

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

In the matter of Show Cause Notice issued to Xpert Securities (Pvt.) Limited

Dates of Hearing

June 17,2022

Order-Redacted Version

Order dated June 28, 2022 was passed by Director/Head of Department (Adjudication-I) in the matter of Xpert Securities (Pvt.) Limited. Relevant details are given as hereunder:

Nature	Details
1. Date of Action	Show cause notice dated January 06, 2022.
2. Name of Respondent	Xpert Securities (Pvt.) Limited (the Respondent)
3. Nature of Offence	<u>Alleged contraventions of rules 4(1) and 6(1) of the AML/CFT Sanctions Rules, 2020 (the Rules) and regulation 31 of the Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2020 (the AML 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 reviewed the facts of the use and considered the written as well as oral submissions of the Respondent and its Representatives in light of the applicable legal provisions and observed that:</p> <p>(i) with regard to the alleged violation of regulation 5 (a) of the AML Regulations, in its above response to the SCN and during the hearing, the Respondent admitted that subsequent to the Inspection, they have fulfilled the requirements of the aforesaid regulation of the AML Regulations. Therefore, the Respondent cannot deny violation of the aforesaid provision of the AML Regulations; and</p> <p>(ii) the defaults of regulation 27(2)(c) were consequential to the default of regulation 5(a) of the AML Regulations.</p> <p>In view of the above, I am of the considered view that, contravention of regulation 5(a) of the AML Regulations has been</p>

	<p>established. Therefore, in terms of the powers conferred under 6(A)(2)(h) of the Act, I hereby Impose penalty of Rs.60,000/- (Rupees Sixty Thousand Rupees Only) on the Respondent. With respect to non-compliance of regulation 27(2)(c) of the AML Regulations, the Compliance Officer of the Respondent is warned to ensure compliance with all the applicable regulatory requirements including the AML Laws in letter and spirit, in future. The Respondent is advised to review its AML/CFT policies & procedures to ensure that these caters for full requirements of the AML Regulations.</p>
5. Penalty Imposed	Rs. 60,000/-
6. Current Status of Order	Penalty not deposited and No Appeal has been filed by the respondents.