

GOLDGUARD FZCO

AML & CTF Manual

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>1.1 General Requirements</p> <p>The Firm has implemented systems and controls to monitor and prevent the Firm or its Employees being exposed to the activity of Money Laundering and Terrorist Financing</p>	
<p>1.2 The Firm's Money Laundering Officer (MLRO)</p> <p>The Firm has appointed a Money Laundering Reporting Officer who is responsible, along with Senior Management, for the oversight of the Firm's AML systems which are in place at the Firm.</p> <p>The MLRO and the designated deputy as appropriate are set out in the attached organisation document which is attached as an Appendix to this Chapter. The MLRO that is currently appointed, and any such person that may be appointed to this position:</p> <ul style="list-style-type: none"> ▪ will be of sufficient seniority to make autonomous decisions in respect of AML, have access to Senior Management/ the Governing Body as may exist or be established, and ▪ will be given access to the necessary resources and information to perform the oversight function. 	<ul style="list-style-type: none"> • Appendices <ol style="list-style-type: none"> 1. AML Systems and Annual Review process 2. KYC Key Cards and Forms 3. AML Risk Barometer and Risk factors 4. STR Reporting and Review Templates • AML Systems <p>Firm abbreviation for Policies, Procedures, Systems and Controls to detect and prevent AML and Terrorist Financing.</p> • FATF <p>FATF Financial Action Task Force</p>
<p>1.2.1 The MLRO's responsibilities include:</p> <ul style="list-style-type: none"> ▪ Oversight of the Firm's AML systems in or from the premises; ▪ Establishing and updating the AML Policies, Procedures, Systems and Controls (collectively AML Systems); ▪ Daily operations to ensure compliance with the AML Systems; ▪ Contact point for all employees for internal reporting of suspicions; ▪ Take appropriate action when such internal suspicious reports have been received; ▪ Making external reports to the UAE Anti Money Laundering 	<ul style="list-style-type: none"> • AMLSCU <p>Anti-Money Laundering Suspicious Cases Unit of the UAE.</p>

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>Suspicious Cases Unit AMLSCU</p> <ul style="list-style-type: none"> Acting as the Firm's contact point on AML Responding promptly to requests for information made by the relevant authorities in the UAE; Receiving and acting upon findings received by the Government or government departments of the UAE including the Central Bank of the UAE, the AMLSCU, FATF; Developing, delivering and maintaining a AML Training programme and AML awareness for the Firm; <p>Provide an internal report to Senior Management/Governing Body in respect of AML on an annual basis.</p>	
<p>1.3 The Firm's AML Systems are as follows:</p> <ul style="list-style-type: none"> Policies and Procedures for due diligence to be conducted on actual and potential Clients; Process for internal and external reporting of AML suspicions; Process for conducting annual review of the AML systems; Training and awareness in respect of AML and suspicious transactions; Awareness of scope of regulation in respect of AML, including the UAE requirements. 	<ul style="list-style-type: none"> Money Laundering Reporting Officer (MLRO (and deputy)) is responsible for: <ol style="list-style-type: none"> Implementing the AML systems Monitoring the AML systems Receiving and analyzing all internal suspicious reports Making external suspicious reports to the AMLSCU Providing training on AML Undertake an internal review of the AML Systems Make an AML report to Senior Mgt /Governing Body in respect of the AML systems and new recommendations
<p>1.3.1 Review Process</p> <p>The Firm will undertake a review of the AML Systems in place at least on an annual basis. The review will cover the points set out in the AML Systems Review Report which is set out as an appendix to this Chapter.</p>	
<p>1.4 Government, Regulatory and International Findings</p>	

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>The Firm will keep abreast of new findings and recommendations issued by governments or government agencies in respect of AML including findings issued by:</p> <ul style="list-style-type: none"> ▪ UAE government or government departments; ▪ Central Bank of the UAE; ▪ AMLSCU; ▪ FATF; ▪ UN Sanctions <p>The Firm will make appropriate use of such findings where the finding:</p> <ul style="list-style-type: none"> ▪ makes a recommendation or issues a finding on restraining money laundering in a particular country or jurisdiction; and ▪ The finding has assessed the arrangements in the said jurisdiction to be materially deficient in comparison with one or more relevant internationally accepted standards, including recommendations of the FATF. <p>The Firm will consider if a review is required of the AML Systems and existing clients to assess the exposure to AML Risk as a result of the new findings. The particular areas of focus of such a review, if undertaken, will include:</p> <ul style="list-style-type: none"> ▪ review of the existing clients from the said jurisdiction; ▪ review of any introduced business from these jurisdictions; and ▪ review of any inter-bank correspondent banking clients from these jurisdictions. 	<ul style="list-style-type: none"> • International Findings, UN Sanctions AML Developments <p>The MLRO will keep abreast of international developments in respect of AML. Such changes will be included in subsequent relevant AML reviews and training.</p> <ul style="list-style-type: none"> • KYC <p>Know Your Customer</p> <p>Abbreviation for the process used to assess the identity of the customer.</p> <ul style="list-style-type: none"> • KYB Partner <p>Know Your Business partner</p> <p>Abbreviation for the process used to assess the potential business partner's identity and source of wealth</p>
<p>1.5 Client Due Diligence- KYC</p> <p>The Firm has implemented a process to establish and verify the identity of any customer with whom or for whom the Firm acts or proposes to act.</p>	<ul style="list-style-type: none"> • Identity of Customers (KYC)
<p>1.5.1 Exempt Customers</p>	<p>The Firm must ensure that they can:</p>

