

# **Anti-Money Laundering and Counter-Terrorism Financing Program**

## **Part B – Client Identification and Verification Procedures**

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4Xhub Ltd

## **PART B – CUSTOMER IDENTIFICATION**

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### **1. INTRODUCTION**

1.1 **Part B** of this Program sets out the customer identification procedures for 4XHub's customers.

1.2 These procedures include:

- (a) prescribed processes for the collection and verification of KYC Information; and
- (b) risk based systems and controls to determine what (if any) other information will be collected and verified in relation to a customer, having regard to the money laundering or terrorism financing risk relevant to the provision of 4XHub's services.

1.3 4XHub considers the following factors when identifying its risk exposure to money laundering or terrorism financing and developing its customer identification procedures set out in the table below:

- (a) its customer types; including:
  - (i) Beneficial Owners of customers; and
  - (ii) any politically exposed persons;
- (b) 4XHub's customers' sources of funds and wealth;
- (c) the nature and purpose of the business relationship with its customers, including, as appropriate, the collection of information relevant to that consideration;
- (d) the control structure of its non-individual customers;
- (e) the types of services it provides;
- (f) the methods by which it delivers services; and
- (g) the foreign jurisdiction with which it deals.

1.4 Annexure A – Risk Assessment and Management Matrix details 4XHub’s risk assessment procedures with respect to its customer types.

## **2. APPLICATION OF PART B**

2.1 Part B of this Program applies to 4XHub, including any functions carried out by a responsible third party. 4XHub does not currently engage responsible third parties to carry out any functions under Part B of this Program.

## **3. KYC – CUSTOMER IDENTIFICATION AND VERIFICATION PROCEDURES**

3.1 The customer identification and verification procedures must be carried out by 4XHub or a responsible third party:

- (a) prior to commencing to provide a service to a customer (other than an existing customer), unless 4XHub has already carried out the applicable customer identification procedure in respect of the customer; and
- (b) when 4XHub’s employee is responsible for the customer (or another 4XHub employee on their behalf), unless the AML/CTF CO (“**AML/CTF CO**”) authorises that these procedures can be conducted by an external party.

3.2 The same KYC procedures are applied across all 4XHub’s customers to ensure that additional procedures do not need to be carried out where a customer uses more than one of 4XHub’s services.

3.3 Where 4XHub outsources the customer identification and verification procedures to a responsible third party, the AML/CTF CO maintains overall responsibility for the KYC obligations of 4XHub as detailed in this Part B.

## **4. KNOW YOUR CUSTOMER – CONSIDERATIONS**

4.1 Once information relating to a customer has been collected and verified, 4XHub re-assesses the money laundering or terrorism financing risk posed by the customer.

4.2 In re-assessing the AML/CTF risk for each customer, it may consider, where appropriate and among other factors, whether:

- (a) the customer is unwilling to produce evidence of identification or produces unsatisfactory evidence of identification;
- (b) the customer wishes to deal only in large amounts of cash and not in traceable bank transfers;
- (c) the customer or a group of customers makes frequent transactions to the same individual or group of individuals;

- (d) the customer is willing to pay very high charges to complete a transaction;
- (e) the customer's normal remitting behaviour changes and they are unwilling to explain the reason for this or the source of the increase funds;
- (f) the customer is involved in a complex business ownership structure with no legitimate commercial rationale;
- (g) the non-individual customer (for example, a trust, company or partnership) has a complex business structure with little commercial justification, which obscures the identity of the ultimate beneficiaries of the customer;
- (h) the customer is in a position which may expose 4XHub to the possibility of corruption;
- (i) the customer is based in, or conducting business through or in, a high-risk jurisdiction;
- (j) the customer is engaged in business which involves significant amounts of cash;
- (k) there is no clear commercial rationale for the customer seeking a service;
- (l) the customer is a PEP;
- (m) an undue level of secrecy is requested regarding a service;
- (n) the source of funds is difficult to verify;
- (o) the Beneficial Owners of a non-individual customer are difficult to identify and/or verify;
- (p) the Beneficial Owners of the non-individual customer are a resident in a high-risk jurisdiction;
- (q) there is a one-off transaction in comparison with an ongoing business relationship or series of transactions;
- (r) a service can be used for money laundering or terrorism financing (and the extent to which it can be used);
- (s) the customer makes or accepts payments (for example, electronic transfers) to or from accounts which have not been identified by 4XHub;
- (t) the customer makes or accepts payments (for example, electronic transfers) to or from offshore accounts;
- (u) the customer has access to offshore funds (for example, cash withdrawal or electronic funds transfer);

- (v) the customer when migrating from one service to another carries a different type and level of AML/CTF risk;
- (w) the customer has income which is not employment-based or from a regular known source;
- (x) the customer is new, rather than having a long-term and active business relationship with 4XHub;
- (y) the customer's business, provision or services is primarily of a money remittance service nature;
- (z) the customer's business is registered in a foreign jurisdiction with no local operations or domicile;
- (aa) the customer's business is an unregistered charity, foundation, or cultural association; and
- (bb) the customer is represented by another person, such as under a power of attorney.

4.3 4XHub has made the following assessment in relation to the risk categories of its customers:

<b>Risk Exposure</b>	<b>Information to be collected</b>	<b>Certified Documents Required?</b>
Low	Minimum information	No
Medium	Minimum + at least 1 piece of additional information	Yes
High	Minimum + at least 2 pieces of additional information	Yes
<i>*This table applies to customer types as described in Sections 6 to 15, except where the AML/CTF Act require 4XHub to collect certified documents.</i>		

## 5. RELIABLE AND INDEPENDENT ELECTRONIC DATA

5.1 Where 4XHub has determined that it relies on reliable and independent electronic data in relation to the verification of its customers. 4XHub must determine:

- (a) the accuracy of the data;
- (b) how secure the data is;
- (c) how the data is kept up-to-date;

- (d) how comprehensive the data is (for example, by reference to the range of persons included in the data and the period over which the data has been collected);
- (e) whether the data has been verified from a reliable and independent source;
- (f) whether the data is maintained by a government body or pursuant to legislation; and
- (g) whether the electronic data can be additionally authenticated.

**6. INDIVIDUALS: CUSTOMER IDENTIFICATION AND VERIFICATION PROCEDURES**

<b>STEP 1 – CATEGORISATION OF CUSTOMERS</b>
<p>Where a new customer is an individual, 4XHub categorises the customer as one of the following:</p> <ol style="list-style-type: none"> <li>1. Individual customer;</li> <li>2. Customer with a joint account between a husband and wife with the same address;</li> <li>3. Customer with a joint account with different surnames but with the same address;</li> <li>4. Customer with a joint account with different addresses; or</li> <li>5. Sole trader.</li> </ol>

<b>STEP 2 – IDENTIFICATION AND VERIFICATION</b>
<p>Customer Categories:</p> <ol style="list-style-type: none"> <li>1. Individual Customer;</li> <li>2. Customer with a joint account between a husband and wife with the same address;</li> <li>3. Customer with a joint account with different surnames but with the same address; and</li> <li>4. Customer with a joint account with different addresses.</li> </ol>

KYC Information to be Collected	KYC Information to be Verified	Documents to Collect to verify KYC Information
<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. Full name;</li> <li>2. Residential address; and</li> <li>3. Date of Birth.</li> </ol>	<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. Name; and</li> <li>2. Residential address <u>or</u> Date of Birth.</li> </ol>	<p><b>1. Reliable and Independent Documentation</b></p> <p><b>Photographic:</b></p> <ul style="list-style-type: none"> <li>• National registration identity card containing name, address and photograph of the customer;</li> <li>• Passport issued by the government of Malaysia;</li> <li>• a current foreign government issued passport or similar travel document and contains a photograph and either the signature of the person or a unique identifier of the person in whose name the document is issued;</li> <li>• National Identity Card issued by a foreign government containing a photograph of the person in whose name the card is issued (consider the ML/TF risk posed by the provision of a service to a customer from that particular foreign country); or</li> <li>• Foreign driver's licence which contains a photograph of the person in whose name it was issued (consider the ML/TF risk posed by the provision of a service to a</li> </ul>
<p><u>Additional</u></p> <ol style="list-style-type: none"> <li>1. the customer's former name(s);</li> <li>2. the customer's occupation or business activities;</li> <li>3. the source of the customer's funds including the origin of funds;</li> <li>4. income and assets of the customer;</li> <li>5. the nature and level of the customer's intended transaction behavior;</li> <li>6. the beneficial ownership of the funds used by the customer/the customer's account with 4XHub; or</li> <li>7. details of the customer's employment (e.g., name of employer, length of employment, type of institution).</li> </ol>	<p><u>Additional</u></p> <p>Any other additional information collected.</p>	

		<p>customer from that particular foreign country).</p> <p><b>Non-Photographic:</b></p> <ul style="list-style-type: none"> <li>• Malaysian Birth Certificate;</li> <li>• Malaysian Citizenship Certificate;</li> <li>• Birth Certificate issued by a foreign government; or</li> <li>• Citizen Certificate issued by a foreign government.</li> </ul> <p>Where any document relied on as part of the procedure is in a language that is not English, it must be accompanied by an English translation prepared by an accredited translator.</p> <p><b>2. Reliable and Independent Electronic Data</b></p> <ul style="list-style-type: none"> <li>• Equifax.</li> </ul>
<p>Customer Categories:</p> <p>5. Sole Traders</p>		
<p><b>KYC Information to be Collected</b></p>	<p><b>KYC Information to be Verified</b></p>	<p><b>Documents to Collect to verify KYC Information</b></p>
<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. customer's full name;</li> <li>2. customer's date of birth;</li> </ol>	<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. Name; and</li> <li>2. Residential address <u>or</u> date of birth.</li> </ol>	<p><b>3. Reliable and Independent Documentation</b></p> <p><b>Photographic:</b></p>



