

Reproduced hereunder contents of fax received from Securities and Exchange Commission of Pakistan on January 06, 2005 received today at 05:17 p.m., for information of members of the Exchange.

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**SECURITIES & EXCHANGE COMMISSION OF PAKISTAN**  
NIC Building, Jinnah Avenue, Islamabad  
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No.1(6)CDC/POL/1997

6 January 2005

Mr. Muhammad Hanif Jakhura  
Chief Executive Officer  
Central Depository Company of Pakistan Limited  
Karachi Stock Exchange Building  
Stock Exchange Road,  
Karachi

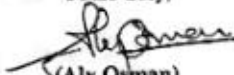
Subject: PROHIBITION ON USE OF GROUP ACCOUNT BY CDS PARTICIPANTS

Dear Sir,

I am directed to state that in order to prohibit unfair trade practices, to prevent misuse in the handling of book entry securities owned beneficially by the investors and maintained by the participants in the Group Account of central depository system, to inculcate good governance in the business conduct, to promote transparency and for investor protection in securities market and in the public interest, the Securities and Exchange Commission of Pakistan pursuant to Section 20 of the Securities and Exchange Ordinance, 1969 read with Rule 12 of the Brokers and Agents Registration Rules, 2001 and clause (g) of sub Section (6) of Section 20 of the Securities and Exchange Commission of Pakistan Act, 1997 is pleased to direct the following:

- i. No book entry securities shall be permitted to be entered by any person in the Group Account from the date of issuance of this directive.
- ii. Existing book-entry securities in the Group Accounts shall be transferred out of the group accounts by the participants only with due authorization in accordance with the requirements of law, no later than March 31, 2005.
- iii. The Central Depository Company will disable Group Account functionality after 31<sup>st</sup> March, 2005

Yours truly,

  
(Aly Osman)  
Joint Director (SE)

Copy for information and necessary action to:

1. Managing Director, Karachi Stock Exchange, Karachi
2. Managing Director, Lahore Stock Exchange, Lahore
3. Managing Director, Islamabad Stock Exchange, Islamabad.