



Press Release

June 23, 2017

For immediate release

SECP notifies Futures Exchanges (Licensing and Operations) Regulations, 2017

ISLAMABAD, June 23: The Securities and Exchange Commission of Pakistan (SECP) has notified the Futures Exchanges (Licensing & Operations) Regulations, 2017. They have been issued under the Futures Market Act, 2016.

The salient features of the regulations include application of fit and proper criteria to the majority shareholders, directors and senior management officers, providing a code of conduct for the board of directors and senior management officers of a futures exchange.

The regulations provide guidelines for the composition of the board of directors, appointment of CEO and chief regulatory officer with the SECP's approval as well as the related matters. They also require management of the exchange to constitute a risk committee and appointment of a chief risk officer at the future exchange.

The new regulations also enlist financial resource requirements of minimum paid-up capital (net of losses) of rupees 500 million. However, the existing futures exchange shall have three years to meet this threshold.

The regulations have been published in the official gazette and placed on the SECP's website (www.secp.gov.pk).