



PAKISTAN STOCK EXCHANGE LIMITED
Stock Exchange Building, Stock Exchange Road, Karachi-74000
UAN: 111-001-122 Fax: 32437560

PSX/N-6301

NOTICE

October 17, 2017

Solicitation of Public Comments

On

Proposed Consequential Amendments to Pakistan Stock Exchange Limited (PSX) Regulations Pursuant to Promulgation of Customers Compensation Fund (Establishment and Operations) Rules, 2017 and Centralized Customer Protection Compensation Fund Regulations, 2017

It is hereby informed to the public that the Board of Directors of Pakistan Stock Exchange Limited (PSX) in its meeting held on September 27, 2017 approved consequential amendments to PSX Regulations pursuant to promulgation of Customers Compensation Fund (Establishment and Operations) Rules, 2017 and Centralized Customer Protection Compensation Fund Regulations 2017 by the Securities and Exchange Commissions of Pakistan with effect from April 28, 2017.

Pursuant to Section 7(3) of the Securities Act, 2015, PSX hereby invites public comments on the proposed consequential amendments to PSX Regulations, which are attached as **Annexure A**.

All concerned are invited to submit their written comments either in hard form or through e-mail at comments.rad@psx.com.pk latest by Tuesday, **October 24, 2017**.



ABBAS MIRZA

Acting Chief Regulatory Officer

Distribution: TRE Certificate Holders of PSX based at Karachi through Karachi Office
TRE Certificate Holders of PSX based at Lahore through Lahore Office
TRE Certificate Holders of PSX based at Islamabad through Islamabad Office

Cc:

1. The Executive Director (PRDD), SMD, SECP
2. The Chief Executive Officer, PSX
3. The Chief Executive Officer, CDC
4. The Chief Executive Officer, NCCPL
5. The Chief Executive Officer, PMEX
6. All Heads of Department, PSX
7. PSX Notice Board & Website

"ANNEXURE A"

CONSEQUENTIAL AMENDMENTS PURSUANT TO PROMULGATION OF CUSTOMERS COMPENSATION FUND (ESTABLISHMENT AND OPERATIONS) RULES, 2017 AND CENTRALIZED CUSTOMER PROTECTION COMPENSATION FUND REGULATIONS, 2017

NOTES FOR AMENDMENTS: (1) **ADDITIONS:** Shown in Blue Font (Bold + Underlined)
 (2) **DELETIONS:** Shown in Red Font (Strikethrough)

EXISTING PSX REGULATIONS	PSX PROPOSED AMENDMENTS	RATIONALE
Chapter 2: INTERPRETATION AND DEFINITIONS		
<p>GENERAL DEFINITIONS:</p> <p>In these Regulations, unless there is anything repugnant in the subject or context:</p> <p>xlvi. IPF means the Investors Protection Fund of the Exchange governed and operated by the Trustees of IPF Trust under its Trust Deed and these Regulations;</p> <p align="center"><u>New Insertion</u></p>	<p>GENERAL DEFINITIONS:</p> <p>In these Regulations, unless there is anything repugnant in the subject or context:</p> <p>xlvi. IPF means the Investors Protection Fund of the Exchange governed and operated by the Trustees of IPF Trust under its Trust Deed and these Regulations;</p> <p>xiv.A <u>CCPF</u> means the <u>Centralized Customers Protection Compensation Fund of the Exchange governed and operated by the Trustees of the CCPF Trust under its Trust Deed and these Regulations.</u></p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>
Chapter 12: MARKET MAKERS REGULATIONS		
<p>12.8.11. The Market Maker shall pay transaction fees and other levies as specified by the Exchange from time to time. The Exchange may, subject to satisfactory performance of the Market Maker, allow such Market Maker reasonable discount(s), partial or complete waiver of transaction fees excluding contributions to the CHPF, IPF and other regulatory levies and also distribute in full or in part the transaction fees to the respective Market Maker collected from counterparty involved in trades executed with the former.</p>	<p>12.8.11. The Market Maker shall pay transaction fees and other levies as specified by the Exchange from time to time. The Exchange may, subject to satisfactory performance of the Market Maker, allow such Market Maker reasonable discount(s), partial or complete waiver of transaction fees excluding contributions to the CHPF, IPF <u>CCPF</u> and other regulatory levies and also distribute in full or in part the transaction fees to the respective Market Maker collected from counterparty involved in trades executed with the former.</p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>

