PAKISTAN STOCK EXCHANGE LIMITED
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Ref. No. PSX/ RAD/O-3549

October 20, 2025

The Board of Directors
Optimus Capital Management (Private) Limited
1st Floor, State Life Building # 1-B,
I.I. Chundrigar Road,
Karachi.

SUBJECT: DECISION IN THE MATTER OF NON-COMPLIANCES HIGHLIGHTED IN THE JOINT INSPECTION REPORT OF OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED

Dear Sirs,

This is with reference to the subject matter.

Please find enclosed herewith the Order of Chief Regulatory Officer dated October 20, 2025 in the matter of non-compliance(s) highlighted in the joint inspection report of Optimus Capital Management (Private) Limited.

The above is for your information and necessary compliance within stipulated time.

Yours truly,

Adeel Shamshad
AGM | Unit Head | Audit, Inspection, Default & Arbitration
Regulatory Affairs Division

Cc:

1. *The HOD/Director – SD, Licensed and Unlisted Companies Department, SECP*
2. *The Additional Director – SD, Licensed and Unlisted Companies Department, SECP*
3. *The Chief Regulatory Officer – PSX*
4. *The Chief Executive Officer – Optimus Capital Management (Private) Limited*
5. *The Company Secretary – Optimus Capital Management (Private) Limited*
   (Ensure to circulate the enclosed Order to the Board of Directors)

Encl: As Above

ORDER UNDER CLAUSE 20.5 OF PSX REGULATIONS

IN THE MATTER OF NON-COMPLIANCES HIGHLIGHTED DURING THE JOINT INSPECTION OF OPTIMUS CAPITAL MANAGEMENT (PRIVATE) LIMITED

Hearing Officer:	Mr. Atif Islam Siddiqui | Unit Head - Audit, Inspection, Default & Arbitration (Authorized Representative of Chief Regulatory Officer)
Assisting Hearing Officer:	Mr. Khalid Jehangir | Senior Manager– RAD Mr. Muhammad Aitezaz Khan | Manager– RAD
Representing Broker:	Mr. Syed Ayaz Ahmed | Chief Executive Officer Mr. Adeel Ahmed | Head of Online Retail
Date of Hearing:	August 22, 2025

1. This Order shall dispose of the proceedings initiated against Optimus Capital Management (Private) Limited (**Optimus Capital**) through hearing letter No. PSX/RAD/O-3513 dated August 15, 2025 issued under clause 20.4 of PSX Regulations (**Regulations**).

2. Brief facts of the case are as follows:

   (a) Optimus Capital is a Trading Rights Entitlement (**TRE**) Certificate holder of Pakistan Stock Exchange Limited and licensed by Securities and Exchange Commission of Pakistan as Trading and Self-Clearing Broker.

   (b) Inspection of Optimus Capital was initiated by Joint Inspection Team (**JIT**) under clause 5(1) of the Joint Inspection Regulations, 2015 (**JI Regulations**) based on the scope mentioned in Appendix III of JI Regulations covering the period from October 01, 2023 to September 30, 2024 (**Review Period**).

   (c) In pursuance of sub-clause (v) of Clause 19 of JI Regulations, the Oversight Committee formed under the JI Regulations shared its Finding Report (**Report**) with all SROs, including PSX, for taking necessary action under their respective regulatory frameworks.

3. JIT reported following observations / non-compliances with the relevant regulatory framework:

   (a) Signed tariff schedule of customers were not provided;
   (b) Records relating to customer's trade instructions were not provided;
   (c) The brokerage commission charged on the transactions executed in DFC market was above the maximum prescribed limit specified by the Exchange; and
   (d) Deficiencies were noted in Information Security Requirements for securities brokers.

4. Taking cognizance of the abovementioned observations highlighted in the Report, PSX vide letter dated March 26, 2025 sought written explanations from Optimus Capital. Optimus Capital vide letter dated April 17, 2025 provided its responses along with documentary evidences.

5. Upon review, it was noted that Optimus Capital had not provided satisfactory responses on the highlighted observations except for signed tariff schedules. Hence, PSX provided an opportunity of

being heard to Optimus Capital on August 22, 2025 to deliberate and seek explanations on the reported observations.

6. The hearing was attended by Mr. Syed Ayaz Ahmed (**CEO**) and Mr. Adeel Ahmed (**Head of Online Retail**) as (**Representative or collectively as Representatives**) of Optimus Capital.

7. The reported observations were discussed at length during the hearing conducted by the PSX Official (**Hearing Officer**) authorized by the undersigned. The observations along with responses of Optimus Capital and comments of PSX are described below:

   (a) **Non-provision of Tariff Schedule**: The Hearing Officer informed the Representatives that Optimus Capital had not provided signed tariff schedule of 02 out of selected sample of 30 customers.

   The Hearing Officer further apprised the Representatives that in response to the written explanations sought by PSX, Optimus Capital provided signed tariff schedule of 02 highlighted customers.

   The Hearing Officer advised the Representatives to maintain tariff schedule to ensure that customers are up to date with the fees charged on their trade transactions.

