

AML KYC & CFT POLICY

FOR

NUOM STRESSED ASSETS OPPORTUNITIES FUND

(Alternative Investment Fund – CAT II)

BY

NUOM SERVICES LLP

(INVESTMENT MANAGER TO THE FUND)

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AML, KYC & CFT Policy

1. Introduction

About the Fund

NuOm Stressed Assets Opportunities Fund ("Fund") is a scheme of NuOm Alternative Investment Trust ("Trust"). The Trust has been constituted as a trust under the Indian Trust Act, 1882 and is registered with Securities and Exchange Board of India ("SEBI") as Category II Alternative Investment Fund ("AIF"). The Trust and its schemes will be managed and sponsored by the NuOm Services LLP ("Investment Manager"/ "Sponsor"). The Fund is a close-ended fund and the first scheme of the Trust.

The Investment Manager – NuOm Services LLP ("Investment Manager"/ "Sponsor") has been incorporated to carry on financial business activities as investment advisors, investment managers, financial consultants, management consultants, representative or nominee of or any investment funds, private equity funds, debt funds, venture capital funds, alternative investment funds, hedge funds, collective investment schemes, taxable or tax exempt funds, trusts, pooled investment vehicles, special purpose vehicles, or any other similar vehicles or any other portfolio of securities, to render all other financial services as are usually rendered by investment advisers, investment managers, financial consultants and management consultants.

About the Policy

This Know Your Customer (KYC) and Anti-Money Laundering (AML) Policy (the "Policy") has been drafted in accordance with the Prevention of Money Laundering Act, 2002 (PMLA). It also incorporates the provisions of the PMLA and other rules established by SEBI, FMC, and FIU.

Under the PMLA, all banking companies, financial institutions (including chit fund companies, co-operative banks, housing finance institutions, and non-banking financial companies), and intermediaries (such as stock brokers, sub-brokers, share transfer agents, bankers to an issue, trustees to trust deeds, registrars to an issue, merchant bankers, underwriters, portfolio managers, investment advisers, and any other intermediaries associated with the securities market and registered under Section 12 of the Securities and Exchange Board of India Act, 1992) are required to maintain records of certain transactions as specified in the Rules notified under the PMLA. Transactions that must be recorded include:

1. All cash transactions exceeding Rs. 10 lakhs or its equivalent in foreign currency.

2. All series of cash transactions that are integrally connected and collectively amount to less than Rs. 10 lakhs or its equivalent in foreign currency, if they occur within a calendar month.
3. All suspicious transactions, regardless of whether they involve cash, including debits or credits to non-monetary accounts such as Demat accounts or security accounts maintained by the registered intermediary.

For the purpose of reporting suspicious transactions, not only "integrally connected transactions" but also "remotely connected or related transactions" must be considered. A "suspicious transaction" is defined as one, whether in cash or not, which in good faith:

- i. Raises a reasonable suspicion that it may involve proceeds from a crime.
- ii. Appears to be conducted under unusual or unjustifiably complex circumstances.
- iii. Lacks an economic rationale or legitimate purpose.

This Policy serves as a supplement to the existing SEBI and FIU guidelines on KYC/AML. Any new guidelines issued after the adoption of this Policy will be implemented immediately and later ratified by the Board. In case of any conflict, the prevailing regulations will take precedence over this Policy.

2. Scope

The Policy covers the existing clients of the Fund including the proposed clients and their transactions or proposed transactions carried out through the Fund.

3. Objectives

- 3.1 Provide a comprehensive statement of policies and procedures across the organization for addressing money laundering and terrorist financing, in line with current legal and regulatory requirements;
- 3.2 Ensure that all staff members fully understand the content of these Guidelines;
- 3.3 Regularly review and assess the effectiveness of the policies and procedures for preventing money laundering and terrorist financing;
- 3.4 Implement customer acceptance policies and procedures that account for the risk of money laundering and terrorist financing;
- 3.5 Establish a robust Customer Due Diligence (CDD) process before onboarding clients as per the PMLA and SEBI (KYC Registration Agency) Regulations, 2011;
- 3.6 Conduct customer due diligence (CDD) measures that are proportionate to the risk of money laundering and terrorist financing, based on the type of customer, business relationship, or transaction;
- 3.7 Educate and raise awareness within the relevant work group and clients regarding the Anti-Money Laundering (AML) / Counter Financing of Terrorism (CFT) framework and its compliance requirements.