Chapter 20: DISCIPLINARY ACTIONS AGAINST TRE CERTIFICATE HOLDERS REGULATIONS

<p>20.11.2. In case the Investors' claims admitted by the Exchange against a TRE Certificate Holder, in accordance with the procedures specified by the Exchange from time to time, are more than the balance amount left unutilized out of the amount realized from Base Minimum Capital and proceeds of shares held in the blocked account for satisfying such claims, all the claims will be satisfied on pro-rata basis. The claims still remaining unsatisfied after pro-rata sharing will then be paid from the IPF in accordance with chapter 24 of PSX Regulations.</p>	<p>20.11.2. In case the Investors' claims admitted by the Exchange against a TRE Certificate Holder, in accordance with the procedures specified by the Exchange from time to time, are more than the balance amount left unutilized out of the amount realized from Base Minimum Capital and proceeds of shares held in the blocked account for satisfying such claims, all the claims will be satisfied on pro-rata basis. The claims still remaining unsatisfied after pro-rata sharing will then be paid from the IPF CCPF in accordance with chapter 24 of PSX Regulations.</p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>
<p>20.11.3. Notwithstanding anything contained hereinabove, in cases of cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder, the Exchange may, where amount realized from Base Minimum Capital and proceeds of shares held in the blocked account, subject to compliance with the applicable laws are not immediately available, for any reason whatsoever, in the interest of the investors allow settlement of Investors' admitted claims first from the IPF to the extent of the maximum permitted amount provided under chapter 24 of PSX Regulations. However, in the event the amount realized from Base Minimum Capital become available subsequently, then after satisfaction of all claims as provided for in sub-clause (a) above, any amount remaining unutilized out of the amount realized from Base Minimum Capital, shall be deposited in the IPF.</p>	<p>20.11.3. Notwithstanding anything contained hereinabove, in cases of cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder, the Exchange may, where amount realized from Base Minimum Capital and proceeds of shares held in the blocked account, subject to compliance with the applicable laws are not immediately available, for any reason whatsoever, in the interest of the investors allow settlement of Investors' admitted claims first from the IPF CCPF to the extent of the maximum permitted amount provided under chapter 24 of PSX Regulations. However, in the event the amount realized from Base Minimum Capital become available subsequently, then after satisfaction of all claims as provided for in sub-clause (a) above, any amount remaining unutilized out of the amount realized from Base Minimum Capital, shall be deposited in the IPF CCPF.</p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>



Chapter 21: DEFAULT MANAGEMENT IN RESPECT OF TRE CERTIFICATE HOLDERS / BROKERS REGULATIONS

21.4. DECLARATION AS DEFAULTER:

21.4.1. Upon receipt of a notice from NCCPL declaring the suspended Broker as defaulter under NCCPL Regulations, such Broker shall be declared Defaulter by the Board under relevant regulations of the Exchange.

21.4.2. An individual TRE Certificate Holder who has been adjudicated as insolvent and in case of Corporate TRE Certificate Holder against whom a winding-up order has been passed by the Court for failure to discharge its obligations towards creditors or a resolution for creditors' voluntary winding-up has been passed or a resolution for members' voluntary winding up has been passed without obtaining prior consent of the Exchange, shall ipso facto be declared as defaulter.

NEW INSERTION

21.4. DECLARATION AS DEFAULTER:

21.4.1. Upon receipt of a notice from NCCPL declaring the suspended Broker as defaulter under NCCPL Regulations, such Broker shall be declared Defaulter by the Board under relevant regulations of the Exchange.

21.4.2. An individual TRE Certificate Holder who has been adjudicated as insolvent and in case of Corporate TRE Certificate Holder against whom a winding-up order has been passed by the Court for failure to discharge its obligations towards creditors or a resolution for creditors' voluntary winding-up has been passed or a resolution for members' voluntary winding up has been passed without obtaining prior consent of the Exchange, shall ipso facto be declared as defaulter.

21.4.3. A TRE Certificate Holder whose TRE Certificate has been cancelled or forfeited by the Exchange due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines etc., shall also be considered and declared as a defaulter for the purpose of these Regulations.

Rule 2(c) of the Customers Compensation Fund (Establishment and Operation) Rules, 2017 defines "defaulter" as a TRE Certificate Holder of a securities exchange which has been declared as a defaulter under Regulations of the securities exchange.

However, as per present PSX Regulations, defaulter means a TRE Certificate Holder, which has been declared defaulter by NCCPL under NCCPL Regulation.

In order to provide regulatory cover to those defaults also that occur due to non-compliance of any applicable rules, regulations, notices, procedures, guidelines leading to cancellation or forfeiture of TRE Certificate under



		<p>PSX Regulations, there is a need to increase the scope of the definition of default under PSX Regulations.</p> <p>Accordingly, a new sub-clause 21.4.3 is inserted in PSX Regulations to fill the aforementioned regulatory gap.</p>
<p>21.7. SETTLEMENT OF CLAIMS:</p> <p>21.7.1. The funds recovered from the sale of assets mentioned in regulation 21.6.1. above, shall be distributed in the following priority:</p> <p>(a) Brokers other claims as per Regulations of the Exchange and verified by the Default Committee pursuant to Regulation 21.6.2.</p> <p>(b) Investors claims as per Regulations of the Exchange.</p> <p>Provided in case the investors' claims admitted by the Exchange against a Broker are more than the amount of funds recovered from the sale of assets mentioned in regulation 21.6.1. above, all the claims will be satisfied on pro-rata basis. The claims still remaining unsatisfied after pro-rata sharing will then be paid from the IPF in accordance with the chapter 24 of these PSX Regulations.</p>	<p>21.7. SETTLEMENT OF CLAIMS:</p> <p>21.7.1. The funds recovered from the sale of assets mentioned in regulation 21.6.1. above, shall be distributed in the following priority:</p> <p>(a) Brokers other claims as per Regulations of the Exchange and verified by the Default Committee pursuant to Regulation 21.6.2.</p> <p>(b) Investors claims as per Regulations of the Exchange.</p> <p>Provided in case the investors' claims admitted by the Exchange against a Broker are more than the amount of funds recovered from the sale of assets mentioned in regulation 21.6.1. above, all the claims will be satisfied on pro-rata basis. The claims still remaining unsatisfied after pro-rata sharing will then be paid from the IPF CCPF in accordance with the chapter 24 of these PSX Regulations.</p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>
<p>21.7.2. Any surplus funds/assets available after satisfying claims in the above manner shall be deposited in the IPF and</p>	<p>21.7.2. Any surplus funds/assets available after satisfying claims in the above manner shall be deposited in the IPF CCPF and</p>	<p>To replace with new name of the fund as per the Customers</p>



