

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED

KSE/N-4260

NOTICE

August 13, 2010

Reproduced hereunder letter No. SMD/SE/2(172)/2008 dated August 13, 2010 received from SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN, Securities Market Division, for information of all concerned.

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



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
(Securities Market Division)

No. SMD/SE/2(172)/2008

August 13, 2010

Mr. Mohammad Hanif Jakhura
Chief Executive Officer,
Central Depository Company of Pakistan Limited,
CDC House, 99-B, Block B,
S.M.C.H.S., Main Shakra-e-Faisal,
Karachi.

Subject: Directive under Rule 7 of the Central Depository Companies (Establishment and Regulation) Rules, 1996

Dear Sir,

WHEREAS, the Securities and Exchange Commission of Pakistan (SECP) through its letter No.SMD/SE/2(172)2008 dated August 13, 2010 has ordered suspension of trading in the shares of various listed companies which are presently in violation/ non-compliance of the Listing Regulations of the stock exchanges or laws administered by the SECP (copy enclosed).

AND WHEREAS, it has been observed that for companies in which trading in shares is suspended at the stock exchanges, all valid transactions/ transfers, excluding only valid deposit transactions, are allowed at the Central Depository Company of Pakistan Limited (CDC). Accordingly, while transfer/ pledge of such securities is permitted through the CDC, there is no restriction on any new shareholders purchasing shares of such suspended companies through off-market transactions.

AND WHEREAS, in order to provide fair treatment to all shareholders, whether existing or prospective, the Commission in its 2nd Meeting of 2010 has approved the following policy to be implemented in case of orders for suspension of trading in shares of a company by the SECP or the stock exchange(s):

"A suspension in the trading of the company should also restrict all valid transactions/transfers of book entry securities on the CDC including valid withdrawal / deposit transactions, transfer of shares in physical form as well as restriction on trading in off-market."

NOW THEREFORE, the SECP in the public interest, for the protection of investors and in order to enhance integrity and transparency of the Pakistani capital markets, in exercise of its powers under Rule 7 of the Central Depository Companies (Establishment and Regulation) Rules, 1996 hereby directs the Central Depository Company of Pakistan Limited to restrict, with effect from August 16, 2010 and till any further orders, all valid transactions/transfers of book-entry securities including valid withdrawal / deposit transactions for the companies in which trading of shares is suspended at all the stock exchange(s) on which the company is listed (List attached as Annexure 'A').

It may be noted that this policy shall be applicable for all future cases of suspension of trading in shares of listed companies entailing the aforesaid scenario of violations(s)/

Signature