



Circular No.: PMEX/MKT, BD&CS/2014/13

March 10, 2014

PMEX Risk Management

As an Exchange it is our responsibility to ensure that we have deployed an appropriate Risk Management framework without compromising on the efficiency of our client's business practices.

In the same spirit to facilitate brokers and their clients, PMEX currently takes into account the excess margin amount of a client towards the clearing deposit requirement of the broker arising out of that client's open interest. Please note that for this consideration to remain applicable, you are now required to obtain written consent/authority from your respective clients. Also, note that the authority letter will be limited and restricted to the extent of the open position(s) of respective client with the Broker.

A specimen authority letter is attached with this circular for your reference which must be available for the purposes of PMEX and/or auditors at all times. Please ensure to obtain the required letter from your clients latest by March 31, 2014 as the Exchange may only allow transactions where such consent/authority is available from April 01, 2014 onwards

For further information and assistance, please feel free to contact our Customer Support Services by Phone on: 021-35644991– 5 (5 Lines); or by email at: support@pmex.com.pk.

Best regards,

Nauman Lakhani
Head of Marketing, Business Development &
Customer Support Services

Pakistan Mercantile Exchange Ltd.,

9th Floor, PRC Towers, 32-A, Lalazar Drive, M.T. Khan Road, Karachi. UAN: 92.21 111 623 623, 99210650 Fax: 92.21 35611263
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Specimen Authority Letter

TO WHOM IT MAY CONCERN

I, _____ (name of Person) S/o/D/o. _____ holding CNIC No. _____ Resident of _____ maintaining brokerage trading account with M/s. _____ (name of Broker) for dealing/trading in Commodity Futures Contracts registered with Pakistan Mercantile Exchange Limited vide TRD _____. I with my own free will and consent hereby authorize my Broker to use my excess funds lying in margin account against Clearing Deposit requirements under Chapter 13 of General Regulations 2007. This authority letter for granting power to Broker for usage of funds is limited and restricted to the extent of my open position(s) with the Broker. The Broker is not authorized to use my funds for its own proprietary trade(s) or on account of fulfilling obligations of other traders.

Unless otherwise revoked in writing, this authorization shall remain valid consistently.

(Name _____)
S/d.

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