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>In relation to the following types of customer, or ascertaining beneficial ownership full KYC due diligence is not required. The Firm will undertake the following 'light touch' identification process:</p> <p>The Firm will keep records of the supporting evidence obtained.</p> <p>Where the Firm <i>knows or suspects</i> or is <i>deemed to have knowledge</i> that the customer is engaged in Money Laundering then the full KYC and Client Due diligence requirements will apply.</p>	<ul style="list-style-type: none"> verify that the identity of the actual/potential customer, including all parties where the customer is acting for another person or beneficial owner , and that the Firm can verify that the source of income which may be used as part of the transaction with the Firm or within the Group, or as fees is from a legitimate source.
<p>1.5.2 KYC - Customer Identification Process</p> <p>The Firm will undertake the following assessments of customers before the Firm effects any Transactions, unless the delay would be detrimental to the relationship and there is a reasonable degree of assurance that there would be no AML or CTF risk associated with this potential relationship (all due diligence must however be conducted asap after the transaction) for the customer:</p> <ul style="list-style-type: none"> verify the identity of the customer; verify the source of wealth; verify whether the customer is acting for himself or for another person or beneficial owners, in which case the identity of all must be established; <ul style="list-style-type: none"> consider the level of evidence required relative to the product range, service, or type of customer; undertake more detailed due diligence and identification in the following circumstances: <ol style="list-style-type: none"> where the proposed customer is a PEP Higher Risk Products Products and services which appear to be intentionally loss making/ below market values for existing and potential customers 	<ul style="list-style-type: none"> Effect a Transaction <p>Before effecting a transaction, KYB must be undertaken. Effect a Transaction according to the means: Any transaction undertaken by a Firm in the course of carrying on a Financial Service in or from the premises including any Offer of Units in a Fund or execution only transaction</p> PEP

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>1.5.3 KYB- Business Partner Identification Requirements</p> <p>The Firm will undertake the following assessments of customers before the Firm effects any Transactions for the customer</p> <ul style="list-style-type: none"> ▪ undertake, as appropriate, due diligence on proposed business relationships (KYB) between businesses and the Firm such as: <ul style="list-style-type: none"> 1. Qualified professionals of the business relationship; 2. Member of the Authorised Firms group; 3. Correspondent Bank; 4. Other Service providers ▪ The Firm will not establish correspondent banking relationships with a Shell Bank; ▪ Not establish or keep anonymous accounts or accounts in false names; or ▪ Not maintain a nominee account which is held in the name of one person, but controlled by or held for the benefit of another Person whose identity has not been disclosed. 	<p>Politically Exposed Person. Individuals who are or have been entrusted with prominent public functions in a county or territory, for example heads of state or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned co-operations, important political party officials but not middle ranking or more junior individuals in these categories.</p> <ul style="list-style-type: none"> • Beneficial Ownership <p>An individual who ultimately owns customers' assets or controls a customer account;</p>
<p>1.6 The KYC Process</p> <p>All KYC/KYB undertaken must:</p> <ul style="list-style-type: none"> ▪ Include all relevant evidence and records to support the identity of the proposed customer; ▪ be passed to Compliance for final approval before the customer can be taken on as a Client. Compliance will review the potential client or transaction against relevant lists including OFAC, UN Sanctions, FATF lists. <p>The Firm has in place a series of AML Key Card for use by all staff to assist in the KYC/KYB process. This is attached as an appendix to this Chapter.</p>	<ul style="list-style-type: none"> • a Person on whose behalf a Transaction is being conducted; • a Person who exercises ultimate effective control over a legal Person or arrangement; or • a Person on whose instructions the signatories of an account, or any intermediaries