4. Regulatory Framework

This policy shall be governed by the provisions of:

- SEBI (Alternative Investment Funds) Regulations, 2012
- SEBI Master Circular SEBI/HO/AFD-1/AFD-1-PoD/P/CIR/2024/39 dated May 07, 2024, as may be applicable
- SEBI Master Circular bearing No SEBI/HO/MIRSD/MIRSDSECFATF /P/CIR/2024/78 dated June 06, 2024
- PMLA and SEBI (KYC Registration Agency) Regulations, 2011, as may be applicable

5. What is Money Laundering

Money laundering is the illegal process of disguising the origins of money obtained from criminal activities, making it appear as though it was earned through legitimate means. Essentially, it involves "cleaning" money by passing it through a series of transactions to hide its illicit origins. The goal is to integrate "dirty" or "black" money with legitimate "clean" or "white" money to give it a lawful appearance.

In simpler terms, money laundering is often described as the conversion of illegal funds into lawful ones, allowing criminals to make it seem as though their income comes from legitimate sources.

Under **Section 3 of the Prevention of Money Laundering Act (PMLA)**, money laundering is defined as follows: *"Whoever directly or indirectly attempts to indulge, knowingly assists, or is knowingly involved in any process or activity connected with the proceeds of crime, and projects it as untainted property, shall be guilty of the offence of money laundering."*

This definition emphasizes the involvement in activities that aim to present illicit gains as legally acquired property.

6. AML Policy being adopted by the Investment Manager

The Anti-Money Laundering (AML) policy of the LLP is intended to prevent the Investment Manager from being used, knowingly or unknowingly, by criminal elements involved in money laundering or terrorist financing.

This policy also seeks to provide the Investment Manager with the necessary knowledge and understanding of its clients and their financial activities, enabling the firm to effectively manage risks. By following this policy, the LLP enhances its defences against illegal activities and strengthens its overall risk management framework.

7. **“Know Your Customer”**

A key strategy for preventing and deterring money laundering is to have a thorough understanding of a customer’s business activities and their typical financial transaction patterns. Implementing robust "Know Your Customer" (KYC) procedures is not only a fundamental business practice but also a critical tool in avoiding any involvement in money laundering activities.

The KYC procedures and internal controls being adopted under this policy are:

- 6.1 **Assess the money laundering risk** posed by customers based on their expected use of the LLP’s products and services, ensuring that higher-risk activities are identified and monitored.
- 6.2 **Protect the LLP from risks** associated with doing business with individuals or entities whose identities cannot be determined, who refuse to provide necessary information, or who provide inconsistent information that cannot be resolved even after investigation.
- 6.3 **Determine and document the true identity** of customers who establish relationships, open accounts, or engage in significant business transactions, while collecting essential background information to better understand and mitigate any associated risks.

By following these measures, the LLP ensures compliance with AML regulations and strengthens its defence against potential money laundering activities.

7 Client Identification Procedure

7.1 Client Identification Procedure

The client identification procedure involves verifying the identity of a customer using reliable and independent sources such as documents, data, or information. The LLP must gather sufficient details to confidently establish the identity of every new customer, whether regular or occasional, and understand the intended purpose and nature of the relationship. Additionally, the LLP must be able to demonstrate to regulators that due diligence was followed, tailored to the customer's risk profile, and in compliance with current guidelines.

7.2 Comprehensive Customer Identification Procedure

The LLP must implement a detailed Customer Identification Procedure that outlines the acceptable documents for identity and address verification for various types of customers. This document must be regularly updated, with approvals from Compliance and Business teams, and ratified by the Board of Directors. However, collecting identification documents alone is not sufficient to complete the KYC process. KYC involves truly understanding the customer, their business activities, and how they intend to use the LLP account.

8. Customer Acceptance Policy

- 8.1** No account shall be opened under anonymous or fictitious/benami names. Providing a PAN is mandatory for every account, and each client is allowed only one account.
- 8.2** At the account opening stage, the LLP must assess several risk parameters such as the customer's business activity, location, client base, payment methods, transaction volume, and social and financial status. This helps in categorizing customers into low, medium, and high-risk groups. The LLP maintains indicative categories of customers that typically fall into each risk level.
- 8.3** For risk categorization, individuals or entities whose identity and source of wealth are easily identifiable, and whose account transactions generally align with their known profile, will be categorized as low risk. Examples of low-risk customers include:
- i. Salaried employees with clearly defined salary structures
 - ii. Government departments and government-owned companies
 - iii. Regulatory and statutory bodies

9. Risk Categorization

9.1. Risk Categorization for Accounts In The Name Of Individuals

Type	Recommended Risk Categorization	Risk Perception
Salaried	Low risk High Risk (if operated by POA)	Source on income is fixed and pattern of entries in the account can be correlated with known sources of income/ expenditure.
Senior citizens, House-wife	Medium / High Risk	Source of income for trading related purposes not known clearly. May be operated by third parties. Will be considered high risk in case operating in F&O.
Self Employed Professionals/ Businessmen	Low risk High Risk (if operated by POA)	Accounts maintained by Chartered Accountants, Architects, Doctors, Lawyers, Sports persons etc.
Non-Resident Individual	Low* / Medium risk High Risk (if operated by POA)	Transactions are regulated and the accounts are opened only after IPV. In case an IPV is not performed and we have relied on documentation submitted by the client, the account would be categorized as medium risk.

<p>Politically Exposed person resident outside India</p>	<p>High Risk</p>	<p>Politically exposed persons are individuals who are or have been entrusted with prominent public functions in a foreign e.g. Heads of States or of Governments, senior politicians, senior government/ judicial/military officers, senior executives of state-owned corporations, important political party officials, etc. Branches should gather sufficient information on any person/ customer of this category intending to establish a relationship and check all the information available on the person in the public domain. Front end staff should verify the identity of the person and seek information about the sources of funds before accepting the PEP (Politically Exposed person) as customer. Such accounts should be subjected to enhanced monitoring on an ongoing basis. The above norms should also be applied to the account of the family members and close relatives of the accounts of Politically Exposed Persons resident outside India shall be opened only after obtaining the approval of Business Head. Further, in the event of an existing customer or the beneficial owner of an account subsequently becoming PEP, Business head approval would be required to continue the business relationship and such accounts would be subjected to Customer Due Diligence measures as applicable to the customers of PEP category including enhanced monitoring on an ongoing basis.</p>
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9.2. Risk Categorization for Accounts in The Name of Non-Individuals

Risk categorization of non-individual customers can be done basis:

(I). Type of Entity **(II).** Industry

(I). Type of Entity

Type	Recommended Risk Categorization	Risk Perception
Private Ltd./Public Ltd. Companies	Medium/Low Risk	Depending on the clarity of the shareholding structure and the nature of operations, such companies would be classified. Such classifications shall be decided post their view of the compliance officer
Local Authorities or Public Bodies	Low Risk	They are constituted under Special Acts. Operations are governed by such Acts/Rules
Public Sector Undertakings, Government Departments/Undertakings, Statutory Corporations	Low Risk	These types of entities are governed by specific Acts, Notifications, etc. framed by the Government of India or the State Govt. and are controlled and run by the Govt.
Mutual Funds/ Scheduled Commercial Banks/ Insurance companies/ Financial Institutions	Low Risk	These entities are strictly regulated by their respective regulators.
Partnership Firm	Low/Medium/High Risk	Depending on the clarity of the shareholding structure and the nature of operations, such entities would be classified. Such classification shall be decided post the review of the compliance officer.
Trusts – Public Charitable Trust	Medium/High Risk	Depending on clarity of the beneficial ownership and the nature of operations, such entities would be classified. Such classification shall be decided post the review of the compliance officer.
Hindu Undivided Family (HUF)	Medium Risk	These are unregistered bodies and the pattern of entries in the account may not be correlated with known sources of Income/expenditure.

Societies/ Associations / Clubs	High Risk (except Housing Societies which will be categorized as "Low Risk")	These are not highly regulated entities and the pattern of entries in the account may not be correlated with known sources of income/ expenditure.
Trusts – Private Trust	High Risk	These may be unregistered trusts and the pattern of entries in the account may not be correlated with known sources of income/ expenditure.
Co-operative Banks	High Risk	These are not highly regulated entities.

II. Type of Industry

Risk Category	Industry
High	The Risk categorization is dependent on industries which are inherently High Risk or may exhibit high cash intensity, as below: Arms- Dealer, Money- Changer, Exchange Houses, Gems / Jewellery / Precious metals / Bullion dealers (including sub-dealers) Real Estate Agents, Construction Offshore Corporation Art/antique dealers, Restaurant/ Bar/ casino/ night club Import/ Export agents (traders; goods not used for own manufacturing/retailing) Share & Stock broker, Finance Companies (NBFC) Transport Operators, Auto dealers (used/reconditioned vehicles/ motorcycles) Scrap metal dealers Liquor distributorship Commodities middlemen Co-operative Banks Car/ Boat/ Plane dealerships/brokers, Multi-Level Marketing (MLM) Firms
Low	All other industries

Note - Conduct EDD for high-risk clients, including politically exposed persons (PEPs), non-resident clients, and those from high-risk jurisdictions as identified by the Financial Action Task Force (FATF)

10. Customer Due Diligence (CDD)

While the profile of the customer is captured in the account opening form, a Customer Due Diligence (CDD) sheet is also prepared at the account opening stage for all accounts (individual / non individual). The CDD sheet is an addendum to the account opening form and captures in further detail the profile of the customer, especially the expected transaction pattern of the account.

The following measures shall be included in the Customer Due Diligence (CDD) process:

- **Client Verification:** Before registering a client, collect antecedent information and independently verify the details provided, including but not limited to the client's identity, registered office address, correspondence address, contact information, occupation, promoters/directors, source of income, experience in the securities market, PAN number, SEBI registration number (if applicable), and MAPIN number (if applicable). This verification can be done using original documents or other reliable processes. In cases requiring enhanced due diligence, especially for retail clients who typically have local relationships with branches, local references can be used to verify the client's identity and other financial details. Additionally, independent sources of data or information may be consulted. The Account Opening Team must approve and verify the collected information and documents before opening the account. All new accounts must be reviewed against negative lists issued by SEBI/FMC, exchanges, and other sanctions lists like OFAC and UN sanctions.
- **In-Person Verification & Beneficial Ownership:** As per regulatory requirements, in-person verification must be conducted. Additional checks must be carried out to identify the actual beneficial owner and control of the account. For non-individual clients, such as corporate entities, shareholder and promoter details must be obtained and verified where possible. The source of funds for transactions should also be verified. During settlement, careful attention must be paid to the nature of the transaction and the source of funds. Periodically, clients' financial details should be requested to validate the authenticity of transactions. Special care must be taken for accounts where the ownership structure is opaque, such as corporate or partnership firms. Such accounts will only be activated with approval from the compliance department.
- **Definition of Beneficial Owner:** A "beneficial owner" is defined as the natural person or persons who ultimately own, control, or influence a client and/or the person on whose behalf a transaction is being conducted. This also includes those who exercise ultimate control over a legal entity or arrangement.
- **Third-Party KYC:** If regulations permit accepting KYC conducted by a third party for onboarding clients, such KYC may be accepted provided all regulatory procedures are duly followed.

- **NRI/FII/FPI Client Onboarding:** If an NRI, FII, or FPI client has any connection to a country that the FATF has identified as non-compliant with its requirements, the account will be rejected. This includes:
 - Providing a residential or correspondence address from such a country.
 - Receiving account operating instructions from that country.
 - Having a Power of Attorney (POA) holder connected to such a country.

10.1. Ongoing due diligence

We shall conduct periodic due diligence and scrutiny of client's transaction and accounts to ensure that transactions are being conducted in knowledge, to find out the risk profile, source of funds, etc. At regular interval, ongoing due-diligence and scrutiny needs to be conducted i.e. perform ongoing scrutiny of the transactions and account throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the Organization's knowledge of the client, its business and risk profile, taking into account, where necessary, the customer's source of funds.

- For all clients applying for trading rights in the futures and options segments, further details as regards their proof of income and source of funds would be required.
- Necessary checks shall be conducted before opening a new account so as to ensure that the identity of the customer does not match with any person with known criminal background or with banned entities such as individual terrorists or terrorist organizations etc. For conducting such reviews, while the LLP shall check the lists provided by SEBI/FMC/Exchanges/internally maintained lists, it shall rely primarily on the United Nations list which is available at <http://www.un.org/sc/committees/1267/consolist.shtml>. The list of FAFT countries is also updated on an ongoing basis to ensure that clients covered under the high risk countries as per the FATF list are not allowed to open accounts through the LLP.
- The LLP shall not open an account or shall close an existing account where the LLP is unable to apply appropriate customer due-diligence measures i.e. LLP is unable to verify the identity and / or obtain documents required as per the risk categorization due to non-co-operation of the customer or non-reliability of the data / information furnished to the Investment Manager.
- The LLP shall apply higher levels of due diligence when an account is operated by a mandate holder or where an account is opened by an intermediary in fiduciary

capacity. KYC documents will be taken for both the mandate holder/intermediary in fiduciary capacity and the account holder.

11. Monitoring of Transactions

11.1 Ongoing monitoring is an essential element of effective KYC procedures. The LLP can effectively control and reduce their risk only if they have an understanding of the normal and reasonable activity of the customer so that they have the means of identifying transactions that fall outside the regular pattern of activity.

