SAKA HOLDING INTERNATIONAL LTD
ANTI-MONEY LAUNDERING & KNOW YOUR CUSTOMER POLICY
FOR THE YEAR OF 2023

____________________________________ANTI-MONEY LAUNDERING POLICY

The board of directors at SAKA HOLDING is committed to combating money laundering. The management will actively search for suspicious activity. When it is discovered, an accountant will review it and making a recommendation as to whether a Suspicious Activity Report (SAR) should be filed.

The assigned officer will have ten (10) business days to conduct the review and make his recommendation. All recommendations will be made in writing and forwarded to the Chief Financial Officer (CFO). The CFO is responsible for reviewing the investigating officer's recommendation and determining if an SAR should be filed.

The CFO will file the SAR with the appropriate legal and regulatory authorities. All supporting evidence for the SAR will be maintained for a minimum of five (5) years and will be securely stored. The CFO will report to the board of directors the number of SARs filed each month, along with brief a summary as to dollar amount of the suspicious activities and why they were deemed that way.

____Money Laundering - Defined

SAKA HOLDINGhas two definitions for money laundering:

1) It is the introduction of illegally obtained currency into the banking system.
2) It is using the banking system to illegally hide currency that was lawfully obtained.

It is not hard for criminals to obtain currency. However, until the currency is deposited into the banking system, their ability to utilize it is restricted. When banks knowingly accept the cash deposits of criminals, they legitimize (or launder) the proceeds. Accordingly, criminals must do business with banks. And banks like SAKA HOLDINGmust be diligent in detecting and reporting suspicious activity.

Suspicious Activity - Defined

It is impossible for the directorate to define all activity that would qualify as suspicious. However, the following guidelines quantify the types of suspicious activities that SAKA HOLDING will monitor for.

____________________________________Enhanced Due Diligence for New Customer

One of the best ways for SAKA HOLDINGto avoid being an unknowing accomplice to money launders is to properly identify new customers for trading activity. Accordingly, the minimum identification requirements for trading activity with new customers are listed below.

________________Minimum Identification Requirements – Commercial Trade Activities

1) Articles of Incorporation
2) Assumed Name Filing, if account is to be opened in a name other than that shown on the Articles of Incorporation.
3) Letter of reference from prior bank (unless the company is newly formed).

4) Credit history for the company (unless the company is newly formed).
5) Most recent balance sheet and income statement
6) Last three bank statements.

Minimum Identification Requirements – Consumer Accounts

1) One of the following forms of identification with a picture
    a. Driver's license
    b. Passport
    c. Alien registration card

Procedures for Detecting Money Laundering

SAKA HOLDING has a computer system— Customer Relationship Management Monitor— that will enable it to detect most instances of money laundering. The CFO will print and maintain reports produced by the system to substantiate his opinion that specific activity is, or is not, suspicious.

In addition to using the CRM all employees will receive training once a year on how to identify money laundering operations. (New employees that have direct contact with customers will receive initial training within the first four weeks of employment.) As a part of the training, each accountant and new accountant empolies will be given a laminated enterence that identifies ways to detect and prevent money laundering. Replacement enterences will be available from the CFO Officer.

Procedures for Monitoring Compliance with this Policy

A minimum of once a year, the Holding's internal auditor or an independent third-party will review the CFO Officer's suspicious activity file. The auditor will ensure that all identified suspicious activity was reviewed and appropriately handled. The auditor will also use the CRM to search for suspicious activity that the CFO may have missed.

CFO Training

The CFO will be allowed to attend two (2) one-day training classes per year. He or she will get to choose the training.

The CFO will also be allowed to subscribe to a CFO newsletter service.

Date: March 21st , 2023

Approved by

SAKA HOLDING
63-66 HATTON GARDEN, LONDON
ENGLAND, EC1N 8LE
+44 2081331559
info@sakaholding.co.uk
https://sakaholding.co.uk

__________________________________Suspicious Activity Tracking Report

To: *(CFO name goes here):*

The following customer has been identified by the Holding's compliance system as possibly being involved in money laundering.

Customer name:____

You are the CFO assigned to work with this customer. The board of directors of Holding has assigned you the responsibility of investigating this customer's suspicious activity. This form must be completed and returned to the CFO by_______________________________________

Please answer the following questions for this customer. If necessary, you may contact the customer. However, under no circumstances are you to tell the customer his or her transaction(s) are being investigated for money laundering.