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>1.6.1 Pre-Existing Clients</p> <p>Before the Firm was authorised; any of the Firm's pre-existing clients must be subject to a KYC assessment. The next time the Firm has contact with the pre-existing customer to determine:</p> <ul style="list-style-type: none"> • whether adequate information exists in respect of the pre-existing client in respect of identity and source of wealth; • are there relevant records, including up to date information that meet the requirements; • any gaps in such information should be obtained. 	<p>instructing such signatories, are for the time being accustomed to act; or</p> <ul style="list-style-type: none"> • in relation to a trust means a beneficiary as defined in the Trust Law 2005. <p>• STR</p> <p>Suspicious Transaction Reporting</p>
<p>1.7 Transfer of Funds</p> <p>Where the Firm makes a payment on behalf of a customer (unless the originator and beneficiary are financial institutions acting on their own behalf) to another financial institution using an electronic payment and message system, it must include the customer's:</p> <ul style="list-style-type: none"> ▪ name, ▪ address and ▪ either an account number or an unique reference number in the payment instruction. <p>The Firm does not need to provide such information where the Firm provides the other financial institutions with messages or other support systems for the transfer of funds.</p>	<ul style="list-style-type: none"> • Suspicious Transactions <p>An employee who:</p> <ul style="list-style-type: none"> • knows or suspects; or • has reasonable grounds to suspect or • is deemed to have relevant knowledge by virtue of the employee's role in handling the suspected transaction or the person who has managerial responsibility over the transaction or client relationship that the customer (actual or
<p>1.8 Client Identification by 3rd Parties</p> <p>1.8.1 Verification within the Firm's Group</p>	

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>Where a customer is introduced by another member of the Firm's Group, the Firm does not need re-identify the customer, provided that:</p> <ul style="list-style-type: none"> the identity of the customer has been verified by the other member of the Firm's Group in a manner consistent with these Rules or equivalent international standards applying in FATF Countries ; no exception from identification obligations has been applied in the original identification process; and a written statement is received from the introducing member of the Firm's Group confirming that: the customer has been identified with the relevant standards under and any identification evidence can be accessed by the Firm without delay; and that the identification evidence is kept for at least a six years. <p>If the Firm is not satisfied that the customer has been identified in a manner consistent with these Rules, the Firm must perform the verification process itself.</p>	<p>potential) is engaged in Money Laundering or Terrorist Financing.</p> <ul style="list-style-type: none"> ● Tipping Off whereby the person that is the subject of an AML investigation may be tipped off by an employee of the Firm that such an investigation is taking place. It is an obligation under UAE Law No 4 not to 'Tip off'
<p>1.8.2 Delegation of Client Identification (KYC) to Qualified Professionals</p> <p>The Firm may, from time to time, delegate technical aspects of the customer identification process to a qualified professional. Such delegation will not absolve the Firm of its overall responsibilities in respect of KYC and the arrangement will be set out between the Firm and the relevant professional to ensure that the KYC is undertaken in a manner consistent with the applicable laws and rules.</p>	
<p>1.8.3 Access to Identification Records Maintained Outside the UAE</p> <ul style="list-style-type: none"> Where customer identification records are kept by the Firm or other Persons outside the U.A.E., the Firm will take reasonable 	

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>steps to ensure that the records are held in a manner consistent with these Rules.</p> <ul style="list-style-type: none">▪ The Firm must verify if there are secrecy or data protection legislation that would restrict access without delay to such data by the Firm, or the law enforcement agencies of the U.A.E. Where such legislation exists, the Firm must obtain without delay certified copies of the relevant identification evidence and keep these copies in a jurisdiction which allows access by all those Persons. <p>1.9 Suspicious Transactions</p> <p>The Firm and all employees are under an obligation to report Suspicious Transactions.</p> <p>The process is referred to as STR- Suspicious Transaction Reporting. The Firm has 2 levels of reporting of STR's</p> <ul style="list-style-type: none">▪ Internal- where staff must report to the MLRO all suspicious transactions which relate to existing and potential clients where no relationship commenced. Failure to make internal suspicious reports is a criminal offence under UAE law.▪ External – where the MLRO will, after analysis of the suspicion make an external report to the UAE AMLSCU in conformity with UAE law. The MLRO will investigate the internal report using the factors set out as an attachment to this Chapter.	
<p>1.10 Tipping Off</p> <p>Where a suspicious transaction has been detected, employees are under an obligation to ensure that they do not alert the potential money launderer of their suspicion. This process of alerting is referred to as Tipping Off. Employees must ensure that they DO NOT Tip Off such persons. All internal reports to the MLRO relating to the suspicion must be done discretely and the person that is the subject matter of the suspicion and internal report must not be made aware of the investigation that may be taking place.</p>	