<p>Settlement Guarantee Fund of NCCPL (SGF) in the following priority:</p> <ul style="list-style-type: none"> (a) Up to maximum funds paid from IPF; (b) Up to maximum funds paid from SGF in accordance with the NCCPL Regulations; and (c) Funds still remaining available after depositing according to the above priority shall be deposited into the IPF fully. <p>Provided where the amount of Base Minimum Capital and the proceeds of shares of Exchange held in the Blocked Account is not immediately available and contribution from IPF is utilized first, prior to the sale of assets comprising Base Minimum Capital and proceeds of shares of Exchange held in Blocked Account, for satisfaction of claims admitted by the Exchange, any amount remaining unutilized out of the sale proceeds of the defaulter/non-compliant TRE Certificate Holder's assets, shall be deposited in the IPF.</p> <p>Provided further that the proceeds of the shares of the Exchange constituting the Base Minimum Capital and the shares of the Exchange held in Blocked Account of a Defaulter shall only be utilized towards satisfying Investor claims in accordance with these Regulations.</p>	<p>Settlement Guarantee Fund of NCCPL (SGF) in the following priority:</p> <ul style="list-style-type: none"> (a) Up to maximum funds paid from IPF CCPF; (b) Up to maximum funds paid from SGF in accordance with the NCCPL Regulations; and (c) Funds still remaining available after depositing according to the above priority shall be deposited into the IPF CCPF fully. <p>Provided where the amount of Base Minimum Capital and the proceeds of shares of Exchange held in the Blocked Account is not immediately available and contribution from IPF CCPF is utilized first, prior to the sale of assets comprising Base Minimum Capital and proceeds of shares of Exchange held in Blocked Account, for satisfaction of claims admitted by the Exchange, any amount remaining unutilized out of the sale proceeds of the defaulter/non-compliant TRE Certificate Holder's assets, shall be deposited in the IPF CCPF.</p> <p>Provided further that the proceeds of the shares of the Exchange constituting the Base Minimum Capital and the shares of the Exchange held in Blocked Account of a Defaulter shall only be utilized towards satisfying Investor claims in accordance with these Regulations.</p>	<p>Compensation Fund Rules & Regulations.</p>
<p>Chapter 24: CENTRALIZED CUSTOMERS PROTECTION COMPENSATION FUND</p>		
<p>Chapter 24: INVESTORS' PROTECTION FUND (IPF) REGULATIONS:</p>	<p>Chapter 24: INVESTORS' PROTECTION FUND (IPF) REGULATIONS CENTRALIZED CUSTOMERS PROTECTION COMPENSATION FUND (CCPF) REGULATIONS:</p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>



<p>24.1. DEFINITIONS:</p> <p>In this chapter, unless the subject or context otherwise requires:</p> <p style="text-align: center;"><u>New Insertion</u></p> <p>(a) "Fund" means the PSX Investors Protection Fund;</p> <p>(b) "Investor" means a person, not being a TRE Certificate Holder, his agent or representative, who has bought or sold any of the securities listed on the Exchange.</p>	<p>24.1. DEFINITIONS:</p> <p>In this chapter, unless the subject or context otherwise requires:</p> <p><u>(a) "Compensation Fund Regulations" means the Centralized Customer Protection Compensation Fund Regulations, 2017 framed by the Commission;</u></p> <p>(a) "Fund" means the PSX Investors Protection Fund;</p> <p>(b) "Investor" means a person, not being a TRE Certificate Holder, his agent or representative, who has bought or sold any of the securities listed on the Exchange.</p>	<p>Since the Fund has been defined as "CCPF" in Chapter 2, the existing definition of "Fund" given in this clause is redundant and proposed to be deleted.</p>
<p>24.2. ESTABLISHMENT OF FUND:</p> <p>The Board shall establish the Fund with contributions as follows:</p> <p>(a) An initial contribution of Rs. 20 million by the Exchange out of the CHPF.</p> <p>(b) Allocation of a percentage of Trading Fee (Laga) as may be determined by the Board from time to time paid by the Broker.</p> <p>(c) The Fund shall be made available for utilization in the event of default as well as in case of cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder/expulsion of a Member due to his failure or refusal to abide by or carry out the award of arbitrator(s) or for non-settlement of Investors' claims as directed by the Board.</p>	<p>24.2. ESTABLISHMENT OF FUND <u>CCPF</u>:</p> <p><u>24.2.1</u> The Board shall establish the Fund with contributions as follows: <u>Exchange has established and shall maintain the Fund pursuant to Regulation (3) of the Compensation Fund Regulations.</u></p> <p>(a) An initial contribution of Rs. 20 million by the Exchange out of the CHPF.</p> <p>(b) Allocation of a percentage of Trading Fee (Laga) as may be determined by the Board from time to time paid by the Broker.</p> <p>(c) The Fund shall be made available for utilization in the event of default as well as in case of cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder/expulsion of a Member due to his failure or refusal to abide by or carry out the award of arbitrator(s) or for non-settlement of Investors' claims as directed by the Board.</p>	<p>The existing Clause 24.2(a) & (b) are proposed to be replaced with proposed clause 24.2.2.</p> <p>The existing Clause 24.2(c) is shifted below as proposed clause 24.2.4. with certain changes.</p>