11.2 The LLP shall have in place a comprehensive transaction monitoring process from a KYC/AML perspective. In adherence to the SEBI Master Circular No SEBI/HO/MIRSD/MIRSDSECFATF/P/CIR/2024/78 dated June 06, 2024, the LLP shall put in place strong transaction alerts which will provide proactive signals on suspicious transactions and possible money laundering. An indicative list of such alerts is provided with this policy. The AML monitoring team shall endeavor to update the list based on current understanding of the market scenario and trading patterns followed by clients. In addition to the alerts from internal sources, the AML monitoring team shall also monitor the alerts provided by the exchanges as per their circular NSE/INVG/22908 dated March 7, 2013.

11.3 An indicative list of suspicious activities

Whether a particular transaction is suspicious or not will depend upon the background details of the client, details of the transactions and other facts and circumstances. Followings are the circumstance, which may be in the nature of suspicious transactions: -

- Clients whose identity verification seems difficult or clients appears not to co-operate;
- Asset management services for clients where the source of the funds is not clear or not in keeping with client's apparent standing /business activity;
- Clients in high-risk jurisdictions or clients introduced by banks or affiliates or other clients based in high-risk jurisdictions;
- Substantial increases in business volume without apparent cause;
- Unusually large cash deposits made by an individual or business;
- Clients transferring large sums of money to or from overseas locations with instructions for payment in cash;
- Transfer of investment proceeds to apparently unrelated third parties;
- Off market transactions in the DP account of the clients;
- High trading activity in the relatively illiquid scrips;
- Major trading activity in the Z and T-to-T category scrips;
- Options trading / trading in illiquid scrips wherein client has booked unusual profit or loss which does not commensurate with the changes in the prices of underlying security in the cash segment.
- High exposures taken by client as compared to income levels informed by clients.
- Unusual transactions by "High risk status" and businesses undertaken by shell

corporation's offshore banks/ financial services, businesses reported to be in the nature of export-import of small items.

- 11.4 It would be ensured that record of transaction is preserved and maintained in terms of section 12 of the PMLA 2002 and / or rules made thereunder and that transaction of suspicious nature or any other transaction notified under section 12 of the act is reported to the appropriate law authority.
- 11.5 Further the accounts or financial assets shall be frozen for any particular client in case so required by any regulatory authority upon receiving a notice for the same.

12. Combating Financing of Terrorism (CFT)

The LLP shall have a heightened awareness in the system to check for transactions which give rise to a reasonable ground of suspicion that these may involve financing of the activities relating to terrorism.

13. Maintenance of records of transactions / Information to be preserved / Maintenance and preservation of records / Cash and Suspicious transactions reporting to Financial Intelligence Unit-India (FIU-IND)

13.1 Government of India, Ministry of Finance, Department of Revenue, vide its notification dated July 1, 2005 in the Gazette of India, has notified the Rules under the PMLA Act. In terms of the Rules, the provisions of PMLA Act, 2002 came into effect from July 1, 2005. Section 12 of the PMLA, 2002 casts certain obligations on financial institutions in regard to preservation and reporting of customer account information.

13.2 Maintenance of records of transactions

The LLP shall have a system of maintaining proper record of all transactions including records of all transactions prescribed under Rule 3 of the Rules, as mentioned below:

- i. all cash transactions of the value of more than Rupees Ten Lakh or its equivalent in foreign currency;
- ii. all series of cash transactions integrally connected to each other which have been valued below Rupees Ten Lakh or its equivalent in foreign currency where such series of transactions have taken place within a month and the aggregate value of such transactions exceeds Rupees Ten Lakh;
- iii. all transactions involving receipts by non-profit organizations of value more than rupees ten lakh, or its equivalent in foreign currency;

13.3 Information to be preserved

The LLP shall maintain the following information in respect of transactions referred to in Rule 3 of the Rules including all necessary information specified by the regulator to permit reconstruction of individual transactions in respect of transactions referred to in Rule 3 of the Rules:

- the nature of the transactions;
- the amount of the transaction and the currency in which it was denominated;
- the date on which the transaction was conducted; and
- the parties to the transaction.

13.4 **Maintenance and Preservation of records**

The LLP shall maintain the records of all transactions including the records containing information in respect of transactions referred to in Rule 3 above. The LLP shall take appropriate steps to evolve a system for proper maintenance and preservation of account information in a manner that allows data to be retrieved easily and quickly whenever required or when requested by the competent authorities. Further, The LLP shall maintain for such number of years as would be required under the PMLA 2002 and rules made there under from the date of transaction between The LLP and the client, all necessary records of transactions, both domestic or international, which will permit reconstruction of individual transactions (including the amounts and types of currency involved if any so as to provide, if necessary, evidence for prosecution of persons involved in criminal activity).

