

**Anti Money Laundering  
(AML)**

**&**

**Combating for Financing of Terrorism  
(CFT)**

**&**

**Know Your Customer  
(KYC) Manual**

## **Introduction**

We understand that privacy and security of customer personal and financial information is of utmost importance. To this, we are committed to protecting information that we receive. In connection with the processing of the transactions, our goal in handling information provided to us is to comply with the applicable data privacy laws. The company collects information about our customers from a variety of sources including those listed below.

## **Overview of the AML Manual**

“A22 INDUSTRY LTD”, is a Money Service Business company licensed by the Financial Transactions and Reports Analysis Centre of Canada (FINTRAC), Canada and as an entity has an important role to play in furthering the local and international efforts against money laundering and terrorist financing. The most effective way to fulfil this commitment and to protect both the company and its staff is to know your customer, be alert to suspicious activity and train all staff to be proficient at identifying suspicious activity on a regular basis.

Definition provided by the US Custom Service is comprehensive and useful in understanding the concept:

“Money laundering is the process whereby proceeds, reasonably believed to be derived from criminal activity, are transported, transferred, transformed, converted, or intermingled with legitimate funds for the purpose of concealing or disguising the true nature, source, disposition, movement or ownership of those proceeds. The goal of money laundering process is to make funds derived from, or associated with, illicit activity appear legitimate.”

Criminal activities, such as drug trafficking, smuggling, human trafficking, corruption and others, tend to generate large amounts of profits for the individuals or groups carrying out the criminal act. However, by using funds from such illicit sources, criminals risk drawing the authorities' attention to the underlying criminal activity and exposing themselves to criminal prosecution. In order to benefit freely from the proceeds of their crime, they must therefore conceal the illicit origin of these funds. Briefly described, "Money laundering" is the process by which proceeds from a criminal activity are disguised to conceal their illicit origin. More precisely, according to the Vienna Convention and the Palermo Convention provisions on money laundering, it may encompass three distinct, alternative activities: (i) the conversion or transfer, knowing that such property is the proceeds of crime (ii) the concealment or disguise of the true nature, source, location, disposition, movement or ownership of or rights with respect to property, knowing that such property is the proceeds of crime; and (iii) the acquisition, possession or use of property, knowing, at the time of the receipt, that such property is the proceeds of crime. (<http://www.imf.org>)

## **Anti-Money-Laundering Manual Statement and Program Procedures**

The Anti Money Laundering Program Procedures is developed, within the context of the Law, for the prevention and suppression of money laundering activities and terrorist financing. The procedure is developed to cover all procedures affected by the Law and to demonstrate the required due diligence

on behalf of financial institutions such as banks, insurance companies and money transfer companies.

In addition to the Manual, the corresponding policies and forms are developed to facilitate and documented implementation. Customer identification, acceptance and evaluation, Monitoring and control of transactions, Internal reporting, review and renewal of customer identification, working with third parties, Management of employees are examples of the areas addressed.

Money Laundering Process: There are three stages to the money laundering process.

- **Placement:** Placement is the physical disposal of cash proceeds derived from illegal activity.
- **Layering:** Layering is the process of separating illicit proceeds from their source by creating complex layers of financial transactions designed to disguise the audit trail and provide anonymity.
- **Integration:** Integration is the provision of apparent legitimacy to criminally derived wealth. If layering process has succeeded, integration schemes place the laundered proceeds back into the economy in such a way that they re-enter the financial system and appear to be normal business funds.

## **Overview of the AML procedures Manual**

This manual contains the procedures that must be followed and controls that must be implemented by all AML staff and agents to ensure compliance with both local and relevant international AML legislations. The company will review and update these procedures at least annually to take into consideration changes to the products, business conditions and regulatory environment. The annual review will also be used to evaluate how accurately the procedures reflect the product and how effectively they are in controlling the AML threat. All changes to this procedure manual must be approved by the management with significant changes also being approved by the management.

## **AML Compliance Officer Designation and Duties**

As required under the AML Manual Act, the Company designates **Nicholas Alexandrou Panayiotis** as the Anti-Money Laundering Program Compliance Officer, with full responsibility for the Company's anti-money laundering (AML) program. The AML Compliance Officer will also ensure that proper AML records are kept. When warranted, the AML Compliance Officer will ensure Suspicious Activity Reports are filed with the Company's designated self-regulatory agency.

