

**RAK INTERNATIONAL CORPORATE CENTRE**

**AML, CTF and SANCTIONS Policy and Controls for Registered Agents**

<b>Policy Reference No.</b>	
<b>Version</b>	
<b>Date of Update</b>	

**AML, CTF AND SANCTIONS POLICY AND CONTROLS RECEIPT AND UNDERSTANDING  
CONFIRMATION**

<b>Date</b>	
Agent Name	

To: The RAK ICC

I, the undersigned (authorized person of the abovementioned company), do hereby confirm on behalf of the above-mentioned Agent, that I have read and understood the AML, CTF and Sanctions Policy and Controls for Registered Agents, that this document has been shared with all relevant personnel of the abovementioned company and that we will comply with all requirements of the Zone as stated therein.

We have implemented and will maintain our own AML, CTF and Sanctions policies and procedures which are commensurate with the AML, CTF and Sanctions Policy and Controls for Registered Agents. These are designed to reasonably prevent, detect and report money laundering, terrorist financing and sanctions violations and to ensure that we do not introduce any entity to the Zone in violation of the Zone's policy requirements.

We understand that compliance with this policy is not a substitute for ensuring compliance with the anti-money laundering laws of the United Arab Emirates. This policy and the guidance is not a substitute for legal advice and we must ensure that we comply with all laws that apply to us.

We acknowledge that, in case of failure or non-compliance with the AML, CTF and Sanctions Policy and Controls for Registered Agents, the Zone reserves the right to impose the appropriate action deemed necessary, including cancellation of the Agent Registration.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Position: \_\_\_\_\_

**Introduction**

RAK ICC and its directors and other senior management are committed to carrying out the Zone's activities in compliance with all applicable laws, rules and regulations and to maintaining the highest ethical standards in relation to its business activities.

This document sets out for Registered Agents the Zone's anti-money laundering ("**AML**"), countering terrorist financing ("**CTF**") and sanctions compliance policies, controls and procedures and provides guidance on how to recognise and deal with red flags and associated risks.

All employees, officers and directors as well as consultants, representatives, agents, brokers, distributors, and other intermediaries are required to adhere to these standards when they are

acting on behalf of the RAK ICC in order to protect the Zone and its reputation in relation to money laundering, terrorist financing and sanctions related risks.

## POLICY STATEMENT

### **AML and CTF**

RAK ICC is committed to complying with all laws, rules and regulations relating to anti-money laundering ("**AML**"), counter terrorism financing ("**CTF**") applicable to its business and operations.

RAK ICC does not conduct or permit any person to use the Zone to conduct illegal activity. RAKICC will therefore not register or incorporate any entity where customer due diligence ("**CDD**") cannot be satisfactorily completed, or where there is knowledge or reasonable grounds to suspect that the entity/applicant is engaged in money laundering or terrorist financing.

RAK ICC has established and maintains AML/CTF procedures, systems and controls to prevent and detect money laundering and terrorist financing, which ensure compliance with UAE Federal laws and take into consideration international best practice.

### **Sanctions**

RAK ICC is committed to complying with all sanctions laws and regulations of the United Arab Emirates, United Nations, United States and European Union (including the United Kingdom), as well as other such laws and regulations, when applicable to its business (collectively, "**Sanctions**").

RAK ICC will not register or license any entity that is designated, or whose shareholders<sup>1</sup>, beneficial owners, directors or managers are designated as targets of Sanctions.

RAK ICC shall not permit any person to use the Zone to conduct business with any individual, entity, country or territory that is a target of Sanctions or in an Embargoed Territory (**Crimea**, **Cuba**, **Iran**, **North Korea** and **Syria**) otherwise than in accordance with all applicable laws.

RAK ICC will collect background information from all applicants at the time of registration for use in connection with due diligence procedures and shall refresh this information at the time of registration renewal, to determine if they are ineligible for registration or renewal based on this standard.

## COMPLIANCE PROCEDURES

All persons with or for whom RAK ICC proposes to form a business relationship or undertake transactions (*including all Applicants*), including licensing, incorporation or registration,<sup>2</sup> will be

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<sup>1</sup> Shareholder is an individual, group or organization that owns one or more shares in a company, and in whose name a share certificate is issued, and, for the purposes of this Policy, shareholders refer to direct/immediate shareholders

<sup>2</sup> Forming a company is treated as forming a business relationship even if the formation of the company is the only transaction carried out for that Client. This is due to the potential risk involved in facilitating the formation of a company structure that may be abused by a Client.

subject to risk-based CDD in accordance with these procedures prior to effecting any business with that Client and upon other submissions (such as requests for licence renewal).

The CDD required depends on the type of person with whom RAK ICC proposes to form a business relationship or undertake transactions as well as other factors which might affect the money laundering/terrorist financing or sanctions risk presented by a person. In all situations, the objective is to obtain satisfactory evidence of that person's true identity, as well as the purpose of the relationship.

