



Anti-Money Laundering (AML) Policy Guidelines for Subcontracts India

1. Purpose and Scope

Subcontracts India is committed to maintaining the highest standards of compliance with anti-money laundering (AML) regulations to prevent the misuse of its trading desk for money laundering or terrorist financing activities. This policy provides guidelines for identifying, monitoring, and reporting suspicious activities and ensuring compliance with applicable laws and regulations, including those set by the Financial Action Task Force (FATF), Reserve Bank of India (RBI), and international AML standards.

These guidelines apply to all employees, investors, and partners engaged in Subcontracts India's trading desk activities.

2. Key Principles

1. **Zero Tolerance**
Subcontracts India has zero tolerance for money laundering and terrorist financing activities.
 2. **Risk-Based Approach**
A comprehensive risk-based approach is employed to evaluate all investors, transactions, and trading activities.
 3. **Compliance with Laws**
Subcontracts India adheres to AML laws and regulations in India and globally, as applicable.
 4. **Transparency**
We promote complete transparency and ensure all investors understand their responsibilities regarding AML compliance.
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3. Roles and Responsibilities

1. **Compliance Officer**
 - Subcontracts India appoints a Compliance Officer responsible for overseeing AML activities, including policy implementation, risk assessments, and reporting.
 2. **Employees**
 - All employees must follow the AML guidelines and report any suspicious activity to the Compliance Officer.
 3. **Investors**
 - Investors participating in Subcontracts India's trading desk must comply with AML checks and provide complete and accurate information during onboarding.
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4. Know Your Customer (KYC) Procedures

1. Investor Verification

- Obtain and verify personal or corporate identification documents, including:
 - Government-issued ID (e.g., Aadhaar, PAN) for individuals.
 - Company incorporation certificates and authorized signatory details for corporate entities.

2. Enhanced Due Diligence (EDD)

- Conduct additional checks for high-risk investors, including those from jurisdictions with weak AML controls or politically exposed persons (PEPs).

3. Continuous Monitoring

- Regularly update KYC information and monitor transactions for consistency with the investor's profile.
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5. Transaction Monitoring

1. Red Flags

- Unusual transaction patterns, such as large or frequent deposits, withdrawals, or trading activities that do not align with the investor's stated objectives.
- Transactions involving high-risk jurisdictions or known financial crime regions.

2. Automated Tools

- Subcontracts India employs automated systems for transaction monitoring and identifying suspicious activities.

3. Investigation

- All flagged transactions are promptly reviewed, and if necessary, investigated further by the Compliance Officer.
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6. Reporting Suspicious Activities

1. Internal Reporting

- Employees and partners must report any suspicious activity to the Compliance Officer immediately.

2. Regulatory Reporting

- Subcontracts India will file Suspicious Transaction Reports (STRs) with the Financial Intelligence Unit-India (FIU-IND) when required.

3. Confidentiality



- Information related to suspicious activities and reporting will be kept confidential, as mandated by law.

7. Record-Keeping

- Subcontracts India retains all records, including KYC documents, transaction logs, and STRs, for at least **five years** or as required by law.
- Records are securely stored and easily accessible for audits or regulatory inspections.

8. Employee Training

- Regular AML training is provided to employees to ensure they understand their responsibilities, recognize suspicious activities, and comply with regulatory requirements.

9. Prohibited Activities

Investors and trading desk participants are strictly prohibited from:

- Conducting transactions involving illegal funds or proceeds from criminal activities.
- Engaging in activities aimed at evading AML laws.
- Transacting with sanctioned individuals, entities, or countries.

10. Penalties for Non-Compliance

Non-compliance with AML policies may result in:

- Termination of the business relationship.
- Reporting to regulatory authorities.
- Legal action under applicable laws.

11. Policy Review and Updates

The AML policy is reviewed and updated annually or whenever significant regulatory changes occur. Subcontracts India ensures that its AML framework remains robust, compliant, and effective.

12. Conclusion

Subcontracts India is committed to maintaining a secure and compliant environment for its investors and trading desk participants. Adherence to these AML policy guidelines is essential for fostering trust, safeguarding the integrity of our operations, and supporting the global fight against money laundering and terrorist financing.