

**Statutory Notifications (S. R. O.)**  
**GOVERNMENT OF PAKISTAN**  
**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

**NOTIFICATION**

*Islamabad, the 10<sup>th</sup> August, 2023*

**S.R.O.1063 (I)/2023.-** In exercise of the powers conferred under section 114 of the Futures Market Act, 2016 (XIV of 2016), the Securities and Exchange Commission of Pakistan is pleased to make the following amendments to the Futures Exchanges (Licensing and Operations) Regulations 2017, the same having been previously published vide S.R.O. 654(I)/2023 dated 1st June 2023 and were also placed on its website as required under sub-section (4) of said section 114, namely: -

**AMENDMENTS**

In the aforesaid Regulations, -

- (1) In regulation 10, in sub-regulation (1), for clause (g) and provisos the following shall be substituted, namely:-

“(g) he/she has served on the board for more than two terms from the date of his/her first appointment:

Provided that no individual shall serve as an independent director for more than three terms in total across all capital market infrastructure institutions i.e. securities exchanges, clearing houses, central depositories and futures exchanges:

Provided further that any person nominated as a director under sections 182 and 183 of the Ordinance shall not be considered as an "independent director" for the above-mentioned purposes:

Provided further that in case of any ambiguity in determining independence of a person for the purposes of these regulations, the decision of the Commission shall be final and binding upon the futures exchange.”; and

- (2) In regulation 11, for the sub-regulation (4), the following shall be substituted, namely:-

“The appointment of the chief executive officer shall be made for a period of three years, which may be renewed for one more term of three years, with the prior approval of the Commission:

Provided that a person may be appointed for third and final term of three years, based on exceptional performance that is substantiated by the board of directors through a rigorous review, subject to following a competitive hiring process and final review and approval by the Commission.”.

---

[No. SMD/SE/2(281)/2017]

  
( Bilal Rasul )  
Secretary to the Commission