## **Checking the Office of Foreign Assets Control (OFAC) Lists**

Before engaging in any money service activity (including but not limited to check cashing, money orders and wire transfers) which potentially may involve money laundering, and on an ongoing basis, we will check to ensure that a customer does not appear on the Treasury's OFAC "Specifically Designated Nationals and Blocked Persons" List, SDN List, and is not from, or engaging in transactions with people or entities from, embargoed countries and regions listed on the OFAC website. Because the OFAC Website is updated frequently, we will consult the list on a regular basis and subscribe to receive updates when they occur. We may, if necessary, access these lists through

various software programs to ensure speed and accuracy. We will also review existing accounts against these lists when they are updated and we will document our review.

### **Customer Identification and Verification**

We have established, documented, and maintained a written Customer Identification Program (or CIP). We will collect certain minimum customer identification information from each customer who engages in any money service activity with the Company; utilize risk-based measures to verify the identity of each customer who engages in any money service activity; record customer identification information and the verification methods and results; provide notice to customers that we will seek identification information.

### **Monitoring for Suspicious Activity**

We will manually monitor a sufficient amount of money service activity to permit identification of patterns of unusual size, volume, pattern or type of transactions. The AML Compliance Officer will be responsible for this monitoring, will document when and how it is carried out, and will report suspicious activities to the appropriate authorities. We will create employee guidelines with examples of suspicious money laundering activity and lists of high-risk clients whose accounts may warrant further scrutiny.

### **AML Record Keeping**

Our AML Compliance Officer and his or her designee will be responsible to ensure that AML records are maintained properly. As part of our AML program, the Company will create and maintain relevant documentation on customer identity and verification and funds transfers and transmittals as well as any records related to customers listed on the OFAC list. We will maintain and their accompanying documentation for at least seven years.

### **Bank Company Relationship**

We will work closely with our banking firm to detect money laundering. We will exchange information, records, data and exception reports as necessary to comply with AML laws. Generally, we have agreed that the Company will monitor customer activity including proper customer identification information as required.

### **Training Programs**

We developed ongoing employee training under the leadership of the AML Compliance Officer. Our training will occur on at least an annual basis. Based on our firm's size, its customer base, and its resources we have determined the training course to our staff. The training course offered includes, at a minimum: how to identify signs of money laundering that arise during the course of the employees' duties; what to do once the risk is identified; what employees' roles are in the firm's compliance efforts and how to perform them; the Company's record retention Manual; and the disciplinary consequences (including civil and criminal penalties) for non-compliance with the Act.

The training program includes the maintenance of the records to show the persons trained, the dates of training, and the subject matter of their training.

### **Monitoring Employee Conducts and Accounts**

We will subject employee money service transactions to the same AML procedures as customer accounts, under the supervision of the AML Compliance Officer. We will also review the AML performance of supervisors, as part of their annual performance review.

The AML Compliance Officer's accounts will be reviewed by a qualified member of the Company staff.

### **Confidential Reporting of AML Non-Compliance**

Employees will report any violations of the firm's AML compliance program to the AML Compliance Officer, unless the violations implicate the Compliance Officer, in which case the employee shall report to an appropriate member of senior management. Such reports will be confidential, and the employee will suffer no retaliation for making them.

### **Combating for the Financing of Terrorism**

The main pieces of legislation relating to terrorist financing are:

- *Proceeds of Crime (Money Laundering) and Terrorist Financing Act*
- *The Proceeds of Crime (Money Laundering) and Terrorist Financing Suspicious Transaction Reporting Regulations*
- *The Proceeds of Crime (Money Laundering) and Terrorist Financing Regulations*
- *The Cross-Border Currency and Monetary Instruments Reporting Regulations*
- *The Proceeds of Crime (Money Laundering) and Terrorist Financing Registration Regulations*
- *The Proceeds of Crime (Money Laundering) and Terrorist Financing Administrative Monetary Penalties Regulations*
- *FINTRAC's Interpretation Policy*
- *Ministerial directives and transaction restrictions*

Terrorist financing may be derived from two primary sources, although there are other sources which are no less important. The first major source is the financial support provided by States or organisations with large enough infrastructures to collect funds and then make them available to terrorist organisations and also by individuals with sufficient financial means.

