



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
(Securities Market Division)

No. MISC/MSW/SMD/1(5)/2004//1477

July 8, 2011

The Chief Executive,
Jamshaid & Hasan Securities (Pvt.) Ltd.,
Room No.117,118,
Stock Exchange Building,
19-Khayaban-e-Aiwan-e-Iqbal,
Lahore.

Subject: Evidence of Pre-Existing Interest

Dear Sir,

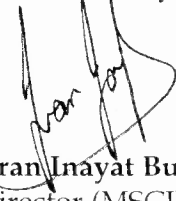
This is with reference to your letter dated June 21, 2011 in response to our letter of even number dated June 20, 2011 on the subject noted above. In your aforesaid reply, you have linked the subject non-compliance with the client's mistake.

2. In this regard, Commission asserts that merely acknowledging and regretting a mistake does not absolve a violator from the adverse consequences of the subject violation.

3. Please note that Code of Conduct set forth under the third schedule of the Brokers and Agents Registration Rules, 2001 ("the Rules"), makes it binding on the brokers of the exchanges to conduct their business with due diligence, care and skill failing which appropriate action can be taken against the broker under Rule 8 (a) and (b) of the Rules. Moreover, please note that a broker is responsible of each and every order placed or trade executed through his terminal and placing the sale orders without having pre-existing interest by client does not absolve the broker from his responsibilities.

4. The execution of sale transactions in the scrips of DSFL and KESC in your client's account through your terminal does not depict that you conducted your business with due care and skill which is a violation of Code of Conduct. However, on this occasion taking a lenient view, you are warned to abstain from trading in such manner in future failing which appropriate action will be taken against you.

Yours sincerely,


(Imran Inayat Butt)
Director (MSCI)

Copy to: Managing Director,
Lahore Stock Exchange (G) Limited