



Royal
Chartered Bankers

ANTI-MONEY LAUNDERING POLICY

Overview

1. **Royal Chartered Bankers**, bearing registration number ...HY0042032... (Herein referred to as or “the Company”) will implement and effectuate anti-money laundering procedures.
2. In accordance with the legal framework of the aforementioned Acts, the Company is committed to the maintenance of a compliance program that shall include:
 - a) A system of internal controls and procedures to ensure on-going compliance;
 - b) Internal or external independent testing for compliance;
 - c) Training of personnel in the field of identification of suspicious transactions;
 - d) Designation of an appropriate officer, responsible for continual compliance with the Acts.

Scope and Objectives of the KYC/AML Policy

1. The purpose of the AML Policy (herein referred to as or “the Policy”) is to lay down the Company’s internal practice, measures, procedures, and controls relevant to the prevention of Money Laundering and Terrorist Financing, which will be applicable to both local and international operations.
2. The main objectives of the Policy are combating, preventing money laundering, and terrorist financing and taking all the necessary preventive measures to ensure that the products and services of The Company are not misused by anyone or anybody in illegitimate operations in order to launder the proceeds of crime. Another important objective is determining the legal and administrative responsibilities of the Company and of all its employees related to anti-money laundering, so that all of the staff is aware of their obligations and the need for vigilance in the fight against money laundering and terrorist financing by means of reporting the suspicious operations.
3. The goal of the Policy is to ensure avoidance of entering into business relations with criminals and/or terrorists, as well as to eliminate the risk of processing transactions that are derived from criminal and/or terrorist activities and not to facilitate any transactions involving criminal and/or terrorist activity including the financing of terrorism.

General Provisions Concerning Money Laundering

1. Both the employees of the Company as individuals and the Company itself as a legal entity are liable for criminal conduct if any of the offences below are charged by the respective Authorities. Money laundering offences can be distributed as follows:
 - a) **Arrangements related to criminal property**
 - b) **Tipping off**
 - c) **Acquisition, use or possession of criminal property handling the proceeds of**
 - d) **Failure to report**

Client Confidentiality

1. The reporting on suspicions on the subject of money laundering shall not constitute the breach of client's confidentiality.

Specific Money Laundering Provisions

1. The following clauses are put into practice by the Company to advance and simplify the processes of identification of possible money laundering and further reporting of the aforesaid to the Authorities, so that the Company may produce its part of the audit trail in order to be of service to the official investigation. Specifically, the Company is obliged to:
 - a) Have procedures to **verify** the identity of new counterparties
 - b) Have procedures for employees to **report** any suspicious transactions
 - c) Have **record keeping procedures** relating to the identity of clients and transactions effected for them
 - d) Responsibility of **ensuring** that employees are suitably trained and made aware of the above procedures and in the recognition and handling of suspicious transactions
 - e) Appoint a senior person as a **designated Money Laundering Reporting Officer** (hereinafter referred to as "MLRO")
 - f) Draw attention of the employees of the Company to the potential of personal liability as well as that of the Company for failure to comply with any aspect of the Acts.

Compliance

1. Compliance with the Company's AML procedures is of great significance and value. First and foremost, compliance is crucial for maintenance of the Company's trustworthiness,

integrity, and righteousness. Failures to comply with the AML procedures set forth in this manual made by the individuals can therefore result in summary dismissal.