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>1.11 Reporting of STR's to the MLRO- The MLRO's Obligations</p> <p>All Employees will report STR's to the MLRO who will undertake a review to determine if the STR is a legitimate suspicion which should be alerted to both senior management and the AMLSCU.</p> <p>The process adopted by the MLRO is set out as an appendix to this chapter.</p> <p>Where an external STR is to be made the MLRO will ensure that the report is made in the format required by the AMLSCU and sent to the following:</p> <p>Central Bank of the UAE Anti Money Laundering Suspicious Cases Unit (AMLSCU) PO Box 854 Abu Dhabi UAE Tel: +971 2 666 8496 Fax: +971 2 6674501 cbuaeamlscu@cbuae.gov.ae</p> <p>All records of STR's, internal and external, will be maintained for 6 years.</p>	
<p>1.12 Training and Awareness</p> <p>The Firm has a series of processes and arrangements to provide periodic information and training to all Employees. As a minimum, Employees will be made aware of the following:</p> <ul style="list-style-type: none">▪ the identity and responsibilities of the Firm's MLRO and his deputy;▪ applicable legislation relating to anti money laundering;▪ the potential effect on the Firm , its Employees and its customers of breaches of applicable legislation relating to money laundering;▪ the Firm's anti money laundering policies, procedures, systems and	

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>controls and any changes to these;</p> <ul style="list-style-type: none"> ▪ money laundering risks, trends and techniques; ▪ the types of activity that may constitute suspicious activity in the context of the business in which an Employee is engaged that may warrant an internal Suspicious Transaction Report ▪ the Firm's arrangements regarding the making of an internal Suspicious Transaction Report ▪ the use of findings ▪ customer identification requirements <p>The Firm will provide AML training to new joiners and existing staff at least annually.</p> <p>All such training whether provided by the MLRO or by external course providers will be recorded in the Firm's training log.</p> <p>A series of training aides in the form of AML Key Cards are provided to Employees in addition to specific training.</p>	
<p>1.13 Documentation and Records</p> <p>The Firm will maintain sufficient records of the Client Identification (KYC) requirements. Such records should provide detail that would:</p> <ul style="list-style-type: none"> ▪ enable any another competent third party is able to assess the Firm's compliance with legislation applicable; ▪ enable any Transaction which was processed by or through the Firm on behalf of a customer or other third party can be reconstructed; ▪ enable any customer or third party can be identified; ▪ identify all internal and external Suspicious Transaction Reports can be identified; and ▪ enable the Firm to satisfy, within an appropriate time, any regulatory enquiry or court order to disclose information. <p>All relevant details of any Transaction carried out by the Authorised Firm with or for a customer must be kept for at least six years from the date on</p>	

GOLDGUARD FZCO
AML & CTF Controls

Requirement	Definitions/Key Terms
<p>which the Transaction was completed.</p> <p>All relevant information, correspondence and documentation used by the Firm must be kept for at least six years from the date on which the business relationship with a customer has ended.</p> <p>If the date on which the business relationship with a customer has ended remains unclear, it may be taken to have ended on the date of the completion of the last Transaction.</p>	

GOLDGUARD FZCO
AML & CTF Controls

APPENDICES

GOLDGUARD FZCO
AML & CTF Controls

Appendix 1: AML System Review Sample Report for Senior Management

AML Systems Review	
Date of Review:	Review Conducted By:
Period Being Reviewed/ Rationale for Review (i.e. govt findings or new recommendation):	
Sample KYC Process Tested: (Including any appropriate review as a result of government, regulatory or international findings)	
Sample SAR Process Tested:	
Staff Knowledge Tested:	
Overall Review of AML Systems/ Level of Reporting of SAR to MLRO <ul style="list-style-type: none">Level of ReportingDoes This Level Indicate a Lack of Awareness	
Recommendations to Senior Management:	
Firmwide Improvement Opportunities: (including any recent recommendations from government, regulatory, international bodies)	
Reviewed By	
Name	:
Signature	:
Date	:

GOLDGUARD FZCO
AML & CTF Controls

This Section to be Completed When the Report is to be Submitted to Senior Management			
Stress Test of AML Systems against New International and Regional Findings on AML			
Training and Awareness Requirements			
Number of SARs How Many were Closed How Many were Reported Externally Considerations in Respect of the SAR Reporting Process			
Recommendations to Senior Management:			
Senior Management Feedback:			
MLRO			Signatory for Senior Management
Name	:		Name :
Signature	:		Signature :
Date	:		Date :

