

SVO AUSTRALIA PTY LTD
ABN 642 644 960

ANTI-MONEY LAUNDERING & COUNTER-TERRORISM FINANCING PROGRAM

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INTRODUCTION

1. SVO AUSTRALIA PTY LTD 's business

- 1.1 SVO AUSTRALIA PTY LTD (**SVO AUSTRALIA PTY LTD**) carries on a business of exchanging digital currency for money from its customers, and vice versa, at exchange rates determined by SVO AUSTRALIA PTY LTD. In carrying on this business, SVO AUSTRALIA PTY LTD will provide the following services:
- (a) supplying digital currency to a wallet of the customer's choosing;
 - (b) purchasing digital currency from a customer and transferring the monetary consideration to the customer; and
 - (c) establishing a digital currency wallet for a customer, where requested by the customer (some digital currencies only).
- 1.2 SVO AUSTRALIA PTY LTD 's business will involve the provision of the following designated service under section 6(2) of the AML/CTF Act:
- (a) item 50A – exchanging digital currency for money or exchanging money for digital currency, where the exchange is provided in the course of carrying on a digital currency exchange business.
- 1.3 SVO AUSTRALIA PTY LTD will only transfer digital currency or money to and from customers. It will not transfer digital currency or money to a third party at the request of a customer and so will not be providing designated remittance services. However, SVO AUSTRALIA PTY LTD will not be able to verify that the digital wallet, bank account or payment card details supplied by a customer as the destination for a payment of digital currency or money are owned by the customer and not another person.
- 1.4 SVO AUSTRALIA PTY LTD maintains the following enrolments and registrations with AUSTRAC:
- (a) enrolment on the Reporting Entities Roll; and
 - (b) registration on the Digital Currency Exchange Register.

2. AML/CTF Program

- 2.1 This document is the Anti-Money Laundering and Counter-Terrorism Financing Program (**AML/CTF Program**) for SVO AUSTRALIA PTY LTD.
- 2.2 SVO AUSTRALIA PTY LTD 's AML/CTF Program is divided into two parts:
- (a) **Part A** which sets out how SVO AUSTRALIA PTY LTD will identify, mitigate and manage the risk it faces that the provision of the Designated Services might (whether inadvertently or otherwise), involve or facilitate money laundering or terrorism financing (**ML/TF Risk**); and
 - (b) **Part B** which sets out the applicable customer identification and verification procedures.

3. Definitions

3.1 The meanings of the terms used in this AML/CTF Program are set out below.

Term	Meaning
AML/CTF Compliance Officer	the person or persons appointed in accordance with section 6 of this AML/CTF Program
AML/CTF Law	the AML/CTF Act and any regulations or rules made pursuant to that Act, as amended from time to time.
AUSTRAC	Australian Transaction Reports and Analysis Centre
AUSTRAC Feedback	has the meaning given in section 10 of this AML/CTF Program
customer	an individual to whom SVO AUSTRALIA PTY LTD provides a Designated Service
Designated Service	any activity performed by SVO AUSTRALIA PTY LTD that is a designated service under section 6(2) of the AML/CTF Act, including: (a) item 50A – exchanging digital currency for money or exchanging money for digital currency, where the exchange is provided in the course of carrying on a digital currency exchange business.
Enhanced Customer Due Diligence Program	the program outlined in paragraphs 13.18-13.22 of this AML/CTF Program
KYC Information	'know your customer' information as defined in the <i>Anti-Money Laundering and Counter-Terrorism Financing Rules Instrument 2007 (No. 1)</i> , as amended from time to time
ML/TF	money-laundering and terrorism financing
ML/TF Risk	has the meaning given in paragraphs 5.1-5.3 of this AML/CTF Program
Ongoing Customer Due Diligence	has the meaning given in section 13 of this AML/CTF Program
Politically exposed person or PEP	has the meaning given in Schedule 12
risk committee	means a committee of directors and senior management tasked with dealing with risks faced by SVO AUSTRALIA PTY LTD, including ML/TF Risk and the risk of non-compliance with the AML/CTF Act. If no risk committee is appointed at any time, the functions of the risk committee will be performed by the Board of Directors.

Term	Meaning
Suspicion or Suspicious	<p>conduct is 'Suspicious' or a 'Suspicion' arises if SVO AUSTRALIA PTY LTD suspects on reasonable grounds that:</p> <ul style="list-style-type: none"> (a) a person or their agent is not the person they claim to be; (b) the provision or future provision of a Designated Service might be involved somehow in money laundering or the financing of terrorism; or (c) information SVO AUSTRALIA PTY LTD has concerning the provision, or future provision of the Designated Service may be: <ul style="list-style-type: none"> (1) relevant to investigation of an evasion, or attempted evasion, of a taxation law; (2) relevant to investigation of or prosecution of a person for an offence against a law of the Commonwealth, a State or Territory; (3) of assistance in the enforcement of Commonwealth, State or Territory proceeds of crime laws; or (4) relevant to the investigation or prosecution of a money laundering or terrorism financing offence.
Suspicious Matter Report	<p>a report that SVO AUSTRALIA PTY LTD must give to the AUSTRAC CEO if a Suspicion arises, that complies with section 41 of the AML/CTF Act</p>

PART A – GENERAL

4. Oversight by Board and senior management

- 4.1 The Board and senior management of SVO AUSTRALIA PTY LTD approved and adopted this AML/CTF Program with application from July 14, 2020.
- 4.2 The AML/CTF Program is not a static document. It will be amended over time if the AML/CTF Compliance Officer believes that such a change is necessary. This may occur if:
- (a) there are changes to AML/CTF Law;
 - (b) SVO AUSTRALIA PTY LTD expands its business in the future and the processes and procedures outlined in this AML/CTF Program are no longer sufficient to guard against the ML/TF Risk posed by the new business;
 - (c) the AML/CTF Compliance Officer believes a change in the ML/TF Risk posed by the provision of the Designated Services justifies a change to the AML/CTF Program; or
 - (d) SVO AUSTRALIA PTY LTD commences to provide, or proposes to commence providing, additional Designated Services.
- 4.3 This AML/CTF Program will be subject to ongoing oversight by the Board and senior management of SVO AUSTRALIA PTY LTD . The Board and senior management will regularly, and in any event every 12 months, review the AML/CTF Program and consider whether the AML/CTF Program needs to be amended, or revoked and replaced, or both.
- 4.4 The Board and senior management will approve any amendment to, or revocation and replacement of, the AML/CTF Program, which is deemed necessary as a result of the considerations in paragraph 4.2 of this AML/CTF Program.
- 4.5 SVO AUSTRALIA PTY LTD 's risk committee meeting held quarterly includes an agenda item in relation to SVO AUSTRALIA PTY LTD 's ongoing obligation to notify AUSTRAC of changes in its enrolment details. The risk committee ensures that this reporting obligation is met on an ongoing basis.

5. Risk management

Main types of ML/TF Risks

- 5.1 This AML/CTF Program addresses the two main types of risk that SVO AUSTRALIA PTY LTD faces in providing the Designated Services to its customers:
- (a) **regulatory risk** – the risk that SVO AUSTRALIA PTY LTD may not comply with its obligations under AML/CTF Law; and
 - (b) **business risk** – the risk that Designated Services provided by SVO AUSTRALIA PTY LTD may be used to facilitate ML/TF.
- 5.2 Regulatory risk is managed by:
- (a) ensuring that SVO AUSTRALIA PTY LTD is aware of its relevant legislative obligations; and

- (b) providing regular AML/CTF training to staff and representatives, in accordance with paragraph 5 of this Part A and SVO AUSTRALIA PTY LTD 's Compliance Plan; and
- (c) adopting an appropriate Compliance Plan under this AML/CTF Program that:
 - (1) sets out SVO AUSTRALIA PTY LTD 's relevant obligations under AML/CTF Law; and
 - (2) defines reasonable control and review mechanisms needed to ensure compliance with SVO AUSTRALIA PTY LTD 's obligations under AML/CTF Law.

5.3 Business risk comprises the risks inherent across SVO AUSTRALIA PTY LTD 's business, principally those inherent in:

- (a) SVO AUSTRALIA PTY LTD 's customer types, including any politically exposed persons;
- (b) the nature of the business relationship, control structure or beneficial ownership of its customers;
- (c) SVO AUSTRALIA PTY LTD 's customers' sources of funds and wealth;
- (d) the nature and purpose of the business relationship between SVO AUSTRALIA PTY LTD and its customers, including, as appropriate, the collection of information relevant to that consideration;
- (e) the types of Designated Services SVO AUSTRALIA PTY LTD provides;
- (f) the methods by which SVO AUSTRALIA PTY LTD delivers its Designated Services;
- (g) the technologies used for the provision of Designated Services; and
- (h) the foreign jurisdictions with which it deals.

Risk identification and assessment

5.4 SVO AUSTRALIA PTY LTD takes into account the nature, size and complexity of its business when implementing a reasonable risk-based approach to its ML/TF Risk. SVO AUSTRALIA PTY LTD also considers its risk in respect of the customer types it engages with, the nature of its products, and its delivery channels.

5.5 SVO AUSTRALIA PTY LTD acknowledges that its ML/TF Risk is not static, and it modifies its systems and controls in response to changes in its ML/TF Risk (for instance how the nature and purpose of business relationships and how new products, delivery channels and technologies affects its risk environment).

5.6 SVO AUSTRALIA PTY LTD 's systems and controls are developed and implemented in response to its overall ML/TF Risk. In determining what is an appropriate risk-based procedure for inclusion in Part B of the AML/CTF Program, SVO AUSTRALIA PTY LTD has had regard to its ML/TF Risk.

5.7 SVO AUSTRALIA PTY LTD considers its overall ML/TF Risk to be **medium**. The justification for this assessment is set out below.

Product and Service Risk

- 5.8 SVO AUSTRALIA PTY LTD exchanges digital currency for money and money for digital currency. SVO AUSTRALIA PTY LTD sources digital currency and money on its own account and determines the exchange rate at which it transacts with customers, performing a market-maker function in respect of certain digital currencies. Digital currency is transferred to the customer's relevant wallet, as notified by the customer (though for some currencies SVO AUSTRALIA PTY LTD may create a wallet for the customer).
- 5.9 Details of digital currency exchange transactions, including destination wallet IDs for digital currency and the accounts to which a money payments are made, are recorded and kept by SVO AUSTRALIA PTY LTD, reducing the utility of its service for money laundering or terrorism financing. Digital currency transactions are also recorded on the distributed ledger for the particular currency, providing a traceable record of activity and therefore reducing their utility for money laundering and terrorism financing (provided that the digital wallet IDs can be connected to their ultimate owner or beneficiary).
- 5.10 Money given to a customer in exchange for digital currency is paid into a bank account, whose holder and each signatory will have undergone customer identification procedures with the account provider. Likewise, money paid by a customer to purchase digital currency will come from an Australian bank account or a debit or credit card, for which the customer will have undergone customer identification procedures with the issuer of the account or card.

Customer Risk

- 5.11 SVO AUSTRALIA PTY LTD's value proposition is to simplify the buying and selling of digital currencies, by making markets in a number of digital currencies (similar to how a foreign exchange dealer simplifies currency exchange by making a market in a number of currencies). Its target market is "casual" users (and potential users) of digital currency who otherwise lack the time and expertise to arrange their own purchases and sales of the various digital currencies, and who wish to have a simple interface between their regular currency and digital currency holdings. SVO AUSTRALIA PTY LTD's fees built in to the exchange rate – up to 5.5% - will make it uncompetitive for sophisticated digital currency users or persons with high transaction volumes. Transactions are therefore expected to be for low values, reducing their utility for money laundering and terrorism financing, and high value transactions or high transaction volumes will readily stand out and invite further scrutiny by SVO AUSTRALIA PTY LTD.
- 5.12 Customers will pay money to SVO AUSTRALIA PTY LTD electronically, either from an account with a financial institution or via a Visa or Mastercard payment card and so will have undergone customer identification by the provider of the account or the issuer of the payment card.
- 5.13 Payments to customers will be done electronically to an account with a financial institution, meaning that the beneficiary of the payment will have undergone customer identification by the provider of the account. Payments into those accounts following the conversion of digital currency to money will also be subject to the account provider's transaction monitoring program.

