

PSX/N-1194

November 06, 2025

## FOR ALL SECURITIES BROKERS GUIDELINES FOR OPENING TRADING ACCOUNTS OF MINORS

This is to inform all securities brokers and other concerned that the PSX, NCCPL and CDC have jointly framed the guidelines for opening of trading accounts of minors below the age of 18 years, in consultation with the Securities and Exchange Commission of Pakistan.

The guidelines set out the process & modalities for opening trading account of a minor and more importantly the terms & conditions for operating such accounts through natural or legally appointed guardian of the minor.

The securities brokers must follow the prescribed guidelines while opening the trading accounts of minors and comply with the terms & conditions associated with regard to operations of such accounts. The guidelines are attached herewith as **Annexure A**.



**AJEET KUMAR**  
Chief Regulatory Officer

**Cc:**

1. The Executive Director/ Divisional Head, SMD, SECP
2. The Director/ HOD (PRDD), SMD, SECP
3. The Chief Executive Officer, PSX
4. The Chief Executive Officer, CDC
5. The Chief Executive Officer, NCCPL
6. The Chief Executive Officer, PMEX
7. The Chief Executive Officer, E-Clear
8. The Chief Executive Officer, IFMP
9. The Chief Executive Officer, MUFAP
10. The Chief Executive Officer, PICG
11. The Chief Executive Officer & Secretary General, PSBA
12. The President, FMAP
13. The Director Research, PBC

## “ANNEXURE A”

### GUIDELINES FOR OPENING TRADING ACCOUNTS OF MINORS

#### Purpose

In order to promote saving and investment culture through increased financial inclusion in capital market of Pakistan, it is considered important that the guidelines for opening and operating the ‘Minor Investor Account’ be notified in a consolidated manner. These guidelines aim to facilitate smooth opening of minor accounts, enabling minors to have access to the financial services.

#### Process

The following process shall be applicable for opening of a Trading Account for minor:

Step	Activity	Requirements
1.	Preliminary requirements	<p>(a) A guardian may approach a securities broker to open a trading account for a minor by providing any of the following documents issued by NADRA, as specified in Annexure-I to Chapter 4 of the PSX Regulations:</p> <ul style="list-style-type: none"><li>i. Juvenile Card; or</li><li>ii. Form-B; or</li><li>iii. Child Registration Certificate.</li></ul> <p>(b) A Guardianship Certificate, issued by the Court, will be required if the guardian is other than the father.</p> <p>(c) All the conditions pertaining to AML/CFT shall be complied with through the guardian including screening, risk assessment, source of funds etc.</p>
2.	Assigning a title to a Minor’s Trading Account.	<p>(a) A sub-account shall be opened in the name of a minor through guardian and the Account Title convention is prescribed as follows:</p> <p><i>“&lt;Name of Minor&gt; (Minor) through &lt;Name of Guardian&gt; (Guardian)”</i></p> <p>(b) Securities Brokers shall make necessary marking in the UIN registration screen and UKN process to highlight that the client code and suffix is created for a minor’s account.</p>
3.	Registering the UIN of the minor in NCCPL UIN database.	<p>UIN/UKN of the guardian shall be registered with NCCPL. However, NCCPL shall in due course, develop the functionality in the NCSS and KIS whereby the details of the Minor could also be entered for UIN and UKN registration. However, this development shall only be a marking option, UIN of the guardian shall continue to be the main reference for settlement of all trades and CGT computation.</p>

## “ANNEXURE A”

### GUIDELINES FOR OPENING TRADING ACCOUNTS OF MINORS

4.	Account operating instructions for the purpose of trading and custody in CDC.	The authority to operate trading account of a minor shall be with the guardian. Securities broker must act only on the instructions of the guardian and all allied activities shall be governed through the guardian.
5.	Mode for receipts/ payments in the minor's account.	<p>(a) Receipts/ payments in the minor's account can be made through any of the following modes:</p> <p style="padding-left: 40px;">Option 1: Minor's own bank account (opened through guardian)</p> <p style="padding-left: 40px;">Option 2: Minor's bank account jointly owned by guardian</p> <p style="padding-left: 40px;">Option 3: Guardian's own bank account</p> <p>(b) Securities broker shall make and accept payments from the agreed mode only.</p>
6.	Trading and Investment-Related Restrictions in Minor Trading Account.	<p>The following trades or transactions shall not be processed/ executed in the Minor Trading Account:</p> <p>(a) Trading in the Futures Markets (DFC, CSF Markets, options, etc.) will not be available.</p> <p>(b) Leveraged products, such as MTS, MFS, and SLB, will not be available.</p> <p>(c) Execution of trades in the Negotiated Deals Market will not be available.</p> <p>(d) Same day square-up will not be allowed.</p>
7.	Steps to be taken when a minor attains the age of majority.	<p>NCCPL and Brokers shall be mandated to keep track of minor's age through CNIC via back-office system, including the following:</p> <p>(a) Auto-generation of an alert to the broker and the guardian that the minor is attaining the age of 18 in next one month.</p> <p>(b) Upon attaining the age of 18 and if the minor has not applied for transitioning to the normal/regular account, the brokers must temporarily suspend that account in back-office and no fresh exposure including transfers of securities should be allowed except for liquidation of shares available in CDC.</p> <p>(c) New account will be opened by adopting CRF or Sahulat Account with the new UIN solely in the name of the account holder and consequentially the minor's existing account will be closed.</p> <p>(d) Complete transfer of minor's securities to his/ her new account.</p>

## **“ANNEXURE A”**

### **GUIDELINES FOR OPENING TRADING ACCOUNTS OF MINORS**

8.	Tax Impact on Transfer of Inventory	<p>(a) Tax treatment shall be as per applicable tax laws.</p> <p>(b) The inventory appearing in the CDS Sub-Account of the Minor shall be considered as the inventory of the Guardian before he/she attains the age of maturity.</p> <p>(c) When the minor gets to the age of maturity, it shall open its own trading account, leading to creation of a separate CDS-Sub-account and registration of UIN, the inventory shall be transferred to this new CDS Sub-Account, in a manner, whereby the cost and date of acquisition of the inventory will not change and there shall be no CGT obligation. However, this transfer will also follow the ‘First-in-First-Out’ principle when adjusting the inventory of the Guardian to record such transfer of inventory to the minor on attaining the age of majority. Similar treatment is currently carried out for transfers made through gifts.</p>
----	-------------------------------------	---

**\*\*\*END\*\*\***