GOLDGUARD FZCO
AML & CTF Controls

Appendix 2: KYC Client Identification Key Cards and Forms

KYC KEY CARD - AML RISKS
<p>When undertaking Client Identification (KYC) on potential customers/ business partners the following issues should be taken into consideration when performing KYC. Certain relationships or transactions may, by their nature pose a potential for money laundering or terrorist financing activity. All relationships should be managed with caution, but the issues and risks set out below require additional caution.</p>
<p>Establishing the identity of all relevant customers</p> <p>1. Have you established the identity of all relevant customers?</p> <ul style="list-style-type: none"> • Joint account holders and joint applicants: identification should be performed and evidence obtained for all applicants and account holders; • Pooled accounts which are managed by professional intermediaries such as mutual funds, pension funds, money funds, lawyers, stockbrokers on behalf of entities or other Persons :all Beneficial Owners of the account held by the intermediary should be identified; • Power of attorney: identification and evidence should be obtained for the applicants and account holders as well as for the holder of the power of attorney; • Minors: an account for a minor should be opened by a family member or guardian whose identification evidence should be obtained in addition to the birth certificate or passport of the minor; • Trust Service Provider must carry out verification, where reasonably possible, in respect of all the parties related to a trust including the settler, the protector, the enforcer, beneficiaries and any Person entitled to receive a distribution whether or not such Person is a named beneficiary.
<p>Non-Face to Face Transactions</p> <p>1. Is the customer a face to face customer? If not, extra checks and documentary evidence should be sought to support the proposed relationship?</p>
<p>PEP- Politically Exposed Person</p> <p>1. Is the customer a PEP? A PEP is someone involved in government or politics and may be vulnerable to corruption, money laundering, fraud, supporting terrorist activities. These relationships should be monitored closely and overseen by senior management to ensure that the transactions do not give rise to suspicion.</p>
<p>Myriad of Corporate or Trust Structures Underlying the Potential Relationship/Customer</p> <p>1. Where complex structures are involved detailed KYC should be undertaken. Detailed KYC, source of wealth, identity and the legitimacy of the relationship with the Firm should be ascertained.</p>

GOLDGUARD FZCO
AML & CTF Controls

Appendix 3: AML Risk Card

AML/CTF RISK BAROMETER	
<p>RISK BAROMETER</p> <p>Additional caution should be exercised when undertaking KYC and dealing with ongoing transactions and relationships. The Relationship Managers may consider undertaking a new KYC or seek supporting information to satisfy the KYC requirements.</p> <p>You must be satisfied that the customer does not pose a risk to the Firm.</p> <ol style="list-style-type: none"> 1. Ensure that the source of wealth can be identified and can be shown to be from a legitimate source 2. The identity of the customer can clearly be ascertained and supported. 3. Create an understanding or profile of the customer to identify ordinary and out of ordinary transactions. 	
	<p>HIGHER RISK</p> <ul style="list-style-type: none"> <input type="checkbox"/> The business relationship is conducted in unusual circumstances (e.g. significant unexplained geographic distance between the location of the Firm and the customer) <input type="checkbox"/> Legal persons or arrangements that are personal investment vehicles <input type="checkbox"/> Companies that have nominee shareholders or directors or shares in bearer form <input type="checkbox"/> Businesses that are cash-intensive <input type="checkbox"/> The ownership structure of the legal person appears unusual or excessively complex given the nature of the legal person's business or activities <input type="checkbox"/> High value transactions where funds are transferred frequently to 3rd party bank accounts or to bank accounts in poorly regulated jurisdictions <input type="checkbox"/> PEP (Politically Exposed Person) which includes government officials, (The obligation is to monitor the risk of corruption, fraud, etc.), and/or a person not meeting the definition of a PEP but whose high profile or influence poses an elevated risk of corruption <input type="checkbox"/> Non face-to-face business relationships or transactions <input type="checkbox"/> Countries identified by credible sources, such as mutual evaluation or detailed assessment reports or published follow-up reports, as not having adequate AML systems <input type="checkbox"/> Customer based in a politically sensitive country <input type="checkbox"/> Customers poses excess delays in providing required KYC documentation <input type="checkbox"/> Customer seeks levels of anonymity <input type="checkbox"/> Payment received from unknown or un-associated third parties <input type="checkbox"/> Discretionary trusts, non-profit organizations
	<p>MEDIUM RISK</p> <ul style="list-style-type: none"> <input type="checkbox"/> Customer is based in a country where cash is the main medium of exchange additional checks on the source of wealth should be conducted <input type="checkbox"/> Customer makes unusual or excessive donations to charities, particularly new or charities with unclear objectives <input type="checkbox"/> Well established customer but recent changes have taken place to the persons circumstances including change in source of wealth, change in business, management, personal circumstances
	<p>LOW RISK</p> <ul style="list-style-type: none"> <input type="checkbox"/> An Authorised Firm <input type="checkbox"/> An Authorised Market Institution

