

Sanctions due Diligence Form for Legal Entity

MKE Group is a global investment banking group operating world-wide with operations in various jurisdictions including the United Kingdom and the U.S. Entities within MKE Group must ensure its operations are in line with the laws and regulations in respect of sanctions set forth by the UNSC, the OFAC, the Government of Malaysia under Section 66B (1) of the *Anti-Money Laundering, Anti-Terrorism Financing and Proceeds from Illegal Activities 2001* and all sanctions laws and regulations of host countries (collectively known as “Sanctions Regulations”).

In this regard, MKE Group endeavours to understand the extent of its customers’ activities with countries subject to Comprehensive U.S. OFAC Sanctions Programmes. The purpose of this form is to ask questions which seek to best identify and understand the nature of any such exposure.

Please answer the questions set out in Section 1 for the Legal Entity. Where answering “YES” to any question in Section 1, please respond to the corresponding question(s) in Section 2 and complete the Customer/Relationship Manager (“RM”)/LOB attestation.

FOR INTERNAL USE

Legal Entity Name:	Customer Group Name (where relevant):
Country of Incorporation:	Branch Location:
Banking Sector/Sub-sector:	GCIF No. (if available):

TO BE COMPLETED BY THE CUSTOMER OR RELATIONSHIP MANAGER

Customer Contact / Position:	Date: DD-MM-YYYY
RM Name / Position:	

Section 1: Exposure to Comprehensive U.S. OFAC Sanctioned Countries/Regions																																
<p>a. Does the entity or the entity’s connected or related parties, to the best of your knowledge, have any current or planned business activity, directly or indirectly, in the following sanctioned countries/regions?</p> <table border="1" style="width: 100%; border-collapse: collapse; margin-top: 10px;"> <thead> <tr style="background-color: #D3D3D3;"> <th style="width: 20%;"></th> <th style="width: 15%;">Operations Transactions (Yes / No)</th> <th style="width: 15%;">or Capital Investments (Yes / No)</th> <th style="width: 15%;">Offices (Yes / No)</th> <th style="width: 15%;">Partnerships or Joint Ventures (Yes / No)</th> </tr> </thead> <tbody> <tr><td>Iran</td><td></td><td></td><td></td><td></td></tr> <tr><td>North Korea</td><td></td><td></td><td></td><td></td></tr> <tr><td>Cuba</td><td></td><td></td><td></td><td></td></tr> <tr><td>Syria</td><td></td><td></td><td></td><td></td></tr> <tr><td>Region of Crimea</td><td></td><td></td><td></td><td></td></tr> </tbody> </table> <p style="margin-top: 10px;">Business activity includes operations, suppliers, customers, agents and interactions / exposure to state owned or controlled entities.</p>		Operations Transactions (Yes / No)	or Capital Investments (Yes / No)	Offices (Yes / No)	Partnerships or Joint Ventures (Yes / No)	Iran					North Korea					Cuba					Syria					Region of Crimea					<input type="checkbox"/> Yes	<input type="checkbox"/> No
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Section 1: Exposure to Comprehensive U.S. OFAC Sanctioned Countries/Regions

<p>If you have answered “Yes” for any of the sanctioned countries / regions, as stated above, please provide further details in Section 2 of this form.</p> <p><u>Note:</u></p> <p>(1) Connected parties include, but are not limited to, the entity’s beneficial owners, directors, shareholders officers, customers, suppliers, agents, or distributors.</p> <p>(2) Current or planned business activity, directly, in the sanctioned countries / regions’ refers to “direct exposure in sanctioned country”, i.e.;</p> <p>(a) A legal entity which is registered in sanctioned country; has a business address, correspondence address, or principal place of operations in sanctioned country; or which has a connected party resident in a sanctioned country;</p> <p>(b) Specific transactions, facilities, or services that support or facilitate business or transactions directly involving a sanctioned country.</p> <p>(3) Current or planned business activity, indirectly, in the sanctioned countries / regions’ refers to financial services or transactional support provided to customers based in a non-sanctioned country who have business which has some involvement, asset, or investment with or in a sanctioned country. Examples of ‘indirect activity’ include, selling to an intermediary known to then export the products to one of the sanctioned countries / regions and activity that has some involvement, asset, or investment with or in a sanctioned country. This is also known as “indirect exposure in sanctioned country”.</p>		
<p>b. To the best of your knowledge, does the entity or any of the entity’s connected or other related parties have a presence in Comprehensive U.S. OFAC Sanctioned Countries/Regions, and/or are currently targeted by sanctions administered by the following bodies: UNSC, OFAC, Government of Malaysia and host country sanctions regulations.</p> <p>If you have answered “Yes”, please provide further details in Section 2 of this form.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>d. Does the entity conduct or intend to conduct any trade based activities?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>e. Does the entity operate in any of the following industries?</p> <ul style="list-style-type: none"> • Manufacture or Supply of Military Equipment, Arms, or Weapons • Money Services Businesses (MSBs) • Importation, Exportation, Movement, Trade or Supply of Oil, Petroleum or Gas Products • Importation, Exportation, Movement, Trade or Supply of Coal 	<input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No

TO BE COMPLETED BY CUSTOMER / RELATIONSHIP MANAGER IF ANY OF QUESTIONS 1a, 1b, 1c or 1d are answered as “YES”.

