

## AML/CFT Policy

*Prepared in accordance with the Accounting and Corporate Regulatory Authority Act (the "Act", the Filing Agents and Qualified Individuals Regulations 2015 (the "Regulations"), the guidelines issued by the Accounting and Corporate Regulatory ("ACRA" or the "Authority"), and other applicable law and documentations.*

### 1.1. Policy statement

#### 1.1.1.

- (a) Healy Consultants is committed to providing its world-leading corporate services in a responsible and legally compliant fashion. The Company recognises its legal responsibilities and impresses upon its staff and management the importance of vigilance and compliance aimed towards the prevention of money laundering and the financing of terrorism in accordance with applicable law and FATF standards;
- (b) The Company operates a risk-sensitive approach to managing money laundering and terrorism financing risks associated with its business, both when beginning new client relationships and on an ongoing basis;
- (c) Healy Consultants trains its employees on the Company's legal obligations, giving them an adequate understanding of the policies and procedures in place to report and guard effectively against AML/CFT risk;
- (d) Responsibility rests with all staff, led by the Legal and Compliance Department and senior management. AML/CFT duties are allocated appropriately between management, compliance, and other staff; and
- (e) Healy Consultants conducts documentary and research-based due diligence on all customers, ascertaining and verifying the **i)** identity of ultimate beneficial owners (UBOs) and **ii)** Clients' use of services provided by the Company in accordance with the risk-based approach set out by the procedures below. This takes place at the beginning of engagements and on an ongoing basis as required by law and Healy Consultants' policies.

### 1.2. Application of a risk-based approach, and identification and assessment of risks

#### 1.2.1. Healy Consultants will take reasonable steps to identify and assess its money laundering and financing of terrorism risks and apply a risk-based approach with regard to the following areas:

- (a) establishment of internal policies, procedures and controls in order to prevent activities related to money laundering and the financing of terrorism;
- (b) identification and verification of identity of UBOs;
- (c) extent of customer due diligence measures for existing customers, that is, enhanced, normal or simplified customer due diligence measures;
- (d) extent of customer due diligence measures for new customers, that is, enhanced, normal or simplified customer due diligence measures;
- (e) determining the extent of enhanced customer due diligence measures to be performed for politically exposed persons and politically exposed persons who have stepped down, including their immediate family members and close associates, except in cases where the business relationship or transactions with Healy Consultants present a high risk for money laundering or the financing of terrorism;

## AML/CFT Policy

(f) understanding the risks of money laundering and the financing of terrorism in the countries or territories that a third party that the Healy Consultants wishes to rely on operates in; and

(g) extent of ongoing monitoring.

1.2.2. Healy Consultants will take the following steps in order to apply a risk-based approach:

(a) Identify the money laundering and financing of terrorism risks that are relevant to it;

(b) Assess the risks identified according to different categories;

(c) Develop different extent of controls to mitigate the assessed risks;

(d) Monitor the implementation of these controls and enhance them if necessary; and

(e) Document the risk assessment, keep it up to date and be able to provide it to ACRA if required.

1.2.3. Healy Consultants will identify and assess its relevant money laundering and financing of terrorism financing risks that it potentially faces and will implement appropriate extent of controls to manage and mitigate the assessed risks. This is subject to any variables in risks that Healy Consultants may encounter.

### 1.3. Development of controls to mitigate money laundering and financing of terrorism risks

1.3.1. In developing controls to mitigate its risks, Healy Consultants will perform different extents of customer due diligence measures and perform different extents of ongoing monitoring. Healy Consultants will have controls:

(a) for the identification and scrutiny of complex or unusually large transactions, unusual patterns of transactions which have no apparent economic or visible lawful purpose and any other activity which Healy Consultants regards as particularly likely by its nature to be related to money laundering or the financing of terrorism;

(b) that specify the taking of additional measures, where appropriate, to prevent the development of new products and new business practices, including new delivery mechanisms, for money laundering and the financing of terrorism, and the use of new or developing technologies, for both new and pre-existing products, for money laundering and the financing of terrorism, paying special attention to those that favour anonymity; and

(c) that determine whether a customer, beneficial owner or agent is a politically exposed person during the performance of customer due diligence measures.

