



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

No. 1 (01)/Wash/KSE/MSW/SMD/2009/17

Through Courier
December 22, 2011

Mr. Zahid Razzak Chaudhry,
House: B-130, Block: 6,
Gulshan-e-Iqbal,
Karachi.

Subject: WARNING WITH RESPECT TO WASH TRADES IN VARIOUS SCRIP

Dear Sir,

The review of KATS data for the months of September 2011 and October 2011 revealed that you have bought and sold 483,953 shares of different scrips on 30/09/2011, 07/10/2011 and 31/10/2011 in such a way that your orders for buy placed through a brokerage house matched with your own sell orders placed through another brokerage house resulting in no change in beneficial ownership of the shares.

2. In this regard, please note that execution of wash trades through your account maintained with ACE Securities (Pvt.) Limited and IGI Finex Securities Limited did not result in any change in beneficial ownership. Moreover, the execution of the aforesaid wash trades created false impact of trading in the scrip. Please note that being an active participant in the market, it is your obligation to abide by all the prevalent rules and regulations while trading in the equity market.

3. The execution of wash trades indicates that you ignored the provisions of the prevalent securities market law. However, keeping in view the fact that this was the first instance of wash trades, which was observed by the Commission, only a warning is being issued to you with advice to exercise due care and diligence while trading. Moreover, it is asserted that you must adopt a cautious approach while trading to ensure compliance of all the relevant rules and regulations and to avoid such misconduct in future failing which appropriate action will be taken against you.

Yours truly

(Imran Inayat Butt)
Director /HOD (MSCID)

o/c

Copy to:

- i. Managing Director, Karachi Stock Exchange (G) Limited, Karachi.
- ii. The Chief Executive, ACE Securities (Pvt.) Limited, Palm Beach Homes, Ground Floor, Marine Drive, Karachi (with the request to deliver the copy of this letter to Mr. Zahid Razzak Chaudhry).
- iii. The Chief Executive, IGI Finex Securities Limited, Suite # 701-703, 7th Floor, The Forum, G-20, Khayaban-E-Jami, Block 9, Clifton, Karachi (with the request to deliver the copy of this letter to Mr. Zahid Razzak Chaudhry).