By Special Messenger

SEC/Enforcement/347/2005/699 December 19, 2005

SNM Securities Limited Depository Participant (DP) DSE Member No. 07 Room # 732, DSE Annex Building 9E, Motijheel Dhaka-1000

Attention: Managing Director/Chief Executive Officer

Subject: Non-compliance of securities laws - WARNING

It appeared from the copy of letter dated July 12, 2005 of Central Depository Bangladesh Limited, addressed to the Authorised Assistant of SNM Securities Limited, that in your House, there had been balance of 200 shares of Beximco Infusion Limited on July 10, 2005, i.e. on record date, in the Clearing Account which means you did not make timely payout to your clients' account depriving the clients the benefits arising from the corporate action.

The Commission, in exercise of its power conferred by section 14 of WCwRUwi AvBb, 1999, has issued a directive vide No. SEC/CDS/2:22/99/187 dated July 18, 2004, to all concerned to ensure, D3 †Kv¤úvbxi †Kvb wmwKDwiwU ivL‡Z cvi‡eb bvÓ.

It appeared that by doing so, SNM Securities Limited (DP) has contravened the above directive of the Commission.

The Depository Participant's aforementioned non-compliance/contravention appeared to be deliberate attracting penal provision of section 14(2) of the WCwRUwi AvBb, 1999.

A show-cause-cum hearing notice No.SEC/Enforcement/347/2005/477 dated September 13, 2005 was issued to you under said section 14(2) of the WCWRUwi AvBb, 1999 to appear for hearing for above said non-compliance/contravention, along with written explanation, on September 25, 2005.

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The DP in a written statement dated September 25, 2005 submitted at the time of hearing held on

September 25, 2005 has mentioned that those shares had remained in the clearing account on

record date due to mistake. The DP has further mentioned that 900 shares of Beximco Pharma's

shares had already been transferred to the client's account in lieu of Beximco Infusion's 200

shares.

The Commission, considering your admission of default, paying out the concerned shares to the

client and assurance of future compliance with the securities laws, has decided to dispose of the

proceedings against you by placing on record the Commission's dissatisfaction on the

defaults/contraventions made by you, with a warning to ensure compliance of all securities

related laws in future.

Please note that this disposal does not absolve you from your lawful responsibilities/obligations

to any person, if affected as a result of your above said defaults.

For the Securities and Exchange Commission

Mansur Alam

Executive Director

Copy for information:

Chief Executive Officer, Dhaka Stock Exchange Ltd.

Chief Executive Officer, Central Depository Bangladesh Limited

Executive Director (R&D), SEC

Executive Director (CDS), SEC

Executive Director (Registration), SEC

Director (MIS), SEC

Chairman's Office, SEC

Mansur Alam Executive Director