



THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi-74000

Phones: 111-001-122, Fax (021) 241-0825

KSE/N-269

Dated: January 19, 2009

NOTICE

ALL LISTED COMPANIES AND ISSUERS OF LISTED SECURITIES

Subject: AMENDMENTS IN THE LISTING REGULATIONS OF KSE

It is hereby notified that in exercise of the powers conferred under Sub-Section (1) of Section 34 of the Securities & Exchange Ordinance, 1969, the Karachi Stock Exchange (Guarantee) Limited, with the prior approval of Securities & Exchange Commission of Pakistan have made the following amendments in its Listing Regulations. These amendments have been sent for publication in the Official Gazette of Pakistan.

1. Chapter XII Captioned 'Transfer Pricing' and Regulation 38 (1) to (11) thereunder have been deleted.
2. In Chapter XI Captioned 'Code of Corporate Governance' after Sub-Regulation (xiii) of Regulation 37, a new Sub-Regulation (xiii a) have been added as under:

"Related Party Transactions:

- (xiii a) (1) All companies registered under the Companies Ordinance, 1984 shall place before the Board of Directors all the transactions with the related parties for review and approval.
- (2) The detail of all related party transactions shall be placed before the Audit Committee of the company.
- (3) The related party transactions which are not executed at arm's length price will also be placed separately at each Board meeting along with necessary justification for consideration and approval of the Board and before the Audit Committee of the company.
- (4) The Board of Directors of a company shall approve the pricing methods for related party transactions that were made on the terms equivalent to those that prevail in arm's length transaction only if such terms can be substantiated.
- (5) Every company shall maintain a party wise record of transactions, in each financial year, entered into with related parties in that year along with all such documents and explanations. The record of related party transaction shall include the following particulars in respect of each transaction:
 - (i) Name of related party;
 - (ii) Nature of relationship with related party;
 - (iii) Nature of transaction;
 - (iv) Amount of transaction;
 - (v) Terms and conditions of transaction, including the amount of consideration received or given."

It is further informed that the complete updated Listing Regulations of the Exchange is available on our Web-site: <http://www.kse.com.pk>


MUHAMMAD GHUFRAN

Deputy General Manager- Company Affairs

Copy to:

Notice Board
Managing Director-KSE
General Manager Operations-KSE
Trading & Members Affairs Department
Market Control and Surveillance Department
Law & Corporate Affairs Department

Marketing, Business Development & PR
I. T. Division
S.E.C.P. Islamabad
Central Depository Company of Pakistan Limited
National Clearing Company of Pakistan Limited
Lahore Stock Exchange (Guarantee) Limited
Islamabad Stock Exchange (Guarantee) Limited
KSE Website