



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SECURITIES MARKET DIVISION

Before the Executive Director (Securities Market Division)

In the matter of

Zafar Moti Capital Securities (Pvt.) Ltd. ("ZMCS")

And

Zafar Siddiq Moti, Chief Executive, ZMCS

UNDER SECTION 18 & 22 OF THE SECURITIES &
EXCHANGE ORDINANCE, 1969 AND RULE 8 READ WITH RULE 12 OF THE
BROKERS AND AGENTS REGISTRATION RULES, 2001

Number and date of Show Cause Notice	SMD-SOUTH/IU-KHI(619)/2007 dated 20 th August, 2007
Date of hearing	28 th August , 2007
Present	Mr. Zafar Siddiq Moti Mr. Javed Ibrahim
Date of Order	5 th October, 2007

ORDER

- 1 This Order shall dispose of the proceedings initiated through Show Cause Notice No. SMD-SOUTH/IU-KHI(619)/2007 dated 20th August, 2007 ("**20th August SCN**") issued to Zafar Moti Capital Securities (Pvt.) Ltd. ("**ZMCS**") and Mr. Zafar Siddiq Moti, Chief Executive Officer ("**CEO**") of ZMCS under Sections 18 & 22 of the Securities & Exchange Ordinance, 1969 ("**1969 Ordinance**") and Rule 8 read with Rule 12 of the Brokers and Agents Registration Rules, 2001 ("**Rules**") for contravention of the requirement of the Code of Conduct laid down in the Third Schedule to the Rules and for giving false and incorrect statements/information to the Securities and Exchange Commission of Pakistan ("**Commission**").

- 2 ZMCS is a member of the Karachi Stock Exchange (Guarantee) Limited ("**Exchange**") and is registered as a broker with the Commission under the Rules.
- 3 Mr. Zafar Siddiq Moti holding NIC No. 42201-0798974-1 is a Director/CEO of ZMCS and resident of House No. 13/1, First Gizri Street, Phase 4 DHA, Karachi.
- 4 Brief facts of the case are that the Commission received various complaints from investors (hereinafter referred to as "**Complainants**") alleging that Mr. Tariq Saeed of T.M. Financial Services was dealing in securities for the clients/investors in an illegal and unlawful manner, through ZMCS. The Complainants submitted documentary evidence in support of their allegations which included copies of printed receipts/vouchers, trade sheets, CDC statements and account opening forms issued by T.M. Financial Services depicting that Mr. Tariq Saeed of T.M. Financial Services was dealing in securities for the clients/investors in an illegal and unlawful manner. Additionally, according to the independent information received from the Central Depository Company of Pakistan Ltd ("**CDC**"), it was established that Mr. Tariq Saeed was maintaining sub-accounts with a number of brokers including ZMCS. Further, Mr. Tariq Saeed was not registered as a broker/agent of any broker including ZMCS with the Commission under the 1969 Ordinance and the Rules.
- 5 Section 5A of the 1969 Ordinance provides that no person shall act as a broker or an agent to deal in the business of effecting transactions in securities unless he is registered with the Commission in such manner, on payment of such fees and charges and on such conditions as may be prescribed. As Mr. Tariq Saeed was not registered and/or authorized

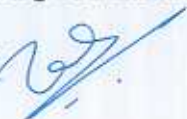


person, his activities pertaining to dealing in securities and effecting transactions in relation thereto on behalf of clients/investors were illegal and in complete disregard of the applicable securities laws and rules.

6 Pursuant to the above, since Mr. Tariq Saeed was dealing in securities illegally and without due authorization, in clear violation of Section 5A of the 1969 Ordinance read with the Rules and since Mr. Tariq Saeed was holding shares/amount of genuine investors/clients in various CDC accounts and trading accounts opened/maintained with a number of brokers including ZMCS, as such, under Section 20 of the 1969 Ordinance, read with Section 20(6)(g) of the Securities and Exchange Commission of Pakistan Act, 1997, it was deemed appropriate in the public interest to temporarily freeze the accounts of Mr. Tariq Saeed and prohibit transferring of shares/funds out of these CDC accounts and respective trading accounts. Accordingly, the Commission passed an Interim Order dated June 29, 2007 in the context of a Show Cause / Prohibitory Order dated June 29, 2007 ("**TS Show Cause**") prohibiting movement of securities from Mr. Tariq Saeed's respective CDC accounts and payment of funds from his respective trading accounts, including such accounts maintained by ZMCS, till further orders under Section 20 of the 1969 Ordinance.

