



Securities and Exchange Commission of Pakistan
Securities Market Division

No. 1 (01)/Wash/KSE/MSW/SMD/2009 / 94

Through Courier
October 17, 2012

The Chief Executive,
Muhammad Munir Muhammad Ahmed Khanani
Securities (Pvt.) Ltd.
624-627, Stock Exchange Building
Stock Exchange Road
Karachi
Ph: 021-32443434-32441179

Subject: **WARNING WITH RESPECT TO WASH TRADES IN VARIOUS SCRIPS**

Dear Sir,

This is with reference to your letter dated October 02, 2012 in response to our letter of even number dated September 24, 2012 in respect of evidence for change of beneficial ownership of 209,352 shares of various scrips, pertaining to the trades during the months of July and August 2012 in your propriety accounts.

2. In your reply, you have failed to provide sufficient justification for execution of the wash trades in your proprietary accounts.
3. Please note that the 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.
4. The execution of wash trades indicates that you ignored the provisions of the prevalent securities market law. However, on this occasion taking a lenient view you are strictly warned to abstain from trading in such manner in future, failing which an appropriate action will be taken against you.

Yours truly,

(Imran Inayat Butt)
Director /HOD (MSCID)

Copy to:

Managing Director, Karachi Stock Exchange Limited, Karachi.