<p><u>New Insertion</u></p>	<p><u>24.2.2 The Fund shall comprise the contributions described in Regulation (5) of the Compensation Fund Regulations and any contribution made pursuant to Regulation 4(3) of the Compensation Fund Regulations.</u></p>	<p>As the sources of contribution into CCPF are specified in the Centralized Customer Protection Compensation Fund Regulations, 2017, the existing clauses 24.2.(a), (b) & (c) are proposed to be replaced with a referral clause.</p>
<p><u>New Insertion</u></p>	<p><u>24.2.3 The contribution described in Regulation 5(iii)(a) of the Compensation Fund Regulations shall be paid by the Securities Brokers in accordance with the Schedule of Charges as applicable from time to time.</u></p>	<p>Clause 5(iii)(a) of the Compensation Fund Regulations is about allocation of trading fee to CCPF. The rate of allocation is notified through the Schedule of Charges by PSX on website.</p>
	<p><u>24.2.4</u> The Fund shall be made available for utilization in the event of default as well as in case of cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder/expulsion of a Member due to his <u>its</u> failure or refusal to abide by or carry out the award of arbitrator(s) or for non-settlement of Investors' claims as directed by the Board.</p>	<p>This is shifted from existing clause 24.2.(c). This part has become obsolete and proposed to be deleted as no funds are to be taken out of CCPF to settle investors' claims against members/TREC Holders who defaulted in pre-demutualization era.</p>
<p>24.3. ELIGIBILITY OF CLAIMS:</p> <p>All claims of Investors arising out of transactions entered into as per these PSX Regulations and/or the regulations of NCCPL and approved</p>	<p>24.3 ELIGIBILITY OF CLAIMS:</p> <p>All claims of Investors arising out of transactions entered into as per these PSX Regulations and/or the regulations of NCCPL <u>Regulations</u></p>	<p>Editorial Changes.</p>



<p>by the Board/Committee constituted by the Board shall be eligible for consideration under these regulations.</p>	<p>and approved by the Board/Committee constituted by the Board shall be eligible for consideration under these regulations.</p>	
<p>24.4.PROCEDURE FOR SETTLEMENT OF CLAIMS:</p> <p>24.4.1.In the event of default/expulsion/cancellation or forfeiture of TRE Certificate of a TRE Certificate Holder, if the investors' claims admitted by the Exchange against such a TRE Certificate Holder are more than the amount available out of sale proceeds of assets of such TRE Certificate Holder for satisfying such claims, in accordance with the relevant regulations of the PSX Regulations for the time being in force, all the claims will be paid on prorata basis. The claims still remaining unsatisfied after prorata sharing shall then be paid from the Fund by utilizing up to aggregate amount of Rs.25 million, in the following order of priority, whereby the per claimant distribution shall, in any case, not exceed the amount of claim.</p> <p>(a) Initial Disbursement of up to a maximum of Rs.100,000/- equally per claimant among all claimants by utilizing 50% of maximum allowable contribution i.e. Rs.12.5 million. Such disbursement shall either be made to satisfy all claims or, if insufficient to settle all claims, be disbursed equally among all the claimants.</p> <p>(b) Remaining amount to be disbursed by utilizing balance 50% of maximum allowable contribution i.e. Rs.12.5 million plus any unutilized portion of Fund as stated at 24.4.1.(a)</p>	<p>24.4. PROCEDURE FOR SETTLEMENT OF CLAIMS:</p> <p>24.4.1. In the event of default/expulsion/cancellation or forfeiture of TRE Certificate of a TRE Certificate Holder, if the investors' claims admitted by the Exchange against such a TRE Certificate Holder are more than the amount available out of sale proceeds of assets of such TRE Certificate Holder for satisfying such claims, in accordance with the relevant regulations provisions of these PSX Regulations for the time being in force, all the claims will be paid on prorata basis. The claims still remaining unsatisfied after prorata sharing shall then be paid from the Fund CCPF by utilizing up to aggregate amount of Rs25 million, in the following order of priority, whereby the per claimant distribution shall, in any case, not exceed the amount of claim.</p> <p>(a) Initial Disbursement of up to a maximum of Rs100,000/- equally per claimant among all claimants by utilizing 50% of maximum allowable contribution i.e. Rs12.5 million. Such disbursement shall either be made to satisfy all claims or, if insufficient to settle all claims, be disbursed equally among all the claimants.</p> <p>(b) Remaining amount to be disbursed by utilizing balance 50% of maximum allowable contribution i.e. Rs12.5 million plus any unutilized portion of Fund CCPF as stated at</p>	<p>The term 'expulsion' has become obsolete, as it was relevant in the pre-demutualization era. Hence, reference of the same is proposed to be deleted.</p> <p>Editorial Changes</p> <p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p> <p>To replace with new name of the fund as per the Customers Compensation Fund Rules &</p>



