



KSE/N - 7680

November 15, 2006

NOTICE FOR ALL MEMBERS
SPECIAL SESSION FOR CONVERSION OF IN-HOUSE BADLA TO
CONTINUOUS FUNDING SYSTEM (CFS)

As already notified through the Press Release of SECP dated November 02, 2006, the Management has decided to arrange a Special Session for conversion of In-house Badla to CFS through automated interface on Saturday November 18, 2006 from 10.00 a.m. to 2.00 p.m.

The conversion of In-house Badla to CFS as agreed with SECP, shall be subject to following conditions/parameters:

1. This facility will only be available in 71 CFS eligible scrips already notified
2. Second ticket sell/buy will be entered by Members
3. Shares must be placed in Blocked Account.
4. The existing risk management measures shall be applicable for conversion process
5. Cap on Premium rate will apply as already notified
6. For the purpose of conversion, Capital Adequacy and Pre-trade verification of margins and Ready market purchase requirement will not apply. However, any shortfall in the capital Adequacy of Members due to conversion shall be brought within current prescribed limits latest by November 30, 2006
7. Those Members who are availing this facility through the Special Session are required to furnish the following details in advance in respect of In-house badla as on November 13, 2006, before hand:
 - (i). Symbol
 - (ii). Quantity
 - (iii). Client Name & Identification Number for both Financier and Finanee
 - (iv). Rate of Premium

All the Members are requested to note the above.


ABDUL RAZZAK ALI MUHAMMAD
Deputy Chief Manager (C&S)

- CC to:
01. The Executive Director (SM), Securities & Exchange Commission of Pakistan
 02. The Managing Director, Lahore Stock Exchange (Guarantee) Limited
 03. The Managing Director, Islamabad Stock Exchange (Guarantee) Limited
 04. The Chief Executive, Central Depository Company of Pakistan Limited
 05. The Chief Executive, National Clearing Company of Pakistan Limited
 06. The Chief, IT Division-KSE
 07. Trading & Members Affairs Department
 08. Market Control & Surveillance Department-KSE
 09. Notice Board
 10. KSE Website