



National Clearing Company of Pakistan Limited

8th Floor, Karachi Stock Exchange Building, Stock Exchange Road, Karachi

NCCPL/MFS/MAR-11/02

March 4, 2011

IMPLEMENTATION OF MARGIN FINANCING SYSTEM THROUGH THE NATIONAL CLEARING COMPANY OF PAKISTAN LIMITED

Dear Clearing Members,

- 1) This is with reference to our earlier circular issued today regarding registration of the National Clearing Company of Pakistan Limited ("NCCPL") as an **Authorised Intermediary**, for implementation of the leveraged market products (**Margin Trading System, Margin Financing System and Securities Lending and Borrowing**), in accordance with the Securities (Leveraged Markets and Pledging) Rules, 2011.
- 2) Accordingly, we are pleased to inform you that, the **Margin Financing System ("MF System")** will also be implemented by NCCPL, in the capacity of an **Authorized Intermediary, effective from Monday, March 14, 2011.**
- 3) **MF System Module** will be made available in the National Clearing and Settlement System ("NCSS").
- 4) All Clearing Members are hereby requested to complete the admission formalities as soon as possible well before the aforementioned implementation date, so as to participate in **MF System** in the capacity of Margin Financier and Margin Finantee, as the case may be. Moreover, Clearing Members desirous to participate as Margin Financier are also requested to contact with the Central Depository Company ("CDC") for the opening of a separate CDC Account.
- 5) Necessary admission documents, in accordance with the NCCPL Regulations and the Securities (Leveraged Markets and Pledging) Rules, 2011, have already been circulated to all Clearing Members and made available on the websites of NCCPL and Stock Exchanges. However, you may also obtain such admission documents directly from the NCCPL's offices located in the premises of the Karachi, Lahore and Islamabad Stock Exchanges. For your ready reference, list of admission documents for Margin Financier and Margin Finantee, are attached herewith as **Annexure-A.**