2. Compliance with the Company's AML policies and procedures will be within the framework of responsibility of the Compliance Officer. Specifically, the Compliance Officer will be responsible for following:
 - a) Oversight of the Company's AML policies and procedures, including keeping the policies and procedures up-to-date in order for them to comply with amendments and changes made within the Acts and relevant regulations
 - b) Ensuring that every relevant employee of the Company is aware of the AML policies and procedures of the Company
 - c) Ensuring that every relevant employee of the Company is aware of regulations in regard to AML
 - d) Ensuring that every relevant employee of the Company gets a proper training on the subject of recognition and handling of transactions made by or on behalf of any person who is or appears to be involved in money laundering
 - e) Ensuring that all new relevant employees of the Company receive training immediately after their appointment
 - f) Ensuring that all the employees of the Company, management and directors of the Company believe in and follow the practices of the policies and procedures set out in this manual

Identification Procedures

1. The Company must ensure that as soon as the first contact has been made, and in any event before transferring or paying money to a third party, the measures are to be taken to produce satisfactory evidence of the identity of any customer, whether natural person or legal entity.
2. If sufficient evidence is not provided, the Company will not proceed with any further business and bring to an end any understanding it has reached with the client unless in either case the Company has informed the authorities.

Customer Identification Program/Know Your Customer (KYC)

1. An effective AML program must include "Know Your Customer" procedures. Information must be provided to find out the true Identity of the Customer, the nature of the Customer's business and the intended purpose of the Customer's transactions. As a

- broker, the Company is responsible for applying KYC procedures to both individual and corporate members. The process shall involve:
- a) Providing the account application
 - b) Conducting AML and KYC procedures
 - c) Being the custodian of the accounts, funds and paperwork
2. Each application for a trading account requires preliminary approval by the Company before funding the trading account and trading.
3. For the identification purpose of each new client, who is a **natural person**, the Company shall obtain the following documents and information:
- a) Customer's name -Date of birth -Residential address
 - b) Proof of address (such as utility bill, bank reference etc.)
 - c) Unexpired government issued Passport or Identification Card
4. For the same identification purpose for each new client, which is a **legal entity**, the Company shall obtain the following:
- a) Customer's Business name
 - b) Principal Place of business
 - c) Proof of address
 - d) Government issued documentation certifying the existence of the business or enterprise such as certified articles of incorporation
 - e) Government issued business license, registration Certificate, etc.
 - f) Director(s)'s KYC documents
5. The Company will not approve an account without receiving the required identification information from its clients.

Record Keeping Procedures

1. The Company has obligation to maintain all records for not less than 5 years from the date of completion of the transaction. These records must also contain records verifying the identity of counterparty and a record of transactions with or for that client.

Associated Risk

1. Some countries, clients residing or operating in these countries, as well as some types of business activities, are associated with the high risk of money laundering. Therefore, the stricter AML compliance standards shall be applied for clients domiciled or operating in such countries, or carrying out particular business activities.
2. The Company will apply heightened examination to clients and beneficial owners

residing in and funds sourced from countries identified by credible sources as having inadequate AML standards or representing high-risk for crime and corruption. The Company shall apply more critical AML compliance standards for transactions carried out by companies or individuals domiciled or operating in such countries.

3. Risks associated with entities incorporated in offshore jurisdictions are covered by due diligence procedures laid out in these guidelines..
4. Individual and corporate clients, whose source of wealth is derived from activities likely to be connected with money laundering, must be checked with the highest scrutiny.

Rights

1. The Company reserves the rights to collect client information, record and store it and make it available to applicable authorities if and as required.
2. The Company further reserves the rights to refuse to process particular transfers of funds if it believes those to be relevant in any way to money laundering.
3. The misuse of a client account in relation to money laundering may result in criminal prosecution and/or other legal actions by the Company and/or Authorities.

Confidentiality

1. Reporting a suspicion is a defense to a claim for breach of confidence. However, any statements to the press or other publicity must be conducted through the MLRO or his representative. Likewise, any requests for information or statements should be referred to the MLRO or his representative. Confidentiality whilst an investigation is ongoing is of the utmost importance and employees are reminded of the offence of “tipping-off”.

Amendments

1. The Company’s present statement and emanating policy is not part of its Terms and Conditions and is not intended to be contractually binding or impose or seek to impose any obligations on the Company which Royal Chartered Bankers Ltd. otherwise does not have.
2. The Company reserves the right to review and/or amend the present statement and any further information pertaining to it at its sole discretion