SECURITIES & EXCHANGE COMMISSION OF PAKISTAN
(Securities Market Division)

13/SEC/CMD/2003

October 24, 2003

1. The Managing Director,
   Karachi Stock Exchange (Guarantee) Ltd.
   Karachi.

2. The Managing Director,
   Lahore Stock Exchange (Guarantee) Ltd.
   Lahore.

3. The Managing Director,
   Islamabad Stock Exchange (Guarantee) Ltd.
   Islamabad.

Subject: <u>Directive on Carry-over Transactions (COT) Facility / Eligibility</u>

Dear Sir,

WHEREAS, for effective risk management, protection of investors from market abuse, and development of capital markets as per international best practices, the Securities and Exchange Commission of Pakistan (the "Commission") in exercise of the powers conferred under the Securities and Exchange Ordinance, 1969 hereby directs the Karachi Stock Exchange, Lahore Stock Exchange, and Islamabad Stock Exchange that with effect from December 15, 2003:

1. COT facility shall only be allowed in the shares of the 30 eligible companies as approved by the Karachi Stock Exchange through its notice # KSE/N-1359 dated March 12, 2003. No COT facility shall be allowed in any other share.

2. The said list of eligible shares shall not be amended without the prior approval of the Commission.

The management of the exchanges is required to take all necessary measures for immediate disclosure of this directive to members of the exchanges and market participants.

Yours truly,

Usman Hayat, CFA
Joint Director
Monitoring & Surveillance Wing