

**SECURITIES & EXCHANGE COMMISSION OF PAKISTAN**

(Securities Market Division)

Market Supervision and Capital Issue Department

Before The Director / HOD (MSCID)**In the matter of Show Cause Notice issued to****HH Misbah Securities (Pvt.) Limited, Member Karachi Stock Exchange Limited***Date of Hearing:**August 27, 2012**Present at the Hearing:**Representing HH Misbah Securities (Pvt.) Limited**Mr. Abdul Wahab**Director**Assisting the Director (SMD)**Mr. Muhammad Ali**Deputy Director***ORDER**

1. This order shall dispose of the proceedings initiated through Show Cause Notice bearing No. 1(07) BS/KSE/MSW/SMD/2011 dated July 19, 2012 ("SCN") issued to HH Misbah Securities (Pvt.) Limited ("Respondent"), corporate member of the Karachi Stock Exchange Limited ("KSE") by the Securities and Exchange Commission of Pakistan ("Commission") under Section 22 of the Securities and Exchange Ordinance, 1969 ("Ordinance") and Rule 8 of the Brokers and Agents Registration Rules, 2001 ("Brokers Rules").

2. The brief facts of the case are that the Respondent is registered with the Commission under the Brokers Rules. On perusal of the trading data of the KSE for the month of April and May 2012, it was noted that the Respondent's inter exchange client namely Azeem Chaudhry ("Client") having client code "LS114//985" engaged in selling and then squaring up his positions in different scrips.

3. During the month of April 2012, the Client first sold and then squared up positions in the scrips of Arif Habib Corporation Limited ("AHCL"), Askari Bank Limited ("AKBL"), Azgard Nine Limited ("ANL"), Bank Al-Falah Limited ("BAFL"), Dewan Cement Limited ("DCL"), Engro Polymer & Chemicals Limited ("EPCL"), Fatima Fertilizer Company Limited ("FATIMA"), Fauji Fertilizer Bin Qasim Limited ("FFBL"), JS Bank Limited