

Date: September 22, 2025

## PSX RESPONSE PAPER

[With reference to PSX Notice No. PSX/N-689 dated July 04, 2023]

### Proposed amendments to PSX Regulations in relation to adoption of apostille convention and abolishment of requirement of legalization of foreign public document

#### 1. INTRODUCTION:

- 1.1 PSX publishes 'Response Paper' on its website after close of consultation process on proposed amendments to PSX Regulations. The Response Paper sets out PSX's response to the comments received on the proposed regulatory amendments.
- 1.2 PSX vide notice No. PSX/N-689 dated July 04, 2023 invited public to submit their comments and feedback on the proposed amendments to PSX Regulations in relation to adoption of apostille convention and abolishment of the requirement of legalization of foreign public document amongst another regulatory matter, latest by July 12, 2023. Readers may peruse such notice by clicking the following link:  
<https://www.psx.com.pk/psx/resources-and-tools/listings/public-comments>
- 1.3 PSX received comments from 2 respondents, out of which 1 requested confidentiality. PSX is thankful to the respondents for submitting comments. Following are the respondents who consented to reveal their identity along with comments:

S. #	RESPONDENT'S NAME	DESIGNATION	COMPANY
I	Mr. Akber Ali	Officer/Secretariat	Pakistan Stock Brokers Association (PSBA)

- 1.4 Comments received along with responses of PSX are mentioned below:

S. #	COMMENTS	RESPONSES OF PSX
<b>(I) COMMENTS BY MR. AKBER ALI (PSBA)</b>		
1	We have no specific comments regarding the proposed amendments at this time.	PSX has noted this comment.
2(a)	We would like to seek clarification on certain aspects. In particular, we would like to know the validity period of the certificate mentioned in the proposed Regulations.	Based on research conducted, PSX would like to reproduce the following extracts that may be useful in addressing the query of PSBA:  <b><i>Apostille.biz:</i></b> <i>Apostilles do not have a use by date and they do not expire. However, you may find that some countries request that apostille is no more than 3, 6, or 12 months old. This is not determined by</i>

		<p><i>the Hague Convention or stated in law and an apostille may well be accepted for many years after issue. (<a href="#">Link 1</a>)</i></p> <p>Relevant references from the <a href="#">Apostille Handbook</a>:</p> <p>28 <i>A validly issued Apostille has effect for as long as it is identifiable and remains attached to the underlying public document. Accordingly, an Apostille may not be rejected solely on the basis of its age. However, this does not prevent authorities in the State of destination, on the basis of their domestic law or policy, from establishing time limits on the acceptance of the underlying public document.</i></p> <p>306 <i>An Apostille may not be rejected on the basis of its age. Under the Convention, the effect of an Apostille does not expire. However, this does not prevent authorities in the State of destination from rejecting the underlying public document due to its age on the basis of domestic law or policy.</i></p> <p>335 <i>As Apostilles do not have an expiration date, e-Apostilles continue to be valid even after the digital certificate of the person signing the e-Apostille expires, provided that the digital certificate was valid when the e-Apostille was issued.</i></p> <p><b>Disclaimer:</b> <i>The above research has been furnished solely for the information purpose based on the research conducted by PSX and must not be reproduced or redistributed anywhere, nor should be used as a base for any claim, demand or cause of action and PSX shall not be responsible for any loss incurred due to the above.</i></p>
2(b)	Additionally, we kindly request information on the due process that will be followed to verify the authenticity of said certificate. These	Based on research conducted, PSX would like to reproduce the following extracts that may be useful in addressing the query of PSBA:

	<p>details would greatly assist us in understanding the practical implementation of the Regulations.</p>	<p>Relevant references from the <a href="#">Apostille Handbook</a>:</p> <p><i>Glossary:</i>  <i>Authentication (of a public document):</i>  <i>The certificate itself carries the authenticity of the origin of a document. The issuance of an Apostille is a type of authentication used between Contracting Parties to the Apostille Convention to certify the origin of a public document to be used abroad.</i></p> <p>13  <i>The Apostille, issued by a designated authority (the Competent Authority), certifies the authenticity of the signature, the capacity in which the person signing the document has acted and, where appropriate, the identity of the seal or stamp which it bears. By introducing this simplified process, the Convention reduces the costs and timeframes associated with document authentication and facilitates the use of public documents abroad.</i></p> <p>22  <i>The effect of an Apostille is limited, certifying only the authenticity of the origin of the underlying public document. It does so by certifying the authenticity of the signature on the document, the capacity in which the person signing the document acted and, where appropriate, the identity of the seal or stamp which the document bears.</i></p> <p><b>Disclaimer:</b> <i>The above research has been furnished solely for the information purpose based on the research conducted by PSX and must not be reproduced or redistributed anywhere, nor should be used as a base for any claim, demand or cause of action and PSX shall not be responsible for any loss incurred due to the above.</i></p>
3 (a)	We welcome the proposed amendment.	PSX has noted this comment.
3 (b)	In addition to the above, we would like to draw your attention to an issue that is of concern to our member's	This comment is not related to the matters notified by PSX for seeking comments. However, PSX has noted this recommendation.

	<p>community. It pertains to the requirement of intimation to clients regarding any change in brokerage commission. Currently, the Regulation requires a 30-day notice period in advance of any increase. However, we recommend revisiting this requirement and reducing the notice period to seven days or the client's confirmation, whichever comes first. We believe that a shorter notice period or client confirmation would better align with market dynamics and participants' needs.</p> <p>We kindly request your attention to this matter and would appreciate the opportunity to further discuss the proposal with you, if deemed appropriate.</p> <p>Once again, we extend our gratitude for considering our comments and feedback on the proposed amendments. We value your regulatory expertise and commitment to promoting a transparent and efficient Capital Market.</p>	
<b>(II) COMMENTS FROM RESPONDENT WHO OPTED TO KEEP THEIR IDENTITY CONFIDENTIAL</b>		
2	<p>In order to facilitate the customer, we suggest that the following changes shall be incorporated in the propose note of Customer Relationship Form:</p> <p>Note: Non-resident/ foreigners shall submit the documents <a href="#">along with Apostille or</a> duly attested by either notary public or Consul General of Pakistan having jurisdiction over the Applicant(s).</p> <p><del>Provided that non-resident/foreigner belonging to the country or state which has acceded to the Convention of 5 October 1961 Abolishing the Requirement of Legalisation for</del></p>	<p>PSX is of the view that providing coverage through proviso in CRF is better approach than adjusting it within the main clause on account of the fact that the former approach is elaborative and provides clarity to the brokers as well as customers, particularly foreign customers.</p>

<p><del>Foreign Public Documents (Apostille Convention) shall be required to submit the Apostille issued by the Competent Authority under the Apostille Convention.</del></p>	
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**2. IMPLEMENTATION OF APPROVED AMENDMENTS:**

The proposed amendments have taken effect from **October 04, 2023**.