GOLDGUARD FZCO
AML & CTF Controls

- ☐ A Financial Institution whose entire operations are subject to regulation, including AML, by a Financial Services Regulator or other competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations and it is supervised for compliance with such regulations
- ☐ A Subsidiary of a Financial Institution referred to in previous Article, provided that the law that applies to the parent company ensures that the Subsidiary also observes the same AML standards as its Parent
- ☐ A law firm, notary firm, or other independent legal business or an equivalent person in another jurisdiction whose entire operations are subject to AML regulation and supervision by a competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations
- ☐ An accounting firm, Auditor or other audit firm or insolvency firm or an equivalent person in another jurisdiction whose entire operations are subject to AML regulation and supervision by a competent authority in a jurisdiction with AML regulations which are equivalent to the standards set out in the FATF Recommendations
- ☐ A company whose Securities are listed on a Regulated Exchange and which is subject to disclosure obligations broadly equivalent to those set out in the Markets Rules
- ☐ A government body or a non-commercial government entity in the U.A.E. or a FATF member country
- ☐ A customer where the business relationship is limited to the provision of one or more of the following products or services:
 - (i) a Contract of Insurance which is non-life insurance;
 - (ii) a Contract of Insurance which is a life insurance product with no investment return or redemption or surrender value;
 - (iii) a Contract of Insurance which is life insurance where the annual premium is no more than \$1,000 or where a single premium of no more than \$2,500 is paid;
 - (iv) a Contract of Insurance for the purposes of a pension scheme where the contract contains no surrender clause and cannot be used as collateral;
 - (v) a Contract of Insurance which is a reinsurance contract not falling into (i) to (iv) which is ceded by an insurer who is a regulated Financial Institution;
 - (vi) a pension, superannuation or similar scheme which provides retirement benefits to employees, where contributions are made by an employer or by way of deduction from an Employee's wages and the scheme rules do not permit the assignment of a member's interest under the scheme; or
 - (vii) arbitration, litigation or advice on litigation prospects.

The Firm will **not**

1. Establish correspondent banking relationships with a Shell Bank;
2. Establish or keep anonymous accounts or accounts in false names; or
3. Maintain a nominee account which is held in the name of one person, but controlled by or held for the benefit of another Person whose identity has not been disclosed.

GOLDGUARD FZCO
AML & CTF Controls

Appendix 4: SAR Reporting Structure

Customer Name	:		
Passport or License No	:		
Nationality	:		
Address (as Known)	:		
Details of Proposed Transaction Including Amount	:		
Nature of Suspicion	:		
Other Comments	:		
Date of Suspicion	:		
Name	:	COMPLIANCE/MLRO	
Signature	:	Name	:
		Date Received	:
Date	:	Feedback of MLRO	
		Date	:
		Proceed with Customer	: YES NO
		Signature	:

GOLDGUARD FZCO
AML & CTF Controls

SAR MLRO Review File Note			
Date Internal Received	:		
Received From	:		
Further Information Required	:		
Details of Investigation	:		
Rationale where Further Suspicion is not Deemed Reportable	:		
Describe Feedback Provided to Relationship Manager	:		
Rationale and Confirmation where Suspicion is to be Reported Externally	:		
External SAR Provided		: Attach copy of the AMLSCU Report to this file note. Confirm date the report was sent to the AMLSCU (i.e fax confirmation)	
Senior Management Alerted		: Confirm that Senior Management alerted of the External SAR.	
Name	:		External SAR Made :
Signature	:		<div style="display: flex; justify-content: space-between; width: 100%;"> YES NO </div>
Date	:		