Section 2: Explanation of Entity’s Sanctions Exposure			
Section 2.1: Explanation of Entity’s exposure to Comprehensive U.S. OFAC Sanctioned Countries/Regions			
a.	If you have answered “Yes” for Section 1a, please provide a summary of the entity (including the legal name, ownership, its activities, the strategy in the country, how the entity is funded and transactions undertaken (including banks and currencies), and the extent of MKE Group’s involvement.		
b.	<p>To the best of your knowledge, does the entity have, or plan to have any direct or indirect business activities, legal commitments or exposures relating to</p> <p>Comprehensive U.S. OFAC Sanctioned Countries (including via customers, suppliers, agents, brokers and distributors)?</p> <p><u>Note:</u></p> <p>(1) Connected parties include, but are not limited to, the entity’s beneficial owners, directors, shareholders officers, customers, suppliers, agents, or distributors.</p> <p>(2) Current or planned business activity, directly, in the sanctioned countries / regions’ refers to “direct exposure in sanctioned country”, i.e.:</p> <p style="margin-left: 20px;">(a) A legal entity which is registered in sanctioned country/ies; has a business address, correspondence address, or principal place of operations in sanctioned country/ies; or which has a connected party resident in a sanctioned country/ies;</p> <p style="margin-left: 20px;">(b) Specific transactions, facilities, or services that support or facilitate business or transactions directly involving a sanctioned country.</p> <p>(3) Current or planned business activity, indirectly, in the sanctioned countries / regions’ refers to financial services or transactional support provided to customers based in a non-sanctioned country who have business which has some involvement, asset, or investment with or in a sanctioned country. Examples of ‘indirect activity’ include, selling to an intermediary known to then export the products to one of the sanctioned countries / regions and activity that has some involvement, asset, or investment with or in a sanctioned country. This is also known as “indirect exposure in sanctioned country”.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If “Yes”, please provide a description of each activity, including the entity’s countries of incorporation, products and services involved, customer and third party entities involved, the future strategy for the activity (i.e. intensity of the activity), how the activity is funded and transactions undertaken (including banks and currencies), and the extent of involvement of MKE Group products and services for such activity.		
c.	To the best of your knowledge, does any of the entity’s connected or other related parties have a presence in any of the sanctioned countries / regions, or are currently targeted by sanctions regulations administered by UNSC, OFAC, Government of Malaysia and host country sanctions regulations?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
	If “Yes”, please provide a description of each activity, including the entity’s countries of incorporation, products and services involved, customer and third party entities involved, the future strategy for the		

Section 2: Explanation of Entity's Sanctions Exposure

activity (i.e. intensity of the activity), how the activity is funded and transactions undertaken (including banks and currencies), and the extent of involvement of MKE Group products and services for such activity

d. "Offices" was selected in Section 1, please provide details of any offices of the entity which is located in any of the Comprehensive U.S. OFAC Sanctioned Countries. Yes No

If "Yes", please provide details such as the location of the office, and name.

e. If you have answered "Yes" in response to Section 1a with regard to "Capital Investment" or "Partnerships or Joint Ventures", please provide details, as follows: -

	Capital Investment	Partnership or Joint Ventures
Description of the investment or partnership or joint venture		
Ultimate beneficial owners		

f. For each of the sanctioned countries/regions, please list the annual percentage contribution derived from that sanctioned country relative to the entity's total revenue / sales / assets for the last three fiscal years.

	Iran	North Korea	Cuba	Syria	Region Crimea
% of entity's total group revenue / sales / assets					

(Note: For example, an entity may not have direct exposure in a sanctioned country but it has an indirect exposure through its subsidiaries or affiliates in sanctioned country, i.e. Iran. The total group's revenue is USD46 billion and the subsidiary's revenue is USD1.6 billion. Hence, the indirect exposure of the entity (through its subsidiary) in Iran is 3.5%).

g. Does the entity have any license(s) issued by OFAC or other Sanctions Authorities authorising the entity to deal with Comprehensive U.S. OFAC Sanctioned Country? If "Yes", please provide a copy of the license(s). Yes No

Section 3: Transactions

<p>a. In what currency denomination are the trades with Comprehensive U.S. OFAC Sanctioned Countries?</p>	<input type="checkbox"/> USD <input type="checkbox"/> EUR <input type="checkbox"/> GBP <input type="checkbox"/> Other (please specify)		
<p>b. Does the entity make wire transfers, directly or indirectly, to Comprehensive U.S. OFAC Sanctioned Countries/Regions?</p> <p>(Note: "Indirectly" means making funds transfer to a non-sanctioned country, e.g. Vietnam for onward transfer to Iran, i.e. sanctioned country.)</p>	<table border="1"> <tr> <td data-bbox="1165 403 1332 575"> <input type="checkbox"/> Yes (please specify direct or indirect) </td> <td data-bbox="1332 403 1500 575"> <input type="checkbox"/> No </td> </tr> </table>	<input type="checkbox"/> Yes (please specify direct or indirect)	<input type="checkbox"/> No
<input type="checkbox"/> Yes (please specify direct or indirect)	<input type="checkbox"/> No		

Section 4: Internal Controls

<p>a. Does the entity have any internal controls and procedures to identify its connected or related parties who might be sanctioned targets?</p> <p>If yes, please provide details of the controls and procedures.</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No
<p>b. Does the entity have a sanctions compliance program to prevent the commission of sanctions offences within the entity?</p>	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Customer / Relationship Manager / Line of Business Personnel Attestation

The entity acknowledges that in the absence of prior approval from MKE Group, even if authorised under local regulation, that it may not utilise MKE Group products or services for activity involving Comprehensive U.S. OFAC Sanctioned Countries/Regions.

- Confirmed (please confirm who at the company has provided this attestation, their position in the company, the date on which this was obtained and by what means, i.e. call / meeting in person / email / written correspondence).

<p>Signature of Customer:</p> <p>Name of Customer:</p> <p>Date:</p>	<hr/> <hr/> <hr/>
<p>Signature of Relationship Manager / LOB Personnel (MKE Group):</p> <p>Name of Relationship Manager / Business Unit Personnel:</p> <p>Date:</p>	<hr/> <hr/> <hr/>