

**KEY DECISIONS TAKEN BY KSE BOARD OF DIRECTORS IN ITS MEETING
HELD ON APRIL 06, 2011**

1. Implementation of RSA Token Project by the members be allowed voluntarily till April 30, 2011. The Development & Trading Affairs Committee to re-visit the matter and submit its recommendations to Board in its next meeting.
2. Co-sourcing of Internal Audit function be mandated to M/s. Yousuf Adil Saleem & Co; Chartered Accountants on existing terms, by keeping the existing internal audit team of the Exchange unchanged.
3. Approval of new and amendments in existing Regulations of the KSE as follows for submission to SECP to seek their approval:
 - i. General Regulations, with respect to:
 - a) Arbitration Process.
 - b) Making obligatory on members to receive payments exceeding Rs. 25,000/- through banking instruments, with the recommendation to that electronic transfer of funds be deemed as good as payment made by cheque and without immediate change of Standardized Account Opening Form.
 - ii. Risk Management Regulations, with respect to:
 - a) *Force Majeure* conditions.
 - b) Revised definition of 'Closing Price'.
 - c) Payment of profit on Cash Margins deposited against exposure in all markets.
 - iii. Futures Trading in the Provisionally Listed Companies.
 - iv. Listing Regulations relating to follow-up mechanism / procedure for delisting subsequent to prolonged placement of companies in Defaulters' Segment on account of violation / non-compliance of Regulations and other matters, with the additional suggestion to red flag the company failed to hold its AGM even for one year and specify the same in daily Quotation.
 - v. Cash Settled Futures Contract, with respect to reduction of basic deposit.
 - vi. BATS Regulations.
 - vii. Internet Trading Regulations (New).
4. Amendment in the pre-requisite/eligibility criteria for inclusion of companies in KSE-30 and KMI-30 indices.
5. Proposal of capping of KSE-100 Index be further deliberated with market participants and shared with PBA, MUFAP and SECP, prior to its implementation.
6. Procedure for refund/recovery of annual recurring charges with respect to IT facilities and equipment annual recurring charges.
7. Uniform criteria for selection of securities eligible for trading under Deliverable Futures, Cash-Settled Futures and Margin Trading System [MTS] Markets.