GOLDGUARD FZCO
AML & CTF Controls

Appendix 5: AML Training and Awareness Key Card

AML Training Card	
	Summary
Scope of Regulation	<ul style="list-style-type: none"> Federal Law No 4 of 2002- Criminalization of Money Laundering Federal Law No 1 of 2004- Combating of Terrorism Offences
Client Identification (KYC) 1. Who is the client? 2. Where is the funding from? 3. Why are they using your Firm?	<p>Ensure that you have identified:</p> <ol style="list-style-type: none"> The customer The source of wealth Legitimate purpose of transactions and involvement of the Firm <p>Extra information, due diligence, visits, and telephone calls should be followed in order to satisfy yourself that the customer is legitimate. IT IS MORE IMPORTANT THAT WE TAKE TIME AND CHECK OUT EVERY POTENTIAL CUSTOMER THAN EXPOSE THE FIRM OR YOURSELF TO THE RISK OF MONEY LAUNDERING.</p>
SAR's	An SAR is a suspicious transaction report. Where a suspicion exist that a customer, potential or actual is involved in money laundering or criminal activity an internal report should be raised and sent to the MLRO immediately. Internal SAR must be made using the Template Internal SAR Form.
Tipping Off	Tipping off is the process where through action or words you may alert the potential suspected money launderer/ terrorist that you have raised an internal suspicion and an investigation. Tipping off is a criminal offence in the UAE. Where a suspicion has been raised internally you should continue as normal until the internal investigation has concluded. If you are in doubt as to what level of service you can provide whilst the internal investigation is in process- seek advice from the MLRO.
Training and Awareness	<p>The Firm will provide regular training. As a minimum you should be aware of the following basic AML information, if in doubt ask the MLRO for training materials:</p> <ul style="list-style-type: none"> Definition of SAR Internal Reporting process of a SAR The reporting obligation of the Firm's MLRO to the UAE Central Bank agency AMLSCU
High AML Risks/ Considerations	<ul style="list-style-type: none"> High Risk Countries OFAC lists UN Sanction Lists Suspected Terrorists
Reporting Process	All SAR's must be reported to the MLRO immediately without alerting the individual concerned to the suspicion
Focus on AML	<p>Systems and controls, KYC process. Senior management responsibility</p> <p>Are you aware of:</p> <ol style="list-style-type: none"> High Risk Countries? High Risk Customers? High Risk Products
MLRO	All queries go the Firm's Money Laundering Reporting Officer (MLRO) or Deputy MLRO

Appendix 6: AML Training Log

GOLDGUARD FZCO
AML & CTF Controls

[illegible]

GOLDGUARD FZCO
AML & CTF Controls

Appendix 7: Principles of Customer Due Diligence

- 7.1. Regarding natural persons, the following identification Information should be taken, verified and recorded:
 - 7.3.1. Full name (including any alias);
 - 7.3.2. Date of birth;
 - 7.3.3. Nationality;
 - 7.3.4. Legal domicile; and
 - 7.3.5. Current residential address (not a P.O. box).
- 7.2. Items above should be obtained by sighting a current valid passport or, where a customer does not own a passport, an official identification document which includes a photograph. The concept of domicile generally refers to the place which a person regards as his permanent home and with which he has the closest ties or which is his place of origin.
- 7.3. Regarding legal persons, the following identification Information should be taken, verified and recorded:
 - 7.15.1. Full business name and any trading name;
 - 7.15.2. Registered or business address;
 - 7.15.3. Date of incorporation or registration;
 - 7.15.4. Place of incorporation or registration;
 - 7.15.5. A valid commercial or professional licence;
 - 7.15.6. The identity of the directors, partners, trustees or equivalent persons with executive
 - 7.15.7. Authority of the legal person; and
 - 7.15.8. For a trust, a certified copy of the trust deed to ascertain the nature and purpose of the trust and documentary evidence of the appointment of the current trustees.
- 7.4. It may not always be possible to obtain original documents. Where identification documents cannot be obtained in original form, for example, because a the Firm has no physical contact with the customer, the Firm should obtain a copy certified as a true copy by a person of good standing such as a registered lawyer or notary, a chartered accountant, a bank manager, a police officer, an Employee of the person's embassy or consulate, or other similar person. Downloading publicly-available information from an official source (such as a regulator's or other official government website) is sufficient to satisfy the requirements of identification. CDD information and research obtained from a reputable company or information-reporting agency may also be acceptable as a reliable and independent source as would banking references and, on a risk-sensitive basis, information obtained from researching reliable and independent public information found on the internet or on commercial databases.
- 7.5. For higher risk situations, identification information to be independently verified, using both public and non-public sources. For lower risk situations, not all of the relevant identification information would need to be verified.