The second major source of funds for terrorist organisations is income derived directly from various "revenue-generating" activities. As with criminal organisations, a terrorist group's income may be derived from crime or other unlawful activities such as large-scale smuggling, various types of fraud, thefts and robbery, and narcotics trafficking.

### **Nine Special Recommendations on Terrorist Financing**

In October 2001 the FATF expanded its mandate, which was until then limited to money laundering, to deal with the issue of the financing of terrorism, and took the important step of creating the Eight Special Recommendations on Terrorist Financing<sup>5</sup>. These Recommendations contain a set of measures aimed at combating the funding of terrorist acts and terrorist organisations, and are complementary to the Forty Recommendations.

Further, in October 2004 the FATF added a key element to the world's counter-terrorist financing defences by issuing a new measure, Special Recommendation IX on Cash Couriers<sup>5</sup>, which calls on countries to stop cross-border movements of currency and monetary instruments related to terrorist financing and money laundering and confiscate such funds. (Source: [www.fatf-gafi.org](http://www.fatf-gafi.org))

## **The Financial Action Task Force (FATF)**

The Financial Action Task Force (FATF) is an inter-governmental body established in 1989 by the Ministers of its Member jurisdictions. The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. The FATF is therefore a “Manual-making body” which works to generate the necessary political will to bring about national legislative and regulatory reforms in these areas.

The FATF has developed a series of Recommendations that are recognised as the international standard for combating of money laundering and the financing of terrorism and proliferation of weapons of mass destruction. They form the basis for a co-ordinated response to these threats to the integrity of the financial system and help ensure a level playing field. First issued in 1990, the FATF Recommendations were revised in 1996, 2001, 2003 and most recently in 2012 to ensure that they remain up to date and relevant, and they are intended to be of universal application.

The FATF monitors the progress of its members in implementing necessary measures, reviews money laundering and terrorist financing techniques and counter-measures, and promotes the adoption and implementation of appropriate measures globally. In collaboration with other international stakeholders, the FATF works to identify national-level vulnerabilities with the aim of protecting the international financial system from misuse.

The Financial Action Task Force (FATF) was established in July 1989 by a Group of Seven (G-7) Summit in Paris, initially to examine and develop measures to combat money laundering.

In October 2001, the FATF expanded its mandate to incorporate efforts to combat terrorist financing, in addition to money laundering.

Since its inception, the FATF has operated under a fixed life-span, requiring a specific decision by its Ministers to continue. The current mandate of the FATF (2012-2020) was adopted at a Ministerial meeting in April 2012.

The objectives of the FATF are to set standards and promote effective implementation of legal, regulatory and operational measures for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system. Starting with its own members,

the FATF monitors countries' progress in implementing the FATF Recommendations; reviews money laundering and terrorist financing techniques and counter-measures; and, promotes the adoption and implementation of the FATF Recommendations globally. (Source: [www.fatf-gafi.org](http://www.fatf-gafi.org))

### **Know Your Customer (KYC) Manual:**

The 'Know Your Customer' Manual, commonly referred to as 'KYC', is a mandatory framework for all remittance companies used for customer identification process. It sees to it that the identity and permanent address of individuals or entities resorting to financial services are ascertained at all times. It also involves making reasonable efforts to determine the nature of the business that the customer expects to conduct with the remittance, his/her source of fund, ascertaining the nature of the customer's business and activities, among others.

Know your customer process have become increasingly important globally to prevent theft, fraud, money laundering and terrorist financing. One aspect of KYC process is to verify that the customer is not on any list of known fraudsters, terrorists or money launderers, persons regarded as high-risk owing to negative reports in the media about them or in public records. Being a remittance company, "A22 INDUSTRY LTD". does not maintain any accounts for customers. For convenience and faster service, a unique number for each customer remittance is provided in which the details of the customer and transactions are stored.

The information collected is kept confidential and will not be disclosed to any third party except as provided by law.

In addition to this Manual, "A22 INDUSTRY LTD". also intends to follow more stringent regulations if any stipulated by other central banks where it has correspondent relationship for money transfer.

KYC is a major element in our fight against financial crime and money laundering. Your collaboration to the KYC process is most critical as it is the stepping stone to better protecting you and other customers.

Just as we ensure at all stages of our relationship that your details remain confidential, unless required by law, we also urge you to never reveal your bank details or share your identity documents with third parties.

We thank you for understanding that for us, protecting you is of paramount importance and that we may therefore contact you for updating and confirming your customer profile.

