



**NOTICE FOR ALL MEMBERS**

The Board of Directors of the Karachi Stock Exchange, in its emergent meeting held today, reviewed the current market situation and decided to take following measures with the approval of the Securities & Exchange Commission of Pakistan (SECP). Accordingly, all the relevant Regulations stand amended and the measures stated below will be effective from the opening of market on Thursday, June 15, 2006.

1. The prevailing exit mechanism of applying lower circuit breakers with incremental percentages of 5, 10 and 20 shall be replaced by previous mechanism of applying lower circuit breaker of 5% or Re. 1/-, whichever is higher.
2. Short Selling in Futures Contract for the remainder part of June Futures Contract shall be prohibited.
3. Deposit of 100% margin in the form of approved securities in Futures Contract in place of existing requirement of depositing 50% margin in the form of cash and 50% in the form of securities shall be allowed.
4. CFS facility in 30 approved securities which are already eligible for Futures Contract in addition to securities currently available for this purpose shall be allowed within the prescribed CFS limits.

In addition to above, it has also been decided to extend CFS facility for securities held by the potential financee for his previous purchases instead of the current requirement of getting CFS facility against purchases in Ready Market only. However, this facility will be available from a date to be notified later upon completion of system modalities.

*M. A. Lodhi*  
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Managing Director

**CC to:**

01. The Chairman-Securities & Exchange Commission of Pakistan
02. The Managing Director, Lahore Stock Exchange (Guarantee) Limited
03. The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
04. The Chief Executive, Central Depository Company of Pakistan Limited
05. The Chief Executive, National Clearing Company of Pakistan Limited
06. The Chief, IT Division-KSE
07. The Chief of Operations-KSE
08. Market Control & Surveillance Department-KSE
09. Notice Board