GOLDGUARD FZCO
AML & CTF Controls

- 7.6. The Firm is required to “understand” a customer’s source of funds and wealth. This would mean obtaining information from the customer or from a publicly-available source on the source of funds and wealth. For a public company, this might be achieved by looking at their published accounts. For a natural or legal person, this might involve including a question on source of funds and wealth in an application form or client questionnaire.
- 7.7. In determining whether an individual meets the definition of a beneficial owner or controller, regard should be had to all the circumstances of the case, in particular the size of an individual’s legal or beneficial ownership in a transaction. The question of what is a “small” ownership interest for the purposes of the definition of a beneficial owner will depend on the individual circumstances of the customer. The question of whether an ownership interest is small should be considered in the context of the Firm’s knowledge of the customer and the customer risk assessment and the risk of money laundering.
- 7.8. When verifying beneficial owners, the Firm should adopt a substantive (as opposed to form over substance) approach to CDD for legal persons. Adopting a substantive approach means focusing on the money laundering risks of the customer and the product/service and avoiding an approach which focuses purely on the legal form of an arrangement or sets fixed percentages at which beneficial owners are identified (or not). It should take all reasonable steps to establish and understand a corporate customer’s legal ownership and control and to identify the beneficial owner.
- 7.9. In some circumstances no threshold should be used when identifying beneficial owners because it may be important to identify all underlying beneficial owners in where there are a small number of investors in an account or fund, each with a significant financial holding and the customer-specific risks are higher. However, where the customer specific risks are lower, a threshold can be appropriate. For example, for a low-risk corporate customer which, combined with a lower-risk product or service, a percentage threshold may be appropriate for identifying “control” of the legal person for the purposes of the definition of a beneficial owner.
- 7.10. Where the Firm carries out identification and verification in respect of actual and potential beneficial owners of a trust, this should include the trustee, settlor, the protector, the enforcer, beneficiaries, other persons with power to appoint or remove a trustee and any person entitled to receive a distribution, whether or not such person is a named beneficiary.
- 7.11. Individuals who have, or have had, a high political profile, or hold, or have held, public office, can pose a higher money laundering risk to the Firm as their position may make them vulnerable to corruption. This risk also extends to members of their families and to known close associates. Politically Exposed Person status itself does not, of course, incriminate individuals or entities. It does, however, put the customer into a higher risk category.
- 7.12. Generally, a foreign PEP presents a higher risk of money laundering because there is a greater risk that such person, if he was committing money laundering, would attempt to place his money offshore where the customer is less likely to be recognized as a PEP and where it would be more difficult for law enforcement agencies in his home jurisdiction to confiscate or freeze his criminal property.
- 7.13. Corruption-related money laundering risk increases when the Firm deals with a PEP. Corruption may involve serious crimes and has become the subject of increasing global concern. Corruption offences are predicate crimes under the Federal Law No. 4 of 2002. The Firm should note that customer relationships with family members or close associates of PEPs involve similar risks to those associated with PEPs themselves.
- 7.14. Even after leaving office a PEP may remain a higher risk for money laundering if such person continues to exert political influence or otherwise pose a risk of corruption.

GOLDGUARD FZCO
AML & CTF Controls

- 7.15. Where a Relevant Person is required to undertake Enhanced Customer Due Diligence, it must, to the extent applicable to the customer:
- 7.15.1. Obtain and verify additional:
- (a) Identification information on the customer and any beneficial owner;
 - (b) Information on the intended nature of the business relationship; and
 - (c) Information on the reasons for a transaction;
- 7.15.2. Update more regularly the Customer Due Diligence information which it holds on the customer and any beneficial owners;
- 7.15.3. Verify information on:
- (a) The customer's source of funds;
 - (b) The customer's source of wealth;
- 7.15.4. Increase the degree and nature of monitoring of the business relationship, in order to determine whether the customer's transactions or activities appear unusual or suspicious;
- 7.15.5. Obtain the approval of senior management to commence a business relationship with a customer; and
- 7.15.6. Where applicable, require that any first payment made by a customer in order to open an account with a Relevant Person must be carried out through a bank account in the customer's name with a Prescribed Low Risk Customer.

Useful Links

GOLDGUARD FZCO
AML & CTF Controls

JMLSG	http://www.jmlsg.org.uk/bba/jsp/polopoly.jsp;jsessionid=aiPho-15dLHc?d=749
FATF	http://www.fatf-gafi.org/pages/0,2987,en_32250379_32235720_1_1_1_1_1,00.html
Wolfsberg Principles	http://www.wolfsberg-principles.com/index.html
Egmont Group	http://www.egmontgroup.org/
US Treasury OFAC lists	http://www.ustreas.gov/offices/enforcement/ofac/programs/index.shtml
UN Sanctions Terrorism	http://www.un.org/sc/committees/1267/index.shtml
Miscellaneous	http://www.anti-moneylaundering.org/antimoney.asp http://www.anti-moneylaundering.org/globalchart.asp
EU Directive Lists	http://www.anti-moneylaundering.org/euchart.asp