### **What KYC Implies for Banks and Financial Institutions?**

KYC is an irrevocable legal requirement for Banks and Financial Institutions. It aims, among others, at protecting customers from impersonation and fraud and at mitigating reputational, operational and legal risks.

As per KYC requirements, Banks and Financial Institutes must always hold up-to-date and confirmed

information about the identity, address, occupation, business and banking activities of all accountholders, clients and prospective customers.

The KYC verification exercise relies on requesting customers and applicants to provide identification documents, data or information as and when deemed necessary.

The KYC verification exercise involves the determination of a customer's profile, whether individual or corporate, at the beginning of a business relationship and a continuous basis.

### **Why KYC is important for You as A Customer?**

It is an essential component of what is required from you for opening an account at any bank, including through electronic means.

It ensures that the relationship between you and your bank is properly maintained as per legal provisions, thereby mitigating the risks of identity theft or unauthorized/ fraudulent transactions during this relationship.

It is applicable, but not limited to, opening or holding an account, having a fixed deposit, applying for a loan, renting a safe deposit box, entering into a fiduciary relationship or having recourse to a bank for a one-off transaction.

It enables you to flag any change pertaining to your profile (residential address, employment details, change in account signatories, mandate holders, beneficial owners, etc.).

### **Consequences of not Complying with KYC requirements:**

Lack of required information or of mandatory KYC documents will irrevocably result in the rejection of any business proposal or application for banking services and products.

This may also lead to account closure and a stop to all business transactions until the availability of all the information and documentation required for the KYC process.

Insufficient and incorrect KYC information or documentation may also lead to suspicious transaction reporting.

Please bear in mind that KYC is an on-going process and that you could therefore be required to re-submit fresh identification documents or provide additional documents/ information.

It is also the customers' duty to update the information submitted whenever there are material changes in the information pertaining to KYC.

### **Agent Partner Compliance Manual**

“A22 INDUSTRY LTD”. and other agent distribution channels are important partners in offering



“A22 INDUSTRY LTD”. money transfer services to our valued customers. “A22 INDUSTRY LTD”. has issued this Agent Partner Compliance Manual (henceforth Manual) because “A22 INDUSTRY LTD”. and its partners are required to comply with various laws and governmental regulations worldwide.

Agents and their employees are part of the first line of defense in protecting customers and preventing criminal abuse and exploitation of “A22 INDUSTRY LTD”. services. The Manual outlines the responsibilities of Agents globally to comply with applicable laws and regulations, with “A22 INDUSTRY LTD”.’s policies and procedures, and the required actions for effective implementation of strict anti-money laundering and anti-fraud standards.

This Manual also reinforces “A22 INDUSTRY LTD”.’s commitment to protecting its customers and to preventing the use of its products and services by anyone for fraudulent purposes, money laundering, terrorist financing, and/or other illegal activities. “A22 INDUSTRY LTD”. requires the same commitment from its Agents and their owners, shareholders, governing authorities, management, and employees. Agents are responsible for implementing this Manual. To carry out this Manual, “A22 INDUSTRY LTD”. has incorporated herein the key requirements that govern the relationship between “A22 INDUSTRY LTD”. and its Agents.

“A22 INDUSTRY LTD”. continues to update its Anti-Money Laundering and Anti-Fraud Compliance Programs (“Programs”) to review and respond to issues related to the implementation of this Manual. “A22 INDUSTRY LTD”. encourages its Agents to contact the “A22 INDUSTRY LTD”. Regional Compliance Officer or other compliance contact assigned to the Agent regarding questions about this Manual.

## **1 Operate In A Legal And Ethical Manner**

The overarching duty of Agents and their employees is to operate in a legal and ethical manner. This includes not only an Agent’s full compliance with applicable laws and regulations, but also an expectation that “A22 INDUSTRY LTD”.’s partners conduct themselves with honesty and integrity as they offer “A22 INDUSTRY LTD”.’s services to customers. The reputation of Agents and their employees directly reflects on “A22 INDUSTRY LTD”.’s own reputation. Therefore, “A22 INDUSTRY LTD”. sets forth below the Manual statements that govern the conduct of Agents and their employees.

1.1 Agents and their employees shall operate in compliance with applicable laws and regulations in all countries and jurisdictions where they do business.

