

PMLA POLICY

FOR

ULJK SECURITIES PVT. LTD.

DOCUMENT CONTROL PAGE

Document Name	PMLA Compliance Policy
----------------------	------------------------

Authorization	Document Owner	Prepared and Reviewed by	Authorized by
Name	ULJK Securities Pvt. Ltd.	Nilesh Mavani	Madhavi Vora
Signature			

Classification	Official Use Only
Distribution List	Employees of Back Office Department

All queries, suggestions and changes required may be emailed to madhavivora@uljk.in (Principal Officer).

The information contained in this document is CONFIDENTIAL and may be legally PRIVILEGED. Any disclosure, copying, distribution, dissemination, forwarding, printing or any action taken in reliance on it or utilizing the same for any purpose other than what it is intended for, without consulting ULJK Securities Pvt. Ltd. is prohibited and may be unlawful.

COMPLIANCE OF PREVENTION AND MONEY LAUNDERING ACT (PMLA)

Overview

This Policy describes the documents to be submitted by the client and maintaining of the records by the Organisation. Further it also describes the monitoring process of the Principal Officer in case of any suspicion.

Scope

This policy applies to all the employees of the Organisation including temporary employees, employees on contract etc.

Policy

KYC Document collection

1. The Back Office Department shall classify the clients from whom the KYC Documents are to be collected. The client shall be classified on the basis of Type of Customer, Nature of the business, Risk asserted by the client etc.
2. The Back Office Department shall provide the necessary details to the clients regarding registration procedure and submission of relevant documents.
3. In case the requisite documents are not submitted by the prospective client, the department shall follow up with such client through email. The client shall be intimated that the registration shall not be allowed until minimum required documents are submitted.
4. On any default by the client and/ or failure in the submission of the documents the department shall inform the same to the Compliance Officer.
5. The Back Office Department shall request the client to submit the requisite documents within specified period of time. In case the requested document is not submitted by the client, the Back Office Department shall follow up with the client to submit the documents immediately within the grace period.
6. Documents required to submit by different client shall include:

a) Documents needed for verification of an individual:

- a) One certified copy of an officially valid document containing details of his/her permanent address or addresses, current address or addresses; and
- b) One copy of his/her recent photograph; and
- c) All other documents including in respect of the nature of business and financial status of the client as may be required

Officially valid document includes the passport, the driving license, the Permanent Account Number (PAN) Card, the Voter's Identity Card issued by the Election Commission of India or any other document as required.

b) Documents needed for verification of Company

- a) Certificate of incorporation;
- b) Memorandum and Articles of Association;
- c) A resolution from the Board of Directors and power of attorney granted to its managers, officers or employees to transact on its behalf; and
- d) An officially valid document in respect of managers, officers or employees holding an attorney to transact on its behalf.

c) Reliance on third party for carrying out Client Due Diligence (CDD)

i. Registered intermediaries may rely on a third party for the purpose of (a) identification and verification of the identity of a client and (b) determination of whether the client is acting on behalf of a beneficial owner, identification of the beneficial owner and verification of the identity of the beneficial owner. Such third party shall be regulated, supervised or monitored for, and have measures in place for compliance with CDD and record-keeping requirements in line with the obligations under the PML Act. ii. Such reliance shall be subject to the conditions that are specified in Rule 9 (2) of the PML Rules and shall be in accordance with the regulations and circulars/ guidelines issued by SEBI from time to time. Further, it is clarified that the registered intermediary shall be ultimately responsible for CDD and undertaking enhanced due diligence measures, as applicable Back Office Department shall maintain **Document Inward Register** in which the documents received from the client shall be entered along with the description of the document, date and time. The designated personnel shall update the register on receipt of the document.

7. The designated personnel of the Back Office Department shall verify all the documents submitted by the client to confirm its authenticity. Further such personnel shall ensure that all the documents are attested by the client by signature or thumb impression.
8. In case the address as specified in the application is different from that specified in the address proof, the Back Office Department shall thoroughly scrutinize the address proof. The designated personnel shall enquire the reason for above with the Customer. If required, the client shall be insisted to provide the proof for address specified in the application form.
9. Back Office Department shall follow a risk based approach towards certification of documents. In case of low risk customers self attested copies shall be considered sufficient. In case of high-risk customers, the identification documents shall be required to be attested by gazetted officers or notarized by the Notary Public.
10. After verification of the documents, it may be noticed that all the documents may not be provided by the client / prospective client or erroneous documents have been provided by the client. In such case the designated personnel shall immediately intimate the same to the Client by email and telephonic communication.
11. In case the requested document is not submitted by the client, the department shall follow up with the client to submit the documents immediately with the grace period. In case the documents are not submitted by the client, the department shall report the same to the Compliance Officer.

