



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

PSX/N - 7014

NOTICE

November 2, 2017

ALL TRE CERTIFICATE HOLDERS

IMPLEMENTATION OF LIQUID CAPITAL REQUIREMENTS ON SECURITIES BROKERS

This is in continuation to PSX Notice No. PSX/N-6199 dated October 13, 2017 whereby all TRE Certificate Holders were advised to ensure compliance with minimum requirements relating to Liquid Capital (LC) from the month ended October 31, 2017 and onwards.

In this regard, Pakistan Stock Exchange Limited is pleased to inform that the Securities and Exchange Commission of Pakistan ("SECP") has extended the time for the securities brokers to ensure compliance with minimum amount of LC on the request of PSX.

Accordingly, all TRE Certificate Holders are advised to note the following revised measures:

1. The securities brokers licensed as Trading and Self Clearing ("TSC") and having LC less than Rs15 million but more than Rs5 million as per audited statement of LC as on June 30, 2017 shall be required to ensure by December 31, 2017 to either **enhance their LC to minimum Rs15 million** or **shift to Trading Only ("TO") category**, subject to compliance with the financial resource requirements of TO category as per Securities Brokers (Licensing and Operations) Regulations, 2016 ("Regulations").
2. In case an audited statement of LC of a TSC broker as on December 31, 2017 does not reflect minimum LC of Rs15 million and the respective broker has not converted to TO category, or if the broker has converted to TO category but does not fulfil requirements for TO category as per the Regulations, the PSX shall immediately restrict the trading facility of such broker and shall only allow it to close out the open positions in a controlled environment.
3. The securities brokers licensed under any category and having LC of less than Rs5 million as per audited LC statement as on June 30, 2017 shall submit to PSX a statement duly signed by the chief executive containing reasons for non-compliance with minimum applicable LC requirement and propose a tangible way forward to ensure compliance with the LC requirements by December 31, 2017. **Please note that such statement is required to be submitted to PSX not later than November 15, 2017 ("due date")**.

In case a broker does not submit such statement by the due date or fails to propose a tangible way forward to ensure compliance with the applicable LC requirements by December 31, 2017, PSX shall restrict the trading facility of such broker after expiry of the aforementioned due date. **The TSC brokers having LC less than Rs5 million may please note that in addition to submitting the aforementioned statement, they may consider switching to TO category by submitting application to SECP.**

In case an audited statement of LC of such TO or TSC broker as on December 31, 2017 does not reflect compliance with the minimum LC requirements, PSX shall immediately restrict the trading facility of such broker and shall only allow it to close out the open position in a controlled environment.

Should you require any further clarification, please feel free to contact on the following numbers:

S. No.	Location	Contact No.
1	KARACHI	021-35274328
2		021-35274566
3	ISLAMABAD	021-35274666
4		021-35274668
5	LAHORE	021-35274653
6		021-35274655

The above must be noted for strict compliance purpose.



ABBAS MIRZA
Acting Chief Regulatory Officer

Distribution:

TREC Holders of PSX based at Karachi through Karachi Office
TREC Holders of PSX based at Lahore through Lahore Office
TREC Holders of PSX based at Islamabad through Islamabad Office

Cc:

1. The Executive Director (PRDD), SMD, SECP
2. The Acting 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 Departments, PSX
7. PSX Notice Board & Website