- Agents shall obtain, maintain, and post any required registrations or licenses as required by national, state/provincial, or local laws or regulations.
- Agents and their employees shall not participate in, or knowingly facilitate fraud, money laundering, terrorist financing, or other illegal activities.

- Agents shall monitor potentially suspicious locations and employee activity, including when an employee or location is involved in an excessive number of unresolved transaction exceptions or potentially suspicious transactions or exhibits unusual behavior warranting investigation. If a location or employee is suspected of complicity or participation in illegal activity, the Agent shall take action as outlined in this Manual.
- 1.2 Agents and their employees shall conduct themselves with honesty, integrity, and unquestionable ethical standards, including, but not limited to the following:
- Agents and their employees shall deal honestly and fairly with those with whom they interact in the provision of “A22 INDUSTRY LTD”.’s services. Agents and their employees shall not take actions that could damage “A22 INDUSTRY LTD”.’s reputation with its customers, competitors, regulators and government officials.
  - Agents and their employees shall not complete a transaction if it is suspected that the transaction is related to any unlawful activity. “A22 INDUSTRY LTD”. products and services should only be used for legal purposes.
  - Agents and their employees shall not violate this Manual, including providing false or misleading information to “A22 INDUSTRY LTD”., customers, government or regulators.
- 1.3 Agents shall act to stop violations of this section and report concerns to the appropriate person.
- If an Agent or their employee becomes aware of any information that leads them to believe that any Agent or employee has failed to comply with this section of the Manual, they shall report that information to the “A22 INDUSTRY LTD”. Compliance Officer.
  - If an Agent or their employee becomes aware of any information that leads them to believe that “A22 INDUSTRY LTD”. or any “A22 INDUSTRY LTD”. employee has engaged in unethical, improper, or illegal conduct or failed to comply with any applicable governmental law, rule or regulation, they shall report that information to the “A22 INDUSTRY LTD”. Compliance Officer.
- 1.4 Agents and their employees shall provide accurate and complete information to “A22 INDUSTRY LTD”., government or regulatory authorities in accordance with applicable laws and regulations. This includes, but is not limited to the following situations:
- when entering/passing (through API) information into “A22 INDUSTRY LTD”. systems, providing the information in-person to “A22 INDUSTRY LTD”.’s staff;
  - where “A22 INDUSTRY LTD”. has requested information on transactions or the Agent’s anti- money laundering and anti-fraud programs;

- during the application process, contract renewal, refreshed Agent file or due diligence reviews, compliance reviews, or where reasonably requested by “A22 INDUSTRY LTD”;
- when there are any material change(s) in the ownership and/or senior management of Agent; and
- where lawfully requested by police or regulators

## **2 Maintain An Effective Anti-Money Laundering And Anti-Fraud Programs**

Agents play an important role in preventing “A22 INDUSTRY LTD”.’s service and systems, and the financial system at large, from being used for criminal activity. To that end, “A22 INDUSTRY LTD”. requires its Agents to follow this Manual and implement anti- money laundering and anti-fraud programs.

“A22 INDUSTRY LTD”. provides support to its Agents in a variety of ways, including offering training and educational materials to Agents, such as materials to help Agents document and carry out their anti-money laundering and anti-fraud programs. In addition, “A22 INDUSTRY LTD”. assists in ensuring the effectiveness of the Agent’s compliance program through evaluation conducted at on- boarding and on an ongoing basis. “A22 INDUSTRY LTD”. seeks an open channel of communication with Agents as they fulfill the obligations set forth below.

2.1 “A22 INDUSTRY LTD”. Agents shall implement and adhere to written, effective, risk-based policies and programs sufficient to assist in the prevention of customer fraud and to meet applicable anti-money laundering, compliance, and/or other regulatory requirements.

