

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

In the matter of Show Cause Notice issued to Integrated Equities Limited

Dates of Hearing

April 25, 2022.

Order-Redacted Version

Order dated May 19, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Integrated Equities Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated March 28, 2022.
2. Name of Respondent	Integrated Equities Limited (the Respondent/ the Company)
3. Nature of Offence	<u>Alleged contraventions of Rules 4(1) and 6(1) of the AML/ CFT Sanctions Rules, 2020 (the AML rules) and regulation 31 of the Securities & Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing- of Terrorism) Regulations, 2020 (the Regulations) read with Section 6(A)(2)(h) of the Anti-Money Laundering Act, 2010 (the Act).</u>
4. Action Taken	<p>Key findings were reported in the following manner:</p> <p>I have considered the facts of the case the written and oral submissions of the Respondent and material available un record in light of the applicable legal provisions and observed that:</p> <p>With regard to the identification of beneficial owner of the Client it was observed that the Respondent provided income returns filed voluntarily by the client for the FY 2020 as proof of income. However, it was observed that the client was identified as "student" in the Standardized Account Opening. Upon inquiry. the Respondent provided that the client had acquired gift shares from her father however, no gift deed was furnished by the Respondent at the time of inspection. As such, the beneficial owner of the client was not identified at the time of inspection. Subsequent :to the inspection, the Respondent provided the gift deed and the client was identified as self beneficial owner.</p> <p>In view of the foregoing I am of the considered view that contraventions of regulations 11 of AML Regulations have been established therefore, in terms of the powers conferred under</p>

	6(A)(2)(h) of the Act of the penalty of Rs. <u>20,000/- (Rupees Twenty Thousand Only)</u> is hereby imposed on the Respondent. The Respondent is advised to review its AML CFT policies, procedures & processes to ensure that the requirements contained in the AML Regulations are met in later and spirit in future
5. Penalty Imposed	Rs. 20,000/-
6. Current Status of Order	Penalty not deposited and No Appeal has been filed by the respondent.