### **Information Requirements**

For all applicants/Clients seeking to incorporate or license an entity/establishment in RAK ICC, the following information/documents will be required:

1. The proposed entity/establishment type (e.g., International Business Company).
2. The proposed name of the entity.
3. The proposed entity's registered address and principal place of business.<sup>3</sup>
4. The intended purpose and nature of the business activities of the entity (and confirmation that the entity does not engage in "**Prohibited Activities**"). **A generic business activity description (such as "management services" or "general trading") is not sufficient.**
5. Full name, local (if any) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of all proposed **directors/ senior managers**
6. Evidence of identity of all proposed **directors/ senior managers** (current, signed passport or current, signed ID card or other official *government issued* identification documentation that is customary in the country of residence, including a clear picture, the individual's full name, date and place of birth and nationality)

In addition, for each director which is a corporate entity:

- (a) the full name of the corporate entity, its registration number and registered address and principal place of business;
- (b) the constitutional documents of the corporate:
  - Certificate of incorporation or registration;
  - Any trade licence or equivalent;
  - Current articles of association and memorandum of association;
  - Current certificate of incumbency or certificate of good standing or Register of Extracts, as applicable;
  - Passport copy of authorised signatories; and

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<sup>3</sup> An entity's principal place of business includes the country of the entity's main operating office.

- The full name, local (*if any*) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of all shareholders and Beneficial Owners.

7. Full name, local (*if any*) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of all **Beneficial Owners**,

"*Beneficial owners*" are individuals who ultimately own or control the entity, or on whose behalf a transaction or activity takes places. For a company, a beneficial owner is any individual who:

- owns or controls 25% or more of the shares or voting rights;
- ultimately owns or controls whether directly or indirectly 25% or more of the shares or voting rights in the business;
- holds the right, directly or indirectly, to appoint or remove a majority of the board of directors;
- has the right to exercise, or actually exercises, significant influence or control over the corporate body;
- exercises ultimate control over the management; or
- controls the corporate body.

If shares or rights are held by a nominee, the beneficial owner will be the person for whom the nominee is acting. If the nominee is acting for a legal entity, then the beneficial owner will be the person who exercises ultimate control over the legal entity.

For a partnership, a beneficial owner is any individual who controls 25% or more of the capital of the partnership, or who ultimately is entitled to control 25% or more of the voting rights of the partnership.

For a trust, a beneficial owner includes: the settlor, trustees, beneficiaries and any individual who has control over a trust.

8. Evidence of identity of all **Beneficial Owners** (current, signed passport or current, signed ID card or other official *government issued* identification documentation that is customary in the country of residence, including a clear picture, the individual's full name, date and place of birth and nationality).
9. Where the immediate owners/shareholders of the entity are not individuals (or where they are acting on behalf of a third party), the above information must be obtained for the individuals who are the Beneficial Owners.
10. Full name, local (if any) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of any individual acting on behalf of the entity pursuant to a Power of Attorney or by other means, as well as evidence of identity (such as a current, signed passport or current, signed ID card or other official government issued identification documentation that is customary in the country of residence, including a clear picture, the individual's full name, date and place of birth and nationality);
11. Valid copy of the Power of Attorney legally attested by a relevant authority (as applicable).

12. Any other document required by the Company Regulations

For each Client introduced by an Agent, the Agent will be asked to sign a Confirmation Letter recording details of all information obtained, together with underlying/supporting records.

Where CDD cannot be completed satisfactorily, including in regard to the Beneficial Ownership of the Client, RAK ICC will not provide a service to or for the Client and will not establish a business relationship (including issuing a licence or incorporating a Client) or carry out an occasional transaction with the Client.

RAK ICC, in its absolute and sole discretion, has the right to refuse and decline engaging with a Client introduced to it by Registered Agent and shall have no obligation (financial or otherwise) towards any Registered Agent with respect to such Client.

### **AGENTS CDD**

RAK ICC does not interact directly with Clients, but rather on-boards them through Registered agents.

RAK ICC conducts CDD of its Registered Agents at the time of on-boarding as well as when the Registered Agents notifies RAK ICC of changed partners, key staff and/or compliance officers.