### 1.4. Monitoring effectiveness and enhancement of controls

1.4.1. Healy Consultants may consider one or more of the following indicators, or other relevant indicators, in monitoring whether its controls are effective and deciding whether enhancement is needed:

(a) a sudden unaccounted increase in business from an existing customer, for example, the same customer requesting incorporation of many companies;

(b) uncharacteristic transactions which are not in keeping with the customer's known business activities and profile;

(c) unaccounted peaks of activity at particular locations or at particular times; or

## AML/CFT Policy

(d) unaccountable or atypical types of customer transactions.

1.4.2. In monitoring the effectiveness of its controls, Healy Consultants will consider whether the controls are able to identify any transactions or activities that are unusual or suspicious to Healy Consultants.

### 1.5. Performance of customer due diligence measures

1.5.1. Healy Consultants will perform customer due diligence on its customers, UBOs and agents by performing the following measures, before it enters into a business relationship with potential clients:

- (a) identifying the customer and agent and verifying their identities by asking for reliable and independent documents, data or information;
- (b) identifying and verifying the identity of any UBO using reliable and independent documents, data or information; and
- (c) obtaining information on the purpose and intended nature of any business relationship.

1.5.2. Healy Consultants will apply a risk-based approach as described in paragraph 1.2 to determine the extent of customer due diligence measures that it will perform, that is, simplified, normal or enhanced customer due diligence.

1.5.3. In performing customer due diligence measures, Healy Consultants will take measures to determine whether a customer, beneficial owner or agent is a politically exposed person or a close associate.

1.5.4. Healy Consultants applies a risk-based approach as described in paragraph 1.2 to determine the extent of enhanced customer due diligence measures to be performed for politically exposed persons, and politically exposed persons who have stepped down, including their immediate family members and close associates. Where Healy Consultants is of the view that the intended nature of the business relationship or transaction presents a high risk for money laundering or the financing of terrorism, Healy Consultants' senior management will consider whether a Suspicious Transaction Report would need to be made.

1.1.1. If Healy Consultants has established a business relationship with a politically exposed person, the Company will perform enhanced ongoing monitoring over the course of the business relationship. Where Healy Consultants is of the view that the nature of the business relationship or transaction now presents an increased risk of money laundering or the financing of terrorism, Healy Consultants' senior management will consider whether a Suspicious Transaction Report would need to be made.

1.1.2. Healy Consultants will perform enhanced customer due diligence measures and enhanced on-going monitoring in other situations where the risk of money laundering and the financing of terrorism is high.

1.1.3. In performing customer due diligence measures, Healy Consultants may require its customers and agents to provide their particulars using a customer acceptance form and require the provision of relevant documents and information for verification purposes.

## AML/CFT Policy

1.1.4. If Healy Consultants is unable to perform or complete customer due diligence measures, it will:

- (a) not carry out any transaction with or for the customer;
- (b) not establish a business relationship with the customer;
- (c) terminate any existing business relationship with the customer; or
- (d) consider whether it is required to file a suspicious transaction report under section 39(1) of the Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act; and section 8 or 10 of the Terrorism (Suppression of Financing) Act.

### 1.2. Filing a suspicious transaction report

1.2.1. Healy Consultants will ensure that its staff and employees are trained on its internal reporting procedures and made aware of the persons to whom they have to report, in the event that they detect suspicious activities or transactions concerning money laundering or the financing of terrorism and a suspicious transaction report may have to be filed.

1.2.2. A suspicious transaction report may be made with the Suspicious Transaction Reporting Office via SONAR.

### 1.3. Performance of ongoing monitoring of business relationships

1.3.1. Healy Consultants will conduct ongoing monitoring of a business relationship with a customer. "Ongoing monitoring" means:

- (a) scrutiny of transactions undertaken throughout the course of the relationship (including, where necessary, the source of funds) to ensure that the transactions are consistent with its knowledge of the customer, and its business and risk profile; and
- (b) keeping the documents, data or information obtained for the purpose of applying customer due diligence measures up to date.

