

**GOVERNMENT OF PAKISTAN**  
**SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN**

Islamabad, the 29<sup>th</sup> January 2021

**NOTIFICATION**  
**DIRECTIVE**

**S.R.O.105(I)/2021.**- Whereas the Anti-Money Laundering Act, 2010 (VII of 2010) (“the AML Act”) through the Anti-Money Laundering (Second Amendment) Act, 2020 under section 6A(1) and Schedule IV of the AML Act has designated Securities and Exchange Commission of Pakistan (“SECP” or the “Commission”) as an AML/CFT Regulatory Authority for any reporting entity licensed or regulated by SECP under relevant laws administered by SECP. Accordingly, under section 6A of the AML Act, the SECP is now empowered to issue regulations, directions and guidelines under the AML Act, 2010.

AND WHEREAS the term ‘Regulated Person’ (“RP”) means securities brokers, futures brokers, Insurers, Takaful Operators, NBFCs and Modarabas regulated by SECP under the administered legislation.

AND WHEREAS the term ‘occasional transactions’ means any transaction conducted by a reporting entity for a customer with whom the reporting entity does not have a business relationship.

NOW THEREFORE, in exercise of the powers conferred under section 6A of the AML Act, the Commission hereby directs all the Regulated Persons to comply with following customer due diligence requirements under section 7A(1)(b) of the AML Act and section 8(1) of the SECP AML/CFT Regulations, 2020, namely: -

- a. The regulated persons shall, at minimum, conduct CDD of their customers/ occasional customers in circumstances and matters set out in section 7(A)1 of the AML Act.
- b. For the purposes of section 7(A)(1)(b) of the AML Act, the regulated persons shall conduct CDD in respect of every occasional customer.

*Any person to whom this directive applies and who contravenes or fails to comply with the requirements of this directive shall be subject to sanction in accordance with AML/CFT Sanctions Rules, 2020 issued under the AML Act, 2010 and imposed by the Commission according to Clause (h) of Sub-section (2) of Section 6A of AML Act.*

*This directive shall not affect anything done, order made, show cause issued, proceeding commenced, penalty imposed, investigation, inspection or inquiry conducted or any other action taken or done under or in pursuance of above referred superseded directive shall be valid and under lawful authority.*

[File No.SY/SECP/8/13]

  
( Bilal Rasul )  
Secretary to the Commission