SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

Adjudication Department

Adjudication Division

No. Order/Onsite/Adj-1/165206 -539

June 08, 2026

M/s. Optimus Capital Management (Private) Limited,
(Through Chief Executive Officer)
1st Floor, State Life Building # 1-B,
I.I Chundrigar Road,
Karachi.

SUBJECT: ORDER IN RESPECT OF SHOW CAUSE NOTICE DATED APRIL 14, 2026 UNDER SECTION 6A(2)(H) OF THE ANTI-MONEY LAUNDERING, ACT 2010 AND RULE 4(1)(A) AND RULE 6(1) OF THE AML/CFT SANCTION RULES, 2020 READ WITH REGULATION 31 OF THE SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN (ANTI MONEY LAUNDERING, COMBATING THE FINANCING OF TERRORISM AND COUNTERING PROLIFERATION FINANCING) REGULATIONS, 2020

Please find enclosed herewith copy of the order dated June 04, 2026 in the titled matter for your record and necessary action.

Regards,

Muhammad Umar Farooq
Management Executive

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SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN

SECP

Adjudication Department

Adjudication Division

ORDER	
Name of Company:	**M/s. Optimus Capital Management (Private) Limited**
Show Cause Notice No. & Date:	SCN/Onsite/Adj-1/165206 dated January April 14, 2026
Date of Hearing:	April 30, 2026
Case Represented by:	Mr. Jawad Amjad, Chief Executive Officer, *(As the Authorized Representatives of the Company)*
Provisions of Law Involved:	Section 6A(2)(h) of the Anti-Money Laundering Act, 2010 and Rule 4(1)(a) and 6(1) of the AML/CFT Sanction Rules, 2020 read with Regulation 31 of the Securities and Exchange Commission of Pakistan (Anti Money Laundering, Combating the Financing of Terrorism and Countering Proliferation Financing) Regulations, 2020 for violation of Regulation 19(1)(a) and 25(1)(a) thereof.
Order dated:	June 04, 2026

This Order shall dispose of the proceedings initiated by the Securities and Exchange Commission of Pakistan (the "**Commission**") through Show Cause Notice No. SCN/Onsite/Adj-1/165206 dated January April 14, 2026 (the "**SCN**") issued against M/s. Optimus Capital Management (Private) Limited (the "**Company/Noticee/Respondent**") under Section 6A(2)(h) of the Anti-Money Laundering Act, 2010 (the "**AML Act**") and Rule 4(1)(a) and 6(1) of the AML/CFT Sanction Rules, 2020 (the "**AML Rules**") read with Regulation 31 of the Securities and Exchange Commission of Pakistan (Anti Money Laundering, Combating the Financing of Terrorism and Countering Proliferation Financing) Regulations, 2020 (the "**AML Regulations**") for violation of Regulation 19(1)(a) and 25(1)(a) of the AML Regulations.

2. The provisions of regulation 19(1)(a) of the Securities and Exchange Commission of Pakistan (Anti Money Laundering, Combating the Financing of Terrorism and Countering Proliferation Financing) Regulations, 2020 (**the "AML Regulations"**) requires that the regulated person shall conduct ongoing due diligence on the business relationship, including: scrutinizing transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the regulated person's knowledge of the customer, their business and risk profile, including where necessary, the source of funds.

3. The provisions of regulation 25(1)(a) of the AML Regulations requires that the regulated person shall undertake TFS obligations under the United Nations (Security Council) Act, 1948 and/or Anti-Terrorism Act, 1997 and any regulations made there under, including:

(1) The regulated person shall undertake TFS obligations under the United Nations (Security Council) Act 1948 and/or Anti-Terrorism Act 1997 and any regulations made there under, including:

(a) developing mechanisms, processes and procedures for screening and monitoring customers, potential customers and beneficial owners/associates of customers to detect any matches or potential matches with the stated designated/proscribed persons notified through SROs/notification issued by Ministry of Foreign Affairs (MoFA), National Counter Terrorism Authority (NACTA) and Ministry of Interior (MoI).