Before a business relationship is formed with a Registered Agent, RAK ICC will carry out due diligence and compliance verification processes on the Registered Agent as detailed below, obtaining the following information:

1. Letter of Application to be an approved Registered Agent;
2. Signed Independent Contractor Services Agreement, if applicable;
3. Full name and registration number of the Registered Agent;
4. The Registered Agent's registered address and principal place of business<sup>4</sup>;
5. Full name, local (*if any*) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of all **directors/senior managers** of the Registered Agent;
6. CV of each director/senior manager;
7. Evidence of identity of all **directors/senior managers** of the Partner (current, signed passport or current, signed ID card or other official *government issued* identification documentation that is customary in the country of residence, including a clear picture, the individual's full name, date and place of birth and nationality);
8. Full name, local (*if any*) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of all **Beneficial Owners** of the Registered Agent
9. Evidence of identity of all **Beneficial Owners** of the Registered Agent (current, signed passport or current, signed ID card or other official *government issued* identification documentation

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<sup>4</sup> An entity's principal place of business includes the country of the entity's main operating office.

that is customary in the country of residence, including a clear picture, the individual's full name, date and place of birth and nationality);

Where the immediate owners/shareholders of the entity are not individuals (or where they are acting on behalf of a third party), the above information must be obtained for the individuals who are the Beneficial Owners. In addition, for each direct shareholder of the Agent which is a corporate entity the following information will be required:

- the full name of the corporate entity, its registration number and registered address and principal place of business;
  - The full name, local (*if any*) and home country address, date of birth, and nationality(ies) (including all nationalities held) of all directors/other significant controllers
10. Business Plan and Company HR organizational chart (as applicable)
  11. Copy of Professional Licence in the UAE
  12. Tenancy/Lease contract for UAE office
  13. Copy of the AML, CTF and Sanctions Policies and procedures of the Registered Agent;
  14. Signed version of this AML, CTF and Sanctions Policy and Controls for Registered Agents;
  15. Non-Disclosure Agreement;
  16. Sanctions Policy Questionnaire (Annexure 1);
  17. Name and details of compliance officers of the Registered Agent, including CV.

Where CDD cannot be completed satisfactorily, including in regard to the Beneficial Ownership of the Registered Agent, RAK ICC will make every reasonable effort to terminate any existing business relationship, will not provide a service to or for the Registered Agent and will not establish a business relationship or carry out an occasional transaction with the Registered Agent.

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**SANCTIONS POLICY QUESTIONNAIRE**  
RAKICC – Sanctions Policy Questionnaire

It is the policy of the Zone to fully comply with all sanctions laws and regulations of the United Arab Emirates, United Nations, United States and European Union (including the United Kingdom), as well as other such laws and regulations, when applicable to its business (collectively, "**Sanctions**").

<b>Legal entity name: XXX</b>	
<b>Exposure to sanctioned countries and targeted sanctions regimes</b>	
<p>To the best of your knowledge, is the company or any of the company's Related Parties<sup>1</sup> a "<b>Sanctions Target</b>," which includes persons or entities that are:</p> <ul style="list-style-type: none"> <li>• Listed by the United Arab Emirates, United Nations, United States, European Union or the United Kingdom as a target of Sanctions;</li> <li>• Owned or controlled by, or operating as agents of, the Governments of Cuba, Iran, North Korea, Syria, Russia or Venezuela; or</li> <li>• Resident or domiciled in Iran, Syria, North Korea, Cuba or Crimea (collectively, the "<b>Embargoed Countries</b>")?</li> </ul> <p><i>If you have answered "Yes", please provide further details</i></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>To the best of your knowledge, is the company or any of the company's Related Parties owned by a Sanctions Target?</p> <p><i>If you have answered "Yes" please provide further details, including a description of the ownership interest (e.g., % of shares held) held by the Sanctions Target</i></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>
<p>To the best of your knowledge, does the company or company's Related Parties have any presence in (<i>i.e.</i>, registered office, branch office, subsidiary or other operations, address, principal place of business), or "<b>Business Activity</b>" (<i>i.e.</i>, sales or purchases, including through agents or intermediaries, investments, transshipments, etc.) with or involving, directly or indirectly, and Embargoed Country?</p> <p><i>If you have answered "Yes", please provide further details, including the % of business involving an Embargoed Country</i></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>

*1 Related Parties include but are not limited to shareholders, beneficial owners, key controllers (e.g., directors and senior managers), trustees, founders/grantors/settlers and beneficiaries.*

To the best of your knowledge, does the company have any Business Activity with or involving, directly or indirectly, a Sanctions Target?	Yes <input type="checkbox"/> No <input type="checkbox"/>
<i>If you have answered "Yes", please provide further details, including the % of business involving a Sanctions Target</i>	

*We confirm that all of our business with, through or involving RAKICC will not involve a sanctioned country (at present, Crimea, Cuba, Iran North Korea or Syria), including goods procured from or transhipped through a sanctioned country, or violate or cause RAKICC to violate any economic or financial sanctions or trade embargoes implemented, administered or enforced by the United Arab Emirates, the United Nations, United States, European Union, United Kingdom or other relevant sanctions authorities."*

**Note:** *Should any of the facts contained within this declaration change, the Company is obliged to notify RAK ICC Authority in writing within 15 days of such change. RAK ICC reserves the right to strike off any entity who does not meet the requirements of the RAK ICC sanctions policy.*

Date:

Name of Authorised signatory of the Client:

Signature: