



NOTICE FOR ALL MEMBERS


**ELIGIBILITY CRITERIA OF SECURITIES FOR TRADING IN CASH SETTLED
FUTURES CONTRACT (CSFC) MARKET**

The Securities & Exchange Commission of Pakistan has approved the following new Eligibility Criteria for the selection of scrips in Cash Settled Futures Contract Market. The Board of Directors has already approved the same.

1. Companies that have average daily impact cost of less than 1%, based on daily Impact Cost on an order size of Rs. 500,000, during the review period.
2. Companies that have traded on more than 90% of the trading days during the last three months of review period.
3. Companies having average daily turnover of more than 250,000 shares during the review period.
4. Companies that have market price above par in at least 50% of the review period.
5. Companies that have free float of more than 20% of issued capital or 45 million free float shares.
6. Operating profit before tax in each of the last two years of operations.
7. Securities of Asset Management Companies, Mutual Funds and Brokerage Houses shall not be eligible.
8. Companies that do not have negative opinion in Auditor's report on the Companies Financial Statements (last audited report).
9. Companies that are not subject to any investigation by any regulatory body.
10. Companies not on the defaulter counter and have no pending inquiry against them by the authorities.
11. Free Float of the company must be in dematerialized form on CDS.

Contract for February 2009 shall be open in the newly approved eligible securities, the schedule of which is being separately notified.

Members are requested to note the above.


Abdul Razzak Ali Muhammad
DGM - Clearing & Settlement

- Copy to:**
01. The Executive Director (SM), Securities & Exchange Commission of Pakistan, Karachi & Islamabad
 02. The Managing Director, Lahore Stock Exchange, Lahore
 03. The Chief Executive, Central Depository Co. of Pakistan Ltd, Karachi
 04. The Chief Executive, National Clearing Company of Pakistan Limited
 05. The Secretary, Islamabad Stock Exchange, Islamabad
 06. The GM, I.T. Division, KSE
 07. Deputy General Manager, Delivery & Settlement Department, KSE
 08. Deputy General Manager, Trading Affairs Department, KSE
 09. Deputy General Manager, Market Control & Surveillance Department, KSE
 10. Company concerned
 11. Notice Board for all Members
 12. Website of the Exchange