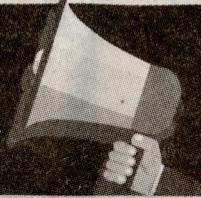


PUBLIC
WARNING

BETTER BE SAFE THAN SORRY

DON'T FALL FOR THE TRAP



The public is warned to be aware and not be misled by fraudulent activities/schemes of deposits, loans, investments etc. launched by certain companies, non-corporate entities and/or individuals through advertisements in the print and electronic media, agents, brochures, websites, emails, hoardings and mobile text messages etc. Some examples of these fraudulent schemes aimed at depriving innocent people of their hard-earned money are briefly explained below:

- **Employment scams** in which job advertisements are published seeking processing charges/registration fees/security deposits etc., from the candidates along with the job applications.
- **Real estate scheme/projects** soliciting investors to purchase properties in Pakistan by promising high gains and abroad by promising residency permits as well. Usually the projects/properties exist only on paper.
- **Deposit schemes** in which people are promised unusually high profit/mark-up. The fraudsters give assurance of safety of deposits/profits. They pay profit regularly for some time to trap more people and disappear after collecting huge sums of money.
- **Loan schemes** in which fraudsters promise loans of huge amounts for any purpose on easy terms. They ask borrowers to fill up forms, pay certain charges and then keep telling them that they have submitted their case to a bank and will get it soon. Ultimately, they tell their customers that the bank has declined their loan application or they simply disappear.
- **Relief/charity scams** in which potential donors are contacted by strangers/unreliable persons through unsolicited emails, phone calls, SMS or other means to deposit money into a bank account.
- **Booking of vehicles/tractors/capital goods** in which the public is asked to give certain cash by hand or deposit the same into a bank account, in the name of advance money/booking price for purchase/lease of capital goods. The fraudsters do not deliver the vehicle and disappear with the money so collected.
- **Cheating through post, emails, phone calls, SMS** by offering unexpectedly exciting prizes, lucky draws, sweepstakes, and false promotions/offers.
- **Introducing brokers of foreign brokerage houses** is a business that is not covered under local laws. The fraudsters use bogus trading software to cheat investors. We advise investors to be cautious and make sure that the brokers/agents with whom they are trading are registered as brokers with the SECP.
- **Network marketing, multi-level marketing (MLM), direct selling, ponzi and pyramid schemes** require customers to bring certain number of more customers in a geometric progression.
- **Prize winning frauds, car, plot of land, lottery schemes or fake financial aid schemes** etc. in which innocent people are informed over telephone or through letter about winning a lottery, car or plot of land by getting their names and other particulars from sources like utility bills, telephone directories etc. Some fraudsters use the names of financial aid schemes such as Benazir Income Support Program, Prime Minister Youth Loan Scheme etc. to inform innocent people about their allegedly successful

application and demand certain processing charges etc.

- **Fraud in the name of modaraba/musharika or other Islamic products** in which fraudsters exploit people by offering high rate of return in the name of interest free business, i.e. modaraba/musharika. Fraudsters exploit religious sentiments of innocent people by making false claims about their association with renowned religious scholars.
- **Online work** such as data entry, pay on click, pay per view in which the public is asked to pay registration fee and is offered work to enter data online, click and view ads and videos online and promised payment at a defined checkout amount which is seldom paid.
- **Fake online diploma/degrees** in which people are asked to pay registration fee, attend courses online, send assignments online and awarded a fake degree after completion of tenure.

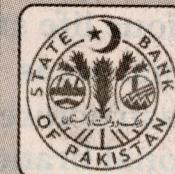
In these schemes the fraudsters give false assurances of deposit safety, guarantee regular high profit, guarantee provision of employment, give them plots, prizes, vehicles, products etc. which are never realized and they just disappear.

The public is, therefore, advised in their own interest to be prudent while making any investments and to verify that the entity they are dealing with is duly authorized/licensed by the relevant authority to carry out its business activities. Appropriate advice from independent legal or financial professionals regarding the risks involved is suggested. The list of entities licensed by the State Bank of Pakistan (SBP) and the Securities and Exchange Commission of Pakistan (SECP) is available at their respective websites. For further clarification in respect of these entities, the SECP or the SBP may be contacted at the following addresses:



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Joint Registrar of Companies
Securities and Exchange Commission
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email: Waseem.ahmad@secp.gov.pk
Tel.: 051-9207091-4 (Ext: 299)
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