   (b) **Executions of Customers' Order**: The Hearing Officer informed the Representatives that JIT had selected a sample of 133 transactions of 50 customers for verification of trade order instructions placed by customers, however, it was observed that order instructions for 7 transactions of 02 customers were not received from their registered email addresses.

   The Hearing Officer further apprised the Representatives that in response to the written explanations sought by PSX, Optimus Capital has not provided evidence relating to updation of email addresses of highlighted 02 customers, in the back-office system.

   The Representative accepted that order instructions from the highlighted 02 customers were received from email addresses other than their registered email addresses available in the back office system. The Representative further informed that they have obtained signature of the customers on the contract notes to document the legitimacy of these executed transactions, and reiterated their stance to ensure full regulatory compliance in future. Further, it was informed that the email addresses of the customers are included in the back office system.

   The Hearing Officer clarified that trade order instructions should be received only through the registered medium of communication.

   (c) **Excess Commission charged on DFC Transactions:** The Hearing Officer informed the Representatives that JIT reported that Optimus Capital had charged the brokerage commission above the prescribed threshold i.e. 2.5% of the transaction value executed by 02 out of selected sample of 10 customers in DFC market.

   The Representative informed that charging rollover commission on daily or weekly basis on DFC market transactions is a common industry practice and the matter related to roll over commission is taken up by PSBA with PSX to obtain necessary clarification.

The Hearing Officer apprised the Representatives that necessary clarification has already been issued to PSBA and clarified that the amount charged as a brokerage commission or rollover charges in a same contract should not exceed the maximum limit of 2.5% of the transaction value in aggregate.

(d) **IT and IS related applicable requirements of securities brokers**: The Hearing Officer informed the Representatives that JIT had observed non-compliances in various areas of minimum information security standards prescribed by PSX.

The Hearing Officer further apprised the Representatives that in response to the written explanations sought by PSX, Optimus Capital resolved all the observations except the observation pertaining to implementation of Multi-factor Authentication (MFA) on critical operating systems.

The Representative responded that their IT team is working to implement MFA on the OS level, as implementing MFA on OS level requires hardware upgradation.

The Hearing Officer advised the Representatives to ensure meticulous compliance with all the requirements of the Minimum Information Security Standards prescribed vide PSX Notice PSX/N-670 dated June 27, 2023.

8. Subsequent to the hearing, Optimus Capital vide e-mail dated September 11, 2025 submitted documentary evidences. The responses of Optimus Capital and the assessment of PSX is provided hereunder:

(a) **Executions of customers' Order:** Optimus Capital has provided evidences pertaining to update of email addresses of its 02 customers in the back office system. However, Optimus Capital has not provided the request letters of the customers to update the same.

(b) **IT and IS related applicable requirements of securities brokers:** Optimus Capital requested further time for implementation of MFA on critical operating systems to ensure meticulous compliance with the requirements of the minimum IT/IS Standards.

9. Having considered the relevant facts and aspects in light of the above proceedings, the following non-compliances with the PSX Regulations were established:

(a) Execution of customers' trade orders based on instructions received from unregistered email addresses.
(b) Charging of brokerage commission beyond the specified maximum limit of 2.5% of the transaction value as prescribed in PSX Regulations; and
(c) Failure to implement MFA on critical operating systems.

10. In light of the foregoing, the Optimus Capital is hereby directed to comply with the following:

(a) Pay an aggregate fine of PKR **20,000/-** within 30 days from the date of this Order on account of violation relating to execution of customers' orders received from unregistered email address.

(b) Ensure that trade order instructions are accepted for execution only when received from the registered correspondence details and any change therein shall only be made on the prior written request of the customers.

(c) Credit the excess brokerage commission collected from the customers during the Review Period back in the respective customers' accounts in accordance with the working shared in the JIT Finding Report. Optimus Capital must submit the relevant documentary evidences of the compliance thereof with PSX within 30 days from the date of this Order.

(d) Ensure brokerage commission does not exceed the maximum specified limit of 2.5% of the transaction value as prescribed under PSX Regulations.

(e) Ensure to implement MFA on Operating System for enhanced security and protection against unauthorized access and submit status of compliance thereof with PSX.

(f) Remain vigilant in the future and ensure meticulous compliance with all applicable regulations at all times in letter and spirit.

The imposition of the fine does not absolve the Optimus Capital from the responsibility to resolve any genuine trade-related complaint of any customer that may arise against it.

<u>The fine should be paid by cheque / pay order in favor of "Pakistan Stock Exchange Limited" within 30 days from the date of this Order</u>.

This Order is issued without prejudice to the right of PSX to further initiate any enquiry, special audit with expanded, restricted, or different scope or to take any punitive action against Optimus Capital in accordance with the relevant regulations on matters subsequently investigated or otherwise brought to the knowledge of PSX.

It must be noted that JIT may verify/re-assess the status of compliance with the regulatory requirements including but not limited to the observations highlighted in this Order. In case of any non-compliance, the same shall be dealt with in accordance with the relevant penal provisions of PSX Regulations.

AJEET KUMAR
Chief Regulatory Officer

Announced:
October 20, 2025
Karachi.