



Securities & Exchange Commission of Pakistan
Specialized Companies Division
Policy, Regulations and Development Department

No. SCD/PW/IP(R-24)

November 26 2012

CIRCULAR NO. 36 OF 2012

Subject: Amendment in Circular 36 of 2009 dated December 10, 2009 - Investment and Allocation Policies for Pension Funds Authorized Under the Voluntary Pension System Rules, 2005.

1. The Circular No. 36 of 2009 dated December 10, 2009 is hereby amended as follows:-
 - 1) Para 15 on page 3 shall be omitted;
 - 2) Clause (e) on page 4, under the heading "Equity Sub-fund" shall read as under:-

"Investment in equity securities of any single company shall not exceed ten percent (10%) of net assets of an Equity Sub-fund or paid-up capital of that single company, whichever is lower."
 - 3) Clause (f) on page 4, under the heading "Equity Sub-fund" shall read as under:-

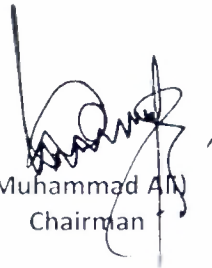
"Investment in securities issued by companies of any one sector (sector shall be same as classified by Karachi Stock Exchange) shall not exceed thirty percent (30%) or the index weight, whichever is higher, subject to maximum of thirty five percent (35%) of the net assets of an Equity Sub-fund."
 - 4) In clause (h) on page 5, after the word "within" and before the word "months", the word "three" shall be substituted with the word "six".
2. The Circular No. 3 of 2011 dated January 20, 2011 is hereby withdrawn, however, the following clauses of the afore-mentioned Circular shall remain in effect:-
 - 1) Clause (a) on page 7, under the heading "Money Market Sub-fund" shall read as under:-

"The weighted average time to maturity of assets of a Money Market Sub-fund shall not exceed ninety (90) days, except for assets of Shariah compliant Money Market Sub-fund, where time to maturity may be upto one year."

- 2) Clause (b) on page 7, under the heading "Money Market Sub-fund" shall read as under:

"Time to maturity of any security in the portfolio of Money Market Sub-fund shall not exceed six (6) months, except in the case of a Shariah compliant Money Market Sub-fund, where the time to maturity of Shariah compliant Government securities such as Government Ijarah Sukuks may be upto three (3) years."

3. This Circular shall come into force with immediate effect.



(Muhammad Ali)
Chairman

Distribution:

- i. Chief Executive, all Pension Fund Managers
- ii. Trustees of Pension Funds
- iii. Mutual Fund Association of Pakistan