Corporate Notification Update Email # 29-2013



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN Specialized Companies Division Policy, Regulation and Development Department

No. PRDD/Circular/ 2013

June 11, 2013

12/06/2013

CIRCULAR NO. 9/2013

Subject: Categorization of Open-End Collective Investment Schemes

This is further to Circular No. 7 of 2009 dated March 6, 2009 and Circular No. 32 of 2012 dated October 18, 2012 on "Categorization of open-end Collective Investment Schemes. The Securities and Exchange Commission of Pakistan (the "Commission") in exercise of powers conferred under Section 282B (3) of the Companies Ordinance, 1984 read with Regulation 55 (2) and 58 (2) of the Non-Banking Finance Companies and Notified Entities Regulations, 2008 hereby makes the following amendments in the investment parameters as prescribed by circular No. 07 of 2009 of open-end schemes categorized as Balanced Scheme and Asset Allocation Scheme:--

- i. A Balanced Scheme and an Asset Allocation Scheme shall be eligible to invest in exchange traded commodity future contracts.
- ii. At least 10% of the net assets of an Asset Allocation Scheme and Balanced Scheme shall be invested at all times in cash and near cash instruments which include cash in bank accounts(excluding TDRs), treasury bills not exceeding 90 days maturity.
- iii. A Balanced Scheme may invest upto 60% of its net assets in exchange traded commodity future contracts.
- iv. Investment parameters and miscellaneous requirements (except clauses 1, 2 and 15) stipulated under Circular No. 32 of 2012 shall be applicable on the schemes to the extent of exposure in commodities future contracts.

All the other requirements stipulated under the circular No. 07 of 2009 will remain unchanged.

This Circular shall come into force with immediate effect.

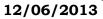
Zafar Abdullah) Commissioner (SCD)

Distribution:

- 1. Chief Executives, Asset Management Companies
- 2. Mutual Funds Association of Pakistan
- 3. Trustees of Collective Investment Schemes.

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Ref: Circular No. 08/2013

Karachi, June 11, 2013

Circular No. 10/2013

SHARING OF COSTS OF INSURANCE OMBUDSMAN'S SECRETARIAT BY INSURANCE / TAKAFUL COMPANIES

This refers to the Insurance Division's Circular No. 08 of 2013 dated May 22, 2013, whereby the Commission, in exercise of the powers conferred under sub-section 4 of Section 126 of the Insurance Ordinance, 2000 ("the Ordinance"), had determined the following formula for the purpose of sharing the costs of the Insurance Ombudsman's Secretariat for the <u>period</u> from 1 July 2013 to 30 June 2014 by the insurance and takaful companies:

"greatest of Rs.300,000 and Rs. 0.115 per mille of 2012's

- gross direct premium written or contribution received in Pakistan in case of insurance company or takaful operator, respectively"

2. Subsequently in this regard, the Commission received a letter from the Federal Insurance Ombudsman's Secretariat, bearing reference no. 4-SECP/FIO/Admn/Ins/Omb/2013 dated June 3, 2013, whereby the Secretariat had informed the Commission that the expenditure of the Secretariat of all the Federal Ombudsmen shall be charged to the Federal Consolidated Fund, as provided in the recently enacted Federal Ombudsmen Institutional Reforms Act, 2013 (ACT NO. XIV OF 2013).

3. However, in order to meet the shortfall in the budget for the year 2012 – 2013, the Commission is pleased to direct all insurers and takaful operators to deposit exactly 10 percent of the amount calculated as per the formula determined vide Circular No. 08 of 2013 dated May 22, 2013, which will now turn out to be:

Contd ... 2

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Office # 05, Ground Floor, Arshad Mansion, Near Chowk A.G Office, Nabha Road Lahore.Ph. 042-37350473 Cell # 0300-8848226 "greatest of Rs.30,000 and Rs. 0.0115 per mille of 2012's

- gross direct premium written or contribution received in Pakistan in case of insurance company or takaful operator, respectively"

4. Please note that the calculation of costs sharing should be on the basis of the gross direct premium written relating to the period from 1 January 2012 to 31 December 2012.

5. All insurers and takaful operators (registered up to the date of issuance of this Circular) are advised to ensure that their remaining share of the Insurance Ombudsman's Secretariat costs for the period from 1 July 2012 to 30 June 2013 is directly deposited in the Federal Insurance Ombudsman's bank account no. 0311363031000153, maintained at MCB Bank Limited, Main Branch, Adamjee House, I. I. Chundrigar Road, Karachi **on or before 20 June 2013**, positively and the evidence of the deposit should be submitted to the Insurance Division, Karachi.

6. However, those insurance and takaful operators which have already paid their respective share of the cost of the Federal Insurance Ombudsman's Secretariat for the year 2013 - 2014, in pursuance of the Circular No. 08 of 2013, may approach the said Secretariat for refund of 90 percent of the amount deposited by them.

Muhammad Asif Arif Commissioner (Insurance)

Distribution

- CEO's of all insurance/ takaful companies
- Chairman, State Life Insurance Corporation
- Chairman, National Insurance Company Limited
- Chairman, Insurance Association of Pakistan
- Secretary, Ministry of Commerce
- Federal Insurance Ombudsman

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