- Agents shall conduct their operations using a risk-based approach, as demonstrated by the adoption and implementation of the transaction monitoring and reporting systems described below, and should have an understanding of the risk of money laundering and fraud presented by the geographic location(s) of the Agent, the customers served by the Agent, and products offered by the Agent.
- Agents shall adopt and implement anti-money laundering and anti-fraud programs, based on the risk of the Agent’s business, that meet, at a minimum, the following requirements:
  - Address the designation of a compliance officer, employee training, transaction monitoring and reporting, collecting and maintaining customer information and, if required, independent review of the Agent’s anti- money laundering and anti-fraud programs. These requirements are outlined in more detail below;

- Receive approval from the Agent's ownership and management, including a commitment to support and adhere to this Manual and the Agent's anti- money laundering and anti-fraud programs;
- Monitor transactions for potentially suspicious or unusual activities, such as the potential structuring of transactions to evade legal and/or regulatory reporting requirements, the evasion of identification requirements, the practice of sharing identification documents, and any other unusual behaviors such as one person sending to many individuals in many different countries;
- Document the results of anti-money laundering and anti-fraud monitoring, including the filing of any suspicious activity reports with the applicable regulator and/or escalating potentially suspicious activity to "A22 INDUSTRY LTD".;
- Provide written policies and procedures for employees to follow to detect and prevent fraud-induced, structured or otherwise illicit money transfers or transactions;
- Provide written policies and procedures for employees to follow to report potentially suspicious activity, or large currency transactions, and fulfill any other regulatory reporting obligations in the jurisdiction in which the Agent operates. Such policies and procedures should address obligations regarding "no tipping off" a customer when suspicious activity has been reported; and
- Provide guidance to employees on how to escalate potentially suspicious activity to "A22 INDUSTRY LTD". when necessary.

Agents shall designate a compliance officer responsible for implementation and adherence to the Agent's anti-money laundering and anti-fraud programs. This compliance officer must, at a minimum, meet the following requirements:

- committed to support and adhere to this Manual and the Agent's anti-money laundering and anti-fraud programs;
- capable to implement and maintain the Agent's anti-money laundering and anti-fraud programs;
- vested with the appropriate authority to implement the Agent's anti- money laundering and anti-fraud programs throughout the network, if applicable;
- supported by the Agent's ownership and management, and titled as an officer or manager with direct lines of communication to ownership or management;

- authorized to ensure risk-based independent reviews of the Agent’s anti-money laundering and anti-fraud programs, if applicable; and
- knowledgeable about the Agent’s day-to-day business, including offering of M&M Remit’s services.
- Agents shall ensure there is sufficient staffing and resources to adequately implement this Manual and the policies and programs the Agent has adopted.

### **3 Agent Employee Training**

As stated above, Agents and their employees are the first line of defense in protecting customers and preventing criminal abuse and exploitation of “A22 INDUSTRY LTD”. products and services. Agent and employees must be provided the training and tools necessary to prevent errors or abuse from occurring in the use of “A22 INDUSTRY LTD”.’s products and services. Moreover, as part of employee training, Agents should communicate to their employees that the Agent’s management supports full compliance with applicable laws and regulations. “A22 INDUSTRY LTD”. requires that Agents only permit properly trained employees to provide “A22 INDUSTRY LTD”.’s products and services to customers.

3.1 Agents shall ensure employees are sufficiently trained to process transactions using “A22 INDUSTRY LTD”.’s systems and will adhere to this Manual and the Agent’s anti-money laundering and anti-fraud programs. “A22 INDUSTRY LTD”. is continuously improving its policies and programs and may update Agent responsibilities at any time based on changes in laws, regulations, industry best practices, or risk.

3.2 Agents shall train all employees who interact with customers using “A22 INDUSTRY LTD”. products and services on anti-money laundering and anti-fraud measures using either the training provided by “A22 INDUSTRY LTD”. or equivalent training. This training shall occur at least every two years or more frequently as required by local laws or regulations or by “A22 INDUSTRY LTD”... This training shall include the following:

- adherence to all requirements set forth in this Manual;
- identification of customer scams and prevention of fraud-induced transfers;
- verification of customer identification;
- compliance with all relevant transaction processing requirements, including correct data collection and entry procedures;
- identification and reporting suspicious activity and structured transactions; and

- satisfying record retention requirements.
- 3.3 Agents are responsible for ensuring employees understand their responsibilities and provide refreshed training to employees as necessary. In addition, Agents shall provide additional employee training in the event that a performance issue related to compliance with this Manual or the Agent's anti-money laundering and anti-fraud policies or procedures is identified. Employees should be tested on their knowledge to demonstrate understanding of their compliance responsibilities.

#### **4 Cooperation With Police And Regulators**

"A22 INDUSTRY LTD". and its Agents are subject to examination for compliance with laws, regulations, and with "A22 INDUSTRY LTD".s policies and procedures by governmental authorities in many jurisdictions. Government regulators and law enforcement agencies may seek information and records from time to time.

