

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Islamabad, the 14th March, 2017

NOTIFICATION

S. R. O. 160 (I)/2017.- In exercise of powers conferred by sub-section (1) of section 169 of the Securities Act, 2015 (III of 2015), the Securities and Exchange Commission of Pakistan hereby makes the following amendments to the Clearing Houses (Licensing and Operations) Regulations, 2016, the same having been previously published in the official Gazette vide S.R.O. 83(I)/2017 dated February 7, 2017 and also placed on its website as required under sub-section (4) of section 169 of the said Act, namely:-

In the aforesaid Regulations,--

(1) In regulation 10, in sub-regulation (3),-

(a) for sub-clause (a), the following shall be substituted, namely:-

“(a) a clearing house shall shortlist names of three suitable persons meeting fit and proper criteria provided in these regulations and shall submit one name with its recommendation for approval of the Commission.”; and

(b) for sub-clause (b), the following shall be substituted, namely:-

“(b) the Commission may, if satisfied that such person is suitable for appointment by the clearing house as chief executive officer of the clearing house, grant its approval for the same:

Provided that, if the Commission is not satisfied with the suitability of the proposed person for appointment as chief executive officer, it may refer the matter back to the clearing house for proposing another name for consideration of the Commission.”;

(2) In regulation 11,-

(a) for sub-regulation (1), the following shall be substituted, namely:-

“(1) The appointment and termination of services of the chief regulatory officer of a clearing house shall be subject to prior written approval of the Commission.”;

(b) in sub-regulation (2), for sub-clauses (a) and (b), the following shall be substituted, namely:-

“(a) a clearing house shall shortlist names of three suitable persons meeting the fit and proper criteria provided in these regulations and shall submit one name with its recommendation for approval of the Commission.

(b) The Commission may, if satisfied that such person is suitable for appointment by the clearing house as chief regulatory officer of the clearing house, grant its approval for the same:

Provided that, if the Commission is not satisfied with the suitability of the proposed person as chief regulatory officer, it may refer the matter back to the clearing house for proposing another name for consideration of the Commission.”; and

(c) in sub-regulation (3),-

(i) after the words “have”, appearing for the first time, the word “any” shall be inserted; and

(ii) for clause (b) and (c), the following shall be substituted, namely:-

“(b) develop, implement and monitor compliance policies, processes and procedures to cover all aspects relating to the regulatory, operational and statutory obligations of the clearing house;

(c) handle matters relating to the regulations of the clearing house, including regular review of the same to ensure their suitability and finalizing proposals for making new regulations or carrying out amendments in the existing regulations for approval of the board of directors of the clearing house;”; and

(3) In Annexure I, in clause (ix), in part (b), for the first proviso the following shall be substituted, namely:-

“Provided that the clearing house shall not appoint or retain any person as senior management officer who was in service of a TRE Certificate holder or an associated company of such TRE Certificate holder during the last three years or who is above sixty years of age:

Provided further that in exceptional circumstances and reasons to be recorded in writing, a clearing house may extend the age limit of sixty years to sixty two years:”.



(Bilal Rasul)

Secretary to the Commission