7 Mr. Tariq Saeed was afforded an opportunity to explain his position before the undersigned on 6th July, 2007 in relation to the TS Show Cause which was subsequently rescheduled to 10th July, 2007 at 4:00 pm. However, Mr. Tariq Saeed failed to respond to the TS Show Cause nor did he attend the hearing. During the said hearing, in addition to certain other brokers (where Mr. Tariq Saeed was maintaining his accounts), representatives of ZMCS including Mr. Zafar Siddiq Moti, CEO of ZMCS also appeared. The undersigned addressed the following specific queries to Mr. Zafar Siddiq

Moti:



- Whether Mr. Zafar Siddiq Moti or ZMCS knew of the illegal brokerage business of Mr. Tariq Saeed of T.M. Financial Services?
- Whether T.M. Financial Services was a branch office of ZMCS?
- Did Mr. Zafar Siddiq Moti or ZMCS have any business relationship with Mr. Tariq Saeed of T.M. Financial Services?

All the questions put forward to ZMCS were replied in the negative by Mr. Zafar Siddiq Moti. Mr. Zafar Siddiq Moti further said that Mr. Tariq Saeed was a client of ZMCS in an individual capacity only.

8 Subsequently, on examination of the information provided by the Complainants as well as the evidence collected and further confirmed by independent sources such as the State Bank of Pakistan ("SBP"), the Exchange and the CDC, it became prima facie evident that Mr. Tariq Saeed was running a set up / Branch Office of ZMCS, without being registered as an agent, of ZMCS, with the Commission, which was in the knowledge of ZMCS and Mr. Zafar Siddiq Moti. The following evidences were found in this regard:

- Trading Work Station (TWS) registered with ZMCS was installed on the premises of T.M. Financial Services located at Room 209, 2nd Floor, Fortune Center, Block 6, PECHS, Karachi, as confirmed by the information provided by the Exchange, from 28th May, 2004 to 2nd April, 2007.
- Copies of Bank cheques issued by the Complainant in favor of ZMCS were directly deposited in ZMCS's account.
- Copies of CDC cheques provided by the Complainants, which were directly written in the name of ZMCS.
- Copies of cheques that were issued by ZMCS to the Complainant on account of trading activities with T.M. Financial Services.

- Copy of request by one of the Complainant namely, Mr. Younus Warind, wherein he requested that his securities maintained with ZMCS be transferred into Bagasra Securities (Pvt.) Ltd.

9 Based on the evidences gathered during the proceedings against Mr. Tariq Saeed and the statements made by Mr. Zafar Siddiq Moti in the hearing of 10th July 2007, ZMCS and Mr. Zafar Siddiq Moti were issued the 20th August SCN. Mr. Zafar Siddiq Moti and ZMCS submitted their written submission through a letter dated 24th August, 2007. The hearing of the 20th August SCN was held on 28th August, 2007 which was attended by Mr. Zafar Siddiq Moti, CEO of ZMCS and Mr. Javed Ibrahim, a representative of ZMCS, and made submissions in relation to the matter.

10 A summary of the arguments made on behalf of ZMCS in its written / verbal submissions are as follows:

- That not a single Complainant ever signed ZMCS's account opening forms or maintained trading accounts with ZMCS. They cannot therefore be termed to be as clients of ZMCS.
- That ZMCS has never had any interest, connection or dealing with T.M. Financial Services and neither has it ever served as its agent, branch or sub-office. Mr. Tariq Saeed, however was an individual client and maintained an account with ZMCS through which he traded in securities on a regular basis. If, however, Mr. Tariq Saeed misused ZMCS's name and logo by printing the same on T.M. Financial Services' stationery as is alleged, he did so without ZMCS's permission or consent. It was submitted that ZMCS had no connection with T.M. Financial Services whatsoever and that ZMCS even published a notice in the Financial Daily (Stock Review) dated 23rd June 2007 clarifying the position.



- That if Mr. Tariq Saeed did in fact engage in the business of effecting the trading of shares on behalf of others as alleged, then it is him and not ZMCS that is liable under, inter alia, Section 5A of the 1969 Ordinance.
 - That there is no provision in the Karachi Automated Trading Systems Regulations ("**KATS Regulations**") of the Exchange or any other law in force, that prohibits a member of the Exchange from providing a KATS computer terminal to a client.
 - That Mr. Tariq Saeed was the only one to provide ZMCS with Transfer Orders and that ZMCS did not receive any Transfer Orders from any of the Complainants. Securities were also transferred into Mr. Tariq Saeed's account and no one else's. Further, none of the Complainants have ever claimed any dividend/ bonuses from ZMCS at any time.
 - That with the exception of Mr. Younus Warind, no other Complainant ever issued ZMCS a cheque. While ZMCS did accept Mr. Younus Warind's cheque, on Mr. Tariq Saeed's request, there is no law which prohibits crediting a client's trading account through a bank cheque that is drawn on a third party's bank account.
 - Certain shares were transferred at Mr. Tariq Saeed's request and Mr. Younus Warind's concurrence in writing.
- 11 During the course of the hearing on 28th August, 2007, Mr. Zafar Siddiq Moti, was once again asked the three queries to which he had earlier replied in the negative at the hearing held on 10th July, 2007. Mr. Zafar Siddiq Moti reiterated his earlier stance and responded in the negative to each of the three questions