1.3.2. Healy Consultants will apply a risk-based approach as described in paragraph 1.2 to decide the extent of ongoing monitoring, for example, whether a higher or lower frequency of ongoing monitoring is required, and the timing of the ongoing monitoring.

1.3.3. When Healy Consultants is required to perform enhanced ongoing monitoring, it is required to increase the frequency of ongoing monitoring over the course of the business relationship concerned over and above the frequency used for customers subject to standard and simplified due diligence measures.

1.3.4. For customers who are consider high risk where enhanced due diligence was performed during onboarding will have to monitored and due diligence documents obtained on an annual basis, while those on the medium or low risk tier would be monitored and due diligence documents would be obtained on a 2 -yearly basis.

### 1.4. Record-keeping

1.4.1. Healy Consultants will keep the following records for the entire duration of its business relationship with a customer, and for at least 5 years from the date it ends its business relationship with a customer:

## AML/CFT Policy

- (a) a copy each of the information and evidence of the customer's and agent's identity (including that of any UBO in relation to the customer). These include:
- (i) copies of all documents used in establishing and verifying the customer's, UBO's and agent's identity;
  - (ii) the agent's authority to enter into a business relationship on behalf of a customer;
  - (iii) information on the purpose and intended nature of the business relationship;
  - (iv) written records of the basis of Healy Consultants' determination that a customer falls into the categories for which inquiry into the existence of beneficial owner is not required;
  - (v) Healy Consultants' risk assessment where the Company performs simplified customer due diligence measures and the nature of the simplified customer due diligence measures;
  - (vi) written records of Healy Consultants' findings with regard to a politically exposed person;
  - (vii) written records of Healy Consultants' findings with regard to other high-risk customers or transactions;
  - (viii) written records of Healy Consultants' measures taken in relation to the screening and training of its employees; and
  - (ix) supporting records.

1.4.2. These records should be sufficient to permit a reconstruction of individual transactions.

1.4.3. Healy Consultants has the discretion to keep these records in different formats.

### 1.5. Screening of employees and training

1.5.1. Healy Consultants will:

- (a) implement screening procedures for the hiring of fit and proper persons as its employees;
- (b) ensure that its employees are trained on the laws for the prevention of money laundering and the financing of terrorism;
- (c) ensure that its employees are trained on prevailing methods of, and trends in, money laundering and the financing of terrorism;
- (d) ensure that its employees are trained on its internal policies, procedures and controls for the prevention of money laundering and financing of terrorism, including the roles and responsibilities of officers and employees of Healy Consultants with regard to the implementation of these internal policies, procedures and controls; and
- (e) ensure that all records of screening and training are documented.

1.5.2. Healy Consultants may consider the following factors when conducting screening of persons who it potentially wishes to hire as employees:



## **AML/CFT Policy**

- (a) whether the person has been convicted in Singapore, of any offence involving
- (b) fraud or dishonesty punishable with imprisonment for 3 months or more;
- (c) whether the person is an undischarged bankrupt in Singapore; and
- (d) whether, if the person has been previously registered as a Filing Agent or qualified individual, his conduct and compliance history as a registered Filing Agent or registered qualified individual had been satisfactory.

### **1.6. Audit function, compliance management and internal communication**

- 1.6.1. Healy Consultants will implement and maintain an audit function that is independent, and able to assess regularly the effectiveness of the internal policies, procedures and controls for the prevention of money laundering and the financing of terrorism.
- 1.6.2. Healy Consultants will develop compliance management arrangements to continually review and update the internal policies, procedures and controls for the prevention of money laundering and financing of terrorism and appoint an employee or officer in a management position as the compliance officer in relation to anti-money laundering and countering financing of terrorism.
- 1.6.3. Healy Consultants will develop internal communication procedures so that its employees, officers and registered qualified individuals are aware of its internal policies, procedures and controls for the prevention of money laundering and financing of terrorism, and their roles in the prevention of money laundering and the financing of terrorism.