



Document Subject	TARGETED FINANCIAL SANCTIONS (TFS), SANCTIONS SCREENING & REPORTING POLICY
Company name	Fine Gold LLC
Trade license number	643756
Activity	Non-Manufactured Precious Metal Trading
Code	FG/TFS/004
Version number	004
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Contact Details	Compliance@finegold.ae

1. Purpose

This Targeted Financial Sanctions (TFS), Sanctions Screening & Reporting Policy outlines the measures taken by **FINE GOLD LLC** (“**FINE GOLD**”) to prevent any direct or indirect involvement with sanctioned individuals, entities, organizations, or jurisdictions.

This policy reflects our commitment to:

- ✓ Support global efforts against terrorism financing and the proliferation of weapons of mass destruction.
- ✓ Comply fully with the United Arab Emirates Federal Decree-Law No. (10) of 2025, Cabinet Decision No. (10) of 2019, Cabinet Resolution No. (74) of 2020, and all applicable UN Security Council (UNSC) decisions.
- ✓ Cabinet Resolution 134/2025 requires documented freeze-governance structure.
- ✓ Maintain the integrity, security, and transparency of the precious metals supply chain.

This policy supports our obligations as a Designated Non-Financial Business and Profession (DNFBP) and reflects the requirements set under the Ministry of Economy’s guidelines for AML/CFT/CPF compliance.

2. Scope

This policy applies to:

- ✓ All customers, suppliers, and business partners engaging with **FINE GOLD**.
- ✓ All transactions, products, and services offered by **FINE GOLD** within the UAE and internationally.
- ✓ All physical, digital, financial, and operational channels used during the business relationship.

This policy also applies to any person or entity acting on behalf of, or under the direction or control of, a designated individual or organization, as required under Cabinet Resolution No. 74 of 2020.

3. Legal & Regulatory Framework

FINE GOLD adheres strictly to UAE and international sanctions regulations, including:

- ✓ **Federal Decree-Law No. (10) of 2025** on AML/CFT and Proliferation Financing.
- ✓ **Cabinet Resolution No. (74) of 2020** regarding the Local Terrorist List and implementation of UNSC resolutions.
- ✓ **Cabinet Resolution No. 134 of 2025**
- ✓ Guidance issued by the Executive Office for Control & Non-Proliferation (EOCN).
- ✓ Ministry of Economy’s DNFBP guidelines.
- ✓ Cabinet Resolution No. 24 of 2022 on the Unified List of Administrative Violations and Fines, which sets penalties ranging from AED 50,000 to AED 5,000,000 for breaches of sanctions obligations.

International Framework

- ✓ UN Security Council Resolutions (UNSCRs) on counter terrorism and proliferation.
- ✓ Consolidated UNSC Sanctions Lists.
- ✓ International cooperation standards as set by FATF.

FINE GOLD is registered with the Executive Office of Anti-Money Laundering and Counter Terrorism Financing (EOCN). The Compliance Officer monitors EOCN notifications and updates relating to sanctions lists, freeze orders, and guidance notices. Any new circulars or urgent updates are reviewed and implemented without delay.

4. Definition of Targeted Financial Sanctions (TFS)

TFS measures apply not only to listed persons, but also to any entity they own or control, or any person acting for them, even if that party is not listed directly.

Targeted Financial Sanctions refer to:

- ✓ The freezing of funds or assets belonging to designated persons or entities.
- ✓ The prohibition on making funds, services, or economic resources available to such persons, entities, groups, or jurisdictions.
- ✓ Immediate compliance with all UN and UAE Local List designations.

TFS measures exist to prevent terrorism financing, the support of illegal organizations, and the proliferation of weapons of mass destruction.

5. Our Commitment

FINE GOLD maintains a zero-tolerance approach toward working with:

- ✓ Sanctioned individuals or entities
- ✓ Persons or companies connected to terrorism, proliferation, or illegal organizations
- ✓ Those acting on behalf of sanctioned parties

FINE GOLD commits to the following principles:

- ✓ **Integrity:** We operate with transparency, honesty, and accountability to safeguard our customers, stakeholders, and the wider industry.
- ✓ **Compliance:** We ensure real-time implementation of all sanctions measures and keep our systems aligned with the latest regulatory updates.
- ✓ **Risk Prevention:** We apply a risk-based approach to prevent direct or indirect exposure to sanctioned individuals, activities, or jurisdictions.
- ✓ **Continuous Improvement:** We enhance policies, systems, training, and monitoring as global and national expectations evolve.

6. Customer Screening & Due Diligence

Screening extends to beneficial owners, authorized signatories, directors, shareholders, and any party directly or indirectly linked to the customer’s ownership or control structure.

