

January 2024

Masader Al-Jazeera Trading
Company

Anti-Money Laundering Policy



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Reference No.:	C-02	Issue Date:	24 January 2024
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Anti-Money Laundering Policy

1. Introduction

Masader Al-Jazeera Trading Company is a Saudi closed joint-stock company aluminum tanks for transporting fuel, truck spare parts, heavy equipment and others to its customers in the Kingdom of Saudi Arabia. The business of the Company is low risk in relation to money laundering, however in order to prevent any of our services being used (or potentially used) for any money laundering activity, as well as any of our staff being exposed to money laundering, we wish to put in place the following anti-money laundering policy which supplements the anti-money laundering training given to all members of staff.

2. Scope of the Policy

The broad definition of money laundering means that potentially anyone could commit a money laundering offence, this includes all employees of the Company, all temporary staff and contractors.

Our policy is to enable the Company to meet its legal and regulatory requirements in a way which is proportionate to the low risk nature of the business, by taking reasonable steps to minimise the likelihood of money laundering occurring.

All employees must be familiar with their legal responsibilities and failure to comply with this policy may lead to disciplinary action.

3. What is Money Laundering?

Money laundering can be defined as the process to move illegally acquired cash through financial systems so that it appears to be from a legitimate source. Money laundering offences include: concealing, disguising, converting, transferring criminal property or removing it from Saudi Arabia; entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person; and acquiring, using or possessing criminal property.

There are also several secondary offences, failure to disclose knowledge or suspicion of money laundering to the Compliance officer (Compliance Officer); failure by the Compliance Officer to disclose knowledge or suspicion of money laundering to the relevant governmental bodies Saudi Arabia (**the 'Authority'**); and 'tipping off' whereby somebody informs a person or

persons who are, or who are suspected of being involved in money laundering, in such a way as to reduce the likelihood of their being investigated or prejudicing an investigation.

Any member of staff could potentially be caught by the money laundering provisions, if they suspect money laundering and either become involved with it in some way, and/or do nothing about it. This Policy sets out how any concerns should be raised.

4. Compliance Officer

The Company will appoint a Compliance Officer to receive disclosures about money laundering activity and be responsible for anti-money laundering activity within the Company.

Compliance Officer will ensure that appropriate training and awareness is provided to new and existing employees and that this is reviewed and updated as required.

Compliance Officer will ensure that appropriate anti-money laundering systems and processes are incorporated by the Company.

5. Suspicions of Money Laundering

All employees and contractors must immediately report any knowledge of or suspicion of (or where there are reasonable grounds to suspect) suspicious activity to Compliance Officer in the prescribed form as set out in this policy document.

Once the matter has been reported to the Compliance Officer, the employees and contractors must follow the directions given to him/her .

The employees and contractors must NOT voice any suspicions to the person(s) whom they suspect of money laundering, as this may result in the commission of the offence of “tipping off”. They must NOT discuss the matter with others or note on the file that a report has been made to the Compliance Officer in case this results in the suspect becoming aware of the situation.

6. Consideration of the Disclosure by Compliance Officer

Once Compliance Officer has received the report, it must be evaluated in a promptly manner in order to determine whether:

- There is actual or suspected money laundering taking place; or
- There are reasonable grounds to know or suspect that this is the case; and
- Whether Compliance Officer needs to lodge a Suspicious Activity Report (SAR) with the Authority.

Where Compliance Officer concludes that there are no reasonable grounds to suspect money laundering then consent will be given for any on-going or imminent transaction(s) to proceed.

Where consent is required from the Authority for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until the Authority has given specific consent, or there is deemed consent through the expiration of the relevant time limits without objection from the Authority.

All disclosure reports referred to Compliance Officer and reports made to the authority will be retained by Compliance Officer in a confidential file kept for that purpose, for a minimum of 5 years.

Compliance Officer must also consider whether additional notifications and reports to other relevant enforcement authorities should be made.

7. Customer Identification and Due Diligence

Due diligence is performed on all customers who must provide basic information including full name, [residential/business] address, [date of birth (individuals)], [registration details ((corporate bodies))].

Enhanced Due Diligence

It may be necessary for the Company to carry out enhanced due diligence on certain customers where the customer or a transaction involving the customer appears to be “high risk”. This means that there is a higher level of identification and verification of the customer’s identity required. The following non-exhaustive list of situations may indicate a “high risk”:

- a new customer;
- a customer not well known to the Company;
- customers in known high risk industries and/or jurisdictions;
- transactions that are unusual or appear to be unusual for that customer;
- highly complex transaction or payment arrangements;
- the transaction involves a politically exposed person (“PEP”) or an immediate family member or a close associate of a PEP; and
- no face to face meetings take place with the customer where this is usually expected;

Employees and contractors must assess the money laundering risk for each customer and if you suspect enhanced due diligence is required, you should speak to Compliance Officer before continuing any engagement with the customer. Compliance Officer will be required to approve the continuance of the business relationship.