- 13.5 The LLP shall ensure that records pertaining to the identification of the customer and his address (e.g. copies of documents like passports, identity cards, driving licenses, PAN, card, utility bills, etc.) obtained while opening the account and during the course of business relationship, are properly preserved for such number of years as would be required under the PMLA 2002 and rules made thereunder after the business relationship is ended. The identification records and transaction data should be made available to the competent authorities upon request.

13.6 **Record generation, maintenance and retention –**

For the purpose of the record keeping provision, we should ensure compliance with the record keeping requirements contained in the SEBI Act, 1992, Rules and Regulations made there-under, PML Act, 2002 as well as other relevant legislation, Rules, Regulations, Exchange Bye-laws and Circulars.

Records to be maintained as are sufficient to permit reconstruction of individual transactions (including the amounts and types of currencies involved, if any) so as to provide, if necessary, evidence for prosecution of criminal behavior.

Should there be any suspected drug related or other laundered money or terrorist property, the competent investigating authorities would need to trace through the audit trail for reconstructing a financial profile of the suspect account. To enable this reconstruction, the organization shall retain the following information for the accounts of their customers in order to maintain

a satisfactory audit trail:

- a. the beneficial owner of the account;
- b. the volume of the funds flowing through the account; and
- c. for selected transactions:
 - the origin of the funds;
 - the form in which the funds were offered or withdrawn, e.g. cash, cheques, etc.;
 - the identity of the person undertaking the transaction;
 - the destination of the funds;
 - the form of instruction and authority.

Organization should ensure that all client and transaction records and information are made available on a timely basis to the competent investigating authorities.

13.7 Retention of Records:

The following document retention terms should be observed:

- a. All necessary records on transactions, both domestic and international, should be maintained at least for such number of years as would be required under the PMLA 2002 and rules made thereunder from the date of cessation of the transaction.
- b. Records on customer identification (e.g. copies or records of official identification documents like PAN card, passports, identity cards, driving licenses or Voter Identity Card or similar documents), account files and business correspondence should also be kept for such number of years as would be required under the PMLA 2002 and rules made thereunder from the date of cessation of the transaction.
- c. Records of all the trading details of the client needs to be stored for such number of years as would be required under the PMLA 2002 and rules made thereunder

- d.** Records shall be maintained in hard & soft copies.

In situations where the records relate to on-going investigations or transactions, which have been the subject of a suspicious transaction reporting, they should be retained until it is confirmed that the case has been closed.

14 Customer Identification Procedure for Account Opening

Customer identification means identifying the customer and verifying his/ her identity by using reliable, independent source documents, data or information. Based on risk perception, type / entity of customer, segment of customer following features shall be verified with supporting documents obtained from the customers –

14.1 Instructions/Check List for Filling KYC Form

- a) Self attested copy of PAN card is mandatory for all clients, including Promoters/Partners/Karta/Trustees and whole-time directors and persons authorized to deal in securities on behalf of Company/LLP/firm/others.
- b) Copies of all the documents submitted by the applicant should be self-attested and accompanied by originals for verification. In case the original of any document is not produced for verification, then the copies should be properly attested by entities authorized for attesting the documents, as per the below mentioned list.
- c) If any proof of identity or address is in a foreign language, then translation into English is required.
- d) Name & address of the applicant mentioned on the KYC form, should match with the documentary proof submitted.
- e) If correspondence & permanent address are different, then proofs for both have to be submitted.
- f) Sole proprietor must make the application in his individual name & capacity.
- g) For non-residents and foreign nationals, (allowed to trade subject to RBI and FEMA guidelines), copy of passport/PIO Card/OCI Card and overseas address proof is mandatory.
- h) For foreign entities, CIN is optional; and in the absence of DIN no. for the directors, their passport copy should be given.
- i) In case of Merchant Navy NRI's, Mariner's declaration or certified copy of CDC (Continuous Discharge Certificate) is to be submitted.
- j) For opening an account with Depository participant or Mutual Fund, for a minor, photocopy of the School Leaving Certificate/Mark sheet issued by Higher Secondary Board/Passport of Minor/Birth Certificate must be provided.
- k) Politically Exposed Persons (PEP) are defined as individuals who are or have been entrusted with prominent public functions in a foreign country, e.g.,

Heads of States or of Governments, senior politicians, senior Government/judicial/ military officers, senior executives of state-owned corporations, important political party officials, etc.

