

NOTICE FOR ALL MEMBERS

**DECISIONS TAKEN BY BOARD OF DIRECTORS IN ITS MEETING
HELD ON JULY 14, 2011 AND ADJOURNED TO JULY 20, 2011**

The following decisions were taken by the Board of Directors of Karachi Stock Exchange, in its meeting held on July 14, 2011, which was adjourned to July 20, 2011:

1. Approval of amendments in the following Regulations, subject to SECP's approval.
 - i. Regulations Governing Risk Management and Provisionally Listed Companies of the Exchange with respect to placement of circuit breakers of Rs. 5/- or 50%, whichever is higher of Offer Price, as the case may be on 1st trading day in situations where securities are directly placed on Provisional Counter without going through Book Building process OR where securities are directly placed on Ready Market without going through either the Book Building process or Provisional Counter.
 - ii. Regulations Governing Risk Management:
 - (a) To allow acceptance of Bank Guarantee on behalf of the members from any bank which meets the minimum credit rating of 'A' or equivalent and other criteria as specified in the Regulations.
 - (b) To allow any individual beneficial shareholder of the Corporate Brokerage House to authorize the member to utilize his securities to meet margin requirements of other UINs.
 - iii. General Regulations and Regulations Governing System Audit of Brokers with respect to confirmation of clients' orders of Debt Market.
 - iv. Listing Regulations to allow directors of listed companies to have certification from any Institution (as against only PICG), which meets the criteria specified by SECP.
2. In principle conceptual approval to the Implementation of trading halts during announcement of corporate results by listed companies, subject to final approval of Board of the relevant system to be developed by the management, as recommended by Development & Trading Affairs Committee.
3. Ratification of the following:
 - i. Changes suggested by SECP in Listing Regulations with respect to actions required against listed companies found in violation/non-compliance of Listing Regulations.
 - ii. Changes suggested by SECP in the uniform criteria for selection of securities for all Futures Markets, in the KSE's proposed criteria as approved previously by its Board.
4. Approval of recommendations of the following Committees of the Board:
 - i. Arbitration Committee recommending TOR of the said Committee.
 - ii. Audit Committee's observations and recommendations.
 - ii. Investment Committee recommending revised Investment Policy for KSE and its two Trusts.
5. Approval of recommendations of HR Committee, with particular reference to revised Organizational Structure of the Exchange and Managing Director's recommendation to create a position of Deputy Managing Director-Equity Markets with the position to be filled by Mr. Haroon Askari, presently General Manager-Operations.