



SECURITIES AND EXCHANGE COMMISSION OF PAKISTAN
SPECIALIZED COMPANIES DIVISION
POLICY, REGULATION AND DEVELOPMENT DEPARTMENT

No. SCD/PRDD/Circular/ 332 /2015

April 27, 2015

CIRCULAR NO. 15 OF 2015

Guidance on Compliance of Government of Pakistan's Notifications issued under United Nations Security Council (UNSC) Resolution 1267

In exercise of the powers conferred under Section 282B (3) of the Companies Ordinance, 1984, read with Regulation 9 of the Non-Banking Finance Companies and Notified Entities 2008, the Securities and Exchange Commission of Pakistan hereby issues following guidance on compliance of Government of Pakistan's Notifications issued under United Nations Security Council (UNSC) Resolution 1267:-

1. The United Nations Security Council (UNSC) Committee, established pursuant to resolutions 1267 (1999) and subsequent resolutions, concerning Al-Qaida and associated individuals and entities approves the addition, amendments and deletion in the Consolidated List of individuals and entities subject to the sanctions covering assets freeze, travel ban and arms embargo set out in Security Council resolutions adopted under Chapter VII of the Charter of the United Nations.

2. The Government of Pakistan under the United Nations (Security Council) Act, 1948 gives effect to the decisions of UNSC whenever the Consolidated List maintained by the Sanctions Committee is updated. The Ministry of Foreign Affairs issues Statutory Regulatory Orders (SROs) to provide legal cover for implementing sanction measures under Security Council Resolutions. The Consolidated Lists available at the UN Sanctions Committee's website, are regularly updated and can be accessed at the following links:

www.un.org/sc/committees/1267/aq_sanctions_list.shtml

<http://www.un.org/sc/committees/1988/list.shtml>

3. These SROs/Notifications in respect of listed individuals/ entities require financial institutions to implement assets freeze, travel ban and arms embargo in accordance with the Security Council Resolutions as under:-

"Freeze without delay the funds and other financial assets or economic resources of listed individuals and entities, including funds derived from property owned or controlled directly or indirectly",

4. Pursuant to UNSC Resolutions, credit payments in such frozen accounts are permitted, so long as the additional amounts are also subject to the assets freeze. The Government of Pakistan has already prescribed penalty up to Rs. 10 million for non-compliance of sanctions regime being implemented through SROs under the UN (Security Council) Act, 1948.

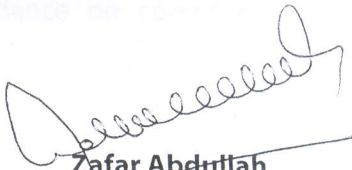
5. Securities and Exchange Commission of Pakistan (SECP) circulates the subject SROs/Notifications to its regulated entities for taking necessary action with the advice to report details

of such frozen assets and other action, taken in compliance with the relevant SRO to SECP within the stipulated time.

6. All -Banking Finance Companies are advised to regularly access the aforesaid Consolidated Lists to ensure compliance with measures in para 3 above in line with the UNSC resolutions. The updated Consolidated List should be accessible by the regulated entity, which will be checked by SECP during the course of inspection.

7. All Non-Banking Finance Companies may also educate their customers that in case of any wrongful or inadvertent freezing, they may apply in writing for de-listing to Government of Pakistan through relevant Ministry or to the UN's Ombudsman, as the case may be.

8. For further information, regulated entities may access relevant information / documents from the UNSC website.



Zafar Abdullah
Commissioner (SCD)

Distribution:

1. Chief Executives, All NBFCs
2. Mutual Funds Association of Pakistan
3. Investment Banking Association of Pakistan
4. NBFIA and Modaraba Association of Pakistan
5. Trustees of Collective Investment Schemes