FINE GOLD screens all customers, suppliers, and third parties:

- ✓ Before onboarding (initial screening)
- ✓ Throughout the business relationship (ongoing screening)
- ✓ Upon updates in UN or UAE Local Lists (immediate re-screening)

Screening includes matching customer data against:

- ✓ UN Consolidated Sanctions List
- ✓ UAE Local Terrorist List (Cabinet Resolution 74/2020)
- ✓ Lists issued by international authorities such as OFAC, EU, and others (as appropriate)

If a customer fails to cooperate or provide required information, **FINE GOLD** will not proceed with the relationship.

FINE GOLD will not establish or continue any business relationship until screening has been fully completed, and all results have been reviewed. Business cannot proceed if essential information is missing, inconsistent, or if the customer does not cooperate with sanctions verification requirements.

7. Risk-Based Approach

Enhanced due diligence may apply to higher-risk customers, Targeted Financial Sanctions are not risk-based. All confirmed matches must be frozen immediately, regardless of the customer's risk profile.

- ✓ High-risk jurisdictions
- ✓ Politically Exposed Persons (PEPs)
- ✓ Complex beneficial ownership structures
- ✓ Customers dealing in high-risk goods or exhibiting unusual behavior
- ✓ Customers with incomplete or inconsistent KYC documentation

Risk assessments are updated in line with the UAE National Risk Assessment (NRA) and the Ministry of Economy's DNFBP guidance.

8. Proliferation Financing Indicators

FINE GOLD monitors for signs of proliferation financing, including:

- ✓ Customers dealing in sensitive goods without a clear legitimate purpose
- ✓ Unusual requests involving dual-use materials
- ✓ Transactions routed through high risk or embargoed jurisdictions
- ✓ Instructions intended to conceal the end-user, final destination, or purpose of goods

Screening activities are supported by ongoing monitoring as required under Article 8 of Cabinet Resolution No. 134 of 2025, ensuring that customer information, sanctions results, and risk profiles remain current.

If any such indicators appear, enhanced due diligence and immediate escalation to the Compliance Officer are required.

9. Procedures, Measures and Handling Screening Results

FINE GOLD conducts sanctions screening at onboarding, throughout the business relationship, and immediately whenever the UN or UAE Local Lists are updated. If a name match is identified, the Compliance Department reviews the alert and determines the appropriate action. Customer Due Diligence may be suspended during this review to avoid any risk of alerting the customer.

A confirmed match requires the company to freeze all funds, assets, and economic resources without delay.

A Freeze Report (CNMR) must be filed on GOAML immediately after the freeze. Frozen assets remain under the company's control and cannot be moved or accessed unless a written release is issued by the competent authority.

A partial match requires the company to suspend all transactions, deliveries, payments, and account movements connected to the customer.

A Partial Name Match Report (PNMR) Must be filed immediately without delay. All activity remains suspended until the Financial Intelligence Unit or the Executive Office provides written confirmation on how to proceed.

A no-match result allows customer due diligence and business activities to continue as normal.

Sanctions decisions apply equally to individuals, companies, and any person acting on their behalf or under their ownership or control. Matches must be verified using the latest UAE Local Terrorist List and the UN Consolidated List. Key identifiers include legal names, aliases, nationality, dates of birth, identification details, and registered corporate information.

If the match relates to proliferation financing under UNSCR 1718, 2231, or 1540, the same freezing and reporting obligations apply.

All decisions, reports, and supporting documents must be recorded and retained in accordance with UAE AML/CFT requirements.

Alert Lifecycle Procedure					
Create	Review	Escalate	Freeze/Reject	Report	Close
Investigation Analysis					
Compliance Department			Compliance Officer along with the Management		Management Approval

Existing Customer		
Action to Take:		Report
Confirmed Match	<ul style="list-style-type: none"> ✓ Funds Freeze Report must be filed immediately without delay, immediately upon confirmation. ✓ Prohibit performing any action and making funds. 	Funds Freeze Report: <ul style="list-style-type: none"> - On GOAML Report. - Must be filed immediately without delay.
Partial Match	<ul style="list-style-type: none"> ✓ Suspend all transactions on the spot and remain suspended until further instructions from UAE – FIU. 	Partial Name Match Report: <ul style="list-style-type: none"> - On GOAML Report. - Within 5 days.
No Match	No Action is required, continuity of the due diligence	

Potential Customer		
Action to Take:		Report
Confirmed Match	✓ Rejection of the Customer.	Funds Freeze Report: - On GOAML Report. - Must be filed immediately without delay.
Partial Match	✓ Suspend all transactions on the spot and remain suspended until further instructions from UAE – FIU.	Partial Name Match Report: - On GoAML Report. - Within 5 days.
No Match	No Action is required, continuity of the due diligence	

Confirmed Match: Where all the following identifiers match with the sanction lists.

Partial Match: Where some of the following identifiers match with the sanction lists but the match decision is not conclusive.

For Partial Matches, all transactions, payments, deliveries, and account movements are suspended until the FIU or competent authority provides confirmation. A confirmed match must be verified against the most recent version of the UAE Local Terrorist List, UN List, or any supplementary directives issued by the competent authority.

KEY IDENTIFIERS:			
Natural Person	- Name. - Aliases. - Date of Birth. - Nationality. - ID passport Information. - Last Known Address.	Legal Person	- Name. - Aliases. - Company. - Address of Registration. - Address of the companies. - Other information/Additional.

All identifiers must be checked against the most recent version of the UAE Local Terrorist List and the UN Consolidated List. Only identifiers published in these official sources may be used for match confirmation.

Duration and Measures
<p>The Asset freezing and prohibition measures have no time limit, the funds must remain frozen until the individual, group, or entity is removed from the Local Terrorist List or the UN List, or until a freezing cancellation decision is made by the qualified authority.</p> <p>Only after written/Official confirmation from FIU or UNSC update, with management sign-off.</p> <p>Not allowing the customer to access the following, if applicable:</p> <ul style="list-style-type: none"> ✓ All funds, assets, or precious metals belonging to sanctioned individuals or entities are frozen immediately. ✓ Frozen funds or assets must remain under the company's control but cannot be moved, transferred, traded, or disposed of unless a written release is issued by the competent authority. ✓ FINE GOLD maintains detailed registers and documentation for audit and regulatory review.

Terrorism Financing (TF) Indicators
<ul style="list-style-type: none"> ✓ Screening must detect TF-related risks, including customers from conflict zones, PEPs, and those using unregulated payment channels or virtual assets. ✓ Indicators may include customers from conflict zones, unregulated money channels, unusual transfers of precious metals, use of intermediaries without clear commercial purpose, or involvement in high-risk trade corridors. ✓ Proliferation financing risks may involve involvement in dual-use goods, unexplained trade patterns, or customers linked to jurisdictions subject to PF-related UN restrictions.

All documents, alerts, screening records, freeze actions, and related correspondence will be retained for a minimum of ten (10) years, in accordance with Article 25 of Cabinet Resolution No. 134 of 2025.

10. Customer Responsibilities

By engaging with **FINE GOLD**, customers agree to:

- ✓ Provide accurate and complete KYC documentation.
- ✓ Notify **FINE GOLD** if ownership, company structure, or key management changes.
- ✓ Cooperate with all due diligence and screening requests.
- ✓ Refrain from engaging in activities involving sanctions-listed parties.
- ✓ Refrain from any attempts to bypass screening, controls, or freeze actions.

Failure to comply may result in:

- ✓ Termination of the business relationship
- ✓ Reporting to competent regulators
- ✓ Freezing of assets as required by law

Customers must not attempt to influence screening outcomes, request bypasses, or interfere with verification procedures. Any such attempt will be treated as a compliance breach and may be reported to authorities.

11. Internal Governance & Oversight

Although this policy is customer-facing, customers should be aware that **FINE GOLD** internally maintains:

- ✓ A designated Compliance Officer responsible for TFS obligations
- ✓ Continuous staff training
- ✓ Regular internal audits

- ✓ Updated screening systems to reflect current sanctions lists
- ✓ Secure recordkeeping of screening decisions and reports

Customers should be assured that all sanctions-related decisions are handled confidentially and in line with legal requirements to protect all parties involved. Oversight is supported by management, the Compliance Department, and periodic reviews of our sanctions controls.

12. Recordkeeping

FINE GOLD stores:

- ✓ Screening results
- ✓ Decisions and justifications
- ✓ Copies of submitted reports
- ✓ Relevant correspondence and documentation

Records are retained for a minimum of 10 years, following UAE law and our Compliance Manual.

13. Non-Compliance Consequences

Violations of sanctions laws may result in:

- ✓ Immediate termination of business
- ✓ Permanent freezing of assets
- ✓ Mandatory reporting to UAE authorities
- ✓ Administrative fines
- ✓ Criminal liability

FINE GOLD takes compliance seriously and will cooperate fully with all investigations.

14. Policy Review

This policy is reviewed annually or earlier if:

- ✓ New UAE laws or Cabinet Resolutions are issued
- ✓ The UN Security Council publishes updates
- ✓ The Ministry of Economy or the EOCN releases new guidance
- ✓ Internal assessments identify areas for improvement

Updated versions will be shared with customers when relevant.

15. Fines and Penalties

FINE GOLD is legally required to comply with all UAE Targeted Financial Sanctions (TFS) obligations.

Failure to meet these obligations may result in significant administrative fines, criminal penalties, regulatory action, and reputational consequences for both the company and its employees.

Strict administrative fines for violations of sanctions procedures.

