



NOTICE FOR ALL MEMBERS

PHASING OUT OF COT WITH MARGIN FINANCING

The Governing Board of Directors of the Exchange, in its meeting held on June 14, 2005, has revised the earlier Notice No.KSE/N-3725 dated June 8, 2005, on the above subject, as given under:

Keeping in view the queries from the brokerage houses regarding methodology of weekly gradual reduction of COT positions by members, an illustration is enclosed herewith to elaborate the reduction process for the convenience. Accordingly, members cannot exceed their position from the limit in each scrip to be determined on the weekly basis considering their outstanding position as of June 7, 2005.

In view of the above, members are requested to monitor their respective COT positions on regular basis and ensure compliance with the same all the time. Further, the Exchange shall also monitor scrip-wise outstanding positions of all members individually on weekly basis and in case of non-compliance, necessary action will be initiated accordingly.

All members are requested to kindly note the same.

MUHAMMAD GHUFRAN
Manager

- Copy to:**
1. **The Commissioner (SM), Securities and Exchange Commission of Pakistan**
 2. **The Managing Director, Lahore Stock Exchange (Guarantee) Limited**
 3. **The Managing Director, Islamabad Stock Exchange (Guarantee) Limited**
 4. **The Chief Executive, Central Depository Company of Pakistan Limited**
 5. **The Chief Executive, National Clearing Company of Pakistan Limited**
 6. **Notice Board for all Members**