4. The brief facts of the case are that the M/s. Optimus Capital Management (Private) Limited **(the "Company")** is a Trading Right Entitlement Certificate (**TREC**) holder of Pakistan Stock Exchange Limited (**PSX**) and licensed by the Commission as a Securities Broker under the Securities Act, 2015. The Company is a regulated person as per definition stated at Clause (r) of Regulation 3(1) of the AML Regulations. inspection of the Company was conducted vide JIT vide inspection notice No. Y2024/Q2/262 dated October 21, 2024, covering period from **October 01, 2023 to September 30, 2024** **(the "Inspection Period")**. The scope of the review was to ensure compliance status of the Securities Broker with respect to requirements stipulated in Joint Inspection Regulations, 2015, verification of all software application, Cybersecurity, data integrity related to Information Technology and Information Security Systems and AML Regulations. The

findings of the inspection were shared with the Company on January 06, 2025 and the inspection report (the "**Inspection Report**") was finalized on February 24, 2025.

5. The Inspection Report, *inter alia*, revealed as under:

(i) The Company failed to conduct on-going due diligence in respect of one high-risk corporate client (**CDC A/c. 12128**). The client account was opened in August, 2024 and occupation of the client was mentioned as "not applicable" on the Standard Account Opening Form (**SAOF**). During the review, the client carried out net buy transaction of Rs. 1.112 billion, wherein, made and received payments of Rs. 1.267 billion and R. 154 million respectively. Review of the source of income/ funds information by the inspection team revealed that the client had made a net loss as per the financial statements for the period ended December, 2023. The Company failed to obtain sufficient source of funds/ income evidence as part of on-going due diligence of the client. Accordingly, the Company, *prima facie*, contravened the requirements of regulation 19(1)(a) of the AML Regulations.

(ii) The Company's screening mechanism failed to detect match with the proscribed persons/ organizations. The inspection team cross-checked the reference of two names from the list of proscribed individuals/ organization against the database of proscribed persons/entities maintained by the Company and it was observed that no match was found against the search names. Accordingly, the Company, *prima facie*, contravened the requirements of regulation 25(1)(a) of the AML Regulations.

6. **AND WHEREAS**, the aforementioned violations attract the applicability of Section 6A(2)(h) of the AML Act and Rule 4(1)(a) and Rule 6(1) of the AML Rules read with Regulation 31 of AML Regulations. The relevant provisions of the law are reproduced hereunder:

> ***Section 6A(2)(h) of the AML Act:***
> *"(h) impose sanctions, including monetary and administrative penalties to the extent and in the manners as may be prescribed, upon their respective reporting entity, including its directors and senior management and officers, who violates any requirement in section 7(1), 7(3) to 7(6) and 7A to 7H and any rules or regulations made thereunder or those who fail to comply with the TFS regulations. Any person aggrieved by the imposition of sanctions under this clause may prefer an appeal in such manner and within such period to such authority as may be prescribed;"*
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> ***Rule 4(1)(a) of the AML Rules:***
> *"(a) Impose a monetary penalty in accordance with these Rules;"*
>
> ***Rule 6(1) of the AML Rules:***
> *"(1) The AML/CFT Regulatory Authority shall apply monetary penalties upto Rs. 100 Million per violation, in accordance with the risk-based penalty scale of the respective AML/CFT Regulatory Authority."*
>
> ***Regulations 31 of the AML Regulations:***
> *"(1) Any contravention of these regulations shall be cognizable by the Commission in accordance with section 6A of the AML Act and liable to sanction provided in the AML/CFT Sanctions Rules, 2020 and imposed by the Commission according to Clause (h) of Sub-section (2) of Section 6A of AML Act."*

7. Taking cognizance of the matter, the SCN was served upon the Company to show the cause in writing as to why penal action may not be taken against it under Section 6A(2)(h) of the AML Act and Rule 4(1)(a) and 6(1) of the AML Rules read with Regulation 31 of the AML Regulations for alleged violations of the aforesaid requirements. In response to the SCN, the Company, vide letter dated May 04, 2026 submitted written response, *inter alia*, as under:

> *"...In response to the allegations contained in the Impugned Notice, the Respondents hereby categorically submit that the Company has not contravened Regulations 19(1)(a) and 25(1)(a) of the AML Regulations or any provisions of the AML Regulations, and has not contravened any regulatory requirements.*

04-06-2026

The detailed response is provided below:

Account Opening

... ("Client") was incorporated in the year 2023, thus strong financials were not reasonably expected, and the financial statements submitted did not reflect robust indicators for a foreign entity. The opening of the account was accepted due to the established relationship of the Client with a reputable business group in the country, and a trading limit of PKR 5,000,000 was assigned (subject to expected annual turnover of AED 50,000). Data such as Client ownership information, Client company registration, incorporation records, etc., were collected from the Client and independently from publicly available data to support the assessment. It is submitted that the AML Regulations require the placement of foreign entities on high-risk for Enhanced Due Diligence (EDD) only for countries for which such a requirement has been called for by FATF. The Client is incorporated in the UAE, being a country for which FATF does not require EDD. The placement of the Client on high-risk was done by the Company itself as per its internal policy...

Banking Arrangements and Source of Funds

The Client is incorporated in the UAE and completed all formal bank account opening requirements and procedures when opening a bank account in Pakistan for investment purposes. MCB as appointed as the local bank for fund transfers. The transfer of funds was executed through official channels via the Special Convertible Rupee Account (SCRA). This ensured that we were also able to rely on the findings of the Customer Due Diligence (CDD) performed by the bank during SCRA processing. In this case, the financial strength and established reputation of the Client's associated companies provided additional assurance of the Client's capacity to meet its obligations...

Transaction Execution and Governance

The transaction was executed on August 16, 2024, with payment made the same day through MCB via SCRA. Institutional governance requirements were fully addressed, and all supporting documentation has been retained for regulatory review. The execution was overseen by our CEO, Mr. Jawad Amjad, which provided additional assurance regarding the transaction exceeding the trading limit.

Proscribed Entities

The Company maintains a screening framework to identify sanctioned individuals and organizations. Our Company's systems are configured to screen against individuals and organizations that are formally notified as proscribed/designated under the applicable legal regime. Our system is updated with all individuals and organizations formally notified as "Proscribed". However, entities placed on the "Watch" list by National Counter Terrorism Authority in Pakistan ("NACTA") do not form part of the formally notified proscribed list configured in the system's automated screening list at that time.

At the time of SECP's request to screen two names from the list of proscribed organizations, a screening was undertaken and the two names were not on the NACTA Proscribed list. Rather, they were on the Watchlist. Accordingly, these names were not identified as proscribed.

Having said the above, the Company has now, as an additional measure, commenced manually screening all transactions against the NACTA proscribed and watchlist webpage. In addition, we have also implemented an enhanced screening tool to identify sanctioned entities, PEPs, and PEP related persons as part of our continued compliance enhancement measures.

In view of the foregoing, it is respectfully submitted on behalf of the Company has not contravened Regulations 19(1)(a) and 25(1)(a) of the AML Regulations. The Commission is, therefore, humbly requested to withdraw the Impugned Notice and to dispose of the matter without any adverse findings against the Company... "

8. In order to provide an opportunity for personal representation and to meet the ends of justice, a hearing in the matter was first fixed for April 30, 2026 which was attended by Mr. Jawad Amjad, Chief Executive Officer as the Authorized Representative of the Company, hereinafter referred to as the **"Authorized Representative"**. During the course of the hearing, the Authorized Representative submitted that the corporate client was marked as high-risk in the account opening form due to being a foreign entity however,

it was admitted that updated source of income with respect to the client was not obtained as highlighted by the inspection team. Furthermore, the Authorized Representative submitted that the two proscribed entities were part of NACTA watchlist which was not updated in its automated systems for screening purposes. Therefore, the Company adopted manual screening approach with regard to the screening of its clients against the watchlist of NACTA.