<p>above. In case, such amount of Fund is insufficient to satisfy all such claims in full, then pro-rata distribution will be made.</p> <p>24.4.2. The admitted claims of investors which remained unsatisfied or partially satisfied after pro-rata sharing against a TRE Certificate Holder/Member declared defaulter/ expelled or whose TRE Certificate was cancelled/ forfeited, on or after 1st August 2008 up till the date specified by the Exchange with prior approval of the Commission, shall continue to be paid from the Fund to the extent of maximum amount of Rs.75 million in the manner and order of priority then prevailing i.e.</p> <p>(a) Initial disbursement of Rs. 500,000 equally among all claimants by utilizing upto 50% of permissible contribution i.e. Rs.37.5 million; and</p> <p>(b) Remaining claim amount by utilizing balance 50% i.e. Rs.37.5 million plus any amount remaining unutilized out of initial disbursement, after deducting the amount already contributed by the Fund, if any, to satisfy each investor's claim. In case, such amount of Fund is insufficient to satisfy all such claims in full, then pro-rata distribution will be made.</p> <p>24.4.3. Notwithstanding anything contained hereinabove, the Board may in the event of default/expulsion/cancellation or forfeiture of a TRE Certificate of a TRE Certificate</p>	<p>24.4.1(a) above. In case, such amount of Fund is insufficient to satisfy all such claims in full, then pro-rata distribution will be made.</p> <p>24.4.2. The admitted claims of investors which remained unsatisfied or partially satisfied after pro-rata sharing against a TRE Certificate Holder/Member declared defaulter/ expelled or whose TRE Certificate was cancelled/ forfeited, on or after 1st August 2008 up till the date specified by the Exchange with prior approval of the Commission, shall continue to be paid from the Fund CCPF to the extent of maximum amount of Rs75 million in the manner and order of priority then prevailing i.e.</p> <p>(a) Initial disbursement of Rs500,000 equally among all claimants by utilizing upto 50% of permissible contribution i.e. Rs37.5 million; and</p> <p>(b) Remaining claim amount by utilizing balance 50% i.e. Rs37.5 million plus any amount remaining unutilized out of initial disbursement, after deducting the amount already contributed by the Fund CCPF, if any, to satisfy each investor's claim. In case, such amount of Fund is insufficient to satisfy all such claims in full, then pro-rata distribution will be made.</p> <p>24.4.3 Notwithstanding anything contained hereinabove, the Board may in the event of default/expulsion/cancellation or forfeiture of a TRE Certificate of a TRE Certificate</p>	<p>Regulations.</p> <p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p> <p>The terms 'expulsion' and 'member' have become obsolete, as they were relevant in the</p>
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<p>Holder/Member where proceeds of assets of such TRE Certificate Holder/Member as prescribed in the relevant regulations of the PSX, are not immediately available, for any reason whatsoever, in the interest of the investors, allow settlement of investors' admitted claims first from the Fund to the extent of the maximum permitted amount under sub-clauses 24.4.1. or 24.4.2. above. However, in cases of expulsion of a Member or cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder, where the proceeds of such assets become available subsequently, then after satisfaction in full of all claims as provided for in 20.11., any amount remaining unutilized out of the sale proceeds of such assets, shall be deposited in the Fund.</p>	<p>Holder/Member where proceeds of assets of such TRE Certificate Holder/Member as prescribed in the relevant regulations of the PSX, are not immediately available, for any reason whatsoever, in the interest of the investors, allow settlement of investors' admitted claims first from the Fund CCPF to the extent of the maximum permitted amount under sub-clauses 24.4.1 or 24.4.2 above. However, in cases of expulsion of a Member or cancellation/forfeiture of TRE Certificate of a TRE Certificate Holder, where the proceeds of such assets become available subsequently, then after satisfaction in full of all claims as provided for in 20.11, any amount remaining unutilized out of the sale proceeds of such assets, shall be deposited in the Fund CCPF.</p>	<p>pre-demutualization era. Hence, references of the same are proposed to be deleted.</p>
<p>24.4.4. Provided that in case of default of a TRE Certificate Holder/Member, any amount remaining unutilized out of the sale proceeds of the defaulter's assets sold subsequently shall after settlement of claims as stated in sub-clauses 21.6.6. and 21.8.1., be deposited in the Fund in accordance with sub-clause 21.8.2.</p>	<p>24.4.4 Provided that in case of default of a TRE Certificate Holder/Member, any amount remaining unutilized out of the sale proceeds of the defaulter's assets sold subsequently shall after settlement of claims as stated in sub-clauses 21.6.6 and 21.7.1 21.8.1, be deposited in the Fund CCPF in accordance with sub-clause 21.7.2-21.8.2.</p>	<p>The term 'member' has become obsolete, as it was relevant in the pre-demutualization era. Hence, reference of the same may be deleted.</p>
<p>24.5. MANAGEMENT OF THE FUND:</p> <p>The Management of the Fund shall vest in the Trustees as provided in the PSX Investors' Protection Fund Trust Deed.</p>	<p>24.5. MANAGEMENT OF THE Fund CCPF:</p> <p>The Management of the Fund shall vest in the Trustees as provided in the PSX Investors' Protection Fund CCPF Trust Deed.</p>	<p>To replace with new name of the fund as per the Customers Compensation Fund Rules & Regulations.</p>

