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## NOTICE

### **Penalties for AML/CFT Non-Compliance Imposed by the Commission Between January and June 2023**

**Ref: 2023816AML**

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The Securities and Exchange Commission of Zimbabwe (SECZim) hereby notifies the market that, from 1 January to 30 June 2023, five (5) Securities Market Intermediaries were penalized for failing to comply with the obligations imposed by the Money Laundering and Proceeds of Crime Act [Chapter 9:24]. The administrative penalties imposed by the Commission are listed in Table 1.

**Table.1: Onsite Penalties imposed by the Commission from January to June 2023**

<b>Category of Securities Market Intermediary</b>	<b>Summary Deficiencies Identified During the Onsite Inspections</b>	<b>Monetary Penalty Imposed</b>	<b>Other Remedial Actions Imposed</b>
Securities Dealing Firm	<ul style="list-style-type: none"> <li>• No official AML/CFT policy.</li> <li>• Incomplete KYC information and documentation.</li> <li>• No evidence of transaction monitoring.</li> <li>• No execution of reporting obligations.</li> <li>• No execution of staff training.</li> </ul>	USD500.00	<ul style="list-style-type: none"> <li>• Corrective Order</li> <li>• Recommended the removal of a compliance officer</li> </ul>
Securities Dealing Firm	<ul style="list-style-type: none"> <li>• Incomplete KYC information and documentation.</li> <li>• No evidence of transaction monitoring.</li> <li>• Failure to meet reporting obligations.</li> <li>• Suspicious transactions monitoring.</li> <li>• AML/CFT issues not included in the institution's strategy document.</li> </ul>	USD1500.00	<ul style="list-style-type: none"> <li>• Corrective Order</li> </ul>
Securities Investment Manager	<ul style="list-style-type: none"> <li>• Incomplete KYC information and documentation.</li> <li>• No evidence of transaction monitoring.</li> <li>• Failure to meet reporting obligations.</li> <li>• Suspicious transactions monitoring.</li> <li>• AML/CFT issues not included in the institution's strategy document.</li> </ul>	USD1100.00	<ul style="list-style-type: none"> <li>• Corrective Order</li> </ul>
Securities Investment Manager	<ul style="list-style-type: none"> <li>• No official AML/CFT policy.</li> <li>• There is no evidence to support that training took place.</li> <li>• Inadequate ongoing monitoring.</li> </ul>	USD1500.00	<ul style="list-style-type: none"> <li>• Corrective Order</li> </ul>

	<ul style="list-style-type: none"> <li>Manual identification of Suspicious Transactions.</li> </ul>		
Securities Dealing Firm	<ul style="list-style-type: none"> <li>Weak CDD/KYC documentation.</li> <li>None Reporting of a Suspicious transaction.</li> </ul>	USD5000.00	<ul style="list-style-type: none"> <li>Corrective Order</li> </ul>

**AML/CFT Penalties imposed by the Commission for late Submission of Quarterly Returns Between January and June 2023**

In accordance with Statutory Instrument 216 of 2022, the Commission imposed penalties on six (6) Securities Market Intermediaries for late submission of AML/CFT quarterly returns between January and June 2023. The penalties imposed are indicated in Table 2.

**Table.2: Late Submission of Quarterly Returns Penalties between January and June 2023**

<b>Category of Securities Market Intermediary</b>	<b>Monetary Penalty Imposed (USD)</b>
Securities Investment Manager	100.00
Securities Dealing Firm	400.00
Securities Dealing Firm	800.00
Securities Investment Manager	800.00
Securities Investment Manager	1000.00
Securities Investment Manager	100.00

**BY ORDER**

Securities and Exchange Commission of Zimbabwe

**16 August 2023**