Participant or any other institution.
- v. If the intra-account transfer request cannot be processed by the existing Participant, the Participant receiving such Securities shall be informed on or before the second (2<sup>nd</sup>) Market Day from the date of receipt of such intra-account transfer request by the existing Participant.
- vii. If the Participant receiving such Securities is not satisfied with the reasons attributed for the delay/refusal by the existing Participant, it shall be brought to the notice of the CDS. The CDS shall consider the reasons for such delay/refusal and take appropriate action.
- viii. In the event a Participant requires the CDS to process an intra-account transfer of Securities on behalf of an Account Holder, the CDS may process such intra-account transfer in the manner specified in the CDS Operational Guidelines and Procedures applicable from time to time,

subject to a 'Processing Fee' as determined by the Board of Directors of the CDS from time to time.

- ix. All liabilities arising out of processing intra-account transfer requests shall be borne by the Participants.

**9.2 Transfer of Securities between Client Accounts held by separate Account Holders (Inter-account transfer of Securities)**

Prior written approval of the SEC shall be obtained by Participants, in the prescribed form, in order to transfer Securities from one Client Account to another Client Account, outside the trading procedure of the CSE.

All such transfer application forms shall be submitted to the CDS along with original letter of approval received from the SEC.

**9.3 Transfer of Securities pertaining to an offer made under the Company Takeovers and Mergers Code of 1995 as amended in 2003 /de-listing**

The CDS shall, upon receiving instructions pertaining to transfer of Securities in connection with an offer made under the Company Takeovers and Mergers Code 1995, as amended in 2003 or a de-listing, transfer such Securities to the Offeror's Reserve Account. Upon confirmation of payment, the CDS shall transfer such Securities to the Offeror's Client Account.

**9.4 Transmission of Securities in CDS in the event of death of an Account Holder**

In the event of a death of an Account Holder, Securities held by such Account Holder in CDS shall be transmitted to his/her legal heirs.

For this purpose a request to transmit such Securities shall be made to CDS in the prescribed form/s, through the respective Participant/s.

**B. INTER-DEPOSITORY TRANSFER OF SECURITIES (TRANSFER OF SECURITIES BETWEEN THE CDS AND FOREIGN DEPOSITORIES)**

If an Account Holder, who holds Securities which are listed on the Multi-Currency Board of the CSE, intends to transfer such Securities to the CDS or the Foreign Depository (as the case may be), such transfer of Securities shall be carried out by the said Account Holder in the manner specified in the CDS Operational Guidelines and Procedures.