



THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED
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KSE/N-1211

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NOTICE FOR ALL MEMBERS

NON-COMPLIANCE OF VARIOUS KSE REGULATIONS

Members' attention is invited on the above captioned subject.

In order to strengthen Members' awareness on various KSE regulations, the Exchange had organized various presentation sessions in past on KSE Regulations and its Compliances. Please note that the sole objective of the presentations was to assist Members and their senior staff to better understand, interpret and comply with KSE regulations, which would eventually facilitate them to improve their operations and handle compliance related matters effectively as they apply to their respective trading practices. Please note that the Exchange has also developed a robust Risk Management Gateway System (RMGS), which is available free-of-cost to all Members, through which they can define requisite checks and controls to avoid various non-compliances including those applicable on Short Selling and Wash-trades.

In spite of the aforesaid efforts, increase in quantum of non-compliances of various KSE Regulations has been observed by the Exchange, which is of great concern. Moreover, it has been observed that some of the Members are either reporting their erroneous trades in writing to the Exchange on their letter pads (hard copies form) or rectifying them on their NCHS terminals in incorrect manner. Specially related to this aspect, Members are again strongly advised to kindly follow the proper rectification procedure and avoid submitting hard copies.

Keeping in view the above, Members are advised in their own interest to strictly ensure the compliance of all the relevant KSE Regulations. Further, in case of exceptional errors, Members are advised to rectify their erroneous trades during Trade Rectification Session on NCHS in the right manner as explained in the Procedures.

The Exchange is making all efforts to serve Members and investors better and more efficiently. It is in the interest of all market participants that compliances are properly followed.

SHAFQAT ALI

Risk Management, Market Control and Surveillance

Copy to:

01. Director (MS&CID-SM-North), Securities & Exchange Commission of Pakistan
02. Managing Director, Karachi Stock Exchange (G) Limited
03. Deputy Managing Director, Karachi Stock Exchange (G) Limited
04. All HoDs, Karachi Stock Exchange (G) Limited
05. Notice Board
06. KSE Website