



NOTICE FOR ALL MEMBERS

The Governing Board of Directors of the Exchange in its meeting held on July 16, 2005 reviewed the SECP directive dated July 9, 2005 circulated vide KSE notice no. KSE/N 4060 dated July 10, 2005 to cap the COT value at Rs. 12 billion in the scrips, D.G.K.Cement, Hub Power, National Bank, Oil & Gas Dev, Pak Oilfields, P.S.O and P.T.C.L

The Board has approved the following procedure which shall be effective from today.

1. System shall freeze the total outstanding COT positions to Rs. 12 billion irrespective of individual scrip
2. In order to arrive at allowable value on daily basis, after the COT release session, system shall take the COT unreleased value and minus it from Rs. 12 billion.
3. The system will allow the execution of value arrived in step 2 on first come first basis, however, during the Pre-Open session system shall match orders on the basis of equal allocation.
4. Since the system shall work on first come first basis during the continuous trading session, therefore, in order to provide level playing field to all the market participants the "Cross Priority over Queue within the same house" functionality of trading system shall be revoked.

In the same context, the IT Division of the Exchange has made necessary changes in the KATS to suspend the COT market when the aggregate of unreleased and open market COT executed values reaches to the limit of Rs. 12 billion.

In order to test the above changes, the IT Division of the Exchange has arranged a mock session today as per following schedule:

Mock COT Market Pre-open:	3:55pm.
Mock COT Market Open	4:00pm.