



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
(Investor Complaints Wing) Securities Market Division

No. SM/LSE-C/84 /2008

December 11, 2009

Chief Executive Officer,
Tariq Majid Chaudhary,
Member, LSE.
310, 3RD Floor,
LSE Building,
Khyban-e-Awan-Iqbal,
Lahore.

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Member, LSE.
310, 3RD Floor,
LSE Building,
Khyban-e-Awan-Iqbal,
Lahore.

Sub: ORDER IN THE MATTER OF SHOW CAUSE NOTICIE DATED APRIL 28, 2009
ISSUED TO TARIQ MAJEED CH. MEMBER- LAHORE STOCK EXCHANGE
(GUARANTEE) LIMITED

Dear Sir,

An order dated December 11, 2009 in the captioned matter is attached for your information and its necessary compliance.

2. Receipt of this notice may please be acknowledged through return fax (051-9218595) or email (Tahir Mahmood @secp.gov.pk)

Yours truly,


(Tahir Mahmood Kiani)
Deputy Director (ICW)



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
(Investor Complaints Wing) Securities Market Division

BEFORE THE DIRECTOR (INVESTORS COMPLAINT WING, SECURITIES
MARKET DIVISION, SECP)

IN THE MATTER OF SHOW CASUSE NOTICE DATD APRIL 28, 2009 ISSUED TO
TARIQ MAJID CH., MEMBER, LAHORE STOCK EXCHANGE ("LSE")

Date of Hearing :	November 10, 2009
<u>Present at the Hearing:</u>	
<u>Authorized Representative of the Respondent</u>	No one appeared
<u>Assisting the Director (ICW):</u>	Mr. Tahir Mahmood Kiani- Deputy Director

ORDER

1. This Order shall dispose of the proceedings initiated through Show Cause Notice No. LSE/SMD/84/2008 dated April 28, 2009 issued to Mr. Tariq Majid Ch. (the Respondent) under Rule 8 read with Rule 12 of the Brokers and Agents Registration Rule 2001 (the Rules).

2. Brief facts of the case are as under:-

(i) A complaint was lodged by Mr. Abid Aziz (hereinafter referred to as "the Complainant") against, Tariq Majid Ch., Member-Lahore Stock Exchange (Guarantee) Limited (hereinafter referred to as "the Respondent") with Securities & Exchange Commission of Pakistan (hereinafter referred to as "the Commission") vide letter dated Nov 14, 2008. The complainant was alleged that his holdings/shares worth of Rs. 617,275/-have been fraudulently sold without his permission.

ii). That the complaint was referred to the Respondent on November 19, 2008 by the Commission with the request to resolve the issue and send comments up to



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November 28, 2009 on the allegations that the Respondent has sold his shares fraudulently without his permission.

iii). That through Commission's letter dated December 15, 2008, the Respondent was asked to clarify up to December 22, 2008 as to whether holdings of the complainant have been sold on his instruction or otherwise. No response was provided.

iv). That a reminder was sent on March 9, 2009 directing the Respondent to explain reason for non response to the Commission's letter dated December 15, 2008 and updating of the status of actions taken for the resolution of complaint. Again no response has been received by the Commission.

v). That in order to resolve the complaint, the Respondent as well as the complainant vide notice dated April 3, 2009 were asked to appear for meeting on April 14, 2009, at the Commission Head Office, Islamabad. The Respondent or his authorized representative failed to attend the meeting on the prescribed date while the complainant came from Lahore to attend the meeting. The Respondent did not even bother to inform the Commission about his non -attendance.

vi). That considering non-response of the various Commission's letters and non appearance in hearing by the Respondent, the Commission issued a Shows Cause Notice bearing Notice dated April 28, 2009 under Rule 8 of the Brokers & Agents Registration Rules 2001. The Respondent was advised to appear for hearing on May 12, 2009 at SECP Head Office.

vii). That the Respondent again failed to provide written reply to the Show Cause Notice rather sent a letter dated May 11, 2009 intimating that he is unable to attend hearing due to his personal problem. He however acknowledged and tendered apology for non-responding and attending things on time due to his personal problems and circumstances. He further stated in the said letter he is



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contacting the complainant for the last three months for a meeting and settlement of complaint.

viii). That considering the aforesaid request of the Respondent, the Commission vide letter dated May 20, 2009 directed the Respondent to send a letter to the Complainant intimating date, time and venue for his appearance to settle complaint and also provide desired statement to the Complainant.

ix). That the Complainant vide his letter informed that no meeting has been arranged. However incomplete ledger has been provided to him.

x). That through reminders dated July 6, 2009 and September 17, 2009 advising the Respondent to settle the complaint within 7 days from the receipt of Commission's letter in the light of Commission's aforesaid directive but no response/reply was provided by the Respondent. Another reminder dated September 17, 2009 was also sent to the Respondent but again no reply has been provided.

xi). In order to dispose of the Show Cause Notice issued on April 28, 2009, and subsequent directive as mentioned at para (iii), a final opportunity of hearing was again provided to the Respondent and the Complainant to appear for hearing on November 10, 2009 vide letter dated October 28, 2009. Again the Respondent failed to appear. Even he has failed to submit response so far.

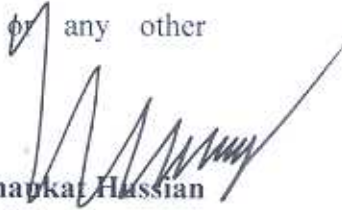
2. The Respondent's failure to ensure attendance in three opportunities of hearing provided to the Respondent by the Commission establishes that the Respondent has nothing to say in his defense. Also the Respondent's failure to send written reply to Show Cause Notice dated April 28, 2009 and also failure to comply direction of the Commission conveyed vide letter dated May, 20, 2009 and subsequent letters thereon is a clear violation of the rule 8 and 12 of the Rules. Therefore, in the public interest, for the protection of investors and to preserve capital market integrity; and taking into consideration that the Respondent has neither verbally nor through any



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written submissions, in any way, produced any evidence in his defense I hereby suspend membership of the Respondent till that time investor's complaint is resolved.

3. This order is being issued without prejudice to any other actions which may be taken against the Respondent under law for the above stated violations or any other violations/contraventions which may come to light subsequently.


Shaukat Hussain
Director (ICW)

December 11, 2009