

Before Ali Azeem Ikram, Executive Director/HOD (Adjudication-I)

In the matter of Show Cause Notice issued to M/s. ACM Global (Pvt) Limited

Date of Hearing

June 17, 2020

Order-Redacted Version

Order dated July 13, 2020 was passed by Executive Director/Head of Department (Adjudication-I) in the matter of ACM Global (Pvt) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated April 27, 2020
2. Name of Company	ACM Global (Pvt) Limited
3. Name of Individual*	The proceedings were initiated against the Company i.e. ACM Global (Pvt) Limited and its Compliance Officer.
4. Nature of Offence	Proceedings under Section 40A of SECP Act, 1997 and Section 150 of the Securities Act, 2015 for the violations of Regulation 4(a), 4 (d), 18 c (ii) 18 c (iii) of the AML and CFT Regulations, 2018 and Regulation 16(9)(e) and 16(9)(f) of the Licensing Regulations.
5. Action Taken	<p>Key findings of default of Regulations were reported in the following manner:</p> <p>I have examined the written as well as oral submissions of the Respondent and its Authorized Representative. In this regard, I observe that:</p> <ol style="list-style-type: none">i. With regard the violation of Regulation 4(a) of the AML Regulations, the response of Respondent on letter of finding vide its dated July 02, 2019 that it will submit amended AML/CFT policy within 10 days shows that policy was deficient at the time of Review. During the hearing, the Authorized Representative also admitted the default on part of Respondent.



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- ii. The Authorized Representative admitted the violation of Regulation 18 c(iii) and submitted that subsequent to the Review, Respondent updated its AML policy in accordance with the regulatory requirements.
- iii. The Respondent did not furnish its written comments on Respondent's compliance function in respect of the violation Regulation 18 c(ii) of the AML Regulations and Regulation 16(9)(e) of Licensing Regulations. However, during the hearing, the Authorized Representative admitted the facts as mentioned in the SCN and submitted that subsequent to the Review, Respondent has rectified the regulatory default.
- iv. The Respondent did not furnish its written comments on Respondent's independent audit function in respect of the violation Regulation 4(d) of the AML Regulations and Regulation 16(9)(e) of Licensing Regulations. However, during the hearing, the Authorized Representative admitted the defaults of the said Regulations as mentioned in the SCN and subsequent to the Review, Respondent has rectified the deficiencies.
- v. During the hearing, Authorized Representative admitted violation of Regulation 16(9)(f) of Licensing Regulations and claimed rectification of said default subsequent to the Review.

In view of the foregoing and admission made by the Representatives, contraventions of the provisions of Regulations 4(a), 4 (d), 18 c (ii) 18 c (iii) of AML Regulations and Regulations 16(9)(e) and 16(9)(f) of Licensing Regulations have been established, Therefore, in terms of powers conferred under section 40A of the Act, a penalty of Rs. 200,000/- (Rupees Two Hundred thousand) is hereby imposed on the ACM Global (Pvt.) Limited on contravention of AML Regulations. Furthermore, in terms of powers conferred under section 150 of the Securities Act 2015, a penalty of Rs.50,000/- (Rupees Fifty thousand) is hereby imposed on the ACM Global (Pvt.) Limited on contravention of Licensing Regulations made under Securities Act, 2015. However, in reference to Regulation 18 c (iii) Compliance office is warned to be careful in future. The ACM Global (Pvt.) Limited is advised to examine its AML/CFT policy & procedures to ensure that the requirements contained in the AML Regulations are met in letter and spirit.

Penalty Order dated July 13, 2020 was passed by Executive Director (Adjudication-I).



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6. Penalty Imposed	A penalty of Rs. 200,000/- (Rupees two hundred thousand only) under Section 40A of the Act and Rs. 50,000/- (Rupees fifty thousand only) under Section 150 of the Securities Act, 2015 was issued to the Company.
7. Current Status of Order	An appeal has been filed against this Order.

Redacted version issued for placement on the website of the Commission.