SEC/Enforcement/383/2005/550 May 28, 2006

Brotherhood Securities Ltd. Depository Participant (DP No. 183) BSEC Bhaban (6th Floor) Kawran Bazar Dhaka-1215

Attention: Chief Executive Officer

Subject: Non-compliance of securities laws - WARNING

It is appeared from the copy of letter of Central Depository Bangladesh Limited dated August 22, 2005, addressed to the Chairman of Brotherhood Securities Ltd. (DP), that the DP's Clearing Account had a balance of 7 shares of Square Pharmaceuticals Limited on August 21, 2005, i.e. on record date, which means the DP did not make timely payout into DP's clients' account depriving the clients the benefits arising from the corporate action.

The Commission, in exercise of its power conferred by aviv 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, among others, to the effect "P) †iKW©‡W‡U †Kvb WCwRUwi AskMhbKvix wKqwwis wnmv‡e (Clearing Account) D³ †Kv¤úvbxi †Kvb wmwKDwiwU ivL‡Z cvi‡eb bvÓ.

It is appeared that Brotherhood Securities Ltd. (DP) has violated the above directive of the Commission.

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

A show-cause-cum hearing notice No.SEC/Enforcement/383/2005/435 dated April 17, 2006 was issued to the DP under said aviv 14(2) of the WCwRUwi AvBb, 1999 to appear for hearing for above said non-compliance/contravention, along with written explanation. The hearing was conducted on May 4, 2006.

The DP in a written statement dated May 7, 2006 mentioned, among others, that due to mistake the said shares were remain in the Clearing Account on record date. It also mentioned that the shares had already been transferred to the client's account and the benefits which had occurred in its Clearing Account had already been transferred to the Customer Account.

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The Commission, considering the admission of default, paying out the concerned shares along with the benefits to the client and assurance for future compliance with the securities laws, has decided to dispose of the proceedings against the DP by placing on record the Commission's dissatisfaction on the defaults/violation made by it, 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 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