<p>3. full business name (if any) under which the customer carries on his or her business; and</p> <p>4. full address of the customer's principal place of business (if any) or the customer's residential address.</p>		<ul style="list-style-type: none"> <li>• National registration identity card containing name, address and photograph of the customer;</li> <li>• Passport issued by the government of Malaysia;</li> <li>• a current foreign government issued passport or similar travel document and contains a photograph and either the signature of the person or a unique identifier of the person in whose name the document is issued;</li> </ul>
<p><u>Additional</u></p> <p>1. the customer's former name(s);</p> <p>2. the customer's occupation or business activities;</p> <p>3. the source of the customer's funds including the origin of funds;</p> <p>4. income and assets of the customer;</p> <p>5. the nature and level of the customer's intended transaction behavior;</p> <p>6. the beneficial ownership of the funds used by the customer /the customer's account with 4XHub; and</p> <p>7. details of the customer's employment (e.g., name of employer, length of employment, type of institution).</p>	<p><u>Additional</u></p> <p>Any other additional information collected.</p>	<ul style="list-style-type: none"> <li>• National Identity Card issued by a foreign government containing a photograph of the person in whose name the card is issued (consider the ML/TF risk posed by the provision of a service to a customer from that particular foreign country); or</li> <li>• Foreign driver's licence which contains a photograph of the person in whose name it was issued (consider the ML/TF risk posed by the provision of a service to a customer from that particular foreign country).</li> </ul> <p><b>Non-Photographic:</b></p> <ul style="list-style-type: none"> <li>• Malaysian Birth Certificate;</li> <li>• Malaysian Citizenship Certificate;</li> <li>• Birth Certificate issued by a foreign government; or</li> </ul>

		<ul style="list-style-type: none"> <li>• Citizen Certificate issued by a foreign government.</li> </ul> <p>Where any document relied on as part of the procedure is in a language that is not English, it must be accompanied by an English translation prepared by an accredited translator.</p> <p><b>4. Reliable and Independent Electronic Data</b></p> <ul style="list-style-type: none"> <li>• <b>EQUIFAX.</b></li> </ul>
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**7. COMPANIES: CUSTOMER IDENTIFICATION AND VERIFICATION PROCEDURES**

STEP 1 – CATEGORISATION OF CUSTOMERS		
<p>Where a new customer is a company, either domestic or foreign, 4XHub must be reasonably satisfied that the company exists and categorise the customer as one of the following:</p> <ol style="list-style-type: none"> <li>1. a Labuan incorporated company; or</li> <li>2. a foreign company.</li> </ol>		

STEP 2 – IDENTIFICATION OF THE TYPES OF COMPANIES		
Company Types		
<b>Labuan Company</b>	a. international company	

	b. private and public companies limited by shares / guarantees	Apply <b>Step 3(i) simplified verification procedure</b> as set out below
	c. offshore limited partnership	
	d. all other companies	Apply <b>Step 3(ii) verification procedure for all other Labuan companies</b> as set out below
<b>Foreign Company</b>	a. majority owned subsidiary of a Labuan listed public company	Apply <b>Step 3(i) simplified verification procedure</b> as set out below
	b. proprietary companies	Apply <b>Step 3(iii) verification procedure for all other foreign companies</b> as set out below
	c. unlisted public companies	
	d. listed public companies (from comparable jurisdictions)	

**Comparable Stock Exchanges** – list of foreign or equivalent stock exchanges for recognition, including but not limited to the following financial markets:

<b>COUNTRY</b>	<b>STOCK EXCHANGE</b>
Australia	Asia Pacific Exchange Limited ASX Limited Chi-X Australia Pty Ltd National Stock Exchange of Australia Limited SIM Venture Securities Exchange Ltd
Belgium	Euronext Brussels – Brussels Stock Exchange (BSE)
Canada	Toronto Stock Exchange (TSX)
Denmark	Copenhagen Stock Exchange (CSE)
Finland	Helsinki Stock Exchange (HEL)
France	Paris – SBF (PAR)
Germany	Frankfurt (FRA)
Hong Kong	Hong Kong Exchanged (HKEx)
Iceland	Iceland Stock Exchange (ICEX)
Ireland	Irish Stock Exchange (ISE)
Japan	Tokyo Stock Exchange (TSE)
Luxembourg	Luxembourg Stock Exchange (LUX)
Netherlands	Euronext Amsterdam
New Zealand	New Zealand Exchange (NZX)
Norway	Oslo Børs – Oslo Stock Exchange (OSE)
Singapore	Singapore Exchange (SGX)
Sweden	OMX Stockholm
Switzerland	Swiss Exchange (SWX)

United Kingdom	London Stock Exchange (LSE) Euronext - life
United States of America	New York Stock Exchange (NYSE) NASDAQ OMX NASDAQ Stock Market