14.2 Proof of Identity (POI): -

List of documents admissible as Proof of Identity:

- a) Unique Identification Number (UID) (Aadhaar)/ Passport/ Voter ID card/ Driving license.
- b) PAN card with photograph.
- c) Identity card/ document with applicant's Photo, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities, Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their Members and Credit cards/Debit cards issued by Banks.

14.3 Proof of Address (POA): -

List of documents admissible as Proof of Address:

(*Documents having an expiry date should be valid on the date of submission.)

- a) Passport/ Voters Identity Card/ Ration Card/ Registered Lease or Sale Agreement of Residence/ Driving License/ Flat Maintenance bill/ Insurance Copy.
- b) Utility bills like Telephone Bill (only land line), Electricity bill or Gas bill - Not more than 3 months old.
- c) Bank Account Statement/Passbook -- Not more than 3 months old.
- d) Self-declaration by High Court and Supreme Court judges, giving the new address in respect of their own accounts.
- e) Proof of address issued by any of the following: Bank Managers of Scheduled Commercial Banks/Scheduled Co-Operative Bank/Multinational Foreign Banks/ Gazetted Officer/Notary public/Elected representatives to the Legislative Assembly/Parliament/Documents issued by any Govt. or Statutory Authority.
- f) Identity card/document with address, issued by any of the following: Central/State Government and its Departments, Statutory/Regulatory

Authorities, Public Sector Undertakings, Scheduled Commercial Banks, Public Financial Institutions, Colleges affiliated to Universities and Professional Bodies such as ICAI, ICWAI, ICSI, Bar Council etc., to their members.

- g) For FII/sub account, Power of Attorney given by FII/sub-account to the Custodians (which are duly notarized and/ or apostilled or consularised) that gives the registered address should be taken.
- h) The proof of address in the name of the spouse may be accepted.

14.4 Exemptions/clarifications to PAN

- a. In case of transactions undertaken on behalf of Central Government and/or State Government and by officials appointed by Courts e.g. Official liquidator, Court receiver etc.
- b. Investors residing in the state of Sikkim.
- c. UN entities/multilateral agencies exempt from paying taxes/filing tax returns in India.
- d. In case of institutional clients, namely, FIIs, MFs, VCFs, FVCIs, Scheduled Commercial Banks, Multilateral and Bilateral Development Financial Institutions, State Industrial Development Corporations, Insurance Companies registered with IRDA and Public Financial Institution as defined under section 4A of the Companies Act, 1956, Custodians shall verify the PAN card details with the original PAN card and provide duly certified copies of such verified PAN details to the intermediary.

14.5 List of people authorized to attest the documents:

Notary Public, Gazetted Officer, Manager of a Scheduled Commercial/ Co-operative Bank or Multinational Foreign Banks (Name, Designation & Seal should be affixed on the copy).

In case of NRIs, authorized officials of overseas branches of Scheduled Commercial Banks registered in India, Notary Public, Court Magistrate, Judge, Indian Embassy/ Consulate General in the country where the client resides are permitted to attest the documents

In case of non-individuals, additional documents to be obtained from non-

individuals, over & above the POI & POA, as mentioned below:

Types of entity	Documentary requirements
Corporate	<ul style="list-style-type: none"> ▪ Copy of the balance sheets for the last 2 financial years (to be submitted every year). ▪ Copy of latest share holding pattern including list of all those holding control, either directly or indirectly, in the LLP in terms of SEBI takeover Regulations, duly certified by the LLP secretary/Whole time director/MD (to be submitted every year). ▪ Photograph, POI, POA, PAN and DIN numbers of whole-time directors/ two directors in charge of day to day operations. ▪ Photograph, POI, POA, PAN of individual promoters holding control - either directly or indirectly. ▪ Copies of the Memorandum and Articles of Association and certificate of incorporation. ▪ Copy of the Board Resolution for investment in securities market. ▪ Authorized signatories list with specimen signature
Partnership firm	<ul style="list-style-type: none"> ▪ Copy of the balance sheets for the last 2 financial years (to be submitted every year). ▪ Certificate of registration (for registered partnership firms only). ▪ Copy of partnership deed. ▪ Authorized signatories list with specimen Signatures. ▪ Photograph, POI, POA, PAN of Partners.
Trust	<ul style="list-style-type: none"> ▪ Copy of the balance sheets for the last 2 financial years (to be submitted every year). ▪ Certificate of registration (for registered trust only). ▪ Copy of Trust deed. ▪ List of trustees certified by managing trustees/CA. ▪ Photograph, POI, POA, PAN of Trustees.
HUF	<ul style="list-style-type: none"> ▪ PAN of HUF ▪ Deed of declaration of HUF/ List of coparceners. ▪ Bank pass-book/bank statement in the name of HUF. ▪ Photograph, POI, POA, PAN of Karta

