PAKISTAN STOCK BROKERS ASSOCIATION
(A company setup under section 42 of the Companies Act 2017)
Regd Office: Mezzanine Floor, Trading Hall, Stock Exchange Building, Stock Exchange Road, Off I.I Chundrigar Road, Karachi.
Tel: 021-32401278, E-mail: secretariat@psba.pk, Web: www.psba.pk, Fax: 021-32401279

PSBA/Notice-265 October 22, 2026

NOTICE FOR MEMBERS

DRAFT AMENDMENTS TO THE SECURITIES BROKERS (LICENSING AND OPERATION) REGULATIONS, 2016

This is in reference to the notification PSX/N-1291 dated October 22, 2026 (attached), whereby the comments have been invited by the PSX:

In this regard, the members are hereby requested to kindly submit your comments, if any, at psamail024@gmail.com latest by **October 30, 2025**, so that a consolidated response is submitted to the authorities for their consideration.

_____**Sd**_____
Akber Ali
Officer - Secretariat

Copy to:

1. PSBA Website

NOTICE

PSX/N-1291 **October 22, 2026**

INVITATION OF PUBLIC COMMENTS

DRAFT AMENDMENTS TO THE SECURITIES BROKERS (LICENSING AND OPERATION) REGULATIONS, 2016

This is to inform all market participants that the Securities and Exchange Commission of Pakistan ("SECP") vide S.R.O. 1863(I)/2026 dated 13th October, 2026 has notified draft amendments to the Securities Brokers (Licensing and Operations) Regulations, 2016 ("Brokers Regulations") for soliciting public comments and feedback.

Existing Regulation 16(7) of the Brokers Regulations permits non-executive directors and substantial shareholders of a broker to trade through another securities broker, subject to one-time prior written approval from the broker and meeting disclosure obligations.

After reviewing the recommendations from the Pakistan Stock Exchange Limited ("PSX") for easing reporting obligations on shareholders and other directors of a securities broker, SECP has proposed amendments to Regulation 16(7) of the Brokers Regulations, removing reporting to the PSX and exempting the requirements of said regulation for certain substantial shareholders.

The draft amendments are attached herewith as **Annexure A** and placed on the website of SECP at:

https://www.secp.gov.pk/document/sro-1863i-2026-notification-draft-amendments-in-the-securities-brokers-licensing-and-operations-regulations-2016/?wpdmdl=67861&refresh=6ad85dce18e3d1792564686

All market participants are invited to provide their feedback and comments through email at comments.rad@psx.com.pk latest by **November 04, 2026**.

AJEET KUMAR
Chief Regulatory Officer

Cc:

1. *The Divisional Head, (SMD), SECP*
2. *The Head of Department (PRDD, SMD), SECP*
3. *The CEO & Secretary General, PSBA*
4. *The Chief Executive Officer, PSX*
5. *The Chief Executive Officer, CDC*
6. *The Chief Executive Officer, NCCPL*
7. *The Chief Executive Officer, PMEX*
8. *The Chief Executive Officer, E-Clear*
9. *The Chief Executive Officer, IFMP*
10. *The Chief Executive Officer, MUFAP*
11. *The President and CEO, PICG*

Regulatory Affairs Division | UAN: **+9221-111-00-11-22** | E-MAIL: **info@psx.com.pk** | WEB: **www.psx.com.pk**

"ANNEXURE A"

DRAFT AMENDMENTS TO THE SECURITIES BROKERS (LICENSING AND OPERATIONS) REGULATIONS, 2016

Existing Regulations	Draft Amendments
16. Duties and obligations of a securities broker. –	**16. Duties and obligations of a securities broker. –**
(7) Shareholders and other directors of a securities broker shall be allowed to trade through another securities broker of the same securities exchange subject to the condition that the substantial shareholders and the directors fulfill the following requirements-	No Change
(a) a one-time prior written approval is obtained from the securities broker of which such person is a director or substantial shareholder and the said approval shall also be submitted to the securities exchange; and	No Change
(b) where any such director or substantial shareholder buys or sells securities and/or futures contracts based on securities through another securities broker of the same securities exchange, he/she shall notify in writing on the same day the following information to the company secretary of the securities broker of which he/she is a director or a substantial shareholder-	No Change
(i) name of the securities broker through which the transaction is carried out;	No Change
(ii) reason(s) for trading through another securities broker;	No Change
(iii) following details of the transaction-	No Change
(A) the date of transaction; (B) the price at which the transaction is executed; (C) type of security or instrument traded	

Existing Regulations	Draft Amendments
(D) number of securities or futures contracts for securities /units traded; (E) form of security i.e., physical or book-entry form in the central depository system; (F) nature of transaction i.e., on-exchange or off-exchange transaction;	
(iv) such director or the substantial shareholder shall also deliver a written record, along with a copy of the contract note issued by another securities broker, of the details mentioned under sub-clause (iii) to the company secretary within two days of effecting the transaction; and	(iv) such director or the substantial shareholder shall also deliver a written record, ~~along with a copy of the contract note issued by another securities broker~~, of the details mentioned under sub-clause (iii) to the company secretary within ~~two~~ **seven (7) working** days of effecting the transaction; and
(v) the company secretary shall immediately forward the above information to the securities exchange.	~~(v) the company secretary shall immediately forward the above information to the securities exchange.~~
[New Insertion]	**Provided that the requirement of clause 16(7) shall not be applicable to such substantial shareholder that is** **(i) a financial institution; or** **(ii) a parent securities broker having a wholly owned subsidiary providing Shariah compliant brokerage services.** **Explanation: For the purpose of this regulation, financial institution includes a banking company, a Development Financial Institution, a Non- Banking Financial Company, or an Insurance Company.**