

September 10, 2021

The General Manager
Pakistan Stock Exchange Limited
Stock Exchange Building
Stock Exchange Road
Karachi

Dear Sir,

Our Ref: 100.2.527

Subject: Material Information: Press Release by US Department of Justice on Cyber Attack Case

In accordance with Section 96 of the Securities Act, 2015 and Clause 5.6.1(a) of PSX Regulations, we hereby convey the following information:

There is a news circulating on social media about the decision by a US Court, against a Canadian person involved in laundering of money related to various incidents of cybercrimes, including cyberattack incident using cards issued by BankIslami Pakistan in 2018 involving transactions worth USD 6.2mn. The subject incident of BankIslami was also shared with PSX on October 28, 2018.

BankIslami would like to clarify that the matter reached to a settlement between International Payment Scheme and the Bank. The related financial impact along with its disclosure was made in the financials for the year ended December 31, 2020. BankIslami later joined the criminal case conducted by the US Department of Justice against the subject money launderer, at the District Court of Southern District of Georgia. The Bank, being one of the victim, also filed its claim in the Court.

As per a Press Release issued by the US Department of Justice, USA Attorney's Office, South District of Georgia (copy attached), the case was concluded on September 7, 2021, whereby the Court has sentenced the culprit for prison of 140 months and ordered for restitution of USD 30mn, including claim of BankIslami, as payment of losses to the victims against laundering of tens of millions of dollars in various Cyber Crime Schemes.

BankIslami is yet to receive detailed judgement of the case and to know further process for the recovery of the restitution. Nevertheless, the Bank believes that the chances of recovery of restitution amount from a guilty is unknown at this stage.

We will keep the Exchange and its Member updated about any material development in this regard.

Yours Sincerely,


Muhammad Shoaib
Company Secretary

CC: Commissioner
Securities and Exchange Commission of Pakistan
Securities Market Division
Market Supervision & Capital Issues Department,
NIC Building, 63 Jinnah Avenue, Islamabad



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Department of Justice
U.S. Attorney's Office
Southern District of Georgia

FOR IMMEDIATE RELEASE
Wednesday, September 8, 2021

International money launderer sentenced to federal prison in cyber-crime conspiracies responsible for intended loss of nearly \$60 million

Defendant ordered to pay victims in U.S. and elsewhere more than \$30 million in restitution

SAVANNAH, GA: A Canadian man who conspired to launder tens of millions of dollars stolen in various wire and bank fraud schemes – including a massive online banking theft by North Korean cyber criminals – has been sentenced to nearly 12 years in federal prison.

Ghaleb Alaumary, 36, of Mississauga, Ontario, was sentenced to a total of 140 months in prison after pleading guilty to two counts of Conspiracy to Commit Money Laundering, said David H. Estes, Acting U.S. Attorney for the Southern District of Georgia. U.S. District Court Judge R. Stan Baker also ordered Alaumary to pay \$30,703,946.56 in restitution to victims and to serve three years of supervised release after completion of his prison sentence. There is no parole in the federal system.

“This defendant served as an integral conduit in a network of cybercriminals who siphoned tens of millions of dollars from multiple entities and institutions across the globe,” said Acting U.S. Attorney Estes. “He laundered money for a rogue nation and some of the world’s worst cybercriminals, and he managed a team of coconspirators who helped to line the pockets and digital wallets of thieves. But U.S. law enforcement, working in conjunction with its partners throughout the world, will bring to justice fraudsters who think they can hide behind a computer screen.”

As described in unsealed court documents and proceedings, Alaumary and his coconspirators used business email compromise schemes, ATM cash-outs, and bank cyber-heists to steal money from victims and then launder the money through bank accounts and digital currency. He previously pled guilty in the Southern District of Georgia in two money laundering cases.

In the first case, which was filed and investigated in the Southern District of Georgia, Alaumary conspired with others who sent fraudulent “spoofed” emails to a university in Canada in 2017 to make it appear the emails were from a construction company requesting payment for a major building project. The university, believing it was paying the construction company, wired \$11.8 million CAD (approximately \$9.4 million USD) to a bank account controlled by Alaumary and his coconspirators. Alaumary then arranged with individuals in the U.S. and elsewhere to launder the stolen funds through various financial institutions.

Weeks later, Alaumary arranged for a coconspirator in the United States to make several trips to Texas to impersonate wealthy bank customers in a scheme to steal hundreds of thousands of dollars from victims’ accounts using the victims’ stolen personally identifiable information. A telephone call with a coconspirator discussing the fraud took place in Savannah.

In the second case, which was transferred to the Southern District of Georgia from the Central District of California for his guilty plea and sentencing, Alaumary recruited and organized individuals to withdraw stolen cash from ATMs; he provided bank accounts that received funds from bank cyber-heists and fraud schemes; and, once the ill-gotten funds were in accounts he controlled, Alaumary further laundered the funds through wire transfers, cash withdrawals, and by exchanging the funds for cryptocurrency. The funds included those from a 2019 North Korean-perpetrated cyber-heist of a Maltese bank. Other victims of Alaumary's crimes included banks headquartered in India, Pakistan, and Malta, as well as companies in the U.S. and U.K., individuals in the U.S., and a professional soccer club in the U.K.

"International money launderers provide critical services to cybercriminals, helping hackers and fraudsters to avoid detection and hide their illicit profits," said Assistant Attorney General Kenneth A. Polite Jr. for the Justice Department's Criminal Division. "Small and large companies, a university, banks, and others lost tens of millions of dollars in this scheme. Alaumary's sentence today reflects how seriously the Department of Justice considers the critical role that money launderers play in global cybercrime."

"The sentencing of the defendant in this case speaks to the value of investigative collaboration across borders," said U.S. Secret Service Atlanta Field Office SAIC Steven R. Baisel. "In spite of the complicated, international nature of this criminal enterprise, the defendant and his co-conspirators were still brought to justice."

"This case is an example of our relentless determination to hold criminals accountable no matter how sophisticated their crimes may seem," said Phil Wislar, Acting Special Agent in Charge of FBI Atlanta. "The arrest and sentencing of cyber criminals like Alaumary, who feel safe hiding behind a computer screen, are only possible through persistent investigative efforts of the FBI and our close collaboration with our U.S. and international partners."

Alaumary is the fourth defendant in this investigation sentenced in the Southern District of Georgia. Uchechi Ohanaka, Kelvin Desangles, and Jennal Aziz previously pled guilty in federal court to fraud felonies and were sentenced to terms totaling more than 200 months in prison.

The cases were investigated by the U.S. Secret Service Savannah Resident Office with assistance from the Los Angeles Field Office and the Global Investigative Operations Center, the FBI, and the Royal Canadian Mounted Police, and prosecuted by the Criminal Division of the U.S. Attorney's Office for the Southern District of Georgia, Senior Trial Attorney Mona Sedky of the Computer Crime and Intellectual Property Section of the U.S. Department of Justice, and Assistant U.S. Attorney Khaldoun Shobaki of the U.S. Attorney's Office for the Central District of California.

Topic(s):

Cyber Crime
Identity Theft
National Security

Component(s):

[Criminal - Computer Crime and Intellectual Property Section](#)
[Federal Bureau of Investigation \(FBI\)](#)
[USAO - California, Central](#)
[USAO - Georgia, Southern](#)

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