- 4.1 Agents shall cooperate fully with "A22 INDUSTRY LTD". and police and/or regulatory agencies when contacted about customer fraud or anti-money laundering and compliance matters.
- 4.2 Agents and their employees shall cooperate and respond promptly to all lawful requests for information including:
- any "A22 INDUSTRY LTD". request for records or other information;
  - any regulatory exam, inspection, independent testing or compliance review of the Agent's business; and
  - any appropriate governmental/regulator request for records or other requests related to the Agent's sale of "A22 INDUSTRY LTD".s services.

#### **5 Transactions And Recordkeeping Requirements**

The core of "A22 INDUSTRY LTD".s products and services are the transactions it processes. It is necessary for Agents and their employees to gather complete and accurate information to ensure that "A22 INDUSTRY LTD". transactions are processed correctly and efficiently, with full compliance of the law in the jurisdictions the transactions generate and disburse. In addition, Agents shall follow the laws and regulations governing the retention of records associated with transactions, suspicious activity, and other regulatory reports.

- 5.1 Agents are required to maintain records that document their efforts to monitor, prevent, and report customer fraud, money laundering, and terrorist financing for a minimum of ten (10) years (or longer if required by local laws or regulations).
- 5.2 Agents and their employees should make sure all transactional record and paper trails of relevant paperwork matches all details as is in the software- there should be zero mismatch.

“A22 INDUSTRY LTD”., may, ask for relevant documents, from time to time, to ensure full compliance & failure to adhere to compliance on this issue, may result in termination and/or legal proceeding, depending upon the severity of the compliance failure.

### 5.3 Agents and their employees shall ensure that:

- Where applicable, send and receive forms are filled out fully and accurately and signed by the customer.
- Valid customer identification information is obtained before the transaction is processed in accordance with local requirements and “A22 INDUSTRY LTD”.’s Manual and procedures.
- Complete and accurate customer identification information is entered into “A22 INDUSTRY LTD”.’s systems to ensure data quality and to minimize delays in processing the transaction.
- Transactions that appear unusual or possibly tied to money laundering or other illegal activities should be reported to the relevant authority as required by applicable laws or regulations and/or escalated to “A22 INDUSTRY LTD”. when appropriate.
- Customers that appear to be involved in a fraud-induced transaction are questioned about their transaction. If there is a reasonable suspicion that the transaction is fraud-induced, the Agent or their employee shall refuse to process the transaction and report as soon as reasonably possible such activity to “A22 INDUSTRY LTD”. and the appropriate authorities, where required by applicable law or regulation.
- Customers whom report to an Agent or their employee that they have been the victim of a fraud-induced transaction are encouraged to separately report fraud-induced transactions to “A22 INDUSTRY LTD”. and/or the appropriate authorities.

### 5.4 Before releasing the funds to the customer, the Agent and their employees should request the reference number from the customer and enter this number in “A22 INDUSTRY LTD”.’s systems.

## **6 Customers Rights**

“A22 INDUSTRY LTD”. is committed to protecting its customers from unethical or illegal business practices. “A22 INDUSTRY LTD”. expects that Agents and their employees minimize risk of harm to customers, and prevent occurrences of unfair, deceptive, or abusive acts or practices or violations of other applicable customer protection laws by all means reasonably practicable under laws and regulations.

### 6.1 Agents shall disclose all required information to customers regarding each transaction, including information related to fees and what the customer will be charged for each transaction.

6.2 Agents may only offer “A22 INDUSTRY LTD”.’s services in languages approved and authorized by “A22 INDUSTRY LTD”..

6.3 Agents may only use “A22 INDUSTRY LTD”. approved marketing materials and advertisements.

These include internal and external signage, promotional pamphlets, advertisements in local periodicals, and counter-top displays.

## **7 Customer Privacy And Data Protection**

“A22 INDUSTRY LTD”. provides secure, convenient ways to send and receive money. Part of “A22 INDUSTRY LTD”.’s commitment to its customers is that it will safeguard their personal and private information. During the course of transactions, Agents and their employees may receive personal and private information from customers such as name, address, phone number, government identification/work permit or tax identification number, passport number, place or date of birth, occupation, email address, and any other required customer due diligence. “A22 INDUSTRY LTD”. expects that Agents and their employees protect this information from unauthorized access, use, and disclosure.

