

SECTION 7

DEMATERIALIZATION OF SECURITIES (DEPOSIT OF SECURITIES)

7.1 Procedure for dematerialisation of Securities in CDS

- a) Subject to these Rules, Account Holders may dematerialise their Securities held in scrip form by depositing such securities certificates or evidence of title into their Client Accounts. Such deposits shall be made through the relevant Participant.

Participants shall ensure that the securities certificates or evidence of title and the relevant CDS Form/s handed over to CDS for deposit shall be submitted together with an acknowledgement of deposit in duplicate. The duplicate of the acknowledgement shall be returned to the Participant by CDS as confirmation of receipt of the deposit. Participants shall forward such duplicate of the deposit slip to the relevant Account Holder within three (3) Market Days of receiving same.

- b) Participants shall ensure that securities certificates or evidence of title to be deposited into a Client Account by an Account Holder are submitted together with the relevant CDS Form/s, duly completed, endorsed and executed. Any alterations to the particulars given in such Form/s shall be duly certified by the Account Holder and countersigned by the Participant..
- c) The CDS shall not be obliged to act on any documentation incorrectly completed, endorsed or executed.
- d) The quantity of Securities indicated on the securities certificate or evidence of title forwarded for deposit shall be deposited to the relevant Client Account by CDS, subject to these Rules.
- e) Upon such quantity of Securities being deposited to the Client Account in the CDS, the CDS shall on the date of deposit, inform the relevant Company Secretary of the Listed Entity regarding such deposit of Securities, for the purpose of registering such Securities in the name of the CDS in the share register of the company. It shall be the responsibility of the Company Secretary to make arrangements for collection of the relevant documents from the CDS.
- f) If the Listed Entity is of the opinion that a securities certificate/evidence of title is not genuine, due notice shall be given to the CDS by the Company Secretary of the Listed Entity within two (2) Market Days from the date of deposit of relevant documents with reasons for such refusal. On receipt of such notification from the Company Secretary, the CDS shall be entitled to take appropriate steps to rectify any anomaly. The Participants shall be bound to comply with any instructions given by the CDS in this regard.

- g) If such notification is not received by the CDS from the Company Secretary of the Listed Entity before the expiry of the above stipulated period, the CDS shall consider that the transfers are in order.
- h) The Company Secretary shall immediately inform the CDS as and when a report is lodged with a Listed Entity on any loss of a securities certificate/evidence of title, when a Listed Entity discovers a forgery in a securities certificate/evidence of title or when a securities certificate/evidence of title has been invalidated by the Company Secretary. Such notice to the CDS shall set out the details pertaining to the securities certificate/evidence of title including the name of the shareholder, certificate number, quantity of securities and the company name.
- i) All liabilities arising out of invalid deposit of Securities with the CDS shall be borne by the Participant.

7.2 Procedure to be adopted by Participants when depositing Securities

- a) The Participant depositing Securities on behalf of the Account Holder shall ensure the genuineness/authenticity and the validity of the securities certificate/s or evidence of title and other documents prior to deposit. The CDS shall not be responsible for any loss resulting from an invalid deposit of Securities.
- b) If there is any trace of suspicion regarding the genuineness of the securities certificate or evidence of title, the Participant shall liaise with the Company Secretary of the Listed Entity and verify whether the securities certificate or evidence of title is genuine. These precautions shall be taken prior to handing over securities certificate or evidence of title to CDS.

7.3 Direct deposit of Securities issued pursuant to new issues or further issues (Rights Issues, Issue of shares credited as fully paid up by way of capitalization of Reserves etc.)

Notwithstanding anything stated in these Rules, the CDS may accept Securities directly from Listed Companies and/or such other issuers of Securities for deposit into Client Accounts on behalf of the respective Account Holders. The CDS will notify the details of such direct deposit to the relevant Participants.