9. I have carefully examined the relevant provisions of Regulations 19(1)(a) and 25(1)(a) of the AML Regulations, along with the Inspection findings, the written response submitted by the Company, and the verbal submissions made during the hearing. With regard to the first allegation concerning contravention of Regulation 19(1)(a) of the AML Regulations, it is observed that the said provision mandates regulated persons to undertake on-going due diligence on business relationships and to scrutinize transactions undertaken throughout the course of the relationship to ensure that the transactions being conducted are consistent with the regulated person's knowledge of the customer, including, where necessary, the source of funds and source of wealth. The record reveals that the subject corporate client was itself classified by the Company as a high-risk customer at the time of account opening. During the inspection period, the client executed transactions involving net purchases of approximately Rs. 1.112 billion and made payments aggregating to Rs. 1.267 billion. Despite the magnitude of transactions and the high-risk categorization assigned by the Company, no updated documentary evidence regarding the source of funds or source of income was obtained by the Company. The Company's contention that the client was associated with a reputable business group, maintained a Special Convertible Rupee Account (SCRA), and had undergone banking due diligence cannot substitute the independent obligation imposed upon the Company under the AML Regulations. Reliance on due diligence conducted by another institution does not absolve a regulated person from performing its own on-going due diligence obligations, particularly where significant transactional activity is inconsistent with the available financial information. Significantly, during the hearing, the Authorized Representative candidly admitted that updated source of income documentation was not obtained from the client. Accordingly, the contravention of Regulation 19(1)(a) of the AML Regulations stands established.

10. As regards the second allegation pertaining to Regulation 25(1)(a) of the AML Regulations, the said provision requires regulated persons to implement appropriate screening mechanisms capable of identifying whether customers, beneficial owners or related parties are designated, proscribed or otherwise linked with sanctioned entities and individuals. The inspection findings demonstrate that the Company's screening mechanism failed to identify names specifically selected by the inspection team from the relevant sanctions screening lists. The Company has argued that the names referred by the inspection team were appearing on the NACTA watchlist rather than the proscribed list and, therefore, were not configured in its automated screening system. This contention is not persuasive. A regulated person's screening framework is required to be sufficiently robust and effective to identify potential sanctions-related risks and cannot be confined to a narrow or restrictive interpretation that defeats the very objective of preventive AML/CFT controls. The fact that the Company subsequently introduced manual screening procedures and enhanced its screening tools further evidences the existence of deficiencies in its earlier screening mechanism. Moreover, during the hearing, the Authorized Representative acknowledged that the NACTA watchlist was not incorporated within the automated screening system maintained by the Company. Consequently, it is held that the Company's screening controls were inadequate and ineffective, thereby constituting a violation of Regulation 25(1)(a) of the AML Regulations.

11. In view of the foregoing and the submissions made by the Respondent and its Authorized Representative, the non-compliance/contravention of the requirements of Regulations 19(1)(a) and Regulation 25(1)(a) of the AML Regulations have been established beyond doubt, which attract penal action under the provisions of Section 6A(2)(h) of the AML Act read with Rules 4(1)(a) and 6(1) of the AML Rules and Regulation 31 of the AML Regulations. Therefore, I, in terms of powers conferred under Section 6A(2)(h) of the AML Act read with Regulation 31 of the AML Regulations and S.R.O. 827(I)/2022 dated June 09, 2022, hereby, impose a penalty of **Rs. 30,000 (Rupees Thirty Thousand Only)** on the Company on account of established defaults. The Company is also advised to ensure meticulously compliance with all the requirements of the AML Regulations in future.

12. The Company is hereby DIRECTED to deposit the aforesaid fine in the designated bank account maintained in the name of Securities and Exchange Commission of Pakistan with MCB Bank Limited or United Bank Limited within thirty (30) days from the date of this Order and furnish receipted voucher issued in the name of the Commission for information and record.

04-06-2026

13. In case the Company is aggrieved by this Order, it may, within thirty (30) days of the date of this Order, prefer an appeal to Appellate Bench of the Commission in terms of Section 33 of the Securities and Exchange Commission of Pakistan Act, 1997 in accordance with the procedure for filing an appeal as laid down under the Securities and Exchange Commission of Pakistan (Appellate Bench Procedure) Rules, 2003.

04-06-2026

Sohail Qadri
Director/ Adjudicating Officer
Adjudication Department

Announced:
June 04, 2026
Islamabad.
Order No. 165206