Summary of other arguments made by Mr. Zafar Siddiq Moti during the course of the hearing is given hereunder:

- a) Mr. Zafar Siddiq Moti reiterated the contentions raised in the written reply to the 20th August SCN.
 - b) Mr. Zafar Siddiq Moti denied knowing any of the Complainants except for Mr. Younus Warind (Complainant), whose cheques were deposited as a third party in ZMCS's bank account, and that was solely on the request of Mr. Tariq Saeed.
 - c) Mr. Zafar Siddiq Moti stated that ZMCS was never asked for any dividends, bonus shares etc. by the Complainants.
 - d) Mr. Zafar Siddiq Moti agreed to provide evidence that cheques issued to/received from Mr. Younus Warind (Complainant) in order to demonstrate that the same was done as per the instructions of Mr. Tariq Saeed of T.M. Financial Services.
12. During the hearing of 20th August SCN, the undersigned also highlighted the fact that in the course of a separate enquiry initiated by the Commission under Section 21 of the 1969 Ordinance, for the period from April to June 2006, the Enquiry Officer, M/s KPMG Taseer Hadi Khalid & Co., Chartered Accountants, in its Report dated 25th April, 2007 ("**Report**") had identified Mr. Tariq Saeed as a "dealer" of ZMCS, effecting securities transactions and holding securities on behalf of number of clients. During the course of that other enquiry, ZMCS in its reply dated 28th May, 2007 had accepted the contents of the said Report and had also submitted authority letters from its clients, authorizing Mr. Tariq Saeed to carry out trading on their behalf through ZMCS. Mr. Zafar Siddiq Moti undertook to look into the matter and submit a reply thereof, as well as the evidence as mentioned in 11(d) above, latest by 29th



August, 2007. However, on the request of ZMCS and Mr. Zafar Siddiq Moti, an extension was allowed till 30th August, 2007. ZMCS through its letters dated 30th August, 2007 and 3rd September, 2007 submitted various documents; however, no evidence clarifying the issue, as raised by KPMG Taseer Hadi Khalid & Co. Chartered Accountants in its Report, was provided by Mr. Zafar Siddiq Moti or ZMCS.

13 After considering the arguments presented before me during the course of the hearings held on 10th July, 2007 and 28th August, 2007 by ZMCS and Mr. Zafar Siddiq Moti and having perused the documents and information placed on record,, the issues raised therein are addressed by me as under:

14 As regards the queries pertaining to T.M. Financial Services and the responses to same given by Mr. Zafar Siddiq Moti with regard to T.M. Financial Services, I have set out below my findings as under:

(a) *Whether Mr. Zafar Siddiq Moti or ZMCS knew of the illegal brokerage business of Mr. Tariq Saeed of T.M. Financial Services?*

The answer is in the affirmative. This is evident from the Report in which it is clearly identified that Mr. Tariq Saeed was a "dealer" of ZMCS. ZMCS in its reply dated 28th May, 2007 (in those proceedings) has accepted the Enquiry Officer's finding on this issue. ZMCS has also submitted authority letters from its customers, authorizing Mr. Tariq Saeed to carry out trading on their behalf through ZMCS. In fact, it was established that out of 33 clients whose authority letters were submitted, it was found that 10 clients are in fact the Complainants. Moreover, in the computerized client's ledger sheets received from ZMCS, Mr. Tariq Saeed's account has been titled as "Tariq Saeed (Branch Office)", which clearly establishes that Mr. Tariq Saeed was running a Branch Office of ZMCS.

(b) ***Whether T.M. Financial Services was a branch office of ZMCS?***

The answer to this question is also in the affirmative as per the evidence i.e. the computerized clients ledger sheets received from ZMCS, wherein Mr. Tariq Saeed's account has been titled as "Tariq Saeed (Branch Office)", which clearly establishes that Mr. Tariq Saeed was running a Branch Office of ZMCS. In addition, it is evident from the correspondence ZMCS exchanged with the Exchange, wherein a request for setting up a Remote Karachi Automated Trading System ("KATS") TWS had been made by the ZMCS to be installed and activated at the same premises where T.M. Financial Services was situated. Additionally the contact telephone number given by ZMCS for the said Remote KATS TWS was the same as the one given by Mr. Tariq Saeed of T.M. Financial Services in his account opening forms. Furthermore the contact person Mr. Mehboob A. Khaliq, identified by ZMCS in its letter to the Exchange, was an accountant at T.M. Financial Services, as informed by the Complainants. Additionally, the 'Agreement for Remote KATS TWS Facility' ("**KATS Facility Agreement**") dated 25th May, 2004 between the Exchange and ZMCS clearly stipulates that the KATS TWS was being provided solely to ZMCS to be installed only at its "Branch Office" situated at Suite No. 209, 2nd Floor, Fortune Centre Block 6, PECHS, which agreement was executed by Mr. Zafar Siddiq Moti on behalf of ZMCS. It should further be noted that the KATS Regulations are applicable to Members of the Exchange as per Regulation 1 thereof and only members are authorized to avail the KATS TWS as determined by the Board of Directors of the Exchange. Further, pursuant to the abovementioned KATS Facility Agreement, ZMCS had covenanted to abide by the terms and conditions thereof, including the covenant to install the KATS TWS solely at its Branch Office and for the purposes of trading, which can only be done by Members of the Exchange or their authorized agents.



(c) ***Did Mr. Zafar Siddiq Moti or ZMCS have any business relationship with Mr. Tariq Saeed of T.M. Financial Services?***

The answer to this question is also in the affirmative as the evidence establishes a clear nexus between Mr. Tariq Saeed and ZMCS / Mr. Zafar Siddiq Moti. A perusal of the account opening form submitted by ZMCS identifies Mr. Tariq Saeed as an individual client and the Report identifies Mr. Tariq Saeed as a "dealer" of ZMCS. As already stated above, ZMCS in its reply dated 28th May, 2007 (in the separate proceedings) had accepted the findings of the Report on the issue. Mr. Zafar Siddiq Moti and ZMCS were given an opportunity to clarify this issue but failed to do so. This clearly establishes that ZMCS and Mr. Tariq Saeed had a relationship not only of a client but Mr. Tariq Saeed was also acting as a 'dealer' (unregistered agent) on behalf of ZMCS; running its branch office and affecting transactions on behalf of clients / investors; operating the Remote KATS TWS, in blatant contravention of the KATS Regulations and the KATS Facility Agreement.

15 The above clearly reveals that ZMCS and Mr. Zafar Siddiq Moti were in full knowledge of the facts surrounding the illegal activities being conducted through T.M. Financial Services / Mr. Tariq Saeed. The false and incorrect statements made by ZMCS and Mr. Zafar Siddiq Moti to the Commission are hence a clear violation of Section 18 of the 1969 Ordinance.

16 It is further clear that Mr. Tariq Saeed was running a business set up under the name of T.M. Financial Services without being registered by ZMCS as its agent which is a contravention of Section 5A of the 1969 Ordinance read with the Rules. The Commission reserves its right to take separate action against ZMCS on this issue.



- 17 Mr. Tariq Saeed while running T.M. Financial Services was using stationary including Account Opening Forms, visiting cards, etc., depicting that it was a branch office of ZMCS which, in fact, is a representation made by ZMCS to the Exchange in the KATS Facility Agreement. Hence, Mr. Tariq Saeed was acting on behalf of ZMCS by dealing in securities and effecting transactions of clients / investors, who in fact were the ultimate clients of ZMCS.
- 18 Copies of the written instructions of Mr. Tariq Saeed advising ZMCS to issue/ deposit cheques to/ from Mr. Younus Warind had varied signatures of Mr. Tariq Saeed as compared to his signature on his CNIC, thereby raising doubt as to the authenticity of the said written instructions.
- 19 One of the Complainants, Mr. Younus Warind provided copies of certain correspondence which clearly establishes the relationship between Mr. Younus Warind, Mr. Tariq Saeed/ T.M. Financial Services and ZMCS. Mr. Younus Warind had given direct instructions to ZMCS as well as T.M. Financial Services to close his account and transfer the securities lying in his account to another broker M/s. Bagasra Securities (Pvt.) Ltd. The above referred documents establish that Mr. Younus Warind was a client of ZMCS being dealt through Mr. Tariq Saeed.
- 20 Various Complainants have provided copies of CDC statements wherein it is evident that securities were either directly credited by ZMCS into the Complainants' accounts or credited from the Complainants' accounts into ZMCS's account. These instances are clear evidences of association between ZMCS and the Complainants which establish that Mr. Tariq Saeed of T.M. Financial Services was dealing with the Complainants on behalf of ZMCS.



21 The Account opening form of Mr. Tariq Saeed with ZMCS, as submitted by ZMCS to the Commission, contained an email address as <tm_fs@hotmail.com>, which clearly shows that the said email address was related to the setup of T.M. Financial Services. Additionally, the address and telephone numbers given on the account opening form of Mr. Tariq Saeed with ZMCS as an individual client are similar to those provided on the account opening forms used by T.M. Financial Services for opening of accounts of its clients. Moreover, the same address and telephone numbers are mentioned by ZMCS in their correspondence and agreement with the Exchange relating to Remote KATS TWS. All of the above clearly establish that ZMCS / Mr. Zafar Siddiq Moti were aware of the illegal activities being conducted through T.M. Financial Services by Mr. Tariq Saeed and all these activities were carried out with full knowledge and behest of ZMCS.

22. After considering the foregoing, it is established that:

- a) Room No.209, 2nd Floor, Fortune Centre, P.E.C.H.S, Block-6, Karachi was a branch office of ZMCS;
- b) T.M. Financial Services was an illegal business set up of ZMCS operating from the abovementioned address by Mr. Tariq Saeed;
- c) Mr. Tariq Saeed was an agent of ZMCS but not registered with the Commission, as required under Section 5A of the 1969 Ordinance read with the Rules;
- d) Mr. Zafar Siddiq Moti and ZMCS despite the fact that they were fully aware of the activities of Mr. Tariq Saeed and T.M. Financial Services, as their agent, made false and incorrect statements to the Commission in violation of Section 18 of the 1969 Ordinance.

23. In light of the above facts and after considering the written and verbal submissions presented before me and having perused the documents and information on record, I am of the view that:



- a) ZMCS has contravened Section 18 of the 1969 Ordinance and Rules 8 & 12 of the Rules and Clauses A1 & A2 of the Code of Conduct contained in the Third Schedule to the Rules and
- b) Mr. Zafar Siddiq Moti has also acted in contravention of Section 18 of the 1969 Ordinance whereby despite having knowledge of the activities of Mr. Tariq Saeed and T.M. Financial Services he made false and incorrect statements to the Commission.

After considering what has been established above, I am of the considered view that ZMCS having willfully contravened Section 18 of the 1969 Ordinance and is liable to be penalized under Section 22 of the 1969 Ordinance and accordingly I direct ZMCS to pay a penalty of Rs. 5,000,000 (Rupees Five Million). Moreover, ZMCS is further directed to pay/settle all claims of the Complainants within one month from the date of this Order, failing which its registration as a broker shall be suspended for a period of one (1) year and further it may be cancelled in case settlement of any claim remains pending, by the end of suspension period. The Exchange being the front line regulator is directed to monitor and supervise the entire process of settlement of claims of the Complainants and ensure that the process is completed within the stipulated time and thereafter submit a report to the Commission with necessary confirmations from the Complainants, evidencing settlement of their respective claims. The list of the Complainants along with the other details and their respective claims is attached as an appendix to this Order, making it an integral part thereof.

- 24 In addition, I am of the view that Mr. Zafar Siddiq Moti has also willfully contravened Section 18 of the 1969 Ordinance; hence I direct him to pay a penalty of Rs.1,000,000 (Rupees One Million).

25. Before concluding, I deem it pertinent to address one last objection of ZMCS (as per its written submissions) i.e. that under Section 22 of the

1969 Ordinance, the Commission is only empowered to impose a penalty of a sum not exceeding one hundred thousand rupees only. It appears that ZMCS / Mr. Zafar Siddiq Moti are not aware of the amendment in Section 22 of the 1969 Ordinance as per the Finance Act, 2007 whereby the penalty under Section 22 has been enhanced to rupees fifty million. Hence, ZMCS'S objection in this regard is rejected as being misconceived

- 26 Both ZMCS and Mr. Zafar Siddiq Moti are directed to deposit the above stated penalties in the Bank Account of the Commission maintained with the Habib Bank Limited within one month from the date of this Order and furnish a receipted challan to the Commission.



Zafar Abdullah
Executive Director, Securities Market Division

Announced: 5th October, 2007

APPENDIX TO ORDER DATED 5th OCTOBER, 2007 IN THE MATTER OF ZAFAR MOTI CAPITAL SECURITIES (PVT.) LTD. ("ZMCS") AND ZAFAR SIDDIQ MOTI, CHIEF EXECUTIVE, ZMCS UNDER SECTION 18 & 22 OF THE SECURITIES & EXCHANGE ORDINANCE, 1969 AND RULE 8 READ WITH RULE 12 OF THE BROKERS AND AGENTS REGISTRATION RULES, 2001