I. Please attach a written summary that describes the circumstances that resulted in this customer having the following transaction(s).

____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____
____

II. Does the Holding have another customer in this same business that has comparable transactions? yes: _____ no: _____

III. If Yes, please identify: Name:____

IV. Please attach a written summary that explains why you feel that an SAR should or should not be filed for this customer.

Note: please be advised that “willful blindness” by an independent auditor of money laundering activities is a crime under 18 U.S.C. 1956 & 1957, punishable by fines of up to $500,000 and incarceration of up to five years.

1. ____

______________________________________KNOW YOUR CUSTOMER POLICY

I. Objective

1) The objective of KYC guidelines is to prevent our Holding from being used, intentionally or unintentionally, by criminal elements for money laundering activities.
2) KYC procedures also enable branches to know / understand their customers and their financial dealings better which in turn help them manage their risks prudently.
3) Our KYC policy covers the following areas:
    i. Customer Acceptance Policy
    ii. Customer identification Procedures.
    iii. Monitoring of Transactions and Risk Management
    iv. Statutory Requirements.
    v. Dissemination of KYC Guidelines.

II. Know Your Customer' Standards

1) For the purpose of KYC policy, a 'Customer' may be defined as:
    i. The customer will explain in detail the commercial activities to be carried out with the Holding.
    ii. If these commercial activities are within the scope of the local country, a comprehensive examination will be made according to the current local laws and tax regulations and the current investigation of the customer will be made in order to ensure the sustainability of the trade to be developed with the customer.
    iii. If these commercial activities are within the scope of abroad, the identity investigation of the customer will be carried out within the framework of the relevant legislation and law of the country to which it is affiliated, in order to ensure the sustainability of the trade, taking into account the international arbitrage law.

III. Customer Acceptance Policy (CAP)

____Table - I

Customer Identification Procedure
Features to be verified and documents that may be obtained from customers.

Features	Documents
Individuals • Legal name and any other names used	i. Passport ii. ID card iii. Voter's Identity Card iv. Driving license v. Identity card

• Correct permanent address	i. Telephone bill ii. Letter from any recognized public authority iii. Electricity bill
Companies	i. Name of the company ii. Principal place of business iii. Mailing address of the company iv. Telephone / Fax Number v. Certificate of incorporation and Memorandum & Articles of Association. vi. Copy of the telephone bill.

____**Table – II**

Risk Categorization of customers based on various parameters

Basis	High Risk	Medium Risk	Low Risk
Type of Customer	i. Private Ltd., Company ii. Public Ltd Company (Closely held) iii. Trusts iv. Charities v. Politically Exposed Persons vi. Customers having adverse publicity. vii. Firms with operative transactions authorized by sleeping partner.	i. Public Ltd companies (widely held) ii. Natives with balance of USD 250000 land above, but < USD500000 iii. Firms with sleeping partners.	i. Salaried persons. ii. Pensioners iii. Professional & Self employed persons. iv. Agriculturist v. Self Help Groups vi. Government companies. vii. Public Sector companies. viii. Government Departments.
Source (Nationality) of funds	Foreign Remittances from national of Gulf, Pakistan, Afghanistan, Libya and Syria	Foreign Remittance from national of Eastern Block Countries, Indonesia, Burma, Malaysia, Singapore and Thailand	Foreign Remittance nationals of United States and European Countries. Foreign Remittances from Natives

Location of Customer	Developing Countries, African Countries, South American Countries	Asian Countries, Russia and China	United States and European Countries
Business Activity	i. Jewellery ii. Chit Funds iii. Finance Companies iv. Foreign Exchange, Money Market Brokers v. TRravel Agencies vi. Export / Import Trade	i. Commodity Trade ii. SMEs with annual turnover USD 5 million and above, but < 20 million	i. Industry ii. Hotel iii. Plantations iv. SMEs with turnover less than USD 5 million. v. Retail Trade
Composition of partners, directors	Entirely Foreign nationality	mix of foreign and native	Exclusively Native

****

SAKA HOLDING
63-66 HATTON GARDEN, LONDON
ENGLAND, EC1N 8LE
+44 2081331559
info@sakaholding.co.uk
https://sakaholding.co.uk