Geographic Risk

- 5.14 SVO AUSTRALIA PTY LTD will:

- (a) collect KYC information about customers, including their place of residence, prior to transacting with them; and
- (b) receive and make payments electronically and so will be able to identify the geographic source and destination of money involved in digital currency exchange transactions;

enabling it to identify and pre-emptively apply enhanced customer due diligence to customers located in higher risk jurisdictions, identify fund inflows from high risk jurisdictions and prevent payments to high risk jurisdictions.

- 5.15 SVO AUSTRALIA PTY LTD will be targeting customers located in Australia or with some link to Australia that makes transacting in AUD necessary or desirable, as related ventures by other entities overseas cater to foreign customers wishing to transact digital currency with currencies other than AUD.

Operational (Transactions) risk

- 5.16 Digital currency exchange is provided only by way of electronic funds transfer to a bank account. This enables funds flows to be readily traced and thereby reduces the utility of SVO AUSTRALIA PTY LTD 's services for money laundering and terrorism financing. It also means that the customer has been identified by the account provider, and the transfer of money to the account will be subject to the account provider's transaction monitoring program.
- 5.17 Digital currency transactions are recorded on the distributed ledger for that currency, making transfers of digital currency traceable (provided that a digital wallet ID can be connected to a particular person).
- 5.18 SVO AUSTRALIA PTY LTD is currently small, with its officers and employees actively involved in all areas of the business. Some of the AML/CTF compliance required by this Program is done manually, which renders a relatively low risk of systematic operational failure. There is moderate risk however, that compliance demands could outstrip personnel resources, something SVO AUSTRALIA PTY LTD will monitor as it grows.
- 5.19 SVO AUSTRALIA PTY LTD applies Part A to all areas of its business that are involved in the provision of a Designated Service, including functions performed by third party service providers.

Controls implemented for the ML/TF Risk identified

- 5.20 The following controls have been implemented by SVO AUSTRALIA PTY LTD in respect of the provision of the Designated Services to its customers, based on the above risk assessments.
- (a) The AML/CTF Compliance Officer conducts an annual ML/TF Risk assessment of SVO AUSTRALIA PTY LTD 's business.
 - (b) The results of the annual ML/TF Risk assessment are reviewed by the Board and senior management of SVO AUSTRALIA PTY LTD annually.
 - (c) Recommendations arising from the annual ML/TF Risk assessment (or Board or senior management of SVO AUSTRALIA PTY LTD) are incorporated into this AML/CTF program.

- (d) The risk assessment is reviewed by the AML/CTF Compliance Officer when any of the following changes:
 - (1) types of customer (including politically exposed persons);
 - (2) Designated Services;
 - (3) delivery methods;
 - (4) new or developing technologies are used for the provision of the Designated Services; and
 - (5) changes arising in the nature of the business relationship, occupation, control structure or beneficial ownership of any customers.
- (e) The AML/CTF Compliance Officer reports annually to the Board and senior management of SVO AUSTRALIA PTY LTD on compliance with this AML/CTF Program.
- (f) SVO AUSTRALIA PTY LTD will regularly access information on the AUSTRAC website and maintain awareness of any emerging cases of ML/TF Risk that affect current identified risks and their corresponding risk scores. Any new risks will be assessed in line with the risk assessment process in paragraphs 5.4-5.19 of this AML/CTF Program.
- (g) SVO AUSTRALIA PTY LTD also refers to AML/CTF policies and other manuals provided by AUSTRAC for extra information on issues relating to money laundering and terrorism financing.

Part B

- 5.21 In determining what is an appropriate risk-based procedure for inclusion in Part B of this AML/CTF Program, SVO AUSTRALIA PTY LTD has had regard to its ML/TF Risk.

6. AML/CTF Compliance Officer

Appointment

- 6.1 SVO AUSTRALIA PTY LTD must designate a person who is at the management level of SVO AUSTRALIA PTY LTD as its AML/CTF Compliance Officer.
- 6.2 SVO AUSTRALIA PTY LTD has appointed Henry Leo Hirsch as its AML/CTF Compliance Officer.
- 6.3 The AML/CTF Compliance Officer has the full authorisation from the senior management of SVO AUSTRALIA PTY LTD to act independently of them to fulfil his or her role.
- 6.4 If the AML/CTF Compliance Officer reasonably believes that it is necessary to amend the AML/CTF Program to ensure compliance with AML/CTF Law, then the Board and senior management of SVO AUSTRALIA PTY LTD will consent to the relevant amendments being made to the AML/CTF Program.
- 6.5 If the person named in paragraph 6.2 ceases to act as AML/CTF Compliance Officer, the Board and senior management of SVO AUSTRALIA PTY LTD will appoint a new AML/CTF

Compliance Officer who is at the management level of SVO AUSTRALIA PTY LTD as soon as is reasonably practicable, and update this AML/CTF Program accordingly.

Duties of AML/CTF Compliance Officer

- 6.6 The AML/CTF Compliance Officer must ensure SVO AUSTRALIA PTY LTD 's continuing compliance with its obligations under the AML/CTF Law (as amended from time to time), including:
- (a) ensuring this AML/CTF Program remains current;
 - (b) distributing this AML/CTF Program;
 - (c) making any necessary changes to this AML/CTF Program;
 - (d) securing the approvals required to make any necessary changes;
 - (e) publishing and communicating within SVO AUSTRALIA PTY LTD any necessary changes to this AML/CTF Program;
 - (f) performing all necessary record retention actions regarding this AML/CTF Program;
 - (g) AML/CTF risk awareness training for staff members;
 - (h) employee due diligence program;
 - (i) organising independent reviews of the AML/CTF Program; and
 - (j) consideration of any AUSTRAC feedback regarding SVO AUSTRALIA PTY LTD 's risk management performance.
- 6.7 The AML/CTF Compliance Officer is the contact officer for AUSTRAC, for matters relating to SVO AUSTRALIA PTY LTD 's reporting obligations and requests from AUSTRAC for information or documents.
- 6.8 The AML/CTF Compliance Officer contributes to the design, implementation and maintenance of internal AML/CTF compliance manuals, policies, procedures and systems including procedures for granting approvals for a new designated services or delivery channels, and ensuring that AML/CTF compliance is measured in the annual review.
- 6.9 The AML/CTF Compliance Officer is also responsible for updating knowledge on the ML/TF Risks faced by SVO AUSTRALIA PTY LTD , including any relevant legislative developments and AML/CTF publications.
- 6.10 The AML/CTF Compliance Officer may delegate certain duties but remains, at all times, responsible for implementing and assessing the ongoing operation of the AML/CTF Program.

7. AML/CTF risk awareness training

General outline of AML/CTF risk awareness training program

- 7.1 SVO AUSTRALIA PTY LTD will ensure that all its employees complete risk awareness training as set by the Board and senior management having regard to the ML/TF Risk that they may reasonably face.

- 7.2 The AML/CTF risk awareness training program is designed to ensure that employees understand SVO AUSTRALIA PTY LTD 's obligations under the AML/CTF Laws, the consequences of non-compliance, the type of ML/TF Risks that SVO AUSTRALIA PTY LTD might face, the potential consequences of such risk and the processes in the AML/CTF Program that are relevant to the performance of their duties.
- 7.3 New employees must undergo AML/CTF risk awareness training and they will sign the training completion sheet after completing their training.
- 7.4 All employees must undertake refresher training annually or as required having regard to SVO AUSTRALIA PTY LTD 's ML/TF Risk.
- 7.5 SVO AUSTRALIA PTY LTD 's employees will complete training on the following areas:
- (a) introduction to AML/CTF compliance;
 - (b) AML/CTF Reporting;
 - (c) Ongoing Customer Due Diligence; and
 - (d) AML/CTF Program.

Third party service providers

- 7.6 Any third party service provider that is appointed to perform any of SVO AUSTRALIA PTY LTD 's obligations under this AML/CTF Program will conduct the AML/CTF risk awareness training program for those employees of that third party service provider involved in the provision of the Designated Service on behalf of SVO AUSTRALIA PTY LTD .

8. Employee due diligence

Employee screening and re-screening

- 8.1 SVO AUSTRALIA PTY LTD will adopt the employee due diligence measures set out in this section 8, including the adoption of appropriate risk-based systems and controls for SVO AUSTRALIA PTY LTD to:
- (a) determine whether to, and how to:
 - (1) screen any prospective employee (including the Board, senior management, officers, delegates and agents) who, if engaged, may be in a position to facilitate the commission of a ML/TF offence; or
 - (2) re-screen an employee (including the Board, senior management, officers, delegates and agents) where the employee is transferred or promoted and may be in a position to facilitate the commission of a ML/TF offence,in connection with the provision of Designated Services by SVO AUSTRALIA PTY LTD ;
 - (b) manage any employee (including the Board, senior management, officers, delegates and agents) who fails, without reasonable excuse, to comply with any system, control or procedure established in accordance with Part A or Part B of this AML/CTF Program; and

- (c) conduct employee due diligence in accordance with this AML/CTF Program.

Employees who will be subject to employee due diligence

8.2 The following individuals will be subject to employee due diligence in accordance with paragraph 8.3:

- (a) all prospective SVO AUSTRALIA PTY LTD employees who, if employed, may be in a position to facilitate the commission of a ML/TF offence in connection with the provision of a Designated Service by SVO AUSTRALIA PTY LTD ;
- (b) any SVO AUSTRALIA PTY LTD employee who is transferred or promoted and may be in a position to facilitate the commission of a ML/TF offence in connection with the provision of a Designated Service by SVO AUSTRALIA PTY LTD ; and
- (c) all members of the Board and senior management of SVO AUSTRALIA PTY LTD .

Nature of employee due diligence

8.3 The employee due diligence program comprises obtaining confirmation from the AML/CTF Compliance Officer as to whether the person has the necessary diligence and soundness of judgment to perform functions in relation to the Designated Services on behalf of SVO AUSTRALIA PTY LTD . The AML/CTF Compliance Officer may make this assessment on the basis of:

- (a) if the person is a prospective employee – the references provided by that individual to SVO AUSTRALIA PTY LTD when applying for a role and through national (and, where appropriate, international) criminal history checks and bankruptcy checks; or
- (b) if the person is transferred or promoted within SVO AUSTRALIA PTY LTD – the AML/CTF Compliance Officer's own knowledge and relationship with the individual.

Managing employees who fail to meet appropriate standards

8.4 Any employee who fails, without reasonable excuse, to comply with any system, control or procedure established in accordance with Part A or Part B of this AML/CTF Program will be subject to appropriate measures determined by the AML/CTF Compliance Officer, which may include retraining under SVO AUSTRALIA PTY LTD 's AML/CTF risk awareness training program and appropriate disciplinary action as outlined in SVO AUSTRALIA PTY LTD 's Human Resources Policy.

9. Regular independent review

9.1 SVO AUSTRALIA PTY LTD will ensure that this AML/CTF Program – both Part A and Part B – is regularly reviewed by an independent person or entity, and in any event at least every 2 years from the date of the adoption of the AML/CTF Program.

9.2 The independent review will assess:

- (a) the effectiveness of Part A (including the adequacy and performance of the ML/TF Risk management systems and controls), having regard to the ML/TF Risk in providing the Designated Services;

- (b) whether Part A complies with the relevant AML/CTF Rules;
 - (c) whether Part A has been effectively implemented; and
 - (d) whether SVO AUSTRALIA PTY LTD has complied with Part A.
- 9.3 The independent review will be performed by a person or entity who has not been involved in undertaking any of the functions or measures being reviewed, including:
- (a) the design, implementation or maintenance of Part A; or
 - (b) the development of SVO AUSTRALIA PTY LTD 's risk assessment or related internal controls.
- 9.4 At the time that it appoints a person or entity to carry out the independent review, SVO AUSTRALIA PTY LTD will prepare a note explaining the independence of the person or entity appointed. SVO AUSTRALIA PTY LTD will retain a copy of this note for at least 7 years from the date of completion of the independent review.
- 9.5 The results of the independent review, including any report prepared, will be provided to the senior management of SVO AUSTRALIA PTY LTD for further action.
- 9.6 If the Board and senior management of SVO AUSTRALIA PTY LTD believes that it is necessary to amend the AML/CTF Program or to revoke and replace the AML/CTF Program after reviewing the results of the independent review of Part A, the Board and senior management will authorise all necessary amendments to, or the revocation and replacement of, this AML/CTF Program.

