



RAK INTERNATIONAL CORPORATE CENTRE

AML, CTF and SANCTIONS Policy and Controls for Registered Agents

Policy Reference No.	
Version	
Date of Update	



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

Date	
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 and 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 a sanction target, or whose shareholders¹, beneficial owners, directors, managers, authorised signatories or powers of attorney are designated as sanction targets.

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 (**Cuba, Iran, Syria, North Korea, Crimea, or the oblasts of Kherson, Zaporizhzhia, Donetsk or Luhansk of Ukraine**) 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.

¹ 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

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,² will be 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 and any aliases
3. The proposed entity's registered address and principal place of business.³
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 shareholders/directors/senior managers/ authorised signatories/powers of attorney.
6. Evidence of identity of all proposed shareholders/directors/senior managers/ authorised signatories/ powers of attorney (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 shareholder/director which is a corporate entity:

² 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.

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

- (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, Articles of Association and Certificate of Incumbency (only required for companies formulated outside the UAE) or a link to the registry where such information is publicly available.
 - Passport copy of authorised signatories; and
 - 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 (commonly called the "nominator"). 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. The nominee agreement must be provided.

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, protectors 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. Where it is identified that a Corporate Service Provider (CSP) is acting on behalf of the client:
 - i. UBOs of the CSP based on a threshold of 25%+ must be declared
 - ii. Confirmation of all true beneficial owners who the CSP are acting on behalf must be provided along with their names, date of birth, nationalities and domicile. Furthermore, a copy of their passport or government issued ID must be provided.
13. Ownership structure / chart from the client where the structure has more than one layer which must be on company headed paper where possible.
14. Where there is a corporate as the owner, then analysis of the individuals behind this entity must be performed subject to a 25%+ indirect ownership. Should none exist the CEO / Office Manager will assume the defacto role. A valid Trade License or Certificate of Incorporation / Incumbency of this corporate entity must be provided to confirm they exist.
15. Updated Sanctions Policy Questionnaire must be provided for all clients - refer Appendix 1. If any sanctions nexus is identified through the questionnaire or screening then the client will be required to complete the Sanctions Declaration in Appendix 2.
16. 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, renewal, 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. Full name and registration number of the Registered Agent;
2. The Registered Agent's registered address and principal place of business⁴;
3. Facility office undertaking letter (*In case of flexi/shared office type*)
4. Full name, local (*if any*) and home country address, date of birth, and nationality(-ies) (including all nationalities held) of all directors/senior managers/ authorised signatories/ powers of attorney of the Registered Agent;
5. CV of each director/senior manager;
6. Evidence of identity of all directors/senior managers/ authorised signatories/ powers of attorney 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 and proof of address of authorised signatory); 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
7. 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 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

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

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
 - Legal documents such as good standing, incumbency, Extract of UBO register, etc of underlying corporate entities (i.e. corporate shareholder)
8. Company organizational chart upto the UBO
 9. Copy of Professional Licence in the UAE
 10. Tenancy/Lease contract for UAE) office
 11. Copy of the AML, CTF and Sanctions Policies and procedures of the Registered Agent;
 12. Copy of the Data Retention Policy of the Registered Agent
 13. Signed version of this AML, CTF and Sanctions Policy and Controls for Registered Agents;
 14. Non-Disclosure Agreement;
 15. Anti-Bribery & Corruption Policy declaration
 16. Sanctions Policy Questionnaire (Appendix 1);
 17. Name and details of compliance officers of the Registered Agent, including CV.
 18. Copy of the outsourcing agreement of the compliance officer / service provider
 19. Appointed compliance officer confirmation and declaration letter
 20. Sanctions Declaration Undertaking Letter

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.

* * *

APPENDIX 1

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**").

Legal entity name: XXX	
Exposure to sanctioned countries and targeted sanctions regimes	
<p>To the best of your knowledge, is the company or any of the company's Related Parties⁽¹⁾ a "Sanctions Target," which includes persons or entities that are:</p> <ul style="list-style-type: none"> • Listed by the United Arab Emirates, United Nations, United States, European Union or the United Kingdom as a target of Sanctions; • Owned or controlled by, or operating as agents of, the Governments of Cuba, Iran, North Korea, Syria, Russia or Venezuela (2); Myanmar or • Resident or domiciled in Iran, Syria, North Korea, Cuba, Crimea, or the oblasts of Kherson, Zaporizhzhia, Donetsk or Luhansk of Ukraine (collectively, the "Embargoed Countries")? <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>

(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.

(2) Government of Venezuela includes the state and Government of Venezuela, any political subdivision, agency, or instrumentality thereof, including the Central Bank of Venezuela and Petroleos de Venezuela, S.A. (PdVSA), any person owned or controlled, directly or indirectly, by the foregoing, and any person who has acted or purported to act directly or indirectly for or on behalf of, any of the foregoing, including as a member of the Maduro regime.