**STEP 3 – IDENTIFICATION AND VERIFICATION PROCEDURES**

**(i) Simplified Verification Procedures**

KYC Information to be Collected	KYC Information to be Verified	Documents to Collect to Verify KYC Information
<p><u>For a Labuan Company - Minimum Information</u></p> <ol style="list-style-type: none"> <li>1. the full name of the company as registered by LFSA;</li> <li>2. the full address of the company's registered office;</li> <li>3. the full address of the company's principal place of business (if any);</li> <li>4. company registration number issued to the company;</li> <li>5. whether the company is registered by LFSA as a proprietary or public company; and</li> <li>6. if the company is registered as a proprietary company, the name of each Director of the company.</li> </ol>	<ol style="list-style-type: none"> <li>1. Verify that the company is one of the following: <ul style="list-style-type: none"> <li>• a Labuan listed public company; or</li> <li>• a majority owned subsidiary of a Labuan listed public company.</li> <li>•</li> </ul> </li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Verify the information collected by obtaining one or a combination of the following documents:</b> <ul style="list-style-type: none"> <li>• a search of the relevant Labuan stock exchange;</li> <li>• a public document issued by the relevant company (for example, annual report);</li> <li>• a search of the relevant regulatory or third party database;</li> <li>• a search of the license or other records of the relevant regulator.</li> </ul> </li> </ol>
<p><u>For a Foreign Company - Minimum</u></p>		

<u>Information</u> 1. the full name, company registration number and address of the company as registered in the country of its incorporation (supported by ; 2. the country in which the company was formed, incorporated or registered; 3. whether the company is registered by the relevant foreign registration as a private or public company or some other type of company; and 4. if the company is registered as a private company by the relevant foreign registration body - the name of each Director of the company.		
(ii) <b>Verification Procedure for all other Labuan Companies</b>		
<b>KYC Information to be Collected</b>	<b>KYC Information to be Verified</b>	<b>Documents to Collect to Verify KYC Information</b>
<u>Minimum</u> 1. the full name of the company as registered by the LFSA; 2. the full address of the company's registered office; 3. the full address of the company's principal place of business (if any); 4. the company registration number	<u>Minimum</u> 1. the full name of the company as registered by the LFSA 2. the company registration number issued to the company; and 3. whether the company is registered by LFSA as a proprietary or public company.	<b>1. Reliable and Independent Documentation:</b> A copy of a current: <ul style="list-style-type: none"> <li>• valid company registration certificate issued by LFSA;</li> <li>• in relation to the beneficial ownership of a company, a disclosure certificate that</li> </ul>

<p>issued to the company;</p> <p>5. whether the company is registered by LFSA as a proprietary or public company; and</p> <p>6. if the company is registered as a proprietary company, the name of each Director of the company.</p>		<p>verifies information about the beneficial ownership of a company; or</p> <ul style="list-style-type: none"> <li>• a disclosure certificate (see Section 1).</li> <li>•</li> </ul>
<p><u>Additional</u></p> <p>1. all business names used by the company;</p> <p>2. if the company is a public company, the name of each director of the company;</p> <p>3. the nature of the business activities conducted by the company;</p> <p>4. the source of the customer's funds including the origin of funds;</p> <p>5. the nature and level of the customer's intended transaction behaviour;</p> <p>6. the name of the company secretary;</p> <p>7. the name of the Director (if the company is registered as a proprietary company, the name of each director of the company);</p> <p>8. for an unlisted public company other than an Labuan regulated company, the full name and address of each Beneficial Owner;</p>	<p><u>Additional</u></p> <p>Any other additional information collected.</p>	

<p>9. in the case of listed companies other than domestic listed companies and companies listed on a recognized foreign stock exchange and their majority owned subsidiaries (approved listed companies) and Labuan regulated companies, the full name and address of the Beneficial Owners of the top twenty (20) shareholdings; or</p> <p>10. details of any current or recent prosecutions and inquiries related to ML, terrorist links, tax offences and corruption in respect of the company.</p>		
<b>(iii) Verification Procedure for all other Foreign Companies</b>		
KYC Information to be Collected	KYC Information to be Verified	Documents to Collect to Verify KYC Information
<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. the full name of the company;</li> <li>2. the full address of the company's registered office;</li> <li>3. the full address of the company's principal place of business (if any) or the full name and address of the company's local agent in Labuan (if any);</li> </ol>	<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. the full name of the company;</li> <li>2. whether the company is registered by the relevant foreign registration body and if so whether it is registered as a private or public company or some other type of company; and</li> <li>3. the company registration number issued to the company.</li> </ol>	<p><b>1. Reliable and Independent Documentation:</b></p> <p>A copy of a current:</p> <ul style="list-style-type: none"> <li>• valid company registration certificate issued by the regulator in its country of incorporation;</li> <li>• in relation to the beneficial ownership of a company, a disclosure certificate that</li> </ul>