10. AUSTRAC Feedback

Acting on AUSTRAC feedback

- 10.1 In developing and updating Part A, SVO AUSTRALIA PTY LTD will take into account:
- (a) any applicable guidance material disseminated or published by AUSTRAC; and
 - (b) any feedback provided by AUSTRAC in respect of SVO AUSTRALIA PTY LTD or the industry it operates in,

that is relevant to the identification, mitigation, and management of ML/TF Risk arising from the provision of Designated Services by SVO AUSTRALIA PTY LTD .

Report on necessary action

- 10.2 SVO AUSTRALIA PTY LTD 's AML/CTF Compliance Officer will:
- (a) consider the AUSTRAC guidance material and/or feedback and any necessary action that should be taken to ensure compliance with AML/CTF Law;
 - (b) consult with AUSTRAC as she or he believes is appropriate in the circumstances; and
 - (c) provide a report containing the relevant details of the AUSTRAC guidance material and/or feedback and the AML/CTF Compliance Officer's recommendations in relation to the action to be taken (if any) in respect of the AUSTRAC Feedback, to senior

management of SVO AUSTRALIA PTY LTD within 30 business days of becoming aware of the existence of the AUSTRAC guidance material or receiving the AUSTRAC feedback.

Action by Board and senior management

- 10.3 The Board and senior management of SVO AUSTRALIA PTY LTD will take the action that they believe is necessary after considering:
- (a) the AML/CTF Compliance Officer's report; and
 - (b) any other material they consider relevant.

Notice to AUSTRAC

- 10.4 If appropriate, SVO AUSTRALIA PTY LTD will inform AUSTRAC of the action (if any) it has decided to take in relation to feedback given by AUSTRAC in respect of SVO AUSTRALIA PTY LTD specifically or the industry in which it operates.

11. Permanent establishments

- 11.1 SVO AUSTRALIA PTY LTD 's permanent establishment in Australia is located at **225 FULLARTON ROAD, EASTWOOD, SA, 5063, AUSTRALIA.**
- 11.2 SVO AUSTRALIA PTY LTD does not operate at or through a permanent establishment in a foreign country.

12. AML/CTF compliance reports

- 12.1 Under the AML/CTF Act, SVO AUSTRALIA PTY LTD must give an annual AML/CTF compliance report to the AUSTRAC CEO that applies for the relevant reporting period (i.e. calendar year) in which SVO AUSTRALIA PTY LTD has provided a Designated Service.
- 12.2 The AML/CTF compliance report provides AUSTRAC with information about SVO AUSTRALIA PTY LTD 's own assessment of its compliance with the AML/CTF Act, the regulations and the AML/CTF Rules.
- 12.3 AUSTRAC requires that the AML/CTF compliance report be submitted in the approved form electronically via AUSTRAC Online.
- 12.4 The AML/CTF compliance report must be lodged between 1 January and 31 March in the year following the calendar year to which the report relates.
- 12.5 The AML/CTF Compliance Officer is aware of the annual reporting deadlines referred to above and will face disciplinary action by management should they not submit the annual AML/CTF compliance report by its due date.
- 12.6 The risk committee meeting held quarterly includes a compliance calendar that highlights the requirement to submit the AML/CTF compliance report by 31 March each year. The risk committee ensures that this reporting obligation is met on an annual basis.

13. Ongoing Customer Due Diligence

- 13.1 SVO AUSTRALIA PTY LTD must monitor its customers' activities and their transactions on an ongoing basis. This is called Ongoing Customer Due Diligence. The aim of Ongoing Customer Due Diligence is to monitor SVO AUSTRALIA PTY LTD 's customers to identify, mitigate and manage the risk that a Designated Service may be used to launder money or finance terrorism.
- 13.2 Specifically, the AML/CTF Rules require SVO AUSTRALIA PTY LTD to establish an Ongoing Customer Due Diligence framework, encompassing the following:
- (a) the collection of additional and verification/updating of existing KYC Information;
 - (b) the establishment of a Transaction Monitoring Program (**TMP**); and
 - (c) the establishment of an Enhanced Customer Due Diligence Program.

Collection and Verification of additional KYC Information

- 13.3 SVO AUSTRALIA PTY LTD is responsible for the establishment of risk based systems and controls to determine in what circumstances:
- (a) additional KYC Information should be collected; and
 - (b) existing KYC Information should be updated or verified.
- 13.4 The primary purpose of undertaking this additional activity is to address Suspicions arising from observed account activity and/or conduct, as well as to clarify identified discrepancies that cannot be immediately resolved with the customer.
- 13.5 Examples of when SVO AUSTRALIA PTY LTD may consider it appropriate to collect additional KYC Information or update or verify existing KYC Information for Ongoing Customer Due Diligence purposes include when:
- (a) a significant transaction or series of transactions in amount, size or volume occurs;
 - (b) a significant change occurs in the customer's conduct;
 - (c) SVO AUSTRALIA PTY LTD has some doubt about the identity of the customer; or
 - (d) the customer is domiciled in a foreign jurisdiction.
- 13.6 Where the collection of additional KYC Information and/or the verification/updating of existing information fails to address the Suspicion or resolve the discrepancy, the Enhanced Customer Due Diligence Program will be implemented.
- 13.7 The AML/CTF Compliance Officer will determine what measures must be undertaken to keep, update and review the documents, data or information collected under the applicable customer identification procedure (particularly in relation to high risk customers) and the beneficial owner identification requirements, having regard to SVO AUSTRALIA PTY LTD 's ML/TF Risk.

Transaction Monitoring Program (TMP)

- 13.8 SVO AUSTRALIA PTY LTD 's TMP is intended to monitor transactions of customers for the purposes of identifying (with regard to ML/TF Risk) any transactions which appear to be Suspicious.
- 13.9 Examples of such transactions may include:
- (a) a significant transaction or series of transactions in amount, size or volume occurs;
 - (b) the customer exchanges digital currency for money and purports to have the money paid to themselves on multiple occasions, but they direct payment into 3 or more different bank accounts or payment cards in any 6 month period;
 - (c) complex, unusually large transactions or irregular patterns of account activity for a customer that have no apparent economic or visible lawful purpose;
 - (d) doubts about the identity of the customer; and
 - (e) a third party service provider informs SVO AUSTRALIA PTY LTD of doubts that it has about the customer's identity or concerns that it has about the ML/TF risk of continuing to deal with the customer.
- 13.10 In order to satisfy the requirement to implement appropriate risk-based systems and ongoing controls to monitor the transactions of customers, SVO AUSTRALIA PTY LTD 's TMP consists of:
- (a) a transaction monitoring register where any transactions which could be considered to be Suspicious are recorded. This register is accessible by the AML/CTF Compliance Officer and is password protected;
 - (b) a bank account register where any changes to payment details are recorded. If a particular purported payee has 3 or more identified accounts in a 6 month period, the AML/CTF Compliance Officer will be notified. This register is accessible by the AML/CTF Compliance Officer and is password protected;
 - (c) if the Suspicious transaction is unresolved, the matter is escalated to the Board of SVO AUSTRALIA PTY LTD ; and
 - (d) all Suspicious matters or transactions are tabled and discussed at the SVO AUSTRALIA PTY LTD risk committee meeting held quarterly (if there is no risk committee at any time, the Board will exercise the functions of the risk committee).
- 13.11 SVO AUSTRALIA PTY LTD will report a Suspicious matter when:
- (a) SVO AUSTRALIA PTY LTD commences to provide, or proposes to provide, a Designated Service to a person; or
 - (b) a person requests SVO AUSTRALIA PTY LTD to provide a Designated Service to them and the Designated Service is of a kind ordinarily provided by SVO AUSTRALIA PTY LTD ; or
 - (c) that person inquires of SVO AUSTRALIA PTY LTD whether the reporting entity would be willing or prepared to provide a Designated Service to the them, and the Designated Service is of a kind ordinarily provided by SVO AUSTRALIA PTY LTD ;

and a Suspicion arises.

- 13.12 Where, after investigation, SVO AUSTRALIA PTY LTD identifies a Suspicious transaction(s), SVO AUSTRALIA PTY LTD must, depending on the ML/TF Risk, and subject to ensuring that a 'tipping off' offence is not committed under the AML/CTF Act:
- (a) submit a Suspicious Matter Report to AUSTRAC (preferably via AUSTRAC Online); and
 - (b) take action in accordance with the Enhanced Customer Due Diligence Program.
- 13.13 SVO AUSTRALIA PTY LTD will submit a Suspicious Matter Report to AUSTRAC within 3 business days of forming the Suspicion (on reasonable grounds). If the Suspicion relates to the financing of terrorism SVO AUSTRALIA PTY LTD will submit a Suspicious Matter Report within 24 hours of forming the Suspicion.
- 13.14 Practically, this means that time does not start to run until the person responsible for submitting reports to AUSTRAC forms a Suspicion on reasonable grounds.
- 13.15 When submitting a Suspicious Matter Report to AUSTRAC, SVO AUSTRALIA PTY LTD will provide all details known about:
- (a) the Suspicious matter;
 - (b) the person to which the matter relates; and
 - (c) any transactions related to the matter.
- 13.16 The risk committee meeting held quarterly includes an agenda item in relation to any Suspicious Matter Report submitted by SVO AUSTRALIA PTY LTD to AUSTRAC. The risk committee ensures that this reporting obligation is met on an ongoing basis.
- 13.17 In the case where a Suspicious matter reporting obligation arises, SVO AUSTRALIA PTY LTD will not disclose to someone other than the AUSTRAC CEO or a member of the staff of AUSTRAC that SVO AUSTRALIA PTY LTD has:
- (a) provided information to AUSTRAC;
 - (b) formed a suspicion; or
 - (c) any other information that can be used to infer that suspicion has been formed or information has been communicated to AUSTRAC.

Enhanced Customer Due Diligence Program

- 13.18 SVO AUSTRALIA PTY LTD will apply its Enhanced Customer Due Diligence Program when:
- (a) it determines the ML/TF Risk of a particular customer or transaction is high;
 - (b) a Designated Service is being provided to a customer who is or who has a beneficial owner who is a PEP;
 - (c) a Suspicious matter reporting obligation arises; and/or

- (d) SVO AUSTRALIA PTY LTD is entering into or proposing to enter into a transaction and a party to the transaction is physically present in, or is a corporation incorporated in, a prescribed foreign country.

13.19 SVO AUSTRALIA PTY LTD considers the following situations to be of high ML/TF Risk when providing the Designated Services:

- (a) when a customer requests an undue level of secrecy in relation to a Designated Service;
- (b) there are reasonable grounds for SVO AUSTRALIA PTY LTD to believe that the customer is obtaining the Designated Services as agent for an undisclosed principal; and/or
- (c) when the customer is a politically exposed person.

13.20 Additionally, the indicators in the table below indicate high ML/TF Risk that would warrant application of SVO AUSTRALIA PTY LTD 's Enhanced Customer Due Diligence Program:

Summary label	Indicators
Certain funds transfers	<p>Funds transfers to or from jurisdictions known for financial secrecy or to have high ML/TF Risk.</p> <p>Many small, incoming funds transfers or deposits sought to be made using cheques, money orders or other bearer negotiable instruments.</p> <p>Funds transfers that are unexplained, repetitive, unusually large or demonstrating no apparent business purpose.</p> <p>Multiple accounts are opened in respect of the same customer or a set of customers with the same beneficial owners, with no apparent business justification.</p>
Apparent shell companies	<p>The customer is a company with no apparent business, revenues or product/service offering.</p> <p>The customer is a company that has experienced frequent changes in its business structure or the nature of its business.</p> <p>The customer company's officers or beneficial owners are associated with multiple apparent shell companies.</p> <p>Securities of the customer company have in the past been suspended from quotation on a reputable financial market.</p>
Activities inconsistent with the customer's known business	<p>Transaction patterns which deviate significantly from the customer's normal transaction pattern.</p> <p>Unusual transactions seeming to lack any business justification.</p> <p>The customer appears to be acting as an agent for an undisclosed principal and has not provided information about the identity of the</p>

Summary label	Indicators
	principal.
Other suspicious activity	<p>The customer buys and sells digital currencies with no apparent economic justification.</p> <p>Customer payments are received from and made to an account in the name of a third party with no apparent relationship with the customer.</p> <p>Repeated suboptimal transaction structuring that appears to show no regard for transaction costs.</p>

13.21 If a circumstance identified in paragraph 13.18 arises, SVO AUSTRALIA PTY LTD will, having regard to the ML/TF Risk, decide whether to:

- (a) seek information from the customer or from third party sources in order to clarify or update KYC Information already collected from the customer;
- (b) undertake more detailed analysis of the customer's KYC Information;
- (c) verify or re-verify KYC Information in accordance with the customer verification procedures described in Part B;
- (d) undertake more detailed analysis and monitoring of the customer's transactions – both past and future;
- (e) obtain any further KYC information or beneficial owner information including, where appropriate, taking reasonable measures to identify:
 - (1) the source of the customer's and each beneficial owner's wealth; and
 - (2) the source of the customer's and each beneficial owner's funds;
- (f) clarify the nature of the customer's ongoing business with SVO AUSTRALIA PTY LTD ; or
- (g) seek senior management approval for:
 - (1) continuing a business relationship with a customer;
 - (2) whether a transaction should be entered into or processed; and
 - (3) whether the designated service should continue to be provided to the customer.

