

THE KARACHI STOCK EXCHANGE (GUARANTEE) LIMITED**KSE/N-8204****N O T I C E****December 30, 2008**

Reproduced hereunder letter received from CENTRAL DEPOSITORY COMPANY OF PAKISTAN LIMITED for information of members of the Exchange.

PROGRESSIVE INSURANCE COMPANY LIMITED**N O T I C E**

To: - The Chief Executive Officer, Progressive Insurance Company Limited

CC: - Joint Director (SMD-South), Securities and Exchange Commission of Pakistan
 - Managing Director, The Karachi Stock Exchange (Guarantee) Limited
 - Managing Director, Lahore Stock Exchange (Guarantee) Limited
 - Managing Director, Islamabad Stock Exchange (Guarantee) Limited
 - The Chief Executive Officer, National Clearing Company of Pakistan Limited
 - CDS Elements - Account Holders/ Participants/ Eligible Pledges

From: Kamran Qazi
 CFO & Company Secretary

Date: December 26, 2008

Subject: **NOTICE OF SUSPENSION OF CDS ELIGIBILITY OF ORDINARY SHARES OF PROGRESSIVE INSURANCE COMPANY LIMITED UNDER THE CDC REGULATIONS**

By our notice dated December 04, 2008 and December 18, 2008 issued to Progressive Insurance Company Limited (hereinafter referred to as the "Issuer") under Regulation 14.12.1(d) of the Central Depository Company of Pakistan Limited Regulations ("the CDC Regulations"), we showed our intention to suspend the Central Depository System Eligibility ("CDS Eligibility") of ordinary shares (hereinafter referred to as the "said Securities") of Issuer with effect from Monday, December 29, 2008, if the fee and charges outstanding against the Issuer are not paid by the Issuer in accordance with the schedule of Fees and Deposits of the CDC Regulations (hereinafter referred to as the "Schedule") as per CDC invoices as detailed in our aforesaid notice within the stipulated time as mentioned in such notice, failing which CDS Eligibility of the said Securities of the Issuer will be suspended.

It is now notified that CDC shall suspend the CDS Eligibility of the said Securities of the Issuers with effect from Monday, December 29, 2008 on account of failure of the Issuer to settle the CDC invoices in accordance with the Schedule in discharge of its obligation under the CDC Regulations. This suspension shall remain in force till further notice. During the suspension period no new deposit requests will be accepted in the CDS.

It is to be noted that as per the CDC Regulations, if a suspension of the CDS Eligibility of any Securities of an Issuer continues for 60 Business Days, CDS Eligibility of such Securities is liable to be revoked with effect from end of Day on the last day of the suspension.

Consequent upon revocation of CDS Eligibility of an Issuer, all the Securities of such Issuer held in the accounts and sub-accounts in the CDS represented by Book-entry Securities would be cancelled including securities held under pledged position, against which physical share certificates would be issued by the Issuer of such securities and delivered to the CDC, upon receipt of which, CDC will dispatch such share certificates along with duly signed transfer deed to the respective beneficial owners including pledgees, where applicable.

Further, as required under Regulation 14.12.1(d), a copy of this notice is being sent to the Stock Exchanges on which the Securities of the Issuer are listed.

Regards,

[Signature]

Note: CDS Participants are required to forthwith inform their relevant Sub-Account Holders regarding issuance of this notice.