



**SECURITIES & EXCHANGE COMMISSION OF PAKISTAN**  
(Securities Market Division)

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Regulations which in turn is violation of Code of Conduct set fourth under the third schedule of Brokers Rules ("Code of Conduct") that makes it mandatory on the Respondent to execute its business with due care and skill and to put in place proper systems and controls to ensure that its business is conducted according to the applicable Rules and Regulations. The placing of sale orders and then squaring it without having pre-existing interest clearly shows that the Respondent has failed to conduct its business with due diligence, care and has interfered in smooth and fair functioning of the market. Therefore, keeping in view the aforementioned, it is evident to me that the Respondent has violated Clause A2 and A5 of the Code of Conduct of the Brokers Rules which in turn is a violation of Brokers Rules.

9. The violation of the Rules and Regulations is a serious matter which entitles the Commission to even suspend the Respondent's membership but I have elected not to exercise this power at present. However, in exercise of the powers under Section 22 of the Ordinance, I hereby impose on the Respondent a penalty of Rs. 600,000 (Rupees Six Hundred Thousand only). I strongly advice the Respondent to take immediate measures and put in place proper checks and procedures to eliminate the occurrence of such instances in future. I also direct the Respondent to ensure that full compliance be made of all rules, regulations and directives of the Commission in the future for avoiding any punitive action under the law. .
10. The matter is disposed of in the above manner and the Respondent is directed to deposit the fine in the account of the Commission being maintained in the designated branches of MCB Bank Limited not later than thirty (30) days from the date of this Order and furnish the copy of the deposit challan to the undersigned.

**Imran Inayat Butt**  
Director (SM)

Announced on November 05, 2009  
Islamabad.