



**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**  
Securities Market Division

October 30, 2009

**Circular No 34 of 2009**

**Attention:**

**All the Brokers of:**

Karachi Stock Exchange (Guarantee) Limited  
Lahore Stock Exchange (Guarantee) Limited  
Islamabad Stock Exchange (Guarantee) Limited  
National Commodity Exchange Limited

1. In order to inculcate good governance in business conduct, to promote transparency and safeguard public interest, the Securities and Exchange Commission of Pakistan (SECP) in exercise of its powers conferred under section 40(B) of Securities and Exchange Commission of Pakistan Act, 1997, hereby directs all brokers registered with the Securities and Exchange Commission of Pakistan under the Brokers and Agents Registration Rules, 2001 and/or Commodity Exchange and Futures Contracts Rules, 2005, to nominate a 'Compliance Officer' from amongst its employees; who shall be responsible to ensure effective implementation and compliance with relevant regulatory framework.

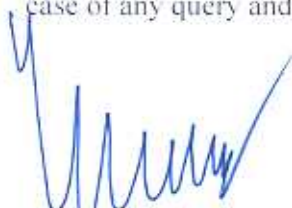
2. Moreover, in order to have professional and skilled personnel working with the brokers, i.e. undertaking the functions of Brokerage, Trading, Sales Agents and professionals providing buying/selling investment advise to clients, certification from Institute of Capital Markets (ICM) is being made mandatory as follows:

- 1) At least two individuals or 20% of the employees (which ever is higher), shall have relevant certification from ICM by June 30, 2011.
- 2) New professional entrants in the capital market shall however, be required to attain the relevant certification within one year from the date of employment with the broker. [Details available on ICM website [www.icm.org.pk](http://www.icm.org.pk).]

Please note that the existing employees above the age of 35 and having relevant capital market experience of at least five years shall be exempt from the condition at 1 above.

Further, all brokers are directed to forward their 'Compliance Officer' nominations to the relevant exchange by November 30, 2009 positively and the exchanges are required to consolidate the nominations and forward the same to the SECP by December 15, 2009.

Exchanges are further required to ensure appropriate dissemination of the circular. In case of any query and further clarification, please feel free to contact the undersigned.



**Shaikat Hussain**  
**Director (Securities Market Division)**

**Cc:**

**Managing Director**  
Karachi Stock Exchange (Guarantee) Limited

**Managing Director**  
Lahore Stock Exchange (Guarantee) Limited

**Managing Director**  
Islamabad Stock Exchange (Guarantee) Limited

**Managing Director**  
National Commodity Exchange Limited

**President**  
Institute of Chartered Accountants of Pakistan,  
Chartered Accountants Avenue,  
Clifton, Karachi.

**Governor,**  
State Bank of Pakistan,  
I.I Chundrigar Road,  
Karachi.

**Chairman,**  
Pakistan Banking Association  
D-126 (Near Chinese Consulate),  
Block 4, Clifton, Karachi.

**Chairman,**  
Investment Banks Association of Pakistan,  
Escorts Investment Bank Limited,  
Escorts House, 26-Davis Road,  
Lahore.