

## Press Release

### **SEC, Stock Exchanges Meeting held to discuss Demutualization**

**Islamabad – September 10, 2005:** A meeting of the Securities and Exchange Commission of Pakistan (SEC) and representatives of Lahore and Islamabad Stock Exchange (LSE & ISE) was held to discuss the Demutualization and Integration of the two exchanges. This meeting was presided over by the Chairman of the SEC, Dr. Tariq Hassan, and attended by the chairmen, Managing directors and members of both stock exchanges.

The financial advisors to the LSE and ISE presented the preliminary draft business plan, which included the regulatory and governance structures of the proposed demutualized stock exchange. Thereafter, the legal advisors of the LSE and ISE presented the proposed legal framework, which included the scheme of arrangement, and initial drafts of the Memorandum and Articles of Association.

In an effort to expedite the Demutualization and Integration process, it was decided that LSE and ISE would arrange weekly meetings with the SEC. While expressing his satisfaction on the joint efforts put up by both the stock exchanges, the chairman of the SEC emphasized the need to carry on this consultative process. The Chairman of the SEC also assured the participants of the Commission's full cooperation and support to the process of demutualization of stock exchanges, while re-iterating its commitment to the development of Pakistan's financial markets.