

Press Release

SECP Approves Reduction in CDS Tariff Structure

Islamabad – April 5, 2006: In order to encourage investors in the capital market, the Securities and Exchange Commission of Pakistan has approved substantial reduction in the Central Depository System (CDS) tariff structure.

The SECP had asked the Central Depositor Company (CDC) to revise the CDS tariff structure with the main objective to reduce the cost of transacting securities business to encourage investors in the capital market, particularly the small investors. The SECP has appreciated and thanked the CDC Board for acceding to its request for the downward revision in the CDS tariffs.

According to the revised tariff structure, the custody fee has been reduced by 50 percent and the transaction fee has been reduced by 16.67 percent. Accordingly, the revised custody fee on shares is 0.015 percent p.a. and on Term Finance Certificates (TFCs), Bonds and Units is 0.0125 percent p.a. The transaction fee for Investor Account Service (IAS) has been reduced to Re.0.0040 and for other than IAS has been reduced to Re.0.0020.