

**GOVERNMENT OF PAKISTAN**  
Securities and Exchange Commission of Pakistan

-:-:-

*Islamabad, the 22<sup>nd</sup> February, 2024*

**NOTIFICATION**

**S.R.O. 297 (I)/2024.**- In exercise of the powers conferred by sub-section (2) of section 282B of the Companies Ordinance, 1984 (XLVII of 1984), the Securities and Exchange Commission of Pakistan hereby makes the following amendments in the Non-Banking Finance Companies and Notified Entities Regulations, 2008, the same having been published in the official Gazette vide S.R.O. 936(I)/2022 dated June 22, 2022, namely: -

**AMENDMENTS**

In the aforesaid Regulations, -

- (1) in regulation 67F, in sub-regulation (2), in the proviso, for the full stop a colon shall be substituted and thereafter the following new proviso shall be inserted, namely: -

“Provided further that there shall be no sales load payable on employer pension funds.”;

- (2) in regulation 67G, -

- (a) in sub-regulation (1), -

- i. in clause (c), after the word “commodity” the term “cash settled” shall be inserted and after the expression “2.5”, “; and” shall be inserted;
- ii. after clause (c) as amended aforesaid, the following new clause shall be inserted, namely: -

“(d) Commodity (deliverable) fund upto 3%”;

- iii. after newly added clause (d) as aforesaid, the following proviso shall be inserted, namely: -

“Provided that in case of employer pension fund, the total expense ratio of a pension fund shall be as per the agreement between employer and pension fund manager and shall be disclosed in the offering document”;

- (b) in sub-regulation (3), after the expression “sub-regulations (2) and (3),” the expression “except clause (t) of Schedule XX” shall be added;

- (c) in sub-regulation (5), for the word “disclosure” the word “disclose” shall be

substituted and after the expression "pension funds," the expression "except employer pension funds," shall be added;

- (3) in regulation 671, in sub-regulation (2), after the expression "pension funds," the expression "except employer pension funds," shall be added;
- (4) in Schedule IX, in the heading, after the number "10" the words "and Rule 4(c) of VPS Rules 2005" shall be inserted;
- (5) in Schedule XIII, after entry at serial 8, the following new entry shall be inserted, namely: -

"9. Actuarial Valuation Report in case of Pension Annuity Fund containing at least the following information, namely: -

- (1) The basis on which actuarial data has been computed.
  - (2) Actuarial methodology.
  - (2) Mortality rates used as prescribed by the Pakistan Society of Actuaries.
  - (3) Morbidity rates used which are duly justified by the actuary.
  - (4) Valuation rates of interest used by actuary which rate shall be subject to review by the Pakistan Society of Actuaries from time to time and any other parameters, that are taken into account.;"
- (6) in Schedule XV, in serial 2, for the full stop at the end, the expressions " , except in the case of employer pension fund where date of start of public offer shall not be required." shall be substituted;
  - (7) after Schedule XV, the following new Schedule shall be inserted, namely:-

#### **"SCHEDULE XVI**

*[See Form III Clause 13 of VPS Rules, 2005]*

#### **MINIMUM CONTENTS OF THE AGREEMENT BETWEEN EMPLOYER AND PENSION FUND MANAGER**

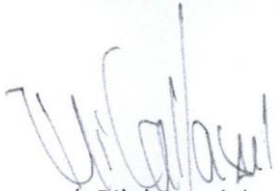
1. Name of the parties;
2. Introduction of the Pension Fund;
3. Seed capital to be invested/arranged;
4. Eligibility of employees to participate in the fund;
5. Contribution procedures;
6. Redemption procedures;
7. Benefits on retirements;
8. Names/designations of employer personnel/employer committee/employee representatives for liaising with the pension fund manager;
9. Rights of employer / employer committee / employee representatives to change

- Pension Fund Manager;
10. Events that may trigger change of pension fund manager;
  11. Modes of communication of instructions from the employer;
  12. Frequency and mode of notification of net asset value of the units of each sub-fund to employers / employees / employer committee / employee representatives;
  13. Performance measurement mechanism;
  14. Investment parameters;
  15. Allocation schemes;
  16. Remuneration of pension fund manager; and
  17. Confidentiality.

Any other terms and conditions the employers/employees/employee representatives/employer committee and the pension fund manager may include subject to the Companies Ordinance, 1984, the Companies Act, 2017, the Voluntary Pension System Rules, 2005, the Non-Banking Finance Companies and Notified Entities Regulations, 2008, circulars, guidelines and directives issued from time to time under the VPS Rules and any other law applicable in this regard.”.

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( Bilal Rasul )  
Secretary to the Commission