

Before Amina Aziz, Director (Adjudication-I)

In the matter of Show Cause Notice issued to First National Equities Limited

Date(s) of Hearing

October 11, 2022

Order-Redacted Version

Order dated December 15, 2022 was passed by Director (Adjudication-I) in the matter of First National Equities Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated September 02, 2022.
2. Name of Respondent	First National Equities Limited (the Company and/ or the Respondent).
3. Nature of Offence	Alleged contraventions of Regulation 11 and 13 of the Securities & Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2020 read with Section 6(A)(2)(h) of the Anti-Money Laundering Act, 2010 and rules 4(1) and 6(1) of the AML/ CFT Sanctions Rules, 2020 and regulation 31 of the AML regulations thereof.
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have gone through the facts of the case and considered the written and oral submissions of the Respondent material available on record, in light of the aforesaid Legal provisions and observed that with regard to the beneficial owners of the corporate clients, the Respondent has provided documents namely client information report to the inspection team and scrutiny of the document revealed that the beneficial owners were not particularly identified in the client information report. The said report indicates the beneficial owner as "Self" and does not particularly identify the ultimate beneficial owners of the corporate clients provided in the SCN. The Respondent has therefore, contravened the provisions of regulation 11 and 13 of the AML Regulations.</p> <p>In view of the foregoing and submissions made by the Respondent and its Representative, contraventions of regulation 11 and 13 of the AML Regulations have been established against the Respondent. Therefore, in terms of powers conferred under</p>

	6(A)(2)(h) of the Act, a penalty of <u>Rs. 30 000/- (Rupees Thirty Thousand Only)</u> is hereby imposed on the Respondent. Further, the Respondent is advised to examine its AML/CFT policy & procedures and ensure that all information regarding clients' identity and their beneficial ownership is properly accommodated in the relevant forms.
5. Penalty Imposed	Rs. 30,000/-
6. Current Status of Order (As of the uploading date)	Penalty not deposited and Appeal has been filed by the respondent.