

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-6387

N O T I C E

November 02, 2009

Reproduced hereunder Circular regarding Detailed Procedures for Induction of Unpaid Right into Central Depository System received from **CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED** for information of all concerned.

(Copy of the same is also available on our Website www.kse.com.pk).

**Circular**

To: All CDS Issuers / Registrars / Transfer Agents

CC: Commissioner (SMD), The Securities and Exchange Commission of Pakistan
 Managing Director, The Karachi Stock Exchange (Guarantee) Ltd.
 Managing Director, Lahore Stock Exchange (Guarantee) Ltd.
 Managing Director, Islamabad Stock Exchange (Guarantee) Ltd.
 Chief Executive Officer, National Clearing Company of Pakistan Ltd.

From: Aftab Diwan
 Chief Operating Officer

Date: October 29, 2009

Subject: **Implementation of induction of Unpaid Rights into Central Depository System**

Since its inception, Central Depository Company of Pakistan Limited (CDCPL) has been continuously striving to bring efficiency in the Capital Market mechanism. The introduction of induction of Unpaid Rights into Central Depository System (CDS) is another such effort towards bringing efficiency in the market.

In this regard, we are pleased to inform you that necessary amendments in CDCPL Regulations related to induction of Unpaid Rights into CDS have been published in the official Gazette of Pakistan. Moreover, necessary developments in the CDS as well as training to the CDS Elements (including Registrars / Transfer Agents) have been concluded based on the approved procedures for induction of Unpaid Rights into CDS.

The salient features of the procedures for induction of Unpaid Rights into CDS are as follows:

- Instant credit of Unpaid Rights in book entry form in respective CDS accounts.
- Elimination of printing, dispatching, verification and renunciation of Unpaid Rights.
- Settlement of Unpaid Rights into book entry form, replacing the existing cumbersome manual process.
- Efficient subscription process as a single piece of paper can be used for subscription.