



ANTI-MONEY LAUNDERING POLICY

1. Policy Statement

The IREDE Foundation (TIF) is committed to full compliance with all applicable laws and regulations regarding anti-money laundering procedures. TIF has adopted and will enforce the provisions set forth in Anti-Money Laundering Act, 2011 as amended ('AML/CFT') to prevent and detect money laundering, terrorist financing and other illegal activities.

If TIF personnel and/or premises are inadvertently used for money laundering or other illegal activities, TIF can be subject to potentially serious civil and/or criminal penalties. Therefore, it is imperative that every member, officer, director, and employee (each, an "employee") is familiar with and complies with the policies and procedures set forth in this Compliance Manual.

This Compliance Statement is designed to assist all Donor in adhering to The IREDE Foundations' policy and procedures, which, if followed diligently, are designed to protect themselves, TIF, its employees, its facilities and its activities from money laundering or other illegal activities.

To ensure that the TIF'S policies and procedures are adhered to, TIF shall designate an Anti-Money Laundering Compliance Officer (the "Compliance Officer").

The Compliance Officer is responsible for establishing and conducting employee training programs to ensure that all appropriate employees are aware of the applicable Anti-Money Laundering Regulations, TIF's Anti-Money Laundering Policies & Procedures and their responsibilities with respect to these policies.

2. Purpose & Scope

1. Comply with all Anti-Money Laundering Rules & Regulations and how it operates.
2. Require all employees to prevent, detect and report to the Compliance Officer all potential instances in which TIF or its employees, its facilities or its activities have been or are about to be used for money laundering, terrorist financing and other illegal activity.
3. Provide for a Compliance Officer who shall ensure adherence to the TIF's Anti-Money Laundering Policies and Procedures.
4. Require all appropriate employees to attend anti-money laundering training sessions, so that all such employees are aware of their responsibilities under TIF's policies and procedures; this Compliance Manual; and as affected by current developments with respect to anti-money laundering events.

3. Defining Money Laundering

Money laundering involves the placement of illegally obtained money into legitimate financial systems so that monetary proceeds derived from criminal activity are transformed into funds with an apparently legal source.

Money laundering has many destructive consequences both for society as a whole and for those entities involved in money laundering activities. With respect to society as whole, money laundering may provide resources for drug dealers, terrorists, and other criminals to operate and expand their criminal activities.

With respect to entities, any involvement, whether to instigate, assist, conceal, or ignore the source, nature, location, ownership or control of money laundering activities, can lead to both civil and criminal proceedings against both the individual and the entity involved. Additionally, the adverse effects, including the adverse publicity to the foundation associated with involvement in money laundering events cannot be emphasized

enough.

Money laundering transactions may include:

- ❖ Advising a potential or existing donor/funder on how to structure a transaction to avoid reporting and/or record keeping requirements;
- ❖ Engaging in any activity while willfully or recklessly disregarding the source of the funds or the nature of the donor/funder transaction;
- ❖ Engaging in any activity designed to hide the nature, location, source, ownership, or control of proceeds of criminal activity;
- ❖ Dealing in funds to facilitate criminal activity; or
- ❖ Dealing in the proceeds of criminal activity.

Money laundering can involve the proceeds of drug dealings, terrorist activities, arms dealings, mail fraud, bank fraud, wire fraud or securities fraud, among other activities.

3.1 Controls to Prevent Money Laundering

1. To put in place internal controls and policies to ensure continuing compliance with the Rules & Regulations.
2. To appoint a Money Laundering Reporting Officer (Compliance Officer).
3. To establish / enhance record keeping systems for:
 - a. All transactions.
 - b. The verification of Donor's identity.
4. To establish internal suspicion reporting procedures.
5. To educate and train all staff with the main requirements of the Rules & Regulations.

Internal controls and policies should be established and recorded to:

- ❖ Ensure that anyone who suspects money laundering knows how to report this information to their Compliance Officer.
- ❖ Provide the Compliance Officer with the means by which the reasonableness of the suspicion can be judged, and thereby assess which suspicious matter should be reported to the Regulatory Authority i.e. NFIU/SCUML (Financial Monitoring Unit).

Note: The obligation to report does not depend on the amount involved or the seriousness of the offence. There are no de-minimis concessions.

4. Anti-Money Laundering Compliance Officer

Any employee shall immediately notify the Compliance Officer if he/she suspects or has any reason to suspect that any potentially suspicious activity has occurred or will occur if a transaction is completed. Employees are encouraged to seek the assistance of the Compliance Officer with any question or concerns they may have with respect to the TIF's Anti-Money Laundering Policies or Procedures.

4.1 Responsibilities of the Compliance Officer include the following:

- Coordination and monitoring of TIF's day-to-day compliance with applicable Anti-Money Laundering Laws and Regulations and TIF's own anti-money laundering policy and procedures; Conducting employee training programs for appropriate personnel related to the TIF's anti- money laundering policy and procedures and maintaining records evidencing such training;
- Receiving and reviewing any reports of suspicious activity from employees;
- Determining whether any suspicious activity as reported by an employee warrants reporting to the Executive Director of the foundation;
- Coordination of enhanced due diligence procedures regarding donors/funders; and Responding to both internal and external inquiries regarding TIF's anti-money laundering policies and procedures.

4.2 Anti-Money Laundering Employee Training Program

As part of TIF's anti-money laundering program, all employees are expected to be fully aware of the anti-money laundering policies and procedures.

Each employee is required to read and comply with this Compliance Manual, address concerns to the Compliance Officer and sign the acknowledgement form confirming that he/she has read and understands TIF's anti-money laundering policies and procedures.

To ensure the continued adherence to TIF's anti-money laundering policies and procedures, all employees are required to reconfirm their awareness of the contents of this Compliance Manual by signing the acknowledgement form annually, or more frequently, as required by the Compliance Officer.

All employees are required.

- At a time specified by the Compliance officer, to undertake training programs on anti-money laundering policies and procedures.
- To get trained in how to recognize and deal with transactions which may be related to money laundering.
- To timely escalate and report the matter to the Compliance Officer.
- To get themselves acquainted with Anti-Money Laundering Rules & Regulations.
- To comply with the requirements of Rules & Regulations.

5. Donor Identification (Funder/Donors/Sponsors)

TIF's anti-money laundering policies and procedures are intended to ensure that, prior to accepting funds from Donors/Funders/Sponsors, all reasonable and practical measures are taken to confirm their identities. And to verify that any third party upon whom TIF relies for Donor identification, such as a bank and other financial intermediary, or any other third party adheres to the same standards. These Donor Identification Procedures are based on the premise that The IREDE Foundation will accept funds from a new and existing Donor only after:

- TIF has confirmed the Donor's identity and that the Donor is acting as a principal and not for

the benefit of any third party unless specific disclosure to that effect is made; or

- If the Donor is acting on behalf of others, TIF has confirmed the identities of the underlying third parties.

The Donor Identification Procedures should be reviewed considering the specific characteristics presented by a Donor and in any instance the Compliance Officer may determine to apply enhanced measures for reasons other than those discussed in “High-Risk Donor”.

As a reference tool, an Individual Donor/funder/Sponsor KYC Checklist is used. Employees are encouraged to provide the Compliance Officer with any revisions they consider appropriate.

The Compliance Officer shall retain copies of all documents reviewed or checklists completed in connection with its Donor Identification Procedures in accordance with TIF’s Donor Records Retention policies.

