

SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

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Islamabad, November 5, 2012

NOTIFICATION

**S.R.O. 1359(I)/2012.**- The following draft amendments in Non-Banking Finance Companies and Notified Entities Regulations, 2008 which are proposed to be made by the Securities and Exchange Commission of Pakistan in exercise of the powers conferred by sub-section (2) of section 282B of the Companies Ordinance, 1984 (XLVII of 1984) read with sub-section (4) of section 20 of the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997) are hereby published for the information of all the persons likely to be affected thereby and notice is hereby given that Comments, if any, received within fourteen days of the date of this notification will be taken into consideration.

In the aforesaid Regulations, -

(1) in regulation 65,-

(a) in sub-regulations (1),-

- (i) the word "every" shall be omitted ;
- (ii) the second proviso shall be omitted; and
- (iii) in the third proviso for the words "on the completion of one year" the words "within three months" shall be substituted;

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

"(2) The meeting of certificate holders or shareholders, as the case may be, shall decide on any one of the following:

- (a) conversion of Closed End Fund into an Open End Scheme; or
  - (b) revocation of Closed End Scheme; or
  - (c) winding up of an Investment Company.";
- (c) after sub-regulations (2), amended as aforesaid, the following new sub-regulations shall be inserted, namely,-

"(2a) In case of winding up of Investment company, a special resolution of

shareholders shall be obtained by casting a vote through proxy or physical presence in a meeting and in case of conversion of Investment Company in to an Open End Scheme, by passing a resolution of shareholders through simple majority by casting vote through proxy or physical presence in the meeting and in case of conversion of Closed End Scheme in to Open End Scheme or revocation of Closed End Scheme, by passing a resolution of certificate holders through simple majority by casting a vote through proxy, physical presence or in writing through post, and all such resolutions once passed shall be binding on the Asset Management Company.

(2aa) The meeting of the certificate holders of the Closed End Scheme shall be convened in accordance with the requirements as prescribed by the Commission through circular.

(2aaa) An Asset Management Company shall ensure publication and dissemination of the notice of the meeting of certificate holders of the Closed End Scheme along with the draft resolution at least seven days prior to the date of meeting and in case of Investment Company 21 days prior to the date of meeting of shareholders and all such notices shall also specify all material facts, particularly the impact of conversion, revocation or winding up, as the case may be, on the certificate holders or shareholders.”; and

(d) in sub-regulations (3), for the words and full colon “special resolution:” the words and full stop “relevant resolutions.” shall be substituted.

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No. SCD/PR&DD/NBFCR/2012

  
(Bushra Aslam)  
Secretary