<ol style="list-style-type: none"> <li>4. the company registration number issued to the company;</li> <li>5. the country in which the company was formed, incorporated or registered;</li> <li>6. whether the company is registered by the relevant foreign registration body and if so whether it is registered as a private or public company or some other type of company; and</li> <li>7. if the company is registered as a private company by the relevant foreign registration body - the name of each Director of the company.</li> </ol>		<p>verifies information about the beneficial ownership of a company; or</p> <ul style="list-style-type: none"> <li>• a disclosure certificate (only use this if other reliable verification additional information is not reasonably available) – the usage of this document requires the AML/CTF CO’s approval and the AML/CTF CO considers the following factors:</li> <li>• ML/TF risk relevant to the provision of the service, including the jurisdiction of incorporation of the company;</li> <li>• the jurisdiction of the primary operations of the company and the location of the foreign stock or equivalent exchange (if any); or</li> <li>• the activities undertaken by the company and the availability of evidence about the activities and existence of the company.</li> <li>•</li> </ul>
<p><u>Additional</u></p> <ol style="list-style-type: none"> <li>1. all business names used by the company;</li> <li>2. if the company is a public company, the name of each director of the company;</li> <li>3. the nature of the business activities conducted by the company;</li> <li>4. the source of the customer's funds including the origin of funds;</li> <li>5. the nature and level of the customer's intended transaction behavior;</li> <li>6. the name of the company secretary;</li> </ol>	<p><u>Additional</u></p> <p>Any other additional information collected.</p>	

<p>7. the name of the Director (if the company is registered as a proprietary company, the name of each director of the company;</p> <p>8. for an unlisted public company other than a Labuan regulated company, the full name and address of each Beneficial Owner;</p> <p>9. in the case of listed companies other than domestic listed companies and companies listed on a recognized foreign stock exchange and their majority owned subsidiaries (approved listed companies) and Labuan regulated companies, the full name and address of the Beneficial Owners of the top twenty (20) shareholdings; or</p> <p>10. details of any current or recent prosecutions and inquiries related to ML, terrorist links, tax offences and corruption in respect of the company.</p>		
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**8. TRUSTS: CUSTOMER IDENTIFICATION AND VERIFICATION PROCEDURES**

<p><b>STEP 1 – CATEGORISATION OF CUSTOMERS</b></p>
<p>Where a new customer acts in the capacity of a trustee of a trust, it is necessary for 4XHub to be reasonably satisfied that:</p>

- (a) the trust exists (refer to Step 2 below); and
- (b) the name of each trustee and beneficiary, or a description of each class of beneficiary, of the trust has been provided.

Such type of customers can be categorised as one of the following:

- (c) regulated trusts; or
- (d) other trusts.

### STEP 2 – IDENTIFICATION OF THE TYPES OF TRUSTS

#### Trust Types

<b>Regulated Trusts</b>	a. a managed investment scheme registered by LFSA	Apply <b>Step 3(i) Simplified verification procedure</b> as set out below
	b. a managed investment scheme that is not registered by LFSA,	
	c.	
	d.	
<b>Other Trusts</b>	All other trusts that do not fall within the Regulated Trusts category above	Apply <b>Step 3(ii) Verification procedure for all other trusts</b> as set out below.

### STEP 3 – IDENTIFICATION AND VERIFICATION PROCEDURES

#### (i) Simplified verification procedure for Regulated Trusts

KYC Information to be Collected	KYC Information to be Verified	Documents to Collect to Verify KYC Information
<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. the full name (if any) of the trust;</li> <li>2. the full business name (if any) of the trustee in respect of the trust;</li> <li>3. the type of the trust;</li> <li>4. the country in which the trust was established;</li> <li>5. the full name of the settlor of the trust, unless:               <ul style="list-style-type: none"> <li>○ the material asset contribution to the trust by the settlor at the time the trust is established is less than Ringgit Malaysia 25,000.00; or</li> <li>○ the settlor is deceased;</li> <li>○ the trust is verified using the simplified trustee verification procedure under this Program.</li> </ul> </li> <li>6. if any of the trustees is an individual, then in respect of one of those individuals – the information required to be collected from an individual under this Program;</li> <li>7. if any of the trustees is a company, then in respect of one of those companies – the information required</li> </ol>	<p><u>Verify that the trust is one of the following:</u></p> <ul style="list-style-type: none"> <li>• a managed investment scheme registered by LFSA;</li> <li>• a managed investment scheme that is not registered by LFSA.</li> <li>•</li> </ul>	<ol style="list-style-type: none"> <li>1. <b>Verify the information collected by obtaining one or a combination of the following documents:</b> <ul style="list-style-type: none"> <li>• a trust deed or extract of the trust deed;</li> <li>• a search of the relevant LFSA or other regulator database.</li> </ul> </li> </ol>