5.1 Donor Identification Procedures for Natural Persons

The IREDE Foundation shall take reasonable steps to ascertain satisfactory evidence of an individual Donor’s name, address, date and place of birth, including the employer’s address and the source of the Donor’s funds. To confirm the identity of the Donor, copies of certain of the following documents will be obtained and retained for TIF’s records:

1. Travel Passport or other official government-issued identification; and
2. Power of attorney, where applicable, along with contact details of the attorney.
3. Declaration over Application Form and any other Simplified KYC which includes:
 - a. Identity Details of the Applicant
 - b. Address Details of the Applicant
 - c. Details concerning Annual Income, Source of Income, Occupation and Shareholder Category
 - d. Bank Details
 - e. Custody, Clearing and Settlement Agent

5.2 Donor Identification Procedures for Corporations Partnerships

The IREDE Foundation shall take reasonable steps to ascertain satisfactory evidence of an entity Donor’s name and address, its authority to make the contemplated sponsorship/donation.

The IREDE Foundation will obtain certain of the following, as appropriate under the circumstances:

- Copy of resolution granting the Directors/Principals authority to act. Articles of Memorandum and Articles of Association;
- Certificate of Incorporation;
- List of Directors Authorized signatory list;
- Description of the Donor’s primary lines of business;
- Publicly available information from law enforcement agencies or regulatory authorities; and/or Donor’s annual report and/or, if appropriate,
- Donor’s bank references

5.3 High-Risk Donor

The Compliance Officer will provide and will continuously update a list of the types of Donor that TIF considers to be of 'high risk,' such that enhanced due diligence procedures are warranted compared to the routine Donor Identification Procedures.

Following are the examples of Donor who pose a high money laundering risk:

- A Senior Foreign Political Figure, any member of a Senior Foreign Political Figure's Immediate Family, and any Close Associate of a Senior Foreign Political Figure;
- Any Donor resident in, or organized or chartered under the laws of, a Non-Cooperative Jurisdiction

Note: Non-Cooperative Jurisdiction means any foreign country that has been designated as non-cooperative with international anti-money laundering principles or procedures by an intergovernmental group or organization, such as the Financial Action Task Force on Money Laundering ("FATF").

- Donor who gives the Compliance Officer any reason to believe that its funds originate from, or are routed through, an account maintained at an "offshore bank", or a bank organized or chartered under the laws of a Non-Cooperative Jurisdiction; and
- Any Donor who gives the Compliance Officer any reason to believe that the source of its funds may not be legitimate or may aid terrorist activities.

5.4 Enhanced Donor Identification Procedures for 'High-Risk' Natural Persons

Enhanced Donor Identification Procedures for 'high risk' natural persons as Donor include, but are not limited to, the following:

- Generated the Donor's wealth and the source of the funds intended to be used to make the donation. Reviewing generally available public information, such as media reports, to determine whether the Donor has been the subject of any criminal or civil enforcement action.
- Assessing the Donor's business reputation through review of financial or professional references, generally available media reports or by other means.
- Considering the source of the Donor's wealth, including the economic activities that generated the Donor's wealth and the source of the funds intended to be used for the donation.
- Reviewing generally available public information, such as media reports, to determine whether the Donor has been the subject of any criminal or civil enforcement action based on violations of anti-money laundering laws or regulations or any investigation, indictment, conviction or civil enforcement action relating to financing of terrorists;
- Conducting a face-to-face meeting with the Donor to discuss/confirm the account opening documents.

The enhanced due diligence procedures undertaken with respect to 'high risk' Donor must be thoroughly documented in writing, and any questions or concerns regarding a 'high risk' Donor should be directed to the Compliance Officer.

6. General Reporting Procedures

- A person in the organization is nominated to receive disclosures under this regulation (“the Compliance Officer”)
- Anyone in the foundation, to whom information comes during the relevant business as a result of which he suspects that a person is engaged in money laundering, must disclose it to the Compliance Officer.
- Where a disclosure is made to the Compliance Officer, the officer must consider it in the light of any relevant information which is available to TIF and determine whether it gives rise to suspicion, and; Where the Compliance Officer does so determine in consultation with the Executive Director, the information must be disclosed to the Regulatory Authority after obtaining an independent legal advice.

