PART II

Statutory Notifications (S.R.O.)

GOVERNMENT OF PAKISTAN
SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

NOTIFICATION

Islamabad, the 14th March, 2019

S. R. O. 372(I)/2019.—The following draft amendments to the Securities Brokers (Licensing and Operations) Regulations, 2016, proposed to be made by the Securities and Exchange Commission of Pakistan, in exercise of powers conferred by section 169 of the Securities Act, 2015 (III of 2015) and section 114 of the Futures Market Act, 2016 (XIV of 2016), are hereby published for the information of all persons likely to be affected thereby and, as required by sub-section (4) of the said section 169 and sub-section (4) of the said section 114, notice is hereby given that objections or suggestions thereon, if any, may be sent to the Commission within fourteen days of placement of draft amendments on the website of the Commission, namely:—

(611)

Price : Rs. 5.00

[463(2019)/Ex. Gaz.]
In the aforesaid Regulations,—

(1) In regulation 12, in place of the sub-regulation (7), the following shall be substituted, namely:—

“(7) A securities broker shall advertise its business publically only in accordance with the guidelines issued by the securities exchange under its regulations.”

(2) In regulation 16, after clause (q), the following new clause shall be inserted, namely:—

“(r) ensure compliance with guidelines for Internal control system and compliance function for securities brokers as specified by the Commission from time to time.”

(3) In regulation 35, the following sub-regulation (6) shall be omitted, namely:—

“(6) The auditor shall also make out a limited assurance report of the securities broker stating whether, during the period, the securities broker has, in all material respects:

(a) maintained systems and controls adequate to identify with reasonable accuracy the assets held on behalf of customer and distinguish such assets from the proprietary assets of the securities broker;

(b) implemented an adequate internal control system and compliance function commensurate with the size and nature of services performed by the securities broker; and

(c) established a compliance function which performed its functions with efficiency.”

[No. SMD/SE/2(267)/2016.]

BILAL RASUL,
Secretary to the Commission.