

**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.1065 (I)/2023.**- In exercise of the powers conferred under section 169 of the Securities Act, 2015, the Securities and Exchange Commission of Pakistan is pleased to make the following amendments to the Clearing Houses (Licensing and Operations) Regulations, 2016, the same having been previously published *vide* S.R.O. 651(I)/2023 dated 1st June 2023 and were also placed on its website as required under sub-section (4) of said section 169, namely: -

**AMENDMENTS**

In the aforesaid Regulations, -

- (1) In regulation 9, in sub-regulation (1) for clause (g) and the 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 taken to be 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 clearing house.”; and

- (2) In regulation 10, 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