

**DECISIONS TAKEN BY BOARD OF DIRECTORS IN ITS MEETING
HELD ON NOVEMBER 29, 2011**

The following decisions were taken by the Board of Directors of Karachi Stock Exchange, in its meeting held on November 29, 2011:

1. Revised TOR of Index Experts Committee of the Exchange was approved.
2. In-principle approval to the Concept Paper for creation of Small & Medium Enterprises (SME) board at KSE was accorded by the Board for onward submission to SECP.
3. Ratification of proposal on 'Proposed margin relief to members', as deliberated by the authorized Board members/management with the representatives of SECP and submitted to the Commission for their further consideration.
4. Approval of following new/revised Regulations and regulatory amendments, subject to approval of SECP:
 - i. New Regulations to be called as 'Regulatory Monitoring and Compliance of Brokers', which will be substituted with the existing System Audit Regulations. (The draft Regulations to be placed on KSE Website to seek members' views, if any).
 - ii. Amendments in Market Making Regulations to allow relaxation in minimum equity requirement and enhanced sharing of transaction cost (Laga) by the Exchange with the market makers.
5. Approval of Risk Management Gateway (RMG) being developed by KSE IT Division.
6. Declaration of conflict of interest in matters to be deliberated by the Voluntary Delisting Committee by its members was suggested by the Board.
7. The proposal to allow an additional UIN to each brokerage house to specifically cater to rectify erroneous trades was approved by the Board.
8. In-principle approval was granted for development of trading platform and system for government securities (T-Bills & PIBs) through KSE.
9. Making a representation to FBR for the appropriate treatment of tax on the income/profit being earned by the financier under Margin Financing,