6.1 Reporting Process

1. Update the <http://bit.ly/ReportingTemplate>
2. Send an email to Info@SCUML.org attaching the filled reporting template.
3. The subject for the email should call out the kind of transaction in this format.

CASH BASED TRANSACTION: THE IREDE FOUNDATION

OR

INTERNET TRANSACTION: THE IREDE FOUNDATION.

6.2 Other Offences – Failure to Report Offences

- Failure by an individual in the regulated sector to inform the Regulatory Authority or TIF’s Compliance Officer, as soon as practicable, of knowledge or suspicion (or reasonable grounds for knowing or suspecting) that another person is engaged in money laundering.
- Failure by Compliance Officers in the regulated sector to make the required report to Regulatory Authority as soon as practicable, if an internal report leads them to know or suspect that a person is engaged in money laundering.

6.3 De-Minimis Concessions

Note that the obligation to report does not depend on the amount involved or the seriousness of the offence. There are no de-minimis concessions.

6.4 Donor Records Retention

Copies of all documents related to TIF’s Donor Identification Procedures will be retained for an appropriate period of time and, at a minimum, the period of time required by applicable law or regulation.

The documents TIF retains are copies of documents reviewed in connection with Donor Identification Procedures or enhanced due diligence procedures, Donor identification checklists, if any, or similar due diligence documentation, and any other documents required to be retained by applicable anti-money laundering legislation.

TIF will retain documents for so long for a minimum of five years after this relationship ends.

6.5 Review of Existing Donor Base and Detection of Suspicious Acts

The Compliance Officer shall coordinate a periodic review of the TIF's existing donor list and ensure the adequacy of due diligence performed on existing donors.

In addition, TIF's policies, procedures and controls may provide for the detection of suspicious activity, and if detected may require further review to determine whether the activity is suspicious, as described below. For example, in some circumstances, the following activities, none of which per se constitutes suspicious activity, may be indicative of activity that may require further investigation:

1. Donor exhibits unusual concern regarding TIF's compliance, particularly with respect to the Donor's identity, type of business and assets, or the Donor is reluctant or refuses to reveal any information concerning business activities, or the Donor furnishes unusual or suspect identification or business documents;
2. Donor wishes to engage in donations that are inconsistent with the Donor's apparent donation strategy.
3. Donor (or a person publicly associated with the Donor) is the subject of news reports indicating possible criminal, civil or regulatory violations.
4. Donor appears to be acting as the agent for another entity but declines, or is reluctant, without legitimate commercial reasons, to provide any information in response to questions about such entity.
5. Donor has difficulty describing the nature of his or her business or lacks general knowledge of the industry he or she is apparently engaged in;
6. Donor attempts, with unusual frequency (considering the differences between Donor and Intermediaries as appropriate), to make investments, redemptions/withdrawals, or transfers. Donor attempts to make or requests transactions in cash or cash equivalents.

The IREDE Foundation requires any employee who detects suspicious activity or has reason to believe that suspicious activity is taking place immediately to inform his or her immediate supervisor as well as the Compliance Officer.

Under no circumstances may an employee discuss the suspicious activity, or the fact that it has been referred to the Compliance Officer, with the Donor concerned (Required by Law).

The Compliance Officer shall determine in consultation with the higher management whether to report to appropriate law enforcement officials (i.e. NFIU/SCUML-Financial Monitoring Unit) any suspicious activity of which he becomes aware within 7 working days of knowing the suspicious activity (Required by Law).

7. Regular Review/Audit of the Manual

A regular review of the program should be undertaken to ensure that it is functioning as designed. Such a review could be performed by external or internal resources and should be accompanied by a formal assessment or written report.

When regulations are amended concerning reporting of suspicious activities, The IREDE Foundation will amend this Compliance Manual to comply with those regulations.

