



CERTIFICATE

We certify to the Board of Directors (BOD) of MCB-Arif Habib Savings and Investments Limited that we have reviewed all non-compliances reported by Compliance Department during the period from July 01, 2021 to September 30, 2021 and no major non-compliance is observed that require BOD's attention. However, we would like to highlight one (1) finding to the Board of Directors.

A handwritten signature in black ink, appearing to read 'M. Saqib Saleem', written over a horizontal line.

Muhammad Saqib Saleem
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Asif Mehdi', written over a horizontal line.

Muhammad Asif Mehdi Rizvi
Chief Operating & Financial Officer

**SUMMARIZED COMPLIANCE REPORT
FOR THE PERIOD FROM JULY 01, 2021 TO SEPTEMBER 30, 2021**

S.No.	Name of Department	Heading	Non-compliance Detail	Management's Comments
1.	Unit Holders' Accounting Department	Redemption from Dormant Accounts	Sub-Regulation (3) of Regulation 20 of the Securities and Exchange Commission of Pakistan (Anti Money Laundering and Countering Financing of Terrorism) Regulations, 2020 states that: <i>For customers whose accounts are dormant or in-operative, <u>withdrawals shall not be allowed until the account is activated on the request of the customer</u>. For activation, the regulated person shall conduct NADRA Verisys or biometric verification of the customer and obtain attested copy of customer's valid identity document (if already not available) and fulfill the regulatory requirements.</i> During our compliance review, we noted that there was no mechanism existed either in Retrofit System or manually at Unit Holders' Accounting Department which restricted the withdrawals from dormant accounts till the fulfillment of above-mentioned regulatory requirements. Moreover, despite several reminders, Unit Holders' Accounting Department did not submit any development requirement to IT Department in this respect till September 30, 2021.	Chief Operating and Financial Officer's Comments: We have reviewed the Dormant Account Policy which required inputs from various departments (CCU, ISD and Digital unit). We have briefed system development requirement to IT Department in accordance with the Dormant Account Policy and requested them to prioritize this system development. Moreover, Unit Holders' Accounting Department is now manually restricting withdrawals from Dormant Accounts until the accounts are activated after fulfilling requirements.