13.22 If a Designated Service is being provided to a customer who is or has a beneficial owner who is a foreign PEP, SVO AUSTRALIA PTY LTD must undertake the measures identified in paragraphs 13.21(e) and 13.21(g) above.

Changes to beneficial ownership

- 13.23 SVO AUSTRALIA PTY LTD will only provide Designated Services to individuals. It is therefore entitled to assume that each customer is its own beneficial owner, unless it has reasonable grounds to consider otherwise. SVO AUSTRALIA PTY LTD will apply its Enhanced Customer Due Diligence Program where it believes that a customer is acting under the direction or control of another person.
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14. Threshold transaction reporting

- 14.1 SVO AUSTRALIA PTY LTD does not deal in physical currency in providing services and so is unlikely to be required to give a threshold transaction report to AUSTRAC.
- 14.2 To account for the possibility of extraordinary transactions, SVO AUSTRALIA PTY LTD nevertheless maintains procedures for the giving of a threshold transaction report to AUSTRAC in respect of any transaction involving a transfer of \$10,000 or more in physical currency, within 10 business days of the date of the transaction.
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15. International funds transfer instruction reporting

SVO AUSTRALIA PTY LTD will not be accepting or giving effect to funds transfer instructions. All payments will be by SVO AUSTRALIA PTY LTD to customers or by customers to SVO AUSTRALIA PTY LTD, so that SVO AUSTRALIA PTY LTD is either the payer/transferor or ultimate payee/transferee. SVO AUSTRALIA PTY LTD therefore will not be in a position in the ordinary course of business where it is required to submit international fund transfer instruction reports to AUSTRAC.

16. Document retention

In accordance with Part 10 of the AML/CTF Act, SVO AUSTRALIA PTY LTD will keep a record, or a copy or extract of the record, of:

- (a) a Designated Service it has provided to a customer, for 7 years after the making of the record; and
 - (b) the customer identification procedures it has used for a customer, for the duration of the customer relationship and an additional 7 years after SVO AUSTRALIA PTY LTD has ceased to provide a Designated Service to the customer; and
 - (c) the adoption of an AML/CTF Program or an amendment to the AML/CTF Program for a period of 7 years from the date that the adoption ceases to be in force; and
 - (d) each AML/CTF Program adopted, and any amendments to the AML/CTF Program that are adopted, for a period of 7 years from the date that the adoption ceases to be in force.
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17. Request to obtain information from a customer

- 17.1 SVO AUSTRALIA PTY LTD may issue a written notice to a customer to request information that is likely to assist SVO AUSTRALIA PTY LTD to comply with:
- (a) Part A of the AML/CTF Program; or

- (b) if the AML/CTF Program has been varied on one or more occasions, Part A of the Program as varied.

17.2 If the customer does not comply with the request, SVO AUSTRALIA PTY LTD may do any or all of the following:

- (a) refuse to continue to provide a Designated Service to the customer;
- (b) refuse to commence to provide a designated service to the customer; or
- (c) restrict or limit the provision of a designated service to the customer;
- (d) until the customer provides the information covered by the request.

PART B – CUSTOMER IDENTIFICATION AND VERIFICATION

18. Overview

- 18.1 The customer identification and verification procedures specified in this Part B outline how SVO AUSTRALIA PTY LTD , or SVO AUSTRALIA PTY LTD 's agents on behalf of SVO AUSTRALIA PTY LTD , will collect and verify KYC Information about customers so that SVO AUSTRALIA PTY LTD can be reasonably satisfied that the customer exists and is who they claim to be.
- 18.2 In this Part B and the Schedules, an obligation expressed to be an obligation of SVO AUSTRALIA PTY LTD is also a personal obligation of the employee or agent of SVO AUSTRALIA PTY LTD carrying out the activity or procedure on behalf of SVO AUSTRALIA PTY LTD .

19. Customer identification and verification procedures

Timing for identification and verification

- 19.1 From the date that this AML/CTF Program is adopted, SVO AUSTRALIA PTY LTD will perform the applicable customer identification and verification procedures in respect of each customer in accordance with this Part B before providing a Designated Service to a customer, and in any other circumstances required by AML/CTF Law.
- 19.2 SVO AUSTRALIA PTY LTD will perform the applicable customer identification and verification procedure at the time that the customer registers an account via SVO AUSTRALIA PTY LTD 's website, prior to any Designated Service being provided, even though at that time there is no request by the customer to be provided with a Designated Service and no certainty as to whether or not the customer will ever be provided with a Designated Service.

Customer types

- 19.3 SVO AUSTRALIA PTY LTD expects to provide Designated Services largely to individuals and small Australian companies. SVO AUSTRALIA PTY LTD does not intend to provide Designated Services to companies, trusts, partnerships, associations, co-operatives or government bodies. However, it has developed customer identification procedures for various types of customers, including the customer types it does not intend to provide Designated Services to, to enable it to take advantage of one-off opportunities to provide designated services that may arise or extend its services to these customer types in future.
- 19.4 SVO AUSTRALIA PTY LTD does not provide Designated Services to customers on any sanctions list.

Customer identification and verification procedures

- 19.5 SVO AUSTRALIA PTY LTD 's identification and verification procedures for customers are set out in the following Schedules to this Part B:
- (a) Schedule 1 – Individuals;
 - (b) Schedule 2 – Companies;

- (c) Schedule 3 – Trustees;
 - (d) Schedule 4 – Partnerships;
 - (e) Schedule 5 – Associations;
 - (f) Schedule 6 – Registered co-operatives;
 - (g) Schedule 7 – Government bodies.
- 19.6 SVO AUSTRALIA PTY LTD must perform the actions prescribed in the relevant Schedule for the type of customer to whom it proposes to provide a Designated Service (including the actions in other Schedules incorporated by reference into that Schedule).
- 19.7 To the extent that SVO AUSTRALIA PTY LTD will provide Designated Services to other customer types in the future, it will amend this AML/CTF Program accordingly to set out customer identification procedures in respect of such customers.

Verification methods

- 19.8 SVO AUSTRALIA PTY LTD has assessed the standard verification procedures contained in Schedule 1-Schedule 7 to be reliable and independent, taking into account the following factors:
- (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;
 - (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.
- 19.9 Verification of information collected in accordance with Schedule 1-Schedule 7 will, as far as possible, be based on:
- (a) reliable and independent documentation;
 - (b) reliable and independent electronic data, or
 - (c) a combination of these.
- 19.10 Verification from electronic data, via identity verification services acquired from reputable external suppliers, will be SVO AUSTRALIA PTY LTD 's preferred and predominant method of verifying KYC information collected about customers. In procuring identity verification services, SVO AUSTRALIA PTY LTD will assess the likely reliability and independence of the service having regard to:
- (a) the operating history of the service provider;

- (b) the market penetration of the identity verification service;
- (c) public comments and sentiment regarding the identity verification service; and
- (d) error rate of the service (if known).

20. Collection and verification of additional KYC information

- 20.1 If SVO AUSTRALIA PTY LTD is not reasonably satisfied about the relevant objective (see item 1 in Schedule 1-Schedule 7), or a discrepancy arises in the course of verifying information collected from a customer in accordance with Part B of this AML/CTF Program, the following action (as appropriate having regard to the circumstances) will be taken to enable SVO AUSTRALIA PTY LTD to be reasonably satisfied that the customer is who he or she claims to be:
- (a) seek additional KYC Information or clarification from the customer in respect of the KYC Information; and
 - (b) undertake verification of the additional KYC Information or clarification received from the customer. The verification approach adopted will depend on the nature of the additional KYC Information. This may include obtaining a statutory declaration from the Customer, verifying the KYC Information from reliable and independent documentation or verifying the KYC Information from reliable and independent electronic data.
- 20.2 SVO AUSTRALIA PTY LTD has a zero tolerance policy in relation to discrepancies between information collected from a customer and information in sources used to verify information provided by the customer. If a discrepancy is found, it must be resolved before SVO AUSTRALIA PTY LTD commences providing a Designated Service to the customer.

21. Beneficial owners

- 21.1 SVO AUSTRALIA PTY LTD is obliged under the AML/CTF Law to determine the beneficial owners of each customer. In general, either before or as soon as practicable after the provision of a Designated Service to a Customer, SVO AUSTRALIA PTY LTD must collect from the customer and take reasonable measures to verify:
- (a) each beneficial owner's full name; and
 - (b) the beneficial owner's date of birth; or
 - (c) the beneficial owner's full residential address.
- 21.2 However, the exact collection and verification requirements depend on the Customer type. Refer to the relevant Schedule to this Part B for further information.
- 21.3 For a customer who is an individual, SVO AUSTRALIA PTY LTD may assume that the customer is its own beneficial owner unless it has reasonable grounds to consider otherwise.

22. Politically exposed persons

- 22.1 SVO AUSTRALIA PTY LTD must also determine whether the customer is a politically exposed person (**PEP**) before the provision of the Designated Service to the customer or as soon as practicable after the Designated Service has been provided.
- 22.2 If the customer is a PEP, SVO AUSTRALIA PTY LTD must:
- (a) obtain senior management approval before establishing or continuing a business relationship with the individual and before the provision, or continued provision, of a Designated Service to the individual;
 - (b) take reasonable measures to establish the PEP's source of wealth and source of funds; and
 - (c) comply with the obligations in the Ongoing Customer Due Diligence procedure.
- 22.3 PEPs are individuals who occupy a prominent public position or functions in a government body or international organisation, both within and outside Australia. This definition also extends to their immediate family members and close associates. A precise definition of PEP for the purposes of the AML/CTF Law is provided in Schedule 12.
- 22.4 The AML/CTF Rules define three categories of PEPs.
- (a) **Domestic PEPs** are individuals who hold a prominent public position or function in an Australian government body.
 - (b) **Foreign PEPs** are individuals who hold a prominent public position or function in a government body of a foreign country.
 - (c) **International organisation PEPs** are individuals who hold a prominent public position or function in an international organisation.

23. Ongoing customer due diligence procedure

- 23.1 SVO AUSTRALIA PTY LTD (or its agents) will, as appropriate having regard to the ML/TF Risk, continually determine in respect of each customer whether:
- (a) further KYC Information should be collected about that customer for Ongoing Customer Due Diligence purposes; and
 - (b) existing KYC Information should be updated or re-verified for Ongoing Customer Due Diligence purposes.
- 23.2 Examples of when it may be necessary to collect additional KYC Information or update or verify existing KYC Information for Ongoing Customer Due Diligence purposes include:
- (a) a significant transaction or series of transactions in amount, size or volume occurs;
 - (b) a significant change occurs in the way an account was previously operated by the customer; or
 - (c) there are some doubts about the identity of a customer.

24. Where a customer cannot provide satisfactory evidence of identity

- 24.1 If SVO AUSTRALIA PTY LTD is unable to establish the identity of a customer using the applicable customer identification requirements specified in the relevant Schedule to this Program because the customer does not possess, and is unable to obtain, the necessary information or evidence of identity, then it may use alternative identity proofing processes, in accordance with its risk-based systems and controls, to do so.
- 24.2 Such alternative identity proofing processes may include acceptance of multiple types of secondary identification documents where normally a primary identification document would be required.
- 24.3 If SVO AUSTRALIA PTY LTD is unable to establish the identity of a customer by alternative identity proofing processes and is satisfied that the provision of a Designated Service to the customer will have low ML/TF Risk, then it may accept a self-attestation from the customer certifying that the information provided in relation to their identity is true and correct. SVO AUSTRALIA PTY LTD will then conduct Ongoing Customer Due Diligence in respect of that customer during the period that they are being provided with Designated Services.
- 24.4 Notwithstanding paragraph 24.3, SVO AUSTRALIA PTY LTD may not rely on self-attestation by a customer if it knows or has reason to believe that it is incorrect or misleading.

Schedule 1: Applicable customer identification procedure – individuals

1. Objective

The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that the customer is the individual that he or she claims to be.

2. Collection of minimum KYC Information

- 2.1 SVO AUSTRALIA PTY LTD must collect the following minimum KYC Information when it first signs up a Customer who is an individual.
- 2.2 SVO AUSTRALIA PTY LTD must collect the following KYC Information at a minimum from each Customer:
- (a) full name;
 - (b) date of birth; and
 - (c) residential address.
- 2.3 Additionally, SVO AUSTRALIA PTY LTD must collect the following information about sole traders:
- (a) full business name (if any);
 - (b) full address of the principal place of business (if any); and
 - (c) Australian Business Number (ABN) (if any).

3. Standard procedure: minimum KYC Information to be verified

- 3.1 SVO AUSTRALIA PTY LTD 's standard procedure is electronic verification (as described in section 19 of this AML/CTF Program). Where the standard procedure is used, SVO AUSTRALIA PTY LTD must verify, at minimum, the following KYC Information for each customer:
- (a) full name; and
 - (b) either:
 - (1) residential address;
 - (2) date of birth; or
 - (3) both (1) and (2).

4. Standard procedure: electronic verification method

- 4.1 In accordance with Rule 4.2.7 and Part 4.10 of the AML/CTF Rules, SVO AUSTRALIA PTY LTD 's standard procedure uses reliable and independent electronic data from at least two separate data sources to verify KYC Information for each customer.
- 4.2 SVO AUSTRALIA PTY LTD must, at a minimum, verify the following information about the customer by reference to reliable and independent electronic data:
- (a) full name; and
 - (b) either date of birth or residential address (r both).

5. Non-standard procedure: document verification method

- 5.1 SVO AUSTRALIA PTY LTD must conduct the following non-standard procedure where:
- (a) the standard customer verification procedure is unable to be conducted;
 - (b) SVO AUSTRALIA PTY LTD forms the view that a discrepancy arose from the information collected and verified using the standard customer verification procedure; or
 - (c) having conducted the standard customer verification procedure, SVO AUSTRALIA PTY LTD is not reasonably satisfied that the customer is the individual he or she claims to be.
- 5.2 Where the non-standard procedure is used:
- (a) SVO AUSTRALIA PTY LTD must (in accordance with Part 4.2 of the AML/CTF Rules) verify, at minimum, the following KYC Information for each customer – full name and either residential address or date of birth (or both) – from:
 - (1) an original or certified copy of a primary photographic identification document; or
 - (2) both:
 - (A) an original or certified copy of a primary non-photographic identification document; and
 - (B) an original or certified copy of a secondary identification document; or
 - (b) if the non-standard customer verification procedure in (a) above cannot be conducted, the AML/CTF Compliance Officer will determine and/or conduct a suitable procedure to meet the requirements of the AML/CTF Laws.

For example, SVO AUSTRALIA PTY LTD may verify KYC Information by referring to their driver's licence that contains a photograph of the customer and shows the customer's full name, date of birth and residential address.

- 5.3 SVO AUSTRALIA PTY LTD must ensure that any identification document used in this non-standard verification procedure has not expired (except for a passport issued by the Commonwealth that expired within in the preceding two years).

- 5.4 If SVO AUSTRALIA PTY LTD considers that there are reasonable grounds to believe that a document provided by a customer has been forged, tampered with, cancelled or stolen, SVO AUSTRALIA PTY LTD must disregard that document when conducting the non-standard customer verification procedure. An alternative document for which there are no reasonable grounds to believe that it has been forged, tampered with, cancelled or stolen must be collected in its place.
- 5.5 For the purposes of the non-standard verification procedure, the following words and phrases have the following meanings:

Expression	Definition
Primary photographic identification document	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) a licence or permit issued under a law of a State or Territory or equivalent authority of a foreign country for the purpose of driving a vehicle that contains a photograph of the person in whose name the document is issued; (b) a passport issued by the Commonwealth; (c) a passport or a similar document issued for the purpose of international travel, that: <ul style="list-style-type: none"> (1) contains a photograph and either the signature of the person in whose name the document is issued or any unique identifier of the person in whose name the document is issued; (2) is issued by a foreign government, the United Nations or an agency of the United Nations; and (3) if it is written in a language that is not understood by the person carrying out the verification – is accompanied by an English translation prepared by an accredited translator; (d) a card issued under a law of a State or Territory for the purpose of proving the person's age which contains a photograph of the person in whose name the document is issued; (e) a national identity card issued for the purpose of identification, that: <ul style="list-style-type: none"> (1) contains a photograph and either the signature of the person in whose name the document is issued or any unique identifier of the person in whose name the document is issued; (2) is issued by a foreign government, the United Nations or an agency of the United Nations; and (3) if it is written in a language that is not understood by the person carrying out the verification – is accompanied by an English translation prepared by an accredited translator.

Expression	Definition
Primary non-photographic identification document	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) a birth certificate or birth extract issued by a State or Territory; (b) a citizenship certificate issued by the Commonwealth; (c) a citizenship certificate issued by a foreign government that, if it is written in a language that is not understood by the person carrying out the verification, is accompanied by an English translation prepared by an accredited translator; (d) a birth certificate issued by a foreign government, the United Nations or an agency of the United Nations that, if it is written in a language that is not understood by the person carrying out the verification, is accompanied by an English translation prepared by an accredited translator; or (e) a concession card as defined from time to time in the <i>Social Security Act 1991</i>, or an equivalent term which expresses the same concept in relation to concession holders.
Secondary identification document	<p>Any of the following:</p> <ul style="list-style-type: none"> (a) a notice that: <ul style="list-style-type: none"> (1) was issued to an individual by the Commonwealth, a State or Territory within the preceding twelve months; (2) contains the name of the individual and their residential address; and (3) records the provision of financial benefits to the individual under a law of the Commonwealth, State or Territory (as the case may be); (b) a notice that: <ul style="list-style-type: none"> (1) was issued to an individual by the Australian Taxation Office within the preceding 12 months; (2) contains the name of the individual and their residential address; and (3) records a debt payable to or by the individual by or to (respectively) the Commonwealth under a Commonwealth law relating to taxation; (c) a notice that: <ul style="list-style-type: none"> (1) was issued to an individual by a local government body or utilities provider within the preceding three months;

Expression	Definition
	<p>(2) contains the name of the individual and their residential address; and</p> <p>(3) records the provision of services by that local government body or utilities provider to that address or to that person;</p> <p>(d) in relation to a person under the age of 18, a notice that:</p> <p>(1) was issued to a person by a school principal within the preceding three months;</p> <p>(2) contains the name of the person and their residential address; and</p> <p>(3) records the period of time that the person attended at the school.</p>

6. Customer identification procedure to be applied where neither the standard or non-standard procedure can be conducted

If neither a standard nor a non-standard customer identification procedure can be conducted, the matter must be escalated to AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

7. Politically exposed persons

- 7.1 Where the customer is an individual, SVO AUSTRALIA PTY LTD must also determine whether the customer is a PEP before the provision of the Designated Service to the customer or as soon as practicable after the Designated Service has been provided.
- 7.2 SVO AUSTRALIA PTY LTD must ensure that it maintains access to up-to-date databases of domestic PEPs, foreign PEPs and international organisation PEPs, and compares the KYC information collected during the onboarding process prior to providing any Designated Service to the customer, to determine whether the customer is a PEP.
- 7.3 For a domestic PEP or international organisation PEP, SVO AUSTRALIA PTY LTD must determine whether the person is high ML/TF Risk.
- 7.4 If the person is determined to be high ML/TF Risk or the person is a foreign PEP (of any ML/TF Risk level) then any SVO AUSTRALIA PTY LTD employee or agent must:
- (a) obtain senior management approval before establishing or continuing a business relationship with the individual and before the provision, or continued provision, of a designated service to the customer;
 - (b) take reasonable measures to establish the PEP's source of wealth and source of funds; and
 - (c) comply with the obligations in the Ongoing Customer Due Diligence procedure.

8. Beneficial owner information

Collection and verification of Beneficial Owner information

- 8.1 For a customer who is an individual, SVO AUSTRALIA PTY LTD may assume that the customer and the beneficial owner are one and the same, unless SVO AUSTRALIA PTY LTD has reasonable grounds to believe otherwise.
- 8.2 If SVO AUSTRALIA PTY LTD has reasonable grounds to believe otherwise (i.e. that the individual customer is acting at the direction of control of another person (the beneficial owner), it must:
- (a) collect from the customer and take reasonable measures to verify each beneficial owner's full name; and
 - (1) beneficial owner's date of birth; or
 - (2) the beneficial owner's full residential address, (or both);
 - (b) verify the beneficial owner's information in accordance with verification method for an individual; and
 - (c) determine whether the beneficial owner of the customer is a PEP before the provision of the Designated Service to the customer or as soon as practicable after the Designated Service has been provided.

9. Agents

- 9.1 SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

Schedule 2: Applicable customer identification procedure – companies

1. Objective

The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that:

- (a) the company exists; and
- (b) the beneficial owners of the company have been appropriately identified and their identity verified.

2. Collection of minimum KYC Information

Australian company

2.1 For a company incorporated in Australia, SVO AUSTRALIA PTY LTD must, at a minimum, collect the following information:

- (a) full name of the company as registered by the Australian Securities and Investments Commission (**ASIC**);
- (b) full address of the company's registered office;
- (c) full address of the company's principal place of business (if any);
- (d) the Australian Company Number (ACN) issued to the company;
- (e) whether the company is registered as a proprietary or public company; and
- (f) if the company is registered as a proprietary company, the name of each director of the company.

Registered foreign company

2.2 For a foreign company registered with ASIC, SVO AUSTRALIA PTY LTD must, at a minimum, collect the following information:

- (a) full name of the company as registered by ASIC;
- (b) full address of the company's registered office in Australia;
- (c) full address of the company's principal place of business in Australia (if any) or the full name and address of the company's local agent in Australia (if any);
- (d) the Australian Registered Business Number (ARBN) issued to the company;
- (e) the country in which the company was formed, incorporated or registered;

- (f) whether the company is registered by the relevant foreign registration body and, if so, whether it is registered as a private, public or some other type of company; and
- (g) if the company is registered as a private company by the relevant foreign registration body, the name of each director of the company.

Unregistered foreign company

2.3 For a foreign company not registered by ASIC, SVO AUSTRALIA PTY LTD must, at a minimum, collect the following information:

- (a) full name of the company;
- (b) the country in which the company was registered;
- (c) whether the company is registered by the relevant foreign registration body and if so:
 - (1) any identification number issued to the company by the relevant foreign registration body upon its formation, incorporation or registration;
 - (2) the full address of the company in its country of formation, incorporation or registration as registered by the relevant foreign registration body; and
 - (3) whether it is registered as a private, public or some other type of company by the relevant foreign registration body;
- (d) if the company is registered as a private company by the relevant foreign registration body, the name of each director of the company; and
- (e) if the company is not registered by the relevant foreign registration body, the full address of the principal place of business of the company in its country of formation or incorporation.

Beneficial owners

2.4 For all types of company, SVO AUSTRALIA PTY LTD must collect each beneficial owner's full name and either:

- (a) date of birth; or
 - (b) full residential address,
- (or both), *unless* the company is:
- (c) verified under the "simplified company verification procedure" in paragraph 4.4 of this Schedule; or
 - (d) 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 Australia)

2.5 If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must identify any individual who:

- (a) is entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including a power of veto; or
- (b) holds the position of senior managing official (or equivalent)

(referred to as a **Replacement Beneficial Owner** in this Schedule), unless the company is verified under the “simplified company verification procedure” in paragraph 4.4 of this schedule.

3. Verification of KYC Information

3.1 For an Australian company, the following information must be verified:

- (a) full name of the company as registered by ASIC;
- (b) whether the company is registered by ASIC as a proprietary or public company;
- (c) the ACN issued to the company; and
- (d) unless the company is verified under the “simplified company verification procedure” in paragraph 4.4 of this Schedule, each beneficial owner’s full name and either:
 - (1) date of birth; or
 - (2) full residential address (or both).

If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must verify information about the Replacement Beneficial Owner instead.

3.2 For a foreign company registered with ASIC, the following information must be verified:

- (a) full name of the company as registered by ASIC;
- (b) whether the company is registered by the relevant foreign registration body, and if so whether it is registered as a private or public company;
- (c) the ARBN issued to the company; and
- (d) each beneficial owner’s full name and either:
 - (1) date of birth; or
 - (2) full residential address (or both).

If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must verify information about the Replacement Beneficial Owner instead.

3.3 For a foreign company not registered with ASIC, the following information must be verified:

- (a) full name of the company;
- (b) whether the company is registered by the relevant foreign registration body and if so:

- (1) any identification number issued to the company by the relevant foreign registration body upon the company's formation, incorporation or registration; and
 - (2) whether the company is registered as a private or public company; and
- (c) each beneficial owner's name and either:
 - (1) date of birth; or
 - (2) full residential address (or both).

If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must verify information about the Replacement Beneficial Owner instead.

3.4 For an Australian listed company, the following information must be verified:

- (a) That the company is an Australian listed company.

3.5 For a majority-owned subsidiary (foreign or Australian) of an Australian listed company, the following information must be verified:

- (a) That the company is a majority-owned subsidiary of an Australian listed company.

3.6 For a company that is licensed and subject to the regulatory oversight of a Commonwealth, State or Territory statutory regulator in relation to its activities as a company (a **regulated company**), the following information must be verified:

- (a) That the company is so licensed and regulated, by reference to relevant ASIC database or licence or other records of the relevant regulator.

4. Verification method – company information

4.1 SVO AUSTRALIA PTY LTD must use one or more of the verification methods set out below for the relevant company type.

4.2 For an Australian company or a foreign company registered with ASIC:

- (a) a search of the ASIC database;
- (b) if the ASIC database is not reasonably available, an original or certified copy of a certificate of registration issued by ASIC;
- (c) verify information about beneficial owners in accordance with verification method for an individual in Schedule 1; or
- (d) verify information about the Replacement Beneficial Owner (if any) in accordance with the verification method for an individual in Schedule 1.

4.3 For a foreign company not registered with ASIC:

- (a) a search of the relevant foreign registration body;

- (b) if that source is not reasonably available, an original or certified copy of a certificate of registration (or equivalent) issued by the relevant foreign registration body;
 - (c) if it is not possible to verify the company from either or both of the above, a disclosure certificate from the company given by an agent of the company verified in accordance with Schedule 1 (see Schedule 8 for requirements when dealing with agents of customers);
 - (d) verify information about beneficial owners in accordance with verification method for an individual in Schedule 1; or
 - (e) verify information about the Replacement Beneficial Owner (if any) in accordance with the verification method for an individual in Schedule 1.
- 4.4 For an Australian listed company, majority-owned subsidiary of an Australian listed company or a regulated company, one or a combination of the following:
- (a) a search of the relevant domestic financial market;
 - (b) a search of the ASIC database;
 - (c) a search of the licence or other records of the relevant Commonwealth, State or Territory statutory regulator; and
 - (d) a public document issued by the relevant company.
- 4.5 If SVO AUSTRALIA PTY LTD determines that the ML/TF Risk of a particular beneficial owner, or the Replacement Beneficial Owner, is medium or lower, it may verify information about that beneficial owner or Replacement Beneficial Owner in accordance with Schedule 9, notwithstanding anything to the contrary in this Schedule. However, the procedures in Schedule 9 may not be used in respect of a beneficial owner or Replacement Beneficial Owner who is a foreign PEP.
- 4.6 Non-English documents: where any document relied on as part of the procedure is in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.

5. Disclosure certificates

- 5.1 The following kinds of information are prescribed for paragraph 5.2 of this Schedule:
- (a) for an Australian company:
 - (1) full name and full residential address of each beneficial owner or Replacement Beneficial Owner;
 - (b) for a foreign company registered with ASIC:
 - (1) full name of the company;
 - (2) information about whether the company is registered by the relevant foreign registration body and if so, whether it is registered as a private, public company or some other type of company; and

- (3) full name and full residential address of each beneficial owner or Replacement Beneficial Owner;
 - (c) for a foreign company not registered with ASIC:
 - (1) full name of the company;
 - (2) information about whether the company is registered by the relevant foreign registration body and if so:
 - (A) any identification number issued to the company by the relevant foreign registration body; and
 - (B) whether it is registered as a private, public company or some other type of company; and
 - (3) full name and full residential address of each beneficial owner or Replacement Beneficial Owner.
- 5.2 If SVO AUSTRALIA PTY LTD has attempted to collect and/or verify the prescribed information about a company in accordance with parts 2, 3 and 4 of this Schedule but has been unable to obtain or verify that information, and determines that the information cannot otherwise be reasonably obtained or verified, SVO AUSTRALIA PTY LTD may obtain and verify that information from a disclosure certificate that complies with paragraph 5.3 of this Schedule, unless there is reason to believe that the information contained in the disclosure certificate is incorrect or unreliable.
- 5.3 A disclosure certificate must contain:
- (a) all of the information identified in paragraph 5.1 of this Schedule for the relevant kind of company;
 - (b) the full name of the appropriate officer (see paragraph 5.4 of this Schedule)
 - (c) 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
 - (d) the date of certification by the appropriate officer.
- 5.4 An “appropriate officer” for the purpose of a disclosure certificate is:
- (a) a director or secretary (or equivalent) of the company; or
 - (b) an employee of the company; or
 - (c) a professional adviser to the company (e.g. lawyer, accountant),
- who SVO AUSTRALIA PTY LTD ’s AML/CTF Compliance Officer is satisfied, having regard to the ML/TF Risk involved, is able and likely to provide correct, complete and reliable information in a disclosure certificate.
- 5.5 If SVO AUSTRALIA PTY LTD cannot identify an appropriate officer for the company, it must not rely on a disclosure certificate to collect and verify KYC Information.

6. Customer identification procedure to be applied where the customer identification procedure cannot be conducted

If the customer identification procedure cannot be conducted, the matter must be escalated to the AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

7. Beneficial owner of customer – politically exposed person (PEP)?

- 7.1 SVO AUSTRALIA PTY LTD must determine whether any beneficial owner of the customer is a PEP before the providing a Designated Service to the customer or as soon as practicable after the Designated Service has been provided, in accordance with Schedule 10.

8. Agents of Customers

- 8.1 SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

Schedule 3: Applicable customer identification procedure – trusts

1. Objective

- 1.1 The procedures in this Schedule must be carried out if a person notifies SVO AUSTRALIA PTY LTD that they are obtaining a Designated Service from SVO AUSTRALIA PTY LTD in their capacity as the trustee of a trust.
- 1.2 The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that:
- (a) the trust exists; and
 - (b) the name of each trustee and beneficiary, or a general description of each class of beneficiary, has been provided.
- 1.3 SVO AUSTRALIA PTY LTD will distinguish between the following kinds of trusts:
- (a) Registered scheme – a managed investment scheme registered with ASIC;
 - (b) Wholesale MIS – a managed investment scheme not registered with ASIC, which only has wholesale clients (as defined in the Corporations Act 2001) and which does not make small scale offerings to which section 1012E of the Corporations Act 2001 applies;
 - (c) Regulated trust – a trust that is registered and subject to the regulatory oversight of a Commonwealth statutory regulator in relation to its activities as a trust;
 - (d) Government superannuation fund – a government superannuation fund established by legislation; and
 - (e) Any other trust – a trust that is not one of the above kinds of trust.

2. Collection of KYC Information

- 2.1 If a person notifies SVO AUSTRALIA PTY LTD that they are a customer in their capacity as the trustee of a trust, the following information must be collected:
- (a) full name (if any) of the trust;
 - (b) full business name (if any) of the trustee in respect of the trust;
 - (c) type of trust (i.e. fixed, discretionary, whether it is a registered scheme / wholesale MIS / regulated trust / government superannuation fund);
 - (d) Australian Business Number (ABN) or Australian Registered Scheme Number (ARSN) of the trust (if any);
 - (e) country in which the trust was established;
 - (f) the full name of the settlor of the trust, unless:

- (1) the material asset contribution to the trust by the settlor at the time the trust is established is less than \$10,000;
- (2) the settlor is deceased;
- (3) the trustee is a registered scheme, wholesale MIS, regulated trust or government superannuation fund and is verified using the simplified trustee verification procedure in paragraph 3.2 below; or
- (4) the customer is a custodian (see part 9 of this Schedule);
- (g) if any of the trustees is an individual, then in respect of one of those individuals (a **Verified Trustee**), the information that would be required to be collected under Schedule 1 if the individual were a customer of SVO AUSTRALIA PTY LTD in their capacity as an individual;
- (h) if any of the trustees is a company, then in respect of one of those companies (a **Verified Trustee**), the information that would be required to be collected under Schedule 2 if the company were a customer of SVO AUSTRALIA PTY LTD in its capacity as a company;
- (i) if the trustees comprise individuals and companies, then in respect of either an individual or a company (a **Verified Trustee**), the information that would be required to be collected under Schedule 1 or Schedule 2 if the individual or company were a customer of SVO AUSTRALIA PTY LTD on its own account;
- (j) each beneficial owner's full name and either:
 - (1) date of birth;
 - (2) full residential address; or
 - (3) both (1) and (2) above.

If a beneficial owner is not able to be ascertained, collect this information about any individual who holds the power to appoint or remove the trustees of the trust (referred to as a '**Replacement Beneficial Owner**' in this Schedule).

2.2 Unless the trust is a registered scheme, wholesale MIS, regulated trust or government superannuation fund, the following additional information must be collected:

- (a) full name and address of each trustee of the trust; and
- (b) either:
 - (1) full name of each beneficiary in respect of the trust; or
 - (2) if the terms of the trust identify the beneficiaries by reference to membership of a class, details of that class.

3. Verification of KYC Information

3.1 The following information must be verified in relation to a person who is a customer in their capacity as a trustee:

- (a) full name (if any) of the trust;
- (b) for a Verified Trustee that is an individual, the information that would be required to be verified under Schedule 1 if the Verified Trustee were a customer of SVO AUSTRALIA PTY LTD in their capacity as an individual;
- (c) for a Verified Trustee that is a company, , the information that would be required to be verified under Schedule 2 if the Verified Trustee were a customer of SVO AUSTRALIA PTY LTD in its capacity as a company;
- (d) the full name of the settlor of the trust, unless:
 - (1) the material asset contribution to the trust by the settlor at the time the trust is established is less than \$10,000;
 - (2) the settlor is deceased;
 - (3) the trust is verified using the simplified trustee verification procedure in paragraph 3.2 below; or
 - (4) the customer is a custodian (see part 9 of this Schedule); and
- (e) for each beneficial owner or the Replacement Beneficial Owner, their full name and:
 - (1) date of birth;
 - (2) full residential address; or
 - (3) both (1) and (2) above.

3.2 Simplified trustee verification procedure: If the trust is a registered scheme, wholesale MIS, regulated trust or government superannuation fund, instead of verifying the information in paragraph 3.1 above, SVO AUSTRALIA PTY LTD may verify from reliable and independent documents or electronic data that the trust is a registered scheme, wholesale MIS, regulated trust or government superannuation fund (as applicable).

4. Verification method

4.1 KYC Information about a trust must be based on one or more of the following:

- (a) the original, or a certified copy or certified extract of, the trust deed;
- (b) reliable and independent documents relating to the trust; or
- (c) reliable and independent electronic data.

4.2 Examples of sources, other than the trust deed, that may be used to verify information about the trust include:

- (a) a search of the ASIC, Australian Taxation Office (ATO) or relevant regulator's website (e.g. Australian Business Register at www.abn.business.gov.au);
- (b) a copy or relevant extract of the legislation establishing the government superannuation fund sourced from a government website;

- (c) a notice (such as a notice of assessment) issued by the ATO within the last 12 months; and
 - (d) a letter from a solicitor or qualified accountant verifying the name of the trust.
 - 4.3 Information about a Verified Trustee must be verified in accordance with Schedule 1 or Schedule 2 as if the Verified Trustee were a customer of SVO AUSTRALIA PTY LTD on their own account rather than as a trustee.
 - 4.4 If SVO AUSTRALIA PTY LTD determines that the ML/TF Risk of a particular beneficial owner, or the Replacement Beneficial Owner, is medium or lower, it may verify information about that beneficial owner or Replacement Beneficial Owner in accordance with Schedule 9, notwithstanding anything to the contrary in this Schedule. However, the procedures in Schedule 9 may not be used in respect of a beneficial owner or Replacement Beneficial Owner who is a foreign PEP.
 - 4.5 Non-English documents: where any document relied on as part of the procedure is in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.
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5. Disclosure certificates

- 5.1 The following kinds of information are prescribed for paragraph 5.2 of this Schedule:
 - (a) all of the information in paragraph 3.1 of this Schedule, to the extent that it is not otherwise reasonably available from a source identified in part 4 of this Schedule; and
 - (b) full name and full residential address of each beneficial owner or Replacement Beneficial Owner.
- 5.2 If SVO AUSTRALIA PTY LTD has attempted to collect and/or verify the prescribed information about a trust in accordance with parts 2, 3 and 4 of this Schedule but has been unable to obtain or verify that information, and determines that the information cannot otherwise be reasonably obtained or verified, SVO AUSTRALIA PTY LTD may obtain and verify that information from a disclosure certificate that complies with paragraph 5.3 of this Schedule, unless there is reason to believe that the information contained in the disclosure certificate is incorrect or unreliable.
- 5.3 A disclosure certificate must contain:
 - (a) all of the information identified in paragraph 5.1 of this Schedule for the relevant kind of company;
 - (b) the full name of the appropriate officer (see paragraph 5.4 of this Schedule)
 - (c) 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
 - (d) the date of certification by the appropriate officer.
- 5.4 An “appropriate officer” for the purpose of a disclosure certificate is:
 - (a) the trustee, if the trustee is an individual;

- (b) a director or secretary (or equivalent) of the trustee, if the trustee is a body corporate;
- (c) an employee of the trustee who is involved in the administration of the trust; or
- (d) a professional adviser to the trustee (e.g. lawyer, accountant),

who SVO AUSTRALIA PTY LTD 's AML/CTF Compliance Officer is satisfied, having regard to the ML/TF Risk involved, is able and likely to provide correct, complete and reliable information in a disclosure certificate.

- 5.5 If SVO AUSTRALIA PTY LTD cannot identify an appropriate officer for the trust, it must not rely on a disclosure certificate to collect and verify KYC Information.

6. Customer identification procedure to be applied where the customer identification procedure cannot be conducted

If the customer identification procedure cannot be conducted, the matter must be escalated to the AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

7. Beneficial owner of customer – politically exposed person (PEP)?

- 7.1 SVO AUSTRALIA PTY LTD must determine whether any beneficial owner of the customer is a PEP before the providing a Designated Service to the customer or as soon as practicable after the Designated Service has been provided, in accordance with Schedule 10.

8. Agents of Customers

- 8.1 SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

9. Custodians

In this Schedule, a “custodian” is a company that:

- (a) is acting in the capacity of a trustee;
- (b) is providing a custodial or depository service (other than an exempt legal practitioner service) in the course of carrying on a business of providing custodial or depository services (i.e. the designated service in item 46 of the table in section 6(2) of the AML/CTF Act);
- (c) either:
 - (1) holds an Australian financial services licence authorising it to provide custodial or depository services under the *Corporations Act 2001*; or
 - (2) is exempt under the *Corporations Act 2001* from the requirement to hold such a licence; and

- (d) either:
- (1) provides custodial or depository services at or through a permanent establishment in Australia;
 - (2) is a resident of Australia and provides custodial or depository services at or through a permanent establishment in a foreign country;
 - (3) is a subsidiary of a company that is a resident of Australia and provides custodial or depository services at or through a permanent establishment in a foreign country; or
 - (4) has certified in writing to SVO AUSTRALIA PTY LTD that its name and enrolment details are entered on the Reporting Entities Roll; and
- (e) has certified in writing to the relevant reporting entity that it has carried out all applicable customer identification procedures and ongoing customer due diligence requirements in accordance with Chapter 15 of the AML/CTF Rules in relation to its underlying customers prior to, or at the time of, becoming a customer of the reporting entity.

Schedule 4: Applicable customer identification procedure – partnerships

1. Objective

- 1.1 The procedures in this Schedule must be carried out if a person notifies SVO AUSTRALIA PTY LTD that they are obtaining a Designated Service from SVO AUSTRALIA PTY LTD in their capacity as a partner in a partnership.
- 1.2 The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that:
- (a) the partnership exists; and
 - (b) the name of each of the partners in the partnership has been provided.

2. Collection of KYC Information

Information about the partnership

- 2.1 SVO AUSTRALIA PTY LTD must collect all of the following information about the partnership:
- (a) full name of the partnership;
 - (b) full business name and/or trading name (if any) of the partnership as registered under any Commonwealth, State or Territory business names legislation;
 - (c) the country in which the partnership was established;
 - (d) if the partnership is regulated by professional association, the name of the professional association and relevant membership details;
 - (e) if the partnership is not regulated by a professional association, the full name and residential address of each partner in the partnership;
 - (f) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) full residential address, (or both).
- 2.2 If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must collect the information described in 2.1(f) above about any individual who:
- (a) is entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including a power of veto; or
 - (b) holds the position of senior managing official (or equivalent),
- (referred to as '**Replacement Beneficial Owner**' in this Schedule).

Information about one partner

- 2.3 For at least one of the partners (the **Verified Partner**), SVO AUSTRALIA PTY LTD must collect the information required for an individual under Schedule 1 as if that partner were a customer of SVO AUSTRALIA PTY LTD in their capacity as an individual.

3. Verification of KYC Information

Information about the partnership

- 3.1 SVO AUSTRALIA PTY LTD must verify all of the following information about the partnership:
- (a) full name of the partnership.
 - (b) if the partnership is regulated by professional association, the regulated status of the partnership by reference to the current membership directory of the relevant professional association;
 - (c) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) full residential address, (or both).

If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must verify this information for the Replacement Beneficial Owner instead.

- 3.2 For the Verified Partner, SVO AUSTRALIA PTY LTD must verify the information required for an individual under Schedule 1 as if that partner were a customer of SVO AUSTRALIA PTY LTD in their capacity as an individual.

4. Verification method

Verification of information about the partnership

- 4.1 The information about the partnership must be verified from one or more of the following:
- (a) the original, or a certified copy or certified extract of, a partnership agreement;
 - (b) a certified copy or certified extract of minutes of a partnership meeting;
 - (c) a search of the relevant ASIC or other regulator's database;
 - (d) a notice (such as a notice of assessment) issued by the Australian Taxation Office within the last 12 months;
 - (e) an original or certified copy of a certificate of registration of business name issued by a government or government agency in Australia;
 - (f) a letter from a solicitor or qualified accountant verifying the name and existence of the entity;
 - (g) other reliable and independent documents relating to the partnership; or

- (h) reliable and independent electronic data.
- 4.2 Information about the Verified Partner must be verified in accordance with Schedule 1 as if the partner were a customer of SVO AUSTRALIA PTY LTD in their capacity as an individual.
- 4.3 If SVO AUSTRALIA PTY LTD determines that the ML/TF Risk of a particular beneficial owner, or the Replacement Beneficial Owner, is medium or lower, it may verify information about that beneficial owner or Replacement Beneficial Owner in accordance with Schedule 9, notwithstanding anything to the contrary in this Schedule. However, the procedures in Schedule 9 may not be used in respect of a beneficial owner or Replacement Beneficial Owner who is a foreign PEP.
- 4.4 Non-English documents: where any document relied on a part of the procedure is in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.

5. Disclosure certificates

- 5.1 The following kinds of information are prescribed for paragraph 5.2 of this Schedule:
 - (a) all of the information in part 3 of this Schedule, to the extent that it is not otherwise reasonably available from a source identified in part 4 of this Schedule; and
 - (b) full name and full residential address of each beneficial owner or Replacement Beneficial Owner.
- 5.2 If SVO AUSTRALIA PTY LTD has attempted to collect and/or verify the prescribed information about a partnership in accordance with parts 2, 3 and 4 of this Schedule but has been unable to obtain or verify that information, and determines that the information cannot otherwise be reasonably obtained or verified, SVO AUSTRALIA PTY LTD may obtain and verify that information from a disclosure certificate that complies with paragraph 5.3 of this Schedule, unless there is reason to believe that the information contained in the disclosure certificate is incorrect or unreliable.
- 5.3 A disclosure certificate must contain:
 - (a) all of the information identified in paragraph 5.1 of this Schedule for the relevant kind of company;
 - (b) the full name of the appropriate officer (see paragraph 5.4 of this Schedule)
 - (c) 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
 - (d) the date of certification by the appropriate officer.
- 5.4 An “appropriate officer” for the purpose of a disclosure certificate is:
 - (a) the partner in the partnership, if the trustee is an individual;
 - (b) an employee of the partnership who is involved in the management of the partnership; or

(c) a professional adviser to the partnership (e.g. lawyer, accountant),

who SVO AUSTRALIA PTY LTD 's AML/CTF Compliance Officer is satisfied, having regard to the ML/TF Risk involved, is able and likely to provide correct, complete and reliable information in a disclosure certificate.

- 5.5 If SVO AUSTRALIA PTY LTD cannot identify an appropriate officer for the partnership, it must not rely on a disclosure certificate to collect and verify KYC Information.

6. Customer identification procedure to be applied where the customer identification procedure cannot be conducted

If the customer identification procedure cannot be conducted, the matter must be escalated to the AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

7. Beneficial owners of customer – politically exposed person (PEP)?

- 7.1 SVO AUSTRALIA PTY LTD must determine whether any beneficial owner of the customer is a PEP before the providing a Designated Service to the customer or as soon as practicable after the Designated Service has been provided, in accordance with Schedule 10.

8. Agents of Customers

SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

Schedule 5: Applicable customer identification procedure – associations

1. Objective

- 1.1 The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that:
- (a) the association exists; and
 - (b) the names of any members of the governing committee (however described) of the association have been provided.

2. Collection of KYC Information

Incorporated associations

- 2.1 SVO AUSTRALIA PTY LTD must collect the following information about a customer that is an incorporated association:
- (a) full name of the association;
 - (b) one of the following:
 - (1) full address of the association's principal place of administration or registered office (if any); or
 - (2) full name and residential address of the association's public officer) or of the president, secretary or treasurer if there is no public officer);
 - (c) any unique identifying number issued to the association upon its incorporation by the State, Territory or overseas body responsible for the incorporation of the association;
 - (d) full name of the chairman, secretary and treasurer (or persons occupying equivalent roles) of the association;
 - (e) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) residential address (or both).

Unincorporated associations

- 2.2 SVO AUSTRALIA PTY LTD must collect the following information about a customer that is an unincorporated association if notified by a person that they are a customer in their capacity as a member of an unincorporated association:
- (a) full name of the association;
 - (b) full address of the association's principal place of administration (if any);

- (c) full name of the chairman, secretary and treasurer (or persons occupying equivalent roles) of the association; and
- (d) in respect of the member who SVO AUSTRALIA PTY LTD is dealing with (the **Verified Member**), the information required to be collected about that member under Schedule 1 as if the person were a customer in their capacity as an individual; and
- (e) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) residential address (or both).

2.3 If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must collect the information in 2.1(e) and 2.2(e) above about any individual who:

- (a) is entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including a power of veto;
 - (b) would be entitled on dissolution to 25% or more of the property of the association; or
 - (c) holds the position of senior managing official (or equivalent)
- (referred to as '**Replacement Beneficial Owner**' in this Schedule).

3. Verification of KYC Information

3.1 SVO AUSTRALIA PTY LTD must verify the following information about a customer that is an incorporated association:

- (a) full name of the association;
- (b) any unique identification number issued to the association upon its incorporation; and
- (c) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) residential address (or both).