Unincorporated association or a body of individuals	<ul style="list-style-type: none"> ▪ Proof of Existence/Constitution document. ▪ Resolution of the managing body & Power of Attorney granted to transact business on its behalf. ▪ Authorized signatories list with specimen signatures.
Banks/Institutional Investors	<ul style="list-style-type: none"> • Copy of the constitution/registration or annual report/balance sheet for the last 2 financial years. • Authorized signatories list with specimen signatures.
Foreign Institutional Investors (FII)	<ul style="list-style-type: none"> ▪ Copy of SEBI registration certificate ▪ Authorized signatories list with specimen signatures.
Army/ Government Bodies	<ul style="list-style-type: none"> ▪ Self-certification on letterhead ▪ Authorized signatories list with specimen signatures.
Registered Society	<ul style="list-style-type: none"> ▪ Copy of Registration Certificate under Societies Registration Act. ▪ List of Managing Committee members. ▪ Committee resolution for persons authorized to act as authorized signatories with specimen signatures. ▪ True copy of Society Rules and Bye Laws certified by the Chairman/Secretary.

15 Reporting to Financial Intelligence Unit-India

In terms of the Rules, the LLP shall report information relating to cash and suspicious transactions to the Director, Financial Intelligence Unit-India (FIU-IND) in respect of transactions referred to in Rule 3 at the following address:

To,
The Director,
FIU-IND, Financial Intelligence Unit-India,
6th Floor, Hotel Samrat, Chanakyapuri,
New Delhi -110021
Website - <http://fiuindia.gov.in/>

16 Suspicious Transaction Reports (STR) & Cash Transaction Reports (CTR)

The Suspicious Transaction Report (STR) shall be furnished within 7 days of arriving at a conclusion that any transaction, whether cash or non-cash, or a series of transactions integrally connected are of suspicious nature. The Cash transaction report (CTR) where ever applicable) for each month should be submitted to AMC by 15th of the succeeding month.

The Principal Officer shall record his reasons for treating any transaction or a series of transactions as suspicious. It shall be ensured that there is no undue delay in arriving at such a conclusion once a suspicious transaction report is received from a branch or any other office. Such report shall be made available to the competent authorities on request.

While determining suspicious transactions, Investment Manager shall be guided by definition of suspicious transaction contained in the Rules as amended from time to time. An indicative list of suspicious activities contained is provided along with this policy. While ensuring that there is no tipping off to the customer at any level, The LLP may put restrictions on operations in the accounts where an STR has been made.

17 Authorized Officers

Principal Officer

The LLP shall appoint Principal Officer for the purpose of PMLA from time to time as per the requirement of PMLA Act. The Principal Officer shall be responsible for ensuring compliance with this policy

Further, this policy shall be reviewed annually by the concerned officers.

Name	Location	Period	Email id
Mr. Atul Rajwadkar	Nagpur	From the Inception	vervecapital@gmail.com

The address and contact details of Principal Officer are as follows

NuOm Services LLP

Plot No 47, Hindusthan Colony,

Wardha Road, Nagpur – 440 015

Email ID: nuomserv@gmail.com

18 Customer Education / Employee's Training / Employee's Hiring

18.1 Customer Education

Implementation of KYC procedure requires the LLP to demand certain information from customer which may be of personal nature or which has hitherto never been called for. This sometimes leads to a lot of questioning by the customer as to the motive and purpose of collecting such information. The Relationship Managers of LLP shall be trained to explain to the customers the regulatory requirements and benefits of adhering to the KYC guidelines and seek co-operation of the customer.

a. 18.2 Employees' Training

The LLP shall engage in training the employees so that the members of the staff are adequately trained in KYC/AML procedures and fully understand the rationale behind the KYC/AML policies and implement them consistently.

b. 18.3 Hiring of Employees

KYC norms / AML standards / CFT measures have been prescribed to ensure that criminals are not allowed to misuse LLP's infrastructure. It should therefore, be necessary that adequate screening mechanism is put in place by LLP as an integral part of their recruitment / hiring process of personnel.