Depending on the type of breach, fines may range from: AED 50,000 up to AED 5,000,000 per violation

Common sanctions-related violations include:

- ✓ Failure to screen customers against UN and UAE Local Terrorist Lists
- ✓ Failure to apply asset-freeze measures "without delay"
- ✓ Failure to submit Freeze Reports or Partial Name Match Reports through GOAML
- ✓ Allowing sanctioned persons to conduct business
- ✓ Failing to maintain updated internal lists and screening tools
- ✓ Not registering with the EOCN Notification Alert System
- ✓ Not cooperating with supervisory authorities or obstructing inspections

Under the UAE frameworks, repeat violations may trigger higher penalties, license suspension, or referral for criminal action.

Criminal Penalties (Federal Decree-Law No. 10 of 2025)

Certain acts related to sanctions breaches constitute criminal offenses under the AML/CFT Law.

Penalties may include:

- ✓ Imprisonment (varying based on the seriousness of the violation)
- ✓ Substantial financial fines
- ✓ Confiscation of funds, gold, or assets
- ✓ Seizure orders issued by competent authorities
- ✓ Permanent prohibition from conducting regulated activities

Criminal exposure arises if a person:

- ✓ Knowingly deals with, supports, or provides funds to designated individuals or entities
- ✓ Intentionally circumvents freezing obligations
- ✓ Provides false information to the authorities
- ✓ Conceals or alters customer data to bypass screening
- ✓ Helps a sanctioned person access funds, assets, or services
- ✓ Violates the "no-tipping off" clause in Article (5) & Article (15) of the Law

These offenses reflect UAE's national security priorities and are prosecuted rigorously.

Penalties for Failure to Freeze or Report

Federal Decree-Law No. (10) of 2025 requires companies to freeze assets without delay.

Failure to do so can result in:

- ✓ Administrative fines
- ✓ Freeze orders issued directly by the FIU or EOCN
- ✓ Mandatory corrective action plans

- ✓ Regulatory sanctions including business suspension
- ✓ Escalation to criminal investigation for intentional breaches

Under Cabinet Resolution No. 74 of 2020, entities must strictly follow the process for:

- ✓ Freeze Reports (CNMR)
- ✓ Partial Name Match Reports (PNMR)
- ✓ No-notice implementation (no customer communication allowed)

Failure to file within the prescribed timeframe is considered a major violation.




16. Statement of Assurance

FINE GOLD is committed to ensuring that all its operations, partnerships, and financial activities reflect the highest standards of international compliance. By maintaining robust sanctions controls, we protect our customers, uphold national security obligations, and contribute to a safe and responsible global precious metals industry.

17. Version Control

Version	Date	Prepared by	Approved by	Summary of Changes
004	November 28, 2025	Compliance Department	Managing Director	New regulation updates

Next Review date to be scheduled in April 2026

Approved By	Shiyad Kattuparambil Abdulkareem Managing Director	
	Mohamed Ahamed Meeran Manager	
Prepared by	Luisa Fernanda Compliance Officer/MLRO	

COMMUNICATION DETAILS

For questions and/or concerns related to compliance manual, please send an email to compliance@finegold.ae

For anonymous inquiries /concerns/ whistleblowing and grievances, please contact us through email compliance@finegold.ae

Fine Gold LLC

Compliance Department
Al Ras, UAE - Dubai



POLICY ACKNOWLEDGMENT & DECLARATION OF COMPLIANCE

By signing below, I/we acknowledge that:

- ✓ We have received, read, and understood this policy in its entirety.
- ✓ We agree to comply fully with all requirements, standards, and obligations outlined in this policy.
- ✓ We understand our responsibilities under applicable UAE laws, including:
 - ♦ Federal Decree-Law No. (10) of 2025 on AML/CFT & Proliferation Financing
 - ♦ Cabinet Resolution No. 134 of 2025 (AML/CFT Executive Regulations)
 - ♦ Cabinet Resolution No. (74) of 2020 (Local Terrorist List)
 - ♦ Cabinet Resolution No. (24) of 2022 (Administrative Violations & Fines)
 - ♦ Any relevant industry guidelines (OECD, FATF, LBMA, DMCC Good Delivery)
- ✓ We commit to providing accurate and truthful information and to cooperating with all compliance requests, including due diligence, reporting, screening, and monitoring.
- ✓ We understand that violations of this policy may result in consequences including:
 - ♦ Termination of the business relationship
 - ♦ Reporting to competent UAE authorities
 - ♦ Freezing or suspension of transactions
 - ♦ Administrative, civil, or criminal penalties
- ✓ We acknowledge that **Fine Gold LLC** may update this policy as required by law or internal governance, and that we are responsible for complying with the latest version.
- ✓ We understand that **Fine Gold LLC** is available to provide clarification or support regarding the implementation of this policy.

Authorized Signatory:

Name:

Title:

Company:

Date:

Signature: