

Before Amir M. Khan Afridi, Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to IGI Life Insurance Limited

Dates of Hearing

May 10, 2022

Order-Redacted Version

Order dated July 25, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of IGI Life Insurance Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated April 11, 2022.
2. Name of Respondent	IGI Life Insurance Limited (the Company and/or the Respondent),
3. Nature of Offence	Alleged contraventions of regulation 9 read with S. No. 6(ii) and (iv) of Annexure 1 and regulation 23(2) of AML Regulations, 2020
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have reviewed the facts of the case in light of the applicable provisions of the law and have given due consideration to the verbal as well as written submissions and arguments of the Respondent Company and its Representatives and observed that the requirements of S. No. 6(ii) and 6(iv) of Annexure I of the AML Regulations read with regulation 9 thereof were not complied with in the following cases:</p> <ul style="list-style-type: none">i) with regard the corporate customer having policy No. GL00092, the Respondent stated that the customer has not provided Form and the Respondent is actively pursuing with the customer for obtaining it. In view of the above, it is established that the Respondent has neither identified the customer nor verified Its identity using reliable and independent documents, data and information as set out in Annex 1 to the AML Regulations;ii) regarding the customer (a private limited company) having policy No. GL001006, the Respondent has stated that follow up is being made for obtaining copy of CNIC of person authorized by the customer; nevertheless, his particulars have been verified from

	<p>sanctions lists. However, this is evident from the reply that the Respondent failed to obtain CNICs and Form A from the directors of the said private limited company.</p> <p>Thus, verification of the identity of the authorized officer directors of the private limited company was not carried out; and</p> <p>iii) while clarifying its position in respect of non-submission of the requisite documents by the customer having policy No. GL001017, the Respondent has stated that the corporate customer through its Board's Resolution has authorized two (2) of its employees i.e. the Manager Finance and the Manager Commercial to singly act as authorized signatory on behalf of it. The Respondent has obtained CNIC of Manager Commercial for NADRA Verisys and conducted verification from sanctions lists.</p> <p>In this regard, it has been noted that the Respondent did not obtain CNIC of Manager Finance who is also an authorized signatory to execute insurance contracts with the Respondent. Moreover, the Company failed to obtain CNICs and Form A from the directors of the said corporate customer, which led to its failure in verification of their identity.</p> <p>Keeping in view the aforesaid contraventions/ non-compliances, I in exercise powers conferred Section 6(A)(2)(h) of the AML Act, 2010, hereby impose a fine of Rs. 18,000 (<u>Rupees Eighteen Thousand Only</u>) on the Company.</p>
5. Penalty Imposed	Rs. 18,000/-
6. Current Status of Order	Penalty deposited.