<p>To the best of your knowledge, is a Sanctions Target able to exercise control over the company or any of the company’s Related Parties, including:</p> <p>(a) having the right or exercising the power to appoint or remove a majority of the members of the administrative, management or supervisory body of the company;</p> <p>(b) having appointed solely as a result of the exercise of one's voting rights a majority of the members of the administrative, management or supervisory bodies of the company who have held office during the present and previous financial year;</p> <p>(c) controlling alone, pursuant to an agreement with other shareholders in or members of the company, a majority of shareholders' or members' voting rights in the company;</p> <p>(d) having the right to exercise a dominant influence over the company, pursuant to an agreement entered into with the company, or to a provision in its Memorandum or Articles of Association, where the law governing the company permits it being subject to such agreement or provision;</p> <p>(e) having the power to exercise the right to exercise a dominant influence referred to in point (d), without being the holder of that right;</p> <p>(f) having the right to use all or part of the assets of the company;</p> <p>(g) managing the business of the company on a unified basis, while publishing consolidated accounts; or</p> <p>(h) sharing jointly and severally the financial liabilities of the company or guaranteeing them?</p> <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, 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 "Business Activity" (<i>i.e.</i>, sales or purchases, including through agents or intermediaries, investments, transhipments, etc.) with or involving, directly or indirectly, a Sanctioned Territory?</p> <p><i>If you have answered “Yes”, please provide further details, including the % of business involving a Sanctioned Territory.</i></p>	<p>Yes <input type="checkbox"/> No <input type="checkbox"/></p>



<p>To the best of your knowledge, does the company or the company's Related Parties have any Business Activity with or involving, directly or indirectly, a Sanctions Target?</p> <p><i>If you have answered "Yes", please provide further details, including the % of business involving a Sanctions Target</i></p>	Yes <input type="checkbox"/> No <input type="checkbox"/>
<p>To the best of your knowledge, are any of the company's Related Parties close family members (i.e., parent, spouse or child) or business partners (e.g., co-owner of a business with) of a Sanctions Target?</p>	Yes <input type="checkbox"/> No <input type="checkbox"/>

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, 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:



APPENDIX 2
SANCTIONS DECLARATION & CLOSE PERSONS FORM
RAK International Corporate Centre – Sanctions Declaration

Proposed Legal Entity Name:

Neither the proposed company, nor any of the proposed company's shareholders, beneficial owners, controllers, directors or senior managers, (or, for companies owned by a trust, its trustees, founders, grantors, settlors and/or beneficiaries) (each a "Related Party") is:

- listed by the United Arab Emirates, United Nations, United States, European Union, the United Kingdom or other relevant sanctions authorities as a target of financial or economic sanctions (a "Listed Person");
- 50% or more owned or controlled by Listed Person(s);
- owned or controlled by, or operating as agents of, the Governments of Cuba, Iran, North Korea, Syria, Russia, Venezuela(1); or
- resident or located in, operating from, or incorporated under the laws of Iran, Syria, North Korea, Cuba, Crimea, or the oblasts of Kherson, Zaporizhzhia, Donesk or Luhansk of Ukraine (collectively, the "Sanctioned Territories").

Neither the proposed company, nor any of the proposed company's Related Parties is acting or will act on behalf of, or at the direction of, a Sanctions Target.

1. No Sanctions Target will have any role in running or operating the proposed company.
2. The proposed company and its Related Parties do not and will not have any presence in (i.e., registered office, branch office, subsidiary or other operations, address, principal place of business) a Sanctioned Territory.
3. None of the proposed company's business with, through or involving RAK International Corporate Centre will involve Sanctions Targets directly or indirectly (including for example, goods procured from or transhipped through a Sanctioned Territory) or will violate or cause RAK International Corporate Centre to violate any sanctions implemented, administered or enforced by the United Arab Emirates, the United Nations, United States, European Union, United Kingdom or other relevant sanctions authorities.

(1) Government of Venezuela includes the state and Government of Venezuela, any political subdivision, agency, or instrumentality thereof, including the Central Bank of Venezuela and Petroleos de Venezuela, S.A. (PdVSA), any person owned or controlled, directly or indirectly, by the foregoing, and any person who has acted or purported to act directly or indirectly for or on behalf of, any of the foregoing, including as a member of the Maduro regime.



4. Where a Related Party of the company is a spouse, parent, grandparent, child, grandchild, relative or business partner of a Listed Person, we confirm also that:
 - a) Either (i) no funds have been transferred to that Related Party, directly or indirectly from the Listed Person or (ii) all funds of that Related Party which have been transferred by a Listed Person were transferred by the Listed Person prior to sanctions being imposed on the Listed Person;
 - b) No funds are being, or will be held by the proposed company or the Related Party on behalf of, or for the benefit of a Listed Person, pursuant to any formal or informal arrangement;
 - c) The company and the Related Party will have no commercial, economic or business dealings with the Listed Person; and
 - d) The Listed Person will have no ownership, control or influence over the company.

We acknowledge should we breach any of these conditions that RAK ICC has the right to strike the company off with immediate effect.

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:

Printed Name of Authorised Person:

Authorised Signatory: