



## THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi-74000, Pakistan  
Phones: 111-00-11-22, Fax (021) 246 2640

KSE/N - 8171

December 29, 2008

### Notice for All Members

#### Obligation of Members to collect margins from their Clients

Attention of the Members is invited to our notice KSE/N-6973 dated October 27, 2008, on the subject reproducing therein the Clause 8.4 of the Regulations Governing KSE Risk Management, requiring Members to collect the required margins from their clients. All Members are once again reminded to ensure the strict compliance of the said Regulation by collecting mandatory requisite margins from their clients except from those institutional clients who pay their margins directly to NCCPL under Financial Institutional (FI) margining system.

Please be informed that non-collection of due margins from clients present an unwarranted burden on Members' capital adequacy and pose systemic risk to the market.

In view of the above, the Exchange shall ensure strict compliance of this requirement through appropriate procedures including system audit and random inspection of Members back office record related with clients' margins.

Junaid Mirza  
Deputy General Manager  
Market Control & Surveillance Dept.

#### C.C to:

01. The Executive Director (SM), 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. Trading & Members Affairs Department
08. Market Control & Surveillance Department-KSE
09. Notice Board
10. KSE Website