7.1 Agents shall protect customers’ personal and private information, in accordance with applicable laws and regulations, to prevent unauthorized access, use, and disclosure.

7.2 Agents’ anti-money laundering and anti-fraud programs shall include procedures to comply with privacy laws and to ensure data security. Such procedures shall be implemented, commensurate with the type of information collected and stored and the business operations of the Agent.

7.3 Agents and their employees shall collect from customers only the information needed to complete a transaction. Agents and their employees shall only use customer information for identified and allowable purposes as provided in the terms and conditions contained in the documents given to customers. Unless otherwise authorized by “A22 INDUSTRY LTD”., customer information can only be used (i) to complete a customer transaction;

(ii) to meet legal/regulatory obligations; and

(iii) to prevent money laundering and/or fraud.

7.4 Agents shall disclose customer information only to the individual whom it pertains, and shall not disclose customer information to any unauthorized third party.

## **8 Monitoring And Corrective Action**

“A22 INDUSTRY LTD”. monitors how well Agents carry out their compliance responsibilities. This includes monitoring transactions processed by an Agent. In its discretion, “A22 INDUSTRY LTD”. conducts reviews of Agents’ anti-money laundering and anti-fraud compliance programs, Mystery Shopping, Onsite Investigations, and other compliance review activities to ensure



that the Agent has designed and implemented an effective compliance program tailored to the Agent's business model and that the Agent is following the applicable legal and regulatory requirements, "A22 INDUSTRY LTD".s policies and procedures, and/or contractual requirements.

#### 8.1 Conduct that Could Lead to Monitoring or Corrective Action

- All Agents who violate this Manual, or any applicable law or regulations shall be subject to immediate corrective or remedial action, including probation, suspension of service or termination of "A22 INDUSTRY LTD".s services.
- "A22 INDUSTRY LTD". may take corrective or remedial action, including probation, suspension of service or termination of "A22 INDUSTRY LTD".s services, if it determines, in its sole discretion, that an Agent's conduct poses an undue risk to customers or "A22 INDUSTRY LTD".s reputation or systems. Conduct that may lead to corrective or remedial actions includes processing suspicious or fraudulently induced transactions.
- Any Agent found to assist or participate in illegal transaction activities will be subject to immediate suspension or termination of "A22 INDUSTRY LTD".s services, absent documented mitigating circumstances.

#### 8.2 Possible Monitoring and Corrective Actions

- "A22 INDUSTRY LTD". may choose to take a variety of corrective or remedial actions to address the conduct henceforth. These actions may include:
  - termination of "A22 INDUSTRY LTD".s services;
  - suspension of the right to conduct "A22 INDUSTRY LTD".money transfer or other transactions;
  - imposition of restrictions on "A22 INDUSTRY LTD".s services, including: (i) lowering of thresholds for customer identification procedures; (ii) lowering of transaction volume or transaction amount limits; (iii) requiring express "A22 INDUSTRY LTD". approval of transactions above a certain amount; and (iv) other restrictive measures deemed necessary by "A22 INDUSTRY LTD".; and placing the Agent on a period of probation during which "A22 INDUSTRY LTD". will closely monitor the Agent's transactions. In instances where the Agent is placed on probation, the Agent's "A22 INDUSTRY LTD". transactions will be monitored for a period of 60 days or until such time as "A22 INDUSTRY LTD". deems sufficient.
- Additionally, "A22 INDUSTRY LTD". may undertake other remedial actions separately or in conjunction with those listed above in Section 10.2. These actions may include:

- contacting the Agent every 30 days to receive reports regarding an Agent's actions taken in response to identified issues;
- requesting and reviewing the Agent's documentation; and
- addressing transaction analysis with the Agent every 30 days.

- 8.3 Agents shall respond to and implement all corrective or remedial actions required by "A22 INDUSTRY LTD". to address violations or deficient adherence to this Manual. "A22 INDUSTRY LTD". will terminate its services with Agents who fail to respond to or implement corrective or remedial actions required by "A22 INDUSTRY LTD"
- 8.4 Any Agent who believes it has been unfairly subjected to corrective or remedial action shall contact "A22 INDUSTRY LTD".'s Chief Compliance Officer at:

Attn: Compliance, "A22  
INDUSTRY LTD".,  
422 RICHARDS STREET, UNIT  
170 VANCOUVER BC V6B 2Z4  
CANADA