



ISO 27001 Certified

National Clearing Company of Pakistan Limited

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

NCCPL/CM/SEPTEMBER-18/17
September 13, 2018

FINAL REMINDER - CAPITAL ADEQUACY REQUIREMENT

CERTIFICATE OF NET CAPITAL BALANCE AND LIQUID CAPITAL

Dear Broker Clearing Members,

This is with reference to National Clearing Company of Pakistan Limited (NCCPL) Circular NCCPL/CM/AUGUST-18/06 dated August 08, 2018 and NCCPL/CM/SEPTEMBER-18/01 dated September 05, 2018 and the request letter (Ref: PSA/N/09-18/01) of PSX Stockbrokers Association (PSA) dated September 07, 2018 on the captioned subject.

On the behalf of the request received from PSX Stockbrokers Association (PSA) all Broker Clearing Members (BCMs) are hereby notified to submit audited certificate of Net Capital Balance (NCB) and Liquid Capital (LC) as of June 30, 2018 latest by close of business **September 17, 2018**. The Net Capital Balance (NCB) certificate/ Liquid Capital (LC) statement must be duly audited/ verified by the Statutory Auditor of respective BCM as per the requirement of the Securities Broker (Licensing & Operations) Regulations, 2016 and in line with the Clarification/Guidelines/Regulations issued by the Commission.

Moreover, failure to comply with above stated requirements may result in regulatory action as prescribed under Regulation 6.6 of Securities Brokers (Licensing & Operation) Regulations, 2016, quoted below:

“In case of non-submission of statements of net capital balance and liquid capital within a time period as may be notified by the exchange, and clearing house or any shortfall in the net capital balance and/or liquid capital, either reported by the securities broker or identified by the securities exchange, clearing house or the Commission, the securities exchange, and clearing house shall immediately restrict the trading facility of such securities broker and shall only allow it to close out the open position in a controlled environment.”

Further, please also mention allocation of your Net Capital Balance (NCB) in respect of Debt Market.

Please note that submission of Net Capital Balance (NCB) certificate / Liquid Capital (LC) statement shall only be accepted during business hours (i.e. till 6:00 PM of the day) which will be updated in the system within two working days.

In addition to the audited statement of NCB / LC; BCMs shall continue to submit monthly statement of Net Capital balance (NCB) & Liquid Capital (LC) with securities exchange and clearing house as per Regulation 6.3. of Securities Broker (Licensing & Operation) Regulations, 2016, in a timely manner.

For any further queries or concerns, please feel free to contact the Customer Support Department at UAN No. 021-111-111-622.

Regards,

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Rehan Saif
Head of PD & CSS

1. Director/HOD - Policy, Regulation and Development Department - SMD
Securities & Exchange Commission of Pakistan - Islamabad
2. Managing Director - Pakistan Stock Exchange Limited
3. Chief Executive Officer - Central Depository Company of Pakistan Limited
4. Chief Executive Officer - Mutual Fund Association of Pakistan
5. Chairman - Pakistan Banking Association
6. PSX Stockbrokers Association (PSA)