

HAMZA FARHAD SECURITIES (Private) Limited

Anti-Money Laundering (AML)

Policy Compliance and Supervisory Procedures

Company's Policy

It is the policy of the Company to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the funding of terrorist or criminal activities. Money laundering is generally defined as engaging in acts designed to conceal or disguise the true origins of criminally derived proceeds so that the unlawful proceeds appear to have derived from legitimate origins or constitute legitimate assets. Generally, money laundering occurs in three stages. Cash first enters the financial system at the "placement" stage, where the cash generated from criminal activities is converted into monetary instruments, such as money orders or traveler's checks, or deposited into accounts at financial institutions. At the "layering" stage, the funds are transferred or moved into other accounts or other financial institutions to further separate the money from its criminal origin. At the "integration" stage, the funds are reintroduced into the economy and used to purchase legitimate assets or to fund other criminal activities or legitimate businesses. Terrorist financing may not involve the proceeds of criminal conduct, but rather an attempt to conceal the origin or intended use of the funds, which will be used later for criminal purposes. All employees of **Hamza Farhad Securities (Pvt.) Limited** are required to receive a copy of the Company's AML policy and are required to follow such policy and procedures. If an employee is caught violating any portion of the Company's AML policies and procedures, a meeting with the **Money –Laundering Reporting Officer** will occur, with the employee given written warning of such violation. If the employee violates the AML policies and procedures for the second time, immediate termination will occur.

AML Compliance Reporting Officer Designation and Duties

Hamza Farhad Securities (Pvt.) Limited designates **Money –Laundering Reporting Officer (MLRO)**. The MLRO may also act as the MLRO, with full responsibility for the Company's AML program. The duties of the **MLRO** will include monitoring the Company's AML compliance, overseeing communication and training for employees. **MLRO** will also ensure that proper AML records are kept.

Giving AML Information to Law Enforcement Agencies and Other Financial Institutions

Hamza Farhad Securities (Pvt.) Limited will respond to Law Agencies and Other Financial Institutions request about accounts or transactions by reporting the identity of the

