



THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED
 Stock Exchange Building, Stock Exchange Road, Karachi-74000, Pakistan
 Phones: 111001122 Fax (021) 241-0825

KSE/N – 312

January 21, 2010

NOTICE FOR ALL MEMBERS

**RISK MANAGEMENT AND CLEARING & SETTLEMENT OF FUTURE TRADES
 IN THE FATIMA FERTILIZER COMPANY LIMITED PROVISIONALLY LISTED AT KSE**

This is with reference to KSE Notice Nos. KSE/N-310 and KSE/N-311 both dated January 21, 2010 in relation to schedule for future trading in the provisionally listed Fatima Fertilizer Company Limited under the Regulations Governing Futures Trading in the Provisionally listed Companies of the Exchange.

Members are hereby notified that in accordance with the Regulations Governing Futures Trading in the Provisionally Listed Companies (FTPLC), 2002, all trades in M/s. Fatima Fertilizer Company Limited shall be executed by the Member as per UIN regime.

Further, the related Exposure & Mark-to-Market losses shall be determined on UIN basis as prescribed by Regulations Governing Risk Management of the Exchange.

All related reports relating to margin and MtM differences will be available under FCHS menu of NCHS terminal.

The related mechanism for trading in the above said Security is given below

1. Closing Price of provisionally listed company shall be calculated based on mechanism defined in Regulations Governing Risk Management of the Exchange.
2. The related MtM losses calculated at the end of each trading day shall be collected from the Members in cash through NCCPL along with the DFC market losses of the respective Members. However, the Exchange will maintain separate record for MtM collected on provisionally listed company.
3. Margins requirement shall be 25% of the Exposure to be collected in cash/bank guarantee.
4. On the last trading day of Contract Period, the scrip-wise outstanding positions of Members' Proprietary accounts and their clients will be revalued at their respective Weighted Average Prices and shall be transferred to the NCCPL for settlement on T+3 in accordance with NCCPL Regulations and Procedures.

The related regulations for Futures Trading in Provisionally Listed Companies (FTPLC), 2002 of the Exchange are available at KSE website.

Members are requested to note the above.

SHAFQAT ALI

General Manager – Risk Management

Copy to:

01. The Director (SMD), Securities & Exchange Commission of Pakistan
02. The Managing Director, Karachi Stock Exchange (Guarantee) Limited
03. The Managing Director, Lahore Stock Exchange (Guarantee) Limited
04. The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
05. The Chief Executive, Central Company of Pakistan Limited
06. The Chief Executive, National Clearing Company of Pakistan Limited
07. The General Manager, IT Division-KSE
08. The General Manager, (Market Control & Surveillance Department)-KSE
09. The General Manager, (Operations)-KSE
10. The Deputy General Manager, (Operations)-KSE
11. Clearing & Settlement Department-KSE
12. Notice Board
13. KSE Website