S.NO.	NAME OF COMPLAINANT	ADDRESS AND CONTACT NUMBER	CNIC	SECURITIES NAME	SHARES	CASH
1	Mr. Syed Ali Imam Naqvi	A-322, Block # 2, Gulistan-e-Jauhar, Karachi Cell No: 0300-8292784	42201-6756020-7	ARIF HABIB SECURITIES LTD CHENAB LTD. BANK AL-FALAH LTD. EASTERN FEDERAL UNION LIFE ASSURANCE NOORIE TEXTILE MILL ARIF HABIB LIMITED	9,000 4,000 2,832 1,666 30,000 2,000	378,989
2	Mr. Rehan Abbas Turrabi	R-108, Block # 9, KAECH Society, Karachi Cell No: 0300-2101522	42301-0941844-7	KOT ADDU POWER CO. LTD. BOSICOR PAKISTAN KARACHI ELECTRIC SUPPLY CORP. NOORIE TEXTILE BANK OF KHYBER BEEMA PAKISTAN AL-ABBAS CEMENT ZEAL PAK CEMENT CALLMATE TELLIPS	1,500 7,500 3,000 10,000 3,000 5,000 1,000 5,000 1,500	NIL
3	Mr. Eric John D'Silva	5/5, Rafiq Plaza, MR Kiyani Road, Lucky Star Saddar, Karachi Cell No: 0300-2180053	42301-1200796-1	BOSICOR PAKISTAN COLONY MILLS LTD. MAPLE LEAF CEMENT FACTORY AL-ABBAS CEMENT PAKISTAN OIL FIELDS LTD PAKISTAN PTA DEWAN FAROOQ MOTORS OIL & GAS DEVELOPMENT CO. FAUJI CEMENT CO LTD	7,500 1,000 7,000 1,000 400 7,000 7,500 200 4,000	1,16,841
4	Mr. Syed Abdullah	A-303, Ahmed Residency, Gulistan-e-Jauhar, Block 14, Karachi, Cell No: 0300-8248412	42201-8505102-3	BANK OF PUNJAB BANK AL-FALAH LTD. LUCKY CEMENT	2,650 2,000 4,000	NIL
5	Mr. Syed Mohammed Ali Sha	F-4, Fahad Garden Block 13-E, Gulshan-e-Iqbal, Karachi, Cell No: 0322-2180127	42201-0752567-1	ARIF HABIB SECURITIES LIMITED BANK ISLAMI PAKISTAN (RIGHT) JAVED OMER VOHRA & CO KOT ADDU POWER CO. LTD. (DIVIDEND)	132 7,000 1,100 2,775	360,000
6	Mr. Syed Tahir Hussain	Flat # A-301, Samana Apartment, Nazimabad, # 3, Gole Market, Karachi, Cell No: 0302-2220621	42101-1800770-3	STANDARD CHARTERED BANK OF PAKISTAN	4,000	6,203
7	Mr. Abbas Mirza	A-9, Row A, Gulshan-e-Kaneez Fatima, Block 3, Gulzar-e-Hijri, Scheme 33, Karachi Cell No: 0321-2032371	42201-7669034-3	BOSICOR PAKISTAN DEWAN FAROOQ MOTORS LIMITED FAUJI CEMENT COMPANY LIMITED PAKISTAN PTA HAYDERI CONSTRUCTION PAKISTAN STATE OIL ISLAMIC INVESTMENT BANK	10,000 5,000 5,000 10,000 20,000 2,000 14,000	NIL
8	Mr. Tariq Laiq Khan	3B, 18/9 Nazimabad No.3 Karachi Cell No: 0300-2803880	42201-1834079-6	FAUJI CEMENT CALLMATE TELLIPS JS BANK BOSICOR PAKISTAN TELECARD	12,000 2,000 6,000 6,000 2,500	20,339
9	Mr. Anis ur Rehman	111-C 5/8 Nazimabad, Karachi Cell No: 0300-280388	42101-6180924-9	CALLMATE TELLIPS FAUJI CEMENT COMPANY LIMITED SIDDIQUE SONS TIN PLATE	1,000 5,000 200	NIL
