

PSX/N-1291

December 22, 2022

## ARBITRATION - A PLATFORM PROVIDED BY PSX FOR EFFICIENT RESOLUTION OF DISPUTES BETWEEN CUSTOMERS AND SECURITIES BROKERS

Pakistan Stock Exchange Limited (PSX) is issuing this Investor Bulletin to inform investors that under PSX Regulations, the trade related disputes of the customers with their securities brokers can be resolved through the arbitration platform provided by PSX.

### Who shall be arbitrating my dispute?

An independent panel of arbitrators; comprising of industry experts, senior management staff of PSX and a TRE Certificate Holder in the capacity of Advisor, shall hear and decide the dispute and issue their decision in the form of an Arbitration Award within 90 days from the date of filing an application for arbitration complete in all respects.

### Who are industry experts?

Industry experts are the independent adjudicators that include advocates, professional accountants or other persons having knowledge or experience in the field of law, trade, commerce, industry, arbitration, securities market or the fields ancillary to the stock market.

### Which type of disputes can be referred for arbitration?

Any trade related dispute of customers with their securities brokers that arises in connection with any trade / transaction or subscription of securities offered through IPO, etc. which are not settled amicably, can be referred for arbitration by filing an application to the Regulatory Affairs Division (RAD), supported by relevant documentary evidences.

### Who can file application for arbitration?

Any party to the dispute; either the customers alleging mismanagement in their accounts or the securities brokers for recovery of debit amounts may file application for arbitration by depositing the prescribed fee and relevant documents. Subsequent to the announcement of Award, any party aggrieved with the decision of the arbitrator(s) also has the right to file an appeal against the Arbitration Award.

### How the arbitrators are selected in panel?

Upon receipt of application for arbitration for dispute over PKR 500,000, a TRE Certificate Holder in the capacity of Advisor and two industry experts are selected through the process of balloting, performed in presence of the parties in dispute. Whereas, the senior management staff is selected through nomination by the senior management of PSX.



**Arbitration** is a process of dispute resolution where a customer can settle their broker-dealer disagreement efficiently outside the Court.

## HOW TO APPLY:

In case of any trade related dispute, which is not settled amicably between the customer and the securities broker, any party to the dispute may file application for arbitration by addressing the **Chief Regulatory Officer** of PSX through any of the following modes:

- 1. Mailing Address:**  
PAKISTAN STOCK  
EXCHANGE LIMITED  
(PSX), Regulatory Affairs  
Division, 2nd Floor, Stock  
Exchange Building, Stock  
Exchange Road, Karachi -  
74000, Pakistan.
- 2. E-mail Address:**  
[investor.complaints@psx.com.pk](mailto:investor.complaints@psx.com.pk)

## For seeking any information please contact:

021-35274565-6 and/ or  
021-32471627

## How many arbitrators shall hear and decide the dispute?

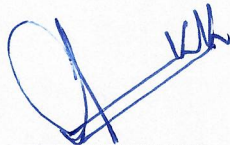
The number of arbitrators to hear and decide the dispute depends upon the disputed amount. Where the complaint is above PKR 500,000 the dispute shall be referred to the panel of arbitrators otherwise to the sole arbitrator.

The composition of sub-panel of arbitrators shall be four; comprising of two industry experts, one senior management staff of PSX and an Advisor. Whereas, one industry expert shall hear and decide the dispute as sole arbitrator.

## What if I am dissatisfied with the decision of arbitrator(s)?

Any party dissatisfied with the decision of the arbitrator(s) may file an appeal to the Chief Regulatory Officer (CRO) of PSX, within 15 working days from the receipt of the Award. The application shall be heard and decided by the Appellate Panel within 45 days of its receipt.

The Appellate Panel comprises of 05 arbitrators; including the industry experts and senior management staff of PSX and shall not include the arbitrator(s) who heard and decided the arbitration award against which the appeal is being made.



**AJEET KUMAR**  
Chief Regulatory Officer

## Cc:

1. The HOD, PRDD, (SMD), SECP
2. The Chief Executive Officer, PSX
3. The Chief Executive Officer, CDC
4. The Chief Executive Officer, NCCPL
5. The Chief Executive Officer, PMEX
6. The Chief Executive Officer, IFMP
7. All Heads of Departments, PSX
8. The Regional Heads-ISB & LHR, PSX
9. All Securities Brokers
10. PSX Website