<p>to be collected from a company under this Program;</p> <p>8. if the trustees comprise of individuals and companies then in respect of either an individual or a company – the information required to be collected from the individual or company (as the case may be) is under the applicable customer identification procedures in this Program.</p>		
<p>(ii) <b>Verification Procedure for other Trusts</b></p>		
<p><b>KYC Information to be Collected</b></p>	<p><b>KYC Information to be Verified</b></p>	<p><b>Documents to Collect to Verify KYC Information</b></p>
<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. the full name (if any) of the trust;</li> <li>2. the full business name (if any) of the trustee in respect of the trust;</li> <li>3. the type of the trust;</li> <li>4. the country in which the trust was established;</li> <li>5. the full name of the settlor of the trust, unless: <ul style="list-style-type: none"> <li>o the material asset contribution to the trust by the settlor at the time the trust is established is less than Ringgit Malaysia 25,000.00; or</li> </ul> </li> </ol>	<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. the full name of the trust;</li> <li>2. if any of the trustees is an individual, then in respect of one of those individuals – the information required to be collected from an individual under this Program;</li> <li>3. if any of the trustees is a company, then in respect of one of those companies – the information required to be collected from a company under this Program;</li> <li>4. if the trustees comprise of individuals and companies then in respect of either an individual or a company – the information required to be collected</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Verify the information collected with one or a combination of the following documents:</b> <ul style="list-style-type: none"> <li>• a trust deed, certified copy or certified extract of a trust deed;</li> <li>• reliable and independent documentation relating to the trust; and/or</li> <li>• reliable and independent electronic data.</li> <li>• For trustees (individuals or companies) please refer to Section 9 below.</li> </ul> </li> </ol>

<ul style="list-style-type: none"> <li>○ the settlor is deceased; or</li> <li>○ the trust is verified using the simplified trustee verification procedure under this Program.</li> </ul> <p>6. if any of the trustees is an individual, then in respect of one of those individuals – the information required to be collected from an individual under this Program;</p> <p>7. if any of the trustees is a company, then in respect of one of those companies – the information required to be collected from a company under this Program;</p> <p>8. if the trustees comprise of individuals and companies then in respect of either an individual or a company – the information required to be collected from the individual or company (as the case may be) is under the applicable customer identification procedures in this Program.</p>	<p>from the individual or company (as the case may be) is under the applicable customer identification procedures in this Program.</p> <p>5. the full name of the settlor of the trust, unless:</p> <ul style="list-style-type: none"> <li>○ the material asset contribution to the trust by the settlor at the time the trust is established is less than Ringgit Malaysia 25,000.00; or</li> <li>○ the settlor is deceased; or</li> <li>○ the trust is verified using the simplified trustee verification procedure under this Program.</li> </ul>	
<p><u>Additional</u></p> <p>1. all business names used by the trusts and any other name under which the trust operates;</p> <p>2. the nature of the business activities conducted by the trust;</p> <p>3. the source of the customer's funds</p>	<p><u>Additional</u></p> <p>Any other additional information collected.</p>	

<p>including the origin of funds;</p> <ol style="list-style-type: none"> <li>4. the jurisdiction in which the trust was established;</li> <li>5. details of any current or recent prosecutions and inquiries related to money laundering, terrorist links, tax offences and corruption in respect of the trust;</li> <li>6. the nature and level of the customer's intended transaction behavior;</li> <li>7. the income and assets (including location) of the trust; and</li> <li>8. details of any parties with which the trust owns property, is in partnership or undertakes a joint venture.</li> </ol>		
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**9. TRUSTEES AND BENEFICIARIES: CUSTOMER IDENTIFICATION AND VERIFICATION PROCEDURES**

IDENTIFICATION AND VERIFICATION PROCEDURES		
KYC Information to be Collected	KYC Information to be Verified	Documents to Collect to Verify KYC Information
<p><u>Minimum</u></p> <ol style="list-style-type: none"> <li>1. the full name and address of each trustee in respect of the trust; and</li> <li>2. either the: <ul style="list-style-type: none"> <li>○ full name of each beneficiary of the trust; or</li> </ul> </li> </ol>	<p><u>Verify</u></p> <ol style="list-style-type: none"> <li>1. if any of the trustees is an individual, then in respect of one of those individuals – the information required to be collected from an individual under this Program;</li> <li>2. if any of the trustees is a company, then</li> </ol>	<ol style="list-style-type: none"> <li>1. <b>Individuals</b> – refer to the verification procedures at Section 6.</li> <li>2. <b>Companies</b> – refer to the verification procedures at Section 7.</li> </ol>

<ul style="list-style-type: none"> <li>○ if the terms of the trust identify the beneficiaries by reference to membership of a class – details of the class.</li> </ul>	<p>in respect of one of those companies – the information required to be collected from a company under this Program;</p> <p>3. if the trustees comprise of individuals and companies then in respect of either an individual or a company – the information required to be collected from the individual or company (as the case may be) is under the applicable customer identification procedures in this Program.</p>	
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## 10. BENEFICIAL OWNER

