SEC/Enforcement/2010/836 / 484 **By Special Messenger**
June 02, 2010 Fax: 88-02-9561424

Haji Ahmad Brothers Securities Limited
DSE Member No. 41
Modhumita Cinema Hall building
158-160, Motijheel C/A (5th Floor)
Dhaka-1000.

Attention: Managing Director/CEO

Subject: Show cause cum notice for hearing: Non-compliance of securities related laws.

Whereas, as per section 2(i) of the Securities and Exchange Ordinance, 1969 (XVII of 1969), Haji Ahmed Brothers Securities Limited (DSE Member No. 41) is a member of Dhaka Stock Exchange Limited;

Whereas, the Securities and Exchange Commission, at the request of Haji Ahmad Brothers Securities Limited issued a Stock Broker Registration Certificate to Haji Ahmad Brothers Securities Limited under ধারা ১০(১) of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন আইন, ১৯৯৩, read with বিধি ৫ (৫) of the সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক-ডিলার, স্টক-ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, ২০০০, to conduct securities trading related
activities under certain terms & conditions stipulated in the said certificate;

Whereas, an inspection was conducted by the Commission as part of daily market surveillance in Haji Ahmed Brothers Securities Limited in respect of share trading of ICB Islami Bank Ltd.. The findings of inspection report are as under:

Date	Buy/Sale	Qty	Debit(Tk.)	Credit(Tk).	Ledger balance	Matured on
24/05/10					(16,924.75)	
26/05/10	Sale ICBIBANK	1000		12,55,674.70	(16,924.75)	09/06/10
30/05/10	Buy ICBIBANK	1345	19,12,510.44		(19,29,435.19)	
30/05/10	Receive Che.			7,00,000.00	(12,29,435.19)	
30/05/10	Sale ICBIBANK	500		6,63,073.00	(12,29,435.19)	T+9

Table: Trading Statement of the account of Hasin Jabbar (Code # 24663)

Moreover, the stock broker Haji Ahmad Brothers Securities Ltd. has provided margin loan facilities to the said client although there was no margin agreement between them”

Contravention: Through the aforesaid activities, Haji Ahmad Brothers Securities Ltd. violated Commission’s Directive No.SEC/CMRRCD/2001-43/169 dated October 01, 2009 and rule 3(2) of Margin Rules, 1999.

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Whereas, the aforesaid activities are tantamount to non-compliance of securities law that appears deliberate and clear contravention of Commission's Directive No.SEC/CMRRCD/2001-43/169 dated October 01, 2009 and rule 3(2) of Margin Rules, 1999 attracting penal provision of section 22 of the Securities and Exchange Ordinance, 1969;

Whereas, the Commission feels in this respect that an opportunity of being heard be given to the broker on the above matter before taking the further measures as per provision of section 22 of the Securities and Exchange Ordinance,;

Now, therefore, you are requested to appear at hearing personally or through authorized persons **(written authorization need to be submitted during hearing)** on **June 09, 2010 at 11.20 A.M.** at Commission's Board Room, as provided under section 22 of the Securities and Exchange Ordinance, 1969 read with বিধি ১২ of সিকিউরিটিজ ও এক্সচেঞ্জ কমিশন (স্টক-ডিলার, স্টক-ব্রোকার ও অনুমোদিত প্রতিনিধি) বিধিমালা, ২০০০ on the stated ground of contraventions, along with your written explanation, if any, showing cause as to why appropriate action should not be taken by the Commission against Haji Ahmad Brothers Securities Ltd. for the above stated contraventions, failing which the Commission will be constrained to take decision exparte in this respect.

For the Securities and Exchange Commission

Mir Mosharraf Hossain Chowdhury
Director

Copy for information:
Chief Executive Officer, Dhaka Stock Exchange Ltd.
Chief Executive Officer, Chittagong Stock Exchange Ltd.
Member (Enforcement), SEC
Executive Director (Surveillance), SEC
Executive Director, (Registration), SEC
Executive Director, (SRI), SEC
Director, (R&D, MIS), SEC
Chairman's Office, SEC