

AML/CTF and CDD Framework

At ISEND, we are committed to adhering to the highest standards of **Anti-Money Laundering (AML)** and **Counter-Terrorism Financing (CTF)** regulations. We operate in multiple jurisdictions, and as part of our global commitment, we comply with the AML/CTF and Customer Due Diligence (CDD) regulations in **Australia, Singapore, and the United States**.

Our compliance framework is designed to meet the regulatory requirements in each of these jurisdictions, ensuring that we prevent the misuse of our services for illicit activities. The relevant regulatory frameworks we follow include:

- **Australia's AML/CTF Act**, regulated by the **Australian Transaction Reports and Analysis Centre (AUSTRAC)**.
- **Singapore's AML/CTF Guidelines**, governed by the **Monetary Authority of Singapore (MAS)**, under the **Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act (CDSA)**.
- **The U.S. Bank Secrecy Act (BSA)**, enforced by the **Financial Crimes Enforcement Network (FinCEN)**.

To uphold our compliance with these frameworks, we have implemented the following practices:

1. Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD)

We carry out **Customer Due Diligence (CDD)** as a standard procedure for verifying the identity of all customers, including collecting and verifying relevant personal information. For **high-risk** customers, transactions, or situations, we apply **Enhanced Due Diligence (EDD)** measures to assess and mitigate potential risks associated with money laundering or terrorism financing.

Key CDD Procedures:

- **Identification Verification:** We ensure that customers provide valid identification, including official government-issued documents, to verify their identity.
- **Beneficial Ownership:** We identify the ultimate beneficial owners of the entities we deal with to ensure transparency.
- **Purpose of Transaction:** We assess the nature and purpose of the customer's transactions to ensure they align with our knowledge of the customer.
- **Ongoing Monitoring:** Customer transactions are continuously monitored for unusual or suspicious activities that could indicate money laundering or terrorism financing.

2. Risk-Based Approach (RBA)

We adopt a **Risk-Based Approach (RBA)** to identify, assess, and manage risks related to money laundering and terrorism financing. This means that we prioritize resources and apply **more stringent measures** for customers or transactions that pose a higher risk of illicit activity.

- **Low-Risk Customers:** For low-risk customers, we conduct the basic CDD procedures.
- **High-Risk Customers:** For high-risk customers or countries with higher exposure to financial crime, we apply EDD, including gathering additional information and monitoring their transactions more closely.

3. Transaction Monitoring & Suspicious Activity Reporting

We continuously monitor all transactions processed through our platform to detect suspicious activities that may involve money laundering or terrorism financing. If any suspicious activity is identified, we are obligated to report it to the relevant authorities.

- **Australia:** We report suspicious activities to **AUSTRAC**.
- **Singapore:** We report suspicious transactions to the **Suspicious Transaction Reporting Office (STRO)**.
- **USA:** We file **Suspicious Activity Reports (SARs)** with **FinCEN**.

4. Record-Keeping and Audits

We maintain comprehensive records of customer identification, transaction details, and related documentation for **at least five years (seven years in Australia)** as required by regulations in all three jurisdictions.

- **Australia & Singapore:** This ensures we comply with record-keeping obligations as outlined by **AUSTRAC** and **MAS**.
- **USA:** Under the **BSA**, we ensure that all records are kept and available for inspection by the authorities when required.

Regular internal **audits** are conducted to ensure compliance with the applicable AML/CTF regulations. These audits assess the effectiveness of our monitoring systems and procedures, identifying areas for improvement.

5. Employee Training and Awareness

Our employees undergo regular and comprehensive **AML/CTF training** to ensure they are knowledgeable about our compliance obligations, how to detect suspicious activity, and how to respond appropriately.

- **Training Content:** The training covers the detection of money laundering and terrorist financing indicators, the legal requirements for reporting suspicious transactions, and the processes for customer verification.
- **Ongoing Education:** We also offer ongoing refresher courses to ensure that our employees stay updated on any changes in regulatory requirements across the jurisdictions we operate in.

6. Partner and Third-Party Compliance

We expect our **partners** and any third parties we work with to uphold the same high standards of AML/CTF compliance. We ensure that they adhere to our rigorous compliance procedures, ensuring that all parties in the transaction chain are compliant with relevant laws and regulations.

Commitment to Financial Integrity

Through our adherence to **AML, CTF, and CDD** regulations across **Australia, Singapore, and the USA**, we strive to provide a secure and transparent platform for our customers. We aim to ensure that ISEND remains a trusted financial service provider, helping to protect the global financial system from misuse and supporting the fight against financial crime.

To access the full program of our AML CTF AND CDD, you can email us at info@isend.com.sg.