**PROPOSED AMENDMENTS TO DEPOSIT, FEE, CONTRIBUTION AND OHER SUMS SCHEDULE
PRESCRIBED BY PSX UNDER CLAUSE 3.4 OF PSX REGULATIONS**

NOTES FOR AMENDMENTS: (1) **ADDITIONS:** Shown in Blue Font (Bold + Underlined)
(2) **DELETIONS:** Shown in Red Font (Strikethrough)

SCHEDULE FOR CONTRIBUTION

Market Name	Rate in Rupee		Basis	Mode	Collection Date
	CHPF	IPF <u>CCPF</u>			
Ready Market Trade	Nil	0.67084	Per Rs100,000/ - value	Through Payment Order	On Every Settlement Day
Odd Lots Market Trade	Nil	0.93809			
Deliverable Futures Contract Market- contract	Nil	0.93809			
Futures Trading in Provisionally Listed Securities Market	Nil	0.93809			
Cash-Settled Futures Contract Market-contract	Nil	0.93809			
Stock Index Futures Contract Market- contract	Nil	0.93809			
Squaring-Up Market-trade	Nil	0.93809			
Negotiated Deals Market- transaction	Nil	Nil			
Debt Market – Trades	Nil	Nil			
Trade Rectification-transaction	Nil	100% of the fee collected under point (b) of Trade Rectification Market as provided under Schedule for Trading Fee	Value of Rectified Trade		On Month End

End of Proposed Amendments