

ANTI- MONEY LAUNDERING & ANTI- TERRORISM FINANCING INTERNAL POLICY AND PROCEDURES

1. FIRM POLICY

The firm's policy is to comply with the Anti- Money Laundering and Anti- Terrorism Financing Act 2001 ("AMLA"). As such the firm will actively prevent and take measures to guard against being used as a medium for money laundering activities and terrorism financing activities and any other activity that facilitates money laundering or the funding of terrorist or criminal activities.

The firm will ensure that staff are aware and receive training on the AMLA legislation application to them, as well as to adhere to their responsibilities under the AMLA.

2. MONEY LAUNDERING REPORTING OFFICER DESIGNATION AND DUTIES

The firm designates **DATO' ANDY LOW HANN YONG** as its Money Laundering Reporting Officer ("MLRO").

3. KNOW-YOUR-CUSTOMER POLICY

We have established a Know-Your-Customer ("KYC") policy. To the extent reasonable and practicable, we will ensure that we have a reasonable belief of the true identities of our clients. Documents to identify and verify clients will be obtained prior to any engagement our services in particular the gazetted activities:

(1) GA I Buying and selling of immovable property

Examples:

- Advisory services related to buying and selling of real property
- Preparation of legal documents to facilitate buying and selling of immovable property
- Facilitating payments for buying and selling of immovable property

(2) GA II Managing of client's money, securities or other property

Examples:

- Hold or keep client monies/funds/assets in separate account (client/escrow account) and use the monies according to the client's instructions in conjunction with any of the specified GAs, eg holding of earnest deposit in firm's client account as stakeholder funds pending completion of property acquisition
- Administer and manage client assets in a separate account (client/escrow account), eg in relation to lawyer's role as a trustee for the administration of client's assets

(3) GA III Managing of accounts including savings and securities accounts

Examples:

- Managing of client's accounts including bank accounts or securities accounts, eg acting as authorised signatory on behalf of client to facilitate funds transfer/salary payment from client's bank account to third party/employees, power of attorney over account
- Make investments on behalf of clients in securities and/or other assets
- Book-keeping and the preparation of annual and periodic accounts

(4) GA IV Organising of contributions for the creation, operation or management of companies

Examples:

http://kiv.lowpartners.my/link/kiv_link/MjUx

- Advisory services related to capital contribution or funding/financing arrangement of companies, eg initial public offerings (“IPOs”) or issuance of bonds
- Preparation of agreement related to funding/financing arrangement, eg IPOs or issuance of bonds
- Advisory services related to tax/tax planning, investments in securities and/or other assets

(5) GA V Creating, operating or managing of legal entities or arrangements and buying and selling of business entities

Examples:

- Formation or setting up of companies/entities, including the related advisory services
- Formation or setting up of trust arrangement, including the related advisory services and preparation of trust deed
- Provision of nominee director/shareholder services
- Takeover, mergers and acquisition arrangement, including the related advisory services and preparation of Share Sale Agreement
- Insolvency/receiver-managers/bankruptcy, including the related advisory services

a) Client Identification and Verification

Partners/ Lawyers are to conduct customer due diligence so that sufficient information is obtained to enable us to know and to ascertain some basic background of our clients i.e. occupation, employment history and political exposure.

The customer due diligence form can be downloaded here:

http://kiv.lowpartners.my/link/kiv_link/MjUw

Accepting Brief

We shall collect the following documents from the person, entity or organisation that engages us:

- Identification card
- Passport
- Incorporation documents (in case of legal persons/business/ companies)

b) Lack of Verification/ Non-face-to-face clients

When we cannot form a reasonable belief that we know the true identity of a client, we will not establish a business relationship or proceed with the transaction. The MLRO will be notified accordingly to determine whether an STR should be lodged.

c) Clients who Refuse to Provide Information

If a potential client either refuses to provide the information described above when requested, or appears to have intentionally provided misleading information, we shall refuse to commence a business relationship or proceed with the transaction requested. The MLRO will be notified accordingly.

4. MONITORING FOR SUSPICIOUS ACTIVITY

During the course of the business relationship, if we find suspicious information that indicates possible money laundering or terrorist financing activities, the MLRO will be at liberty to lodge an STR.

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5. SUSPICIOUS TRANSACTIONS REPORTING

a) Suspicious Transaction Report

A Suspicious Transaction Report (“STR”) will be lodged with the Financial Intelligence Unit (“FIU”) of Bank Negara Malaysia when we know or suspect that:

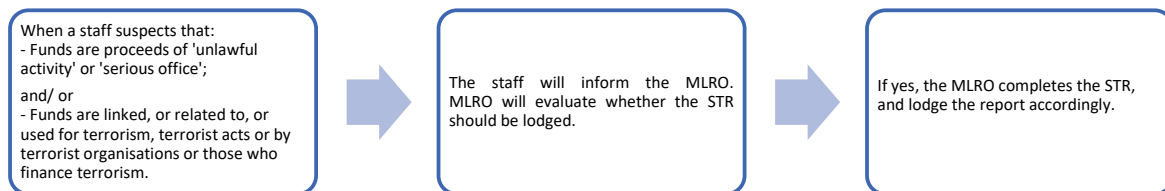
- The transaction involves funds derived from illegal activities or is intended or conducted in order to hide or disguise funds or assets derived from illegal activities as part of a plan to violate the AMLA or to avoid any transaction reporting requirement under the AMLA;
- The transaction has no business or apparent lawful purpose or is not the sort in which the client would normally be expected to engage;
- The transaction involves the use of our firm to facilitate criminal activity.

b) Confidentiality

We will not notify any person involved in the transaction that the transaction has been reported. We will maintain all STRs and any other supporting documentation as confidential.

c) Reporting Procedure

The MLRO will be responsible for submitting the STR. The reporting procedure will be as follows:



6. RECORD KEEPING

We will ensure that proper documentation of all documents and information provided by our clients, together with the methods used, results of verification, and the resolution of any discrepancy in the identifying information.

7. TRAINING PROGRAMMES

We will develop an ongoing AML employee training under the leadership of the MLRO to ensure that staff are aware of the following pertinent points:

- That if they become suspicious of a particular customer or transaction, they must report the matter to MLRO immediately.
- That if they have suspicions and fail to report them, they may be committing a criminal offence and/ or be liable to disciplinary action for gross misconduct.
- That they should not investigate the customer or the transaction(s), unless advised by the MLRO to do so, nor should they inform the customer of their suspicion.
- That unless they are instructed otherwise by the MLRO, they should continue to deal with the customer in the normal way.

Our training will be conducted on an annual basis, and will include:

- Ways to identify signs of money laundering that arise during the course of the employees' duties.
- Steps to be taken once risk is identified
- Roles of the employees in the firms' compliance efforts
- The firm's record maintenance policy
- The disciplinary consequences for non-compliance with the AMLA

8. COMPLIANCE WITH AMLA

Everyone in the firm has the duty to ensure the compliance with the provisions of the AMLA. The firm's AMLA policies and practices will be reviewed and updated as and when necessary.