### STEP 1 – DETERMINING THE BENEFICIAL OWNER OF EACH CUSTOMER

1. In identifying the Beneficial Owners of a customer, 4XHub may:
  - (a) collect from the customer information relating to the ownership structure of the customer including but not limited to:
    - information relating to the shareholders of the company;
    - information relating to the people exercising responsibility for senior management decisions, or similar, of the customer;
    - information relating to the people with the ability to control the customer and/or dismiss or appoint those in senior management positions;
    - information relating to those people holding more than 25% of the customer's rights;
    - information relating to those individuals (for example, the CEO) who hold senior management positions; and
    - trustees (where applicable);
  - (b) if the customer is controlled by other entities (and/or those entities are in turn controlled by further entities) the ownership structure of each entity must also be clarified until 4XHub has a clear understanding of who the ultimate Beneficial Owners of the customer are.
2. 4XHub's employees are required to identify and verify each customer's beneficial owners subject to the exceptions below.
3. If 4XHub is unable to ascertain a Beneficial Owner, the reporting institution must identify and take reasonable measures to verify:
  - (a) for a **company** (other than a company which is verified under the simplified company verification procedure or a partnership, any individual who:
    - is entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including power to veto, or
    - holds the position of senior managing official (or equivalent);
  - (b) for a trust (other than a trust which is verified under the simplified verification procedure, any individual who holds the power to appoint or remove the trustees of the trust;
  - (c) for an association or a registered co-operative, any individual who:

- is entitled (either directly or indirectly) to exercise 25% or more of the voting rights including a power of veto, or
- would be entitled on dissolution to 25% or more of the property of the association or registered co-operative, or
- holds the position of senior managing official (or equivalent).

**EXCEPTIONS**

1. 4XHub does not need to identify and verify its customer’s beneficial owners if the customer is:
  - an **individual** - 4XHub may assume that the customer and the Beneficial Owner are one and the same, unless 4XHub has reasonable grounds to consider otherwise;
  - a **company** which is verified under ‘Simplified Verification Procedures’;
  - a **trust** which is verified under ‘Simplified Verification Procedures’; or
  - a **foreign listed public company** subject to disclosure requirements (whether by stock exchange rules or by law or enforceable means) to ensure transparency of beneficial ownership which are, or are comparable to, the requirements in Labuan.

**STEP 2 – IDENTIFICATION AND VERIFICATION PROCEDURES**

KYC Information to be Collected	KYC Information to be Verified	Documents to Collect to Verify KYC Information
<u>Minimum</u> 1. each Beneficial Owner’s full name, and 2. the Beneficial Owner’s date of birth; or 3. the Beneficial Owner’s full residential address.	<u>Minimum</u> 1. each Beneficial Owner’s full name, and 2. the Beneficial Owner’s date of birth; or 3. the Beneficial Owner’s full residential address.	Verify in accordance with the KYC procedure for individuals (refer to Section 6).
<u>Additional</u>	<u>Additional</u>	

<ol style="list-style-type: none"> <li>1. the Beneficial Owner's former name(s);</li> <li>2. the Beneficial Owner's occupation or business activities;</li> <li>3. the source of the Beneficial Owner's funds including the origin of funds;</li> <li>4. income and assets of the Beneficial Owner;</li> <li>5. the nature and level of the Beneficial Owner's intended transaction behavior;</li> <li>6. the beneficial ownership of the funds used by the Beneficial Owner's /the Beneficial Owner's account with 4XHub; and</li> <li>7. details of the Beneficial Owner's employment (e.g. name of employer, length of employment, type of institution).</li> </ol>	<p>Any other additional information collected.</p>	
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## 11. POLITICALLY EXPOSED PERSONS

### STEP 1 – EXISTENCE OF A POLITICALLY EXPOSED PERSON

If when conducting the risk analysis of a customer, 4XHub has a reasonable suspicion that a customer is a Politically Exposed Person (“**PEP**”), the AML/CTF CO, must conduct in relation to that customer additional checks to determine whether the customer is a PEP. These checks might include but are not limited to:

1. a customer self-declaration regarding their PEP status;
2. an internet and media search;
3. a search of relevant commercial databases (if available to 4XHub);
4. Government issued PEP lists relevant to the jurisdiction/s of the customer;
5. Information sharing databases relating to PEP within the Malaysian / Labuan financial system; and
6. asset disclosure systems.

### STEP 2 – CATEGORISATION OF PEPS

#### Types of PEPS

**Malaysian / Labuan PEP**

**International Organisation PEP**

**Foreign PEP**

Apply **Step 3(i) Verification Procedure for Malaysian/Labuan/International Organisation PEPS** as outlined below.

Apply **Step 3(ii) Verification Procedure for Foreign PEPS** as outlined below.

(i) **Verification Procedure for Malaysian/Labuan/International Organisation PEPs**

**STEP 3 – IDENTIFICATION AND VERIFICATION PROCEDURES**

<b>KYC Information to be Collected</b>	<b>KYC Information to be Verified</b>	<b>Documents to Collect to Verify KYC Information</b>
<u>Minimum</u> 1. Full name; 2. Residential address; and 3. Date of Birth.	<u>Minimum</u> 1. Name; and 2. Residential address <u>or</u> date of birth.	Verify in accordance with the KYC procedure for individuals (refer to Section 6).
<u>Additional</u> 1. the PEP's former name(s); 2. the PEP's occupation or business activities; 3. the source of the PEP's funds including the origin of funds; 4. income and assets of the PEP; 5. details of the PEP's employment (e.g. name of employer, length of employment, type of institution).	<u>Additional</u> Any other additional information collected.	