10	Mr. Atif Ahmed Siddiqui	111- C 4/7 Nazimabad, Karachi Cell No: 0300-2566329	42101-1889310-3	CALLMATE TELLIPS BANK AL-FALAH LTD.	500 1,000	19,312
11	Mr. Syed Anif Ali	111-C 5/8 Nazimabad No.3 Karachi Cell No: 0301-2856790	42101-1413708-6	CALLMATE TELLIPS JS BANK	1,000 1,000	4,086
12	Mr. Enrol Mark D'Silva	R-516 Cambridge Apartments Saddar, Karachi Cell No: 0333-2182283	42301-0741793-1	PAKISTAN TELCOMMUNICATION CO. LTD NIB BANK LIMITED HONDA ALTAS CAR JAVED OMER VOHRA & CO TRG PAKISTAN FAUJI FERTILIZER BIN QASIM LTD PAKISTAN PTA	500 6,550 850 2,750 2,000 1,500 7,000	NIL
13	Mr. Mohammed Nadeem	House No R-204, Sector II-C-I, North Karachi	42101-3273710-6	TELECARD BOSICOR PAKISTAN	2,000 2,000	NIL
14	Mr. Mohammad Jawed	House No 21, Batwa Nagar, Sir Shah Muhammad Suleman Road, Liaquatabad, Karachi Cell No: 0300-2137162	42101-1699503-1	BOSICOR PAKISTAN CRESCENT JUTE PAK GERMAN/DADABHOY CONSTRUCTION	1,500 2,000 1,500	117,688
15	Mr. Shakeel Ahmed	Flat # C-8, Shams Centre, S-C-V, Block A, North Nazimabad, Karachi Cell # 0300-2349108	42000-0542340-3	KARACHI ELECTRIC SUPPLY CORP. BEEMA PAKISTAN DEWAN FAROOQ MOTORS HAYDERI CONSTRUCTION TRG PAKISTAN MANDVIWALA MAUSER PLASTIC IND. PICIC ENERGY FUND NOORIE TEXTILE LAFAYETTE INDUSTRY PAK GERMAN/DADABHOY CONSTRUCTION CRESCENT SPINNING PAKISTAN PTA	500 2,000 1,000 4,000 500 1,000 500 1,000 1,000 500 1,000	NIL
16	Mr. Anwar ul Hassan	48 / 1 22nd Lane Phase 7 D.H.A, Karachi Cell No: 0321-3891942	42301-8099648-1	COLONY MILLS LTD. AL-ABBAS CEMENT PAKISTAN CEMENT COMPANY LIMITED FAUJI CEMENT COMPANY LIMITED	10,000 10,000 10,000 12,000	NIL
17	Mr. Younus Warind	108-A SMCHS, Karachi 74400 Tel: 4554958	42201-0478130-5	CENTURY PAPER & BOARD LIMITED MAPLE LEAF CEMENT FACTORY ARTISTIC DENIM MILLS LIMITED PAKISTAN CEMENT COMPANY LIMITED SIDDIQUE SONS TIN PLATE KHURSHID SPINNING	20,000 2,500 4,500 50,000 11,000 20,000	NIL
18	Mr. Rahman Yasin Mirza	627 /C/2, Block 2, PECHS, Karachi, Cell No: 0300-2300436	42201-3005067-1	TELECARD BANK OF KHYBER MAPLE LEAF CEMENT FACTORY CALLMATE TELLIPS DEWAN SALMAN FIBRE	500 1,000 500 500 500	NIL
19	Mr. Mustafa Yasin Mirza	627 /C/2, Block 2, PECHS, Karachi, Cell No: 0345-2995881	42201-3006112-1	MAPLE LEAF CEMENT FACTORY OIL & GAS DEVELOPMENT CO. BANK ISLAMI PAKISTAN	500 100 500	NIL

