

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-6295

N O T I C E

October 30, 2009

Reproduced hereunder Circular No. 34 of 2009 dated October 30, 2009 received from **SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN** for information of all concerned.

(Copy of the same is also available on our Website www.kse.com.pk).



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
Securities Market Division

October 30, 2009

Circular No 34 of 2009

Attention:

All the Brokers of:

Karachi Stock Exchange (Guarantee) Limited
Lahore Stock Exchange (Guarantee) Limited
Islamabad Stock Exchange (Guarantee) Limited
National Commodity Exchange Limited

1. In order to inculcate good governance in business conduct, to promote transparency and safeguard public interest, the Securities and Exchange Commission of Pakistan (SECP) in exercise of its powers conferred under section 40(13) of Securities and Exchange Commission of Pakistan Act, 1997, hereby directs all brokers registered with the Securities and Exchange Commission of Pakistan under the Brokers and Agents Registration Rules, 2001 and/or Commodity Exchange and Futures Contracts Rules, 2005, to nominate a 'Compliance Officer' from amongst its employees; who shall be responsible to ensure effective implementation and compliance with relevant regulatory framework.

2. Moreover, in order to have professional and skilled personnel working with the brokers, i.e. undertaking the functions of Brokerage, Trading, Sales Agents and professionals providing buying/selling investment advise to clients, certification from Institute of Capital Markets (ICM) is being made mandatory as follows:

- 1) At least two individuals or 20% of the employees (which ever is higher), shall have relevant certification from ICM by June 30, 2011.
- 2) New professional entrants in the capital market shall however, be required to attain the relevant certification within one-year from the date of employment with the broker. [Details available on ICM website www.icm.org.pk.]

Please note that the existing employees above the age of 35 and having relevant capital market experience of at least five years shall be exempt from the condition at 1 above.