**STEP 4 – RISK ASSESSMENT OF THE PEP**

Determine whether the PEP is of high money laundering or terrorism financing risk.

If the customer is determined to be of high money laundering or terrorism financing risk, then, in addition to Step 3 above:

1. obtain the Board's approval before establishing or continuing a business relationship with the individual and before the provision, or continued provision, of a service to the customer; and

	2. take reasonable measures to establish the PEP's source of wealth and source of funds; and comply with the ongoing due diligence obligations.	
<b>(ii) Verification Procedure for Foreign PEPs</b>		
<b>STEP 3 – IDENTIFICATION AND VERIFICATION PROCEDURES</b>		
<u>Minimum</u> 1. Full name; 2. Residential address; and 3. Date of Birth.	<u>Minimum</u> 1. Name; and 2. Residential address <u>or</u> date of birth.	Verify in accordance with the KYC procedure for individuals (refer to Section 6).
<u>Additional</u> 1. the PEP's former name(s); 2. the PEP's occupation or business activities; 3. the source of the PEP's funds including the origin of funds; 4. income and assets of the PEP; 5. details of the PEP's employment (e.g. name of employer, length of employment, type of institution).	<u>Additional</u> Any other additional information collected.	
<b>STEP 4 – FURTHER ACTION</b>		
1. obtain the Board's approval before establishing or continuing a business relationship with the individual and before the provision, or continued provision, of a service to the customer; 2. take reasonable measures to establish the PEP's source of wealth and source of funds; and 3. comply with the ongoing due diligence obligations.		

## 12. NOTIFICATION OF ALL NEW CUSTOMERS TO THE AML/CTF CO

12.1 The AML/CTF CO must be notified of all new customers prior to the provision of any services.

12.2 Sign-off for each new customer is obtained from the AML/CTF CO certifying that no additional KYC Information relating to the customer's existence needs to be verified.

### 13. TOLERANCE OF DISCREPANCIES AND ERRORS

13.1 **Tolerance of discrepancies:** Where, during the KYC Information collection and verification process, a director, officer, or employee of 4XHub discovers any discrepancies in the KYC Information provided by the new customer, the matter should be immediately notified to the AML/CTF CO. The discrepancy must not be raised with the new customer without first consulting the AML/CTF CO.

13.2 The AML/CTF CO must then collect from the customer whatever additional information they consider necessary to verify that the PEP is the person that the customer claim they are.

13.3 **Pre-defined tolerance levels for matches and errors:** 4XHub allows for obvious typographical errors in customer information other than name, company registration or identification number, or date of birth. Where the error relates to name, company registration or identification number, or date of birth, the AML/CTF CO is to be notified and independent contact should be initiated with the customer to clarify the information.

### 14. DISCLOSURE CERTIFICATES

14.1 Disclosure certificates may only be requested from customers in the following circumstances:

- (a) 4XHub has determined that the information cannot otherwise be reasonably obtained or verified;
- (b) the information to be provided or verified is reasonably required under this Program;
- (c) 4XHub has applied the relevant procedures and requirements of this Program, but has been unable to obtain or verify the information; and
- (d) the information is one or more of the items of information specified below:

CONTENT TO BE INCLUDED IN DISCLOSURE CERTIFICATES	
Customer Type	Disclosure Certificates must include:

Labuan Companies	<ol style="list-style-type: none"> <li>1. the full name and full residential address of each beneficial owner of the company;</li> <li>2. the full name of the appropriate officer;</li> <li>3. a certification by the appropriate officer that the information contained in the disclosure certificate is true, accurate and complete; to the best of their knowledge and belief; and</li> <li>4. the date of certification by the appropriate officer.</li> </ol>
Foreign Companies	<ol style="list-style-type: none"> <li>1. the full name of the company;</li> <li>2. information about whether the company is registered by the relevant foreign registration body and if so, whether it is registered as a private or public company or some other type of company;</li> <li>3. the full name and full residential address of each beneficial owner;</li> <li>4. the full name of the appropriate officer;</li> <li>5. certification by the appropriate officer that the information contained in the disclosure certificate is true, accurate, and complete, to the best of their knowledge and belief; and</li> <li>6. the date of certification by the appropriate officer.</li> </ol>
Trusts, Partnerships, Associations and Registered Cooperatives	<ol style="list-style-type: none"> <li>1. verify KYC information about a trust, partnership, association or registered cooperative;</li> <li>2. contain the full name and full residential address of each beneficial owner;</li> <li>3. contain the full name of the appropriate officer;</li> <li>4. contain certification by the appropriate officer that the information contained in the disclosure certificate is true, accurate and complete; to the best of their knowledge and belief; and</li> <li>5. contain the date of certification by the appropriate officer.</li> </ol>

Issued by the Board of Directors of 4XHub Ltd

October 2022