



PAKISTAN STOCK BROKERS ASSOCIATION

(A company setup under section 42 of the Companies Act 2017)

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PSBA/Notice-212

June 12, 2025

NOTICE FOR MEMBERS

BRIEFING SESSION ON PROCEDURAL DOCUMENT FOR INTERIM SOLUTION OF STOCK SPLIT WITHOUT SUSPENSION OF TRADING

Respected Members,

We are pleased to invite you to a briefing session on the stock split process. In this session, officials from the PSX, CDC and NCCPL will be present to provide you with a comprehensive overview of the stock split process, including their rationale, implications, and anticipated benefits.

This briefing session aims to facilitate an open discussion and address any concerns or queries you may have regarding these proposed changes.

Date: June 13, 2025

Time: 4:45 PM

Link <https://us02web.zoom.us/j/89504626463?pwd=2Ing7xyyQ0kIjXfjvYA2aM3FV2Cui.1>

Meeting ID: 895 0462 6463

Passcode: 212421

We encourage all members to attend and actively participate in this session to gain a deeper understanding of the proposed changes and offer valuable feedback.

Looking forward to your maximum participation.

Thank you,

____sd_____
AKBER ALI
Officer - Secretariat

Encl: Above discussed amendments

Copy to: PSBA Website



PAKISTAN
STOCK EXCHANGE
LIMITED



NATIONAL CLEARING COMPANY
OF PAKISTAN LIMITED



Procedural Document for Interim Solution of Stock Split without Suspension of Trading

A final structured approach considering PSX, NCCPL and CDC comments has been outlined **below as an interim solution** for handling the split mechanism of stocks without suspension of trading activities.

Ready Market Trading Activities:

1. Settlement mechanism for trading without the standard Ex-price mechanism i.e. settlement of BC-2 and BC-1 will be on T+0 basis.
2. Netting between T+2 and T+0 trades falling on the same settlement date will not be permitted.
3. IDS/IDSI/IDSC/NCS facilities will not be available during BC-2 and BC-1 under the T+0 settlement cycle.
4. There will be no square up in case of delivery default of a symbol for trades executed on BC-3 (T+2 basis) and BC-1 (T+0 basis), close out mechanism will be adopted, while trades executed on BC-2 (T+0 basis) will have square up market
5. All leverage (MTS, MF etc.) positions will be force-released on BC-3, until necessary system developments are implemented.

Future Trading Activities:

1. All existing DFC contracts will be pre-matured as per the schedule to be duly notified by PSX.
2. DFC contracts will be split one week before the BC date with overlapping period of two days.
3. Contract B i.e. on adjusted price will run parallel with Contract A i.e. on cum price. Further, contract B will be closed at their respective maturities i.e. Last Friday of the month.

Collateral Valuation

1. Securities already pledged against collateral/RF etc. will be valued at market price (cum Price) till the BC date.
2. As the treatment of LDCP price / Stock Split price (Ex-price) and conversion of pledge volume required some development, therefore, pledging facility in favor of NCCPL will not be available on only BC+1. However the same will be available from BC+2.

Announcement of Book Closure Date

1. Efforts are being made to fix book closure to a single day, preferably Saturday.

All CMII's are collaboratively working on system adjustments, and transaction and leverage facilities will be made available in due course.

Note: The above process shall be put in place along with the set of events. Adequate understanding and commitments from the issuer/company and is expected to work smoothly. However, in case of any extreme situation or intervention which make this activity/corporate action void, the following recourse is suggested for further review.

- If the conversion process is stopped due to any technical issue and is expected to be resolved within a day or two, future and ready market trading will run as per normal practice with adjusted price and the volume/quantity.
- If the process is stop due to any legal action and expected to delay the process for a longer period, all stakeholders deliberate and take decision accordingly.
- In such case detail deliberation required to finalized some other points like treatment of leverage position, LDCP price, settlement mechanism of DFC market etc.

The above-mentioned extreme scenarios are not exhaustive and the abnormal handling/management requires deliberations among all stakeholders.