APPENDIX TO ORDER DATED 5th OCTOBER, 2007 IN THE MATTER OF ZAFAR MOTI CAPITAL SECURITIES (PVT.) LTD. ("ZMCS") AND ZAFAR SIDDIQ MOTI, CHIEF EXECUTIVE, ZMCS UNDER SECTION 18 & 22 OF THE SECURITIES & EXCHANGE ORDINANCE, 1969 AND RULE 8 READ WITH RULE 12 OF THE BROKERS AND AGENTS REGISTRATION RULES, 2001

S.NO.	NAME OF COMPLAINANT	ADDRESS AND CONTACT NUMBER	CNIC	SECURITIES NAME	SHARES	CASH
20	Mr. Yasin Mirza	627 /C/2, Block 2, PECHS, Karachi. Cell No: 0300-2327190	42201-5958034-1	BANK OF KHYBER BANK OF PUNJAB NISHAT MILLS LTD ASKARI COMMERCIAL BANK MAPLE LEAF CEMENT BANK ALFALAH LTD METROPOLITAN BANK BANK ALHABIB LTD OIL & GAS DEVELOPMENT CO	1,000 162 110 750 1,000 1,825 866 840 200	NIL
21	Major Syedd Ghulam Mustafa Hussain	E 118 Sony View Apt. Gulshan Iqbal Karachi. Cell No: 0333-5146712	54400-0546809-7	FAUJI CEMENT COMPANY LIMITED COLONY MILLS LTD SAUDI PAK COMMERCIAL BANK	1,500 3,000 2,500	11,740
22	Mrs. Shugufa Shameem Mustafa	E 118 Sony View Apt. Gulshan Iqbal Karachi. Cell No: 0333-5146712	54400-0459179-2	CALLMATE TELLIPS SAUDI PAK COMMERCIAL BANK BANK ALFALAH LTD KOHAT CEMENT PICIC GROWTH FUND SIDIQUE SONS TIN PLATE	2,000 5,000 2,500 1,000 1,000 500	89,900
23	Mr Syed Ghaseel Assim	R 474 Buffer Zone North Karachi	42101-5319560-6	BOSICOR PAKISTAN BEEEMA PAKISTAN ISLAMIC INVESTMENT BANK	1,000 3,000 1,000	NIL
24	Mr. Sajid Qureshi	B 26 Bk 6 Gulshan-Iqbal Karachi	42101-1913471-9			270,000
25	Mr. Manohar Lal	1st Floor, G-110 Horizon Plaza, Dawood Pota Road, Karachi				100,000
26	Mr. Syed Ahmed Hassan	Engro Chemical P.N.S.C. Building M.T. Khan Road Karachi Tel No. 021-5611060	42101-1594153-3			284,000
27	Mr. Mohammed Billal	Engro Chemical P.N.S.C. Building M.T. Khan Road Karachi Tel No. 021-5611060	42101-5226700-7	FAUJI FERTILIZER COMPANY LIMITED	1,300	NIL
28	Mr. Syed Umer Anis	Engro Chemical P.N.S.C. Building M.T. Khan Road Karachi Tel# 021-5611060, Cell No: 03002677102	42101-1602278-3	FAUJI FERTILIZER COMPANY LIMITED	1,000	NIL
29	Mr. Akber Kaim Khani	Engro Chemical P.N.S.C. Building M.T. Khan Road Karachi Tel No 021-5611060 Cell No: 0301-8274281	42402-6550332-1			70,000
30	Mr. Noman Rasheed	Engro Chemical P.N.S.C. Building M.T. Khan Road Karachi Tel No 021-5611060 Cell No: 0333-3457966	42101-1488221-1			8,000
31	Mr. S. M. Azeem	A-407, Block 19, Gulshan -e- Iqbal Karachi	42201-0633612-7			300,000
32	Mr. Muhammad Ilyas Qureshi Hashmi	CS 3 Rafi Garden, Main Karachi Tel# 021-6999293 Cell No: 03218971457	42201-699306-5			600,000
33	Mr. Sayd Muntaz Hassan	39/2 Avenue Phase 4 DHA Karachi Cell No: 03007040367	42201-0633612-7			500,000
34	Mr. Khuram Saleem	Cell No: 03332288733	42101-1650317-3			1,500,000
35	Mr. Kamran Ahmed Siddiqui.	House No. R-74, Sector 5/L North Karachi, Karachi-Pakistan, Tel # 021-6994374 Cell No: 0345-2262256.	42101-4707389-1			925,000
36	Mr. Muhammad Asjad	House # R-442 Sector 15A-1 Buffer Zone Karachi PAKISTAN Tel#021 694 5437 Cell No: 03008285079	42101-5232780-5			300,000
37	Mr. Meer Farasat Ali	A-2 Row D Block 1, Gulzar -e- Hijri, Sector 16 Gulshan -e- kaneez Fatima Cell No: 03003396247	42801-7573987-1			100,000
38	Mr. Abdul Razzak	FLAT # 105 Sidra Garden Sharfabad BMCH Society Tel# 021-2579976 Cell No: 03003396247	42201-7052631-5			490,000
39	Mr. Sajid Qureshi	B-385 Block -6, Gulshan - e- Iqbal Cell No: 03332241180	42101-3949141-5			84,000
40	Mr. Baber Saeed khan	H. # 15/2, Main Khayaban-e-Itahad DHA, Phase- 7, Karachi. Cell No: 0321-2005879	42301-2507227-1			350,000
41	Mr. Adeel Ahmed khan	R-228 block 9, F.B Area Karachi Cell No: 03002269989	42000-0373258-3	PAKISTAN TELECOMMUNICATION CO. LTD. BSJS BALANCE FUND PAKISTAN PTA PAKISTAN PREMIER FUND KOT ADDU POWER COMPANY LTD DEWAN FAROOQ MOTORS PAKISTAN INTERNATIONAL AIRLINE	1,000 500 2,000 1,250 1,500 2,000 2,000	NIL
42	Mr. Fahad Khuaja	Engro Chemical P.N.S.C. Building M.T. Khan Road Karachi Cell No: 03337242584	352027562039-2			1,200,000
43	Mr. Amin Shah	FLAT # F-504, ROOFI GREEN CITY, BLOCK 18, GULASTAN-E-JOHAR, KARACHI	45101-0614221-5			250,000
44	Mr. Sayed Ayaz Ahmed	A-188, BLOCK -5 GULASTAN -E-JOHAR, KARACHI Tel# 021-8705952	42201-5934801-7	GLAXOSMITHKLINE	1,200	76,000
45	Mr. Mansoor Ahmed	B-6, BLOCK A NORTH NAZIMABAD KARACHI Tel # 021-5684045	42101-1568250-9			70,000
46	Mr. Mohamed Tatheer Ahmed	Contact person - Mr. Sahil Cell # 0300-2145647				330,000

NOTE : THE ABOVE INFORMATION HAS BEEN PROVIDED BY THE COMPLAINANTS.