



# 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

*Bilal Farooq Zardi*  
*Secretary General*

Ref: PSBA/P1220-01

December 18, 2020

**MR. FARRUKH KHAN**  
Managing Director  
Pakistan Stock Exchange Ltd  
Karachi.

Subject: **ELIGIBILITY CRITERIA FOR OBTAINING TRE CERTIFICATE**

Respected Sir,

Please refer to the amendments made recently in Securities Brokers (Licensing and Operations) Regulations, 2016, to give effect to New Brokers Regime. The amendments have introduced three categories for the Stock Brokers i.e. Trading Only, Trading & Self-Clearing and Trading and Clearing which have also revised the Financial Resources Requirements for all the three categories. We hope that the concept of the categories will expand the market outreach so as to encourage new participants to start brokerage business at reasonable preliminary and operational cost.

On the other side, Rule 4.4.2 of PSX Rule Book states that any person desirous of obtaining a TRE Certificate must have a minimum issued and paid-up capital of Rs. 50 million. It seems to be a barrier to entry for the new participants to start with the brokerage business.

In this regard, we request your office that the aforesaid rule may please be revisited for necessary amendments to coincide with the Financial Resources required in Brokers Regulations, 2016.

We thank you for your swift action as requested above.

Best regards,

Cc: **MR. SHAUZAB ALI** - Commissioner SMD - SECP  
**MR. ASIF IQBAL** - Director/HOD - PRDD SMD - SECP  
**MR. ABBAS MIRZA** - Acting CRO - PSX



## PAKISTAN STOCK EXCHANGE LIMITED

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UAN: 111-001-122 Fax: 32410825  
Website: www.psx.com.pk Email: info@psx.com.pk

Ref. No. PSX/ G-193

February 3, 2021

Mr. Bilal Farooq Zardi  
General Secretary  
Pakistan Stock Brokers' Association  
Mezzanine Floor, Trading Hall, Stock Exchange Building,  
Stock Exchange Road,  
Karachi.

Sub: **ELIGIBILITY CRITERIA FOR OBTAINING TRE CERTIFICATE**

Dear Sir,

Reference is made to your letter No.PSBA/P1220-01 dated December 18, 2020 on the subject requesting the clause 4.4.2 of PSX Regulations may please be revisited for necessary amendments to coincide with the Financial Resources requirements in Brokers Regulations, 2016.

Please note that the Exchange is already in process of reviewing its relevant regulations for possible alignment with the updated Securities Brokers (Licensing and Operations) Regulations, 2016.

Thank you.

Yours sincerely,

**Jawad H. Hashmi**  
General Manager - Trading & TREC Affairs

Copy to: -

- Chief Executive Officer - PSX
- Chief Operating Officer - PSX