

**Bullion Fund Policy Statement on Anti Money Laundering and
Terrorist Financing Prevention**

Subject: Review of safeguards implemented in the company to prevent money laundering and Terrorist financing as per the AML guidelines provided by the UAE & DMCC.

Company Name: Bullion Fund

Address: _____

Telephone: _____

Company License numbered: _____

Company Structure:

Sole Proprietor / Partnership / Corporation

Number of Staff Employed: _____

Nature of Business: _____

Customer Identity Verification Mandatory: Yes / No

(1) Culture and Values

“My company takes all reasonable measures to ensure that proper safeguards exist within the company to mitigate the risks of Money Laundering (ML) and Terrorist Financing (TF) and to prevent a contravention of any requirement under the Anti-Money Laundering and Counter-Terrorist Financing laws of FATF and the related Guidelines of UAE & DMCC on Anti-Money Laundering and Counter-Terrorist Financing (AML Guideline).

My company establishes and implements adequate and appropriate Anti-Money Laundering (AML) and Counter-Terrorist Financing (CFT) policies, procedures and controls taking into account factors including types of customers, products and services offered, delivery channels and geographical locations involved.

(2) Allocation of Responsibilities

“My company’s senior management undertakes its assessment of the risks the firm faces and how the ML/TF risks are to be managed and ensures all relevant staff are trained and made aware of the law and their obligations under it.

My company appoints a Compliance Officer (CO) to act as a focal point for the oversight of all activities relating to the prevention and detection of ML/TF and providing support and guidance to the senior management to ensure that ML/TF risks are adequately managed. The CO has been given appropriate training through a certified course in preparation of job responsibilities. The company manual on AML and the guide lines of UAE have been provided to the compliance officer for carrying out the job responsibilities more efficiently.

My company appoints a Money Laundering Reporting Officer (MLRO) as a central reference point for reporting suspicious transactions to the Joint Financial Intelligence Unit of the British Virgin Islands Police force and the FCS Joint Anti Money Laundering Coordination Committee. The MLRO receives full co-operation from all staff and full access to all relevant documentation enabling him/her to perform his/her functions. The MLRO has also been given complete certified training on the AML policies and has been provided with the necessary company AML policy documents.

My company adopts appropriate measures letting frontline staff know the responsible areas and to judge whether a transaction is suspicious and to report them promptly to CO or MLRO. Additionally we have conducted a training seminar with the front line employees of the company as well to improve their knowledge of Anti Money Laundering activities and to inform them of their due diligence and

responsibility towards preventing such activities. They have been briefed extensively on how to judge whether a transaction is suspicious and to report any suspicious activity to the MLRO.

(3) Risk Identification and Assessment

“My company applies a risk-based approach to assess which customers are to be of higher risks of ML/TF. The followings are some risk factors to be identified:

1. Types of customers and Behavior;
2. Nature of Business;
3. Source of Funds;
4. Customer transactions and Beneficial owners (If any);
5. Products and services offered;
6. Delivery channels;
7. Customer’s business organization;
8. Geographical locations involved.

My company takes enhanced measures such as Simple due diligence in case of regular customers and Enhanced due diligence in case of politically exposed customers with high risk and on-going monitoring of transactions and activities done through my company. Our KYC form has also been attached for reference.

(4) Customer Due Diligence (CDD), Record Keeping and Ongoing Monitoring

My company has cautiously developed the KYC form for clients keeping in mind the AML guide lines provided to us. A Sample copy of the KYC form has been attached for reference. My company should carry out CDD and EDD according to the conditions as stated in the UAE AML Guidelines. My company adopts a risk-based approach to adopt appropriate controls and oversight and accordingly to determine the extent of due diligence to be performed and the level of ongoing monitoring to be applied. My company has taken a proactive approach in educating the company work force to help improve the overall AML policy implementation.

My company will continue to monitor the business relationship with our customers once a contractual understanding has been developed. Transactions carried through my company would be monitored diligently and any suspicious activity (ies) would be reported as stated under the conditions in the UAE AML Guidelines.

My company should keep the documents obtained in the course of identifying and verifying the identity of the customer and maintain the documents obtained in connection with the transactions for five years as per the requirement of UAE AML Guidelines.

(5) Staff Awareness to AML/CFT

My company provides training to all relevant staff (including new staff) in order to ensure they are made aware of the AMLO and providing appropriate AML/CFT training to them regularly facilitating them to recognize suspicious activities/transactions.

We have developed an in-house training manual with reference to the UAE AML Guidelines and incorporated it in our new staff orientation program as well as made it a part of our refresher training programs conducted on a quarterly basis. These training manuals have been handed out to the frontline staff along with the UAE AML Guidelines.

A significant part of the training focuses on discussing different situations and scenarios that can happen around us and would be considered as an AML offence unless the officer or staff is able to recognize the situation as such. During our AML trainings we discuss hypothetical situations with our staff to help them understand the AML policies better and to improve their ability to recognize suspicious activities.

An integral part of the training also covers the importance of AML policies, why it is an offence and the ramifications of willingly or unwillingly not being able to report such suspicious activities.

The MLRO and the CO have been sponsored for certified AML/CTF courses through recognized bodies in order to equip them fully with the information needed to carry out their responsibilities more efficiently.

My company will keep training records/records of relevant courses or seminars attended for inspection by regulator.

(6) Reporting Suspicious Activities/Transactions

“My company will give sufficient guidance to all relevant staff to enable them to take appropriate actions when detecting suspicious transactions and to report the suspicious activities/transactions to CO / MLRO as soon as possible.

(7) Internal Monitoring System

“My company carries out regular assessments of the adequacy of our systems and controls to ensure that we manage the ML and TF risks effectively and are compliant with the AMLO and the AML Guideline.”

(8) Regular Review

“My company keeps the policies and procedures under regular review and assesses that the risk mitigation procedures and controls are working effectively.

Others

(9) Personal Data (Privacy) Ordinance

“According to Personal Data (Privacy) laws of UAE, my company shall protect the privacy of the customer / individual with respect to personal data and shall use the personal data for which they were originally collected or a directly related purpose unless the data subject has given prior consent.”

(10) Cooperation with Regulator and Law Enforcement Agencies

“My company shall cooperate with the Customs & Excise Department of local jurisdiction and international jurisdiction (If required) about their routine inspection or investigation. My company will also cooperate with other law enforcement agencies wherever required under the laws of UAE & DMCC.

“We, Bullion Fund, hereby confirm that my company shall implement the above policies, procedures and controls to mitigate the risks of money laundering and terrorist financing.