Maintenance of Documents and Records

1. All suspicious transactions whether or not made in cash by way of credits or debits into or from any demat account, money transfer from or remittance etc shall be maintained.
2. All records maintained by the Back Office Department shall contain details such as the nature of transactions, amount and date of the transactions, details of the parties to the transactions etc. Such records should maintain in soft copy as well as hard copy. Records evidencing the identity of its clients and beneficial owners as well as account files and business correspondence shall be maintained and preserved for a period of five years after the business relationship between a client and intermediary has ended or the account has been closed, whichever is later

Submission of Reports

1. The Back Office Department shall maintain and submit reports for suspicious transaction reports etc to the prescribed authority. Suspicious transaction report may include false identification documents of the client, unusual activity as compared to the past transactions, sudden activity in the dormant account etc.
2. Submission of such reports shall be made within the time limit prescribed as follows -
 - Suspicious transaction reports shall be submitted in writing or by fax or electronic mail within three working days from the date of occurrence of the transactions.
 - Notifications issued by SEBI require STR to be reported within 7 working days of establishment of suspicion at the level of Principal Officer.
3. Report shall be submitted in the form specified as follows:

Suspicious Transaction Reports in manual format consists of following forms:

Form	Information	To be submitted by
Suspicious Transaction Report	Details of suspicious transactions, accounts and persons/entities linked to such transactions	Principal officer of the intermediary
Annexure A- Individual Detail Sheet	Identification details of individual	Reporting branch/franchisee
Annexure B- Legal Person/ Entity Detail Sheet	Identification details of legal person /entity	Reporting branch/franchisee
Annexure C- Account Detail Sheet	Details of the account, account holder and related persons.	Reporting branch/franchisee

Monitoring Process

1. Compliance Officer shall ensure continuous monitoring of the transactions of the Customers to identify suspicious transactions. Following transactions / activities may be identified as Suspicious transactions as notified by SEBI
 - Cheque towards the investment is issued by payer other than the account holder and the account holder refuses to give declaration that the source of fund is legitimate.
 - Client is reluctant in providing information.
 - Investor induces towards non filing of returns or forms to regulatory bodies.
 - Unusual request is made from the client like not sending account statements.
 - Sudden increase \ decrease in the number of transactions by the client.
 - Inoperative accounts suddenly become operative.
 - There are frequent changes in the address of client.
 - Documents sent to the client are returned undelivered frequently.
 - Off Market Transactions insist by the client.

2. Such activities shall be informed to Financial Intelligence Unit (FIU) by the Compliance Officer within seven days of such confirmation. Such intimation shall include Client name, Account number, Reason for suspicion etc in the specified format through courier/ post or email.

Appointment of a Designated Director

i. In addition to the existing requirement of designation of a Principal Officer, the registered intermediaries shall also designate a person as a 'Designated Director'. In terms of Rule 2 (ba) of the PML Rules, the definition of a Designated Director reads as under: "Designated Director means a person designated by the reporting entity to ensure overall compliance with the obligations imposed under chapter IV of the Act and the Rules and includes — (i) the Managing Director or a Whole-time Director duly authorized by the Board of Directors if the reporting entity is a company, (ii) the managing partner if the reporting entity is a partnership firm, (iii) the proprietor if the reporting entity is a proprietorship concern, (iv) the managing trustee if the reporting entity is a trust, (v) a person or individual, as the case may be, who controls and manages the affairs of the reporting entity if the reporting entity is an unincorporated association or a body of individuals, and (vi) such other person or class of persons as may be notified by the Government if the reporting entity does not fall in any of the categories above." ii. In terms of Section 13 (2) of the PML Act (as amended by the Prevention of Money-laundering (Amendment) Act, 2012), the Director, FIU-IND can take appropriate action, including levying monetary penalty, on the Designated Director for failure of the intermediary to comply with any of its AML/CFT obligations. iii. Compliance officer shall communicate the details of the Designated Director, such as, name, designation and address to the Office of the Director, FIU-IND.

Disciplinary Action

A violation of standards, procedures or guidelines established pursuant to this policy shall be presented to Compliance Officer for appropriate action and could result in disciplinary action, including expulsion, dismissal, and/or legal prosecution

For ULJK Securities Pvt. Ltd.

**Madhavi Vora
(Director)**