



KARACHI STOCK EXCHANGE LIMITED

Stock Exchange Building, Stock Exchange Road, Karachi

Phones: 111-001-122, Fax (021) 32462640

KSE/N- 308

January 21, 2013

NOTICE FOR TREC HOLDERS/BROKERS

REVISED LIST OF MARGIN ELIGIBLE SECURITIES ACCEPTABLE AS COLLATERAL FOR ALL MARKETS

In terms of the definition of Margin Eligible (ME) Securities prescribed under the Regulations Governing Risk Management of the Exchange (the Regulations), based on Criteria for selection of Margin Eligible (ME) Securities the Exchange with prior approval of the Commission vide its letter No. SMD/SE/2(141)/2008 dated January 21, 2013 has revised the ME Securities acceptable as collateral for all Markets with effective from **Monday, February 25, 2013**.

In terms of regulation 4.6(h) of the Regulations revised list of 75 ME Securities as per **annexure-A** to this notice will be acceptable as collateral by the Exchange after giving at least thirty (30) days advance notice.

Moreover, the Exchange has also been accepting T-Bills and electronic units of CDC eligible open-ended funds which are categorized as Money Market Schemes in accordance with the criteria prescribed by the Commission vide its circular No.7 dated March 6, 2009 as collateral for all Markets, the list of 14 eligible open-ended funds is also enclosed herewith for your ready reference as **annexure-B**.

Furthermore, in terms of the definition of Bank Guarantee acceptable as collateral under the Regulations, the list of eligible Banks of which the Bank Guarantee will be accepted is enclosed herewith as **annexure-C**.

Therefore, you are hereby advised to update your collateral deposited with Exchange in terms of new ME Securities before February 25, 2013, failing which the Exchange reserve the right to value non-eligible ME Securities as **ZERO** on or after the effective date.

SHAFQAT ALI

Acting Chief Regulatory Officer

- Encl:** 1. List of revised ME Securities as Annexure-A
2. List of CDC eligible open-ended money market funds as Annexure-B
3. List of eligible Banks for Bank Guarantee as Annexure- C.

Copy to:

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|--------------------------------------|---------------------------------------------|
| 01. The Director (SROD), SMD, SECP | 05. The Chief Executive Officer, CDC, NCCPL |
| 02. The Managing Director-KSE | 06. Heads of IT Division & Operations-KSE |
| 03. The Deputy Managing Director-KSE | 07. Notice Board |
| 03. The Managing Director, LSE, ISE | 08. KSE Website |