If enhanced due diligence is carried out, Compliance Officer must:

- obtain additional information on the customer and on the customer’s beneficial owner(s);
- obtain additional information on the intended nature of the business relationship;
- obtain information on the source of funds and source of wealth of the customer and customer’s beneficial owner(s); and
- conduct enhanced monitoring of the business relationship.

This may include but is not limited to the following:

- checking the organisation website to confirm the identity of personnel, its business address and any other details;
- attending the customer at their business address;

- obtaining additional information or evidence to establish the identity of the customer and its beneficial owner(s), including checking publicly available beneficial ownership registers of legal entities;
- in the case of a PEP, seek the approval of senior management and establish the source of wealth and source of funds;
- ensure that the first payment is made into a bank account in the customer's name;

If satisfactory evidence of identity is not obtained at the outset then the business relationship or one-off transaction(s) cannot proceed any further. A report should be filed with Compliance Officer who will then consider if a report needs to be submitted to the Authority.

8. Ongoing Monitoring

Employees and contractors should review customers at regular intervals to ensure that the risk level of each customer information and information held on each customer is not only accurate and up to date but is consistent with the knowledge of the customer and its business. Further due diligence may be required if new people become involved at a customer. Any suspicious activity must be reported to Compliance Officer.

9. Data Protection

Customer details must be collected in accordance with the applicable Personal Data Protection in the kingdom of Saudi Arabia. This data can be "processed" as defined such law to prevent money laundering and terrorist financing.

10. Record Keeping

Customer identification evidence and details of any relevant transaction(s) for that customer must be retained for at least 5 years from the end of any business relationship with that customer.

Report to the COMPLIANCE OFFICER

Report of Money Laundering Activity

To: **COMPLIANCE OFFICER**

From: _____

[Insert name of employee]

Title: _____

[Insert Title]

Tel No: _____

URGENT YES/NO

Date by which response needed: _____

Details of suspected offence:

Name(s) and address(s) of person(s) involved:

[If a company, please include details of nature of business]

Nature, value and timing of activity involved:

[Please include full details e.g. what, when, where, how. Continue on a separate sheet if necessary]

Nature of suspicions regarding such activity

[Please attach any supporting documentation that may be relevant]

Has any investigation been undertaken (as far as you are aware)?

Yes / No

If yes, please include details below:

[Delete as appropriate]

Have you discussed your suspicions with anyone else?

If yes, please specify below, explaining why such discussion was necessary:

YES/NO [Delete as appropriate]

Please set out below any other information you feel is relevant:

Signed: _____ **Dated:** _____

Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described. To do so may constitute a 'tipping off' offence, which carries a maximum penalty of 5 years' imprisonment.

THE FOLLOWING PART OF THIS FORM TO BE COMPLETED BY COMPLIANCE OFFICER

Date report received: _____

Date receipt of from acknowledged: _____

CONSIDERATION OF DISCLOSURE:

Action plan:

OUTCOME OF CONSIDERATION OF DISCLOSURE:

Are there reasonable grounds for suspecting money laundering activity?

If there are reasonable grounds for suspicion, will a report be made to the NCA?

Yes/No [Delete as appropriate]

If yes, please confirm date of report to the NCA: and complete the box below.

Details of liaison with the NCA regarding the report:

Notice Period: from: to:

Moratorium Period: from: to:

Is consent required from the NCA to any ongoing or imminent transactions, which would otherwise be prohibited acts?

Yes/No

If yes, please confirm full details below:

Date consent received from the NCA:

Date consent given by you to employee:

If there are reasonable grounds to suspect money laundering, but you do not intend to report the matter to the NCA, please set out below the reason(s) for non-disclosure:

[Please set out any reasonable excuse for non-disclosure]

Date consent given by you to employee for any prohibited act transactions to proceed:

Other relevant information:

Signed: _____ **Dated:** _____



THIS REPORT TO BE RETAINED FOR AT LEAST FIVE YEARS

The above document was given to to familiarise him/herself with its contents and the actions required by him/her and the company should the need arise.

He/She has understood and been tested on the contents of the company's anti money laundering policy document and shows a thorough understanding of his/her responsibilities with regard to that document.

Signed..... – Director

Signed - Employee

Date

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Policy Approval					
Name	Mr. Wael Al-Yousifi	Name	Mohamed Hamza	Name	Ahmed Hassan
Capacity	Member of the Board of Directors and Managing Director	Capacity	Head of Legal	Capacity	Executive Director
Signature		Signature	<i>M. Mansour</i>	Signature	Ahmed hassan