3.2 SVO AUSTRALIA PTY LTD must verify the following information about a customer that is an unincorporated association:

- (a) full name of the association;
- (b) in respect of the Verified Member, the information required to be verified about that member under Schedule 1 as if the person were a customer in their capacity as an individual; and
- (c) for each beneficial owner or the Replacement Beneficial Owner, their full name and either:
 - (1) date of birth; or

- (2) residential address (or both).

4. Verification method

- 4.1 Verification of information about an association must be based on one or more of the following:
- (a) the original, or a certified copy or certified extract of, the constitution or governing rules of the association;
 - (b) the original, or a certified copy or certified extract of, minutes of meeting of the association;
 - (c) for an incorporated association, information provided by ASIC or by the State, Territory or overseas body responsible for the incorporation of the association;
 - (d) reliable and independent documents relating to the association; or
 - (e) reliable and independent electronic data.
- 4.2 Verification of information about a Verified Member, beneficial owner or Replacement Beneficial Owner must be conducted in accordance with Schedule 1 as if that person were a customer in their capacity as an individual.
- 4.3 If SVO AUSTRALIA PTY LTD determines that the ML/TF Risk of a particular beneficial owner, or the Replacement Beneficial Owner, is medium or lower, it may verify information about that beneficial owner or Replacement Beneficial Owner in accordance with Schedule 9, notwithstanding anything to the contrary in this Schedule. However, the procedures in Schedule 9 may not be used in respect of a beneficial owner or Replacement Beneficial Owner who is a foreign PEP.
- 4.4 Non-English documents: where any document relied on a part of the procedure is in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.

5. Disclosure certificates

- 5.1 The following kinds of information are prescribed for paragraph 5.2 of this Schedule:
- (a) all of the information in part 3 of this Schedule, to the extent that it is not otherwise reasonably available from a source identified in part 4 of this Schedule; and
 - (b) full name and full residential address of each beneficial owner or Replacement Beneficial Owner.
- 5.2 If SVO AUSTRALIA PTY LTD has attempted to collect and/or verify the prescribed information about an association in accordance with parts 2, 3 and 4 of this Schedule but has been unable to obtain or verify that information, and determines that the information cannot otherwise be reasonably obtained or verified, SVO AUSTRALIA PTY LTD may obtain and verify that information from a disclosure certificate that complies with paragraph 5.3 of this Schedule, unless there is reason to believe that the information contained in the disclosure certificate is incorrect or unreliable.
- 5.3 A disclosure certificate must contain:

- (a) all of the information identified in paragraph 5.1 of this Schedule for the relevant kind of company;
- (b) the full name of the appropriate officer (see paragraph 5.4 of this Schedule)
- (c) 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
- (d) the date of certification by the appropriate officer.

5.4 An “appropriate officer” for the purpose of a disclosure certificate is:

- (a) the chairman, secretary or treasurer (or persons occupying equivalent roles) of the association;
- (b) a member or employee of the association who is involved in the management of the association; or
- (c) a professional adviser to the association (e.g. lawyer, accountant),

who SVO AUSTRALIA PTY LTD 's AML/CTF Compliance Officer is satisfied, having regard to the ML/TF Risk involved, is able and likely to provide correct, complete and reliable information in a disclosure certificate.

5.5 If SVO AUSTRALIA PTY LTD cannot identify an appropriate officer for the association, it must not rely on a disclosure certificate to collect and verify KYC Information.

6. Customer identification procedure to be applied where the customer identification procedure cannot be conducted

If the customer identification procedure cannot be conducted, the matter must be escalated to the AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

7. Beneficial owners of customer – politically exposed person (PEP)?

7.1 SVO AUSTRALIA PTY LTD must determine whether any beneficial owner of the customer is a PEP before the providing a Designated Service to the customer or as soon as practicable after the Designated Service has been provided, in accordance with Schedule 10.

8. Agents of Customers

SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

Schedule 6: Applicable customer identification procedure – registered co-operatives

1. Objective

- 1.1 The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that:
- (a) the co-operative exists; and
 - (b) the names of the chairman, secretary or equivalent officer of the co-operative have been provided.

2. Collection of KYC Information

- 2.1 For customers who are registered co-operatives, SVO AUSTRALIA PTY LTD must collect all of the following KYC Information:
- (a) full name of the registered co-operative;
 - (b) one of the following:
 - (1) full address of the co-operative's registered office or principal place of operations (if any); or
 - (2) residential address of the co-operative's secretary (or if there is no such person, the co-operative's president or treasurer);
 - (c) any unique identification number issued upon the co-operative's registration by the relevant registration body;
 - (d) full name of the chairman, secretary and treasurer (or equivalent officers) of the co-operative; and
 - (e) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) residential address (or both).
- 2.2 If the beneficial owner is not able to be ascertained, SVO AUSTRALIA PTY LTD must collect the information in paragraph 2.1(e) of this Schedule about any individual who:
- (a) is entitled (either directly or indirectly) to exercise 25% or more of the voting rights, including a power of veto;
 - (b) would be entitled on dissolution to 25% or more of the property of the registered co-operative; or
 - (c) holds the position of senior managing official (or equivalent)

(referred to as a '**Replacement Beneficial Owner**' in this Schedule).

3. Verification of KYC Information

- 3.1 SVO AUSTRALIA PTY LTD must verify all of the following information about a customer that is a registered co-operative:
- (a) full name of the registered co-operative;
 - (b) any unique identification number issued to the co-operative upon registration; and
 - (c) each beneficial owner's full name and either:
 - (1) date of birth; or
 - (2) full residential address (or both).
- 3.2 If SVO AUSTRALIA PTY LTD is unable to ascertain the beneficial owner, it must verify KYC Information about the Replacement Beneficial Owner in accordance with Schedule 1 as if that person were a customer of SVO AUSTRALIA PTY LTD in their capacity as an individual.

4. Verification method

- 4.1 Verification of information about a customer that is a registered co-operative must be based on one or more of the following:
- (a) the original, or a certified copy or certified extract of, any register maintained by the co-operative;
 - (b) the original, or a certified copy or certified extract of, minutes of meeting of the co-operative;
 - (c) information provided by ASIC or the government body responsible for registration of the co-operative;
 - (d) reliable and independent documents relating to the co-operative; or
 - (e) reliable and independent electronic data.
- 4.2 Verification of information about a beneficial owner or the Replacement Beneficial Owner must be conducted in accordance with Schedule 1 as if that person were a customer in their capacity as an individual.
- 4.3 If SVO AUSTRALIA PTY LTD determines that the ML/TF Risk of a particular beneficial owner, or the Replacement Beneficial Owner, is medium or lower, it may verify information about that beneficial owner or Replacement Beneficial Owner in accordance with Schedule 9, notwithstanding anything to the contrary in this Schedule. However, the procedures in Schedule 9 may not be used in respect of a beneficial owner or Replacement Beneficial Owner who is a foreign PEP.
- 4.4 Non-English documents: where any document relied on a part of the procedure is in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.

5. Disclosure certificates

5.1 The following kinds of information are prescribed for paragraph 5.2 of this Schedule:

- (a) all of the information in part 3 of this Schedule, to the extent that it is not otherwise reasonably available from a source identified in part 4 of this Schedule; and
- (b) full name and full residential address of each beneficial owner or Replacement Beneficial Owner.

5.2 If SVO AUSTRALIA PTY LTD has attempted to collect and/or verify the prescribed information about a co-operative in accordance with parts 2, 3 and 4 of this Schedule but has been unable to obtain or verify that information, and determines that the information cannot otherwise be reasonably obtained or verified, SVO AUSTRALIA PTY LTD may obtain and verify that information from a disclosure certificate that complies with paragraph 5.3 of this Schedule, unless there is reason to believe that the information contained in the disclosure certificate is incorrect or unreliable.

5.3 A disclosure certificate must contain:

- (a) all of the information identified in paragraph 5.1 of this Schedule for the relevant kind of company;
- (b) the full name of the appropriate officer (see paragraph 5.4 of this Schedule)
- (c) 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
- (d) the date of certification by the appropriate officer.

5.4 An “appropriate officer” for the purpose of a disclosure certificate is:

- (a) the chairman, secretary or equivalent officer of the co-operative;
- (b) a member or employee of the co-operative who is involved in the management of the co-operative; or
- (c) a professional adviser to the co-operative (e.g. lawyer, accountant),

who SVO AUSTRALIA PTY LTD’s AML/CTF Compliance Officer is satisfied, having regard to the ML/TF Risk involved, is able and likely to provide correct, complete and reliable information in a disclosure certificate.

5.5 If SVO AUSTRALIA PTY LTD cannot identify an appropriate officer for the co-operative, it must not rely on a disclosure certificate to collect and verify KYC Information.

6. Customer identification procedure to be applied where the customer identification procedure cannot be conducted

If the customer identification procedure cannot be conducted, the matter must be escalated to the AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

7. Beneficial owners of customer – politically exposed person (PEP)?

SVO AUSTRALIA PTY LTD must determine whether any beneficial owner of the customer is a PEP before the providing a Designated Service to the customer or as soon as practicable after the Designated Service has been provided, in accordance with Schedule 10.

8. Agents of Customers

SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

Schedule 7: Applicable customer identification procedure – government bodies

1. Objective

- 1.1 The procedures in this Schedule, and any discretion that they permit to be exercised, must be carried out for the purpose of enabling SVO AUSTRALIA PTY LTD to be reasonably satisfied that:
- (a) the government body exists; and
 - (b) for a foreign government body, information about the beneficial owners of the government body has been provided.

2. Collection and verification of KYC Information

SVO AUSTRALIA PTY LTD must collect and verify the following information in respect of a customer who is a government body:

- (a) full name of the government body;
- (b) full address of the government body's principal place of operations;
- (c) whether the government body is an entity or emanation, or is established under legislation, of the Commonwealth; and
- (d) both:
 - (1) whether the government body is an entity or emanation, or is established under legislation, of a State, Territory, or a foreign country; and
 - (2) the name of that State, Territory or country.

3. Verification method

- 3.1 SVO AUSTRALIA PTY LTD must verify KYC Information about a customer who is a government body by reference to reliable and independent documentation and/or reliable and independent electronic data, including one or more of the following:
- (a) search the relevant Commonwealth, State, Territory or foreign country government's website for confirmation of the government body's existence;
 - (b) examine the relevant Commonwealth, State, Territory or foreign country register of government bodies (where available); and/or
 - (c) if the government body is established under legislation, a copy or relevant extract of the legislation obtained from a reliable and independent source (such as a government website).
- 3.2 If SVO AUSTRALIA PTY LTD determines that the ML/TF Risk of a particular beneficial owner, or the Replacement Beneficial Owner, is medium or lower, it may verify information about that beneficial owner or Replacement Beneficial Owner in accordance with Schedule 9,

notwithstanding anything to the contrary in this Schedule. However, the procedures in Schedule 9 may not be used in respect of a beneficial owner or Replacement Beneficial Owner who is a foreign PEP.

- 3.3 Non-English documents: where any document relied on a part of the procedure is in a language other than English, it must be accompanied by an English translation prepared by an accredited translator.

4. Beneficial ownership of foreign government entities

Where a customer is a government body that is an entity or emanation, or is established under legislation, of a foreign country, the AML/CTF Compliance Officer must be notified. The AML/CTF Compliance Officer will then determine whether to collect any additional KYC Information about the ownership or control of the customer, having regard to the ML/TF risk of providing Designated Services to that customer.

5. Customer identification procedure to be applied where the customer identification procedure cannot be conducted

If the customer identification procedure cannot be conducted, the matter must be escalated to the AML/CTF Compliance Officer, who must determine and/or conduct a suitable procedure to meet the requirements of this Schedule.

6. Beneficial owners of customer – politically exposed person (PEP)?

SVO AUSTRALIA PTY LTD must determine whether any beneficial owner of the customer is a PEP before the providing a Designated Service to the customer or as soon as practicable after the Designated Service has been provided, in accordance with Schedule 10.

7. Agents of Customers

SVO AUSTRALIA PTY LTD must follow the procedures in Schedule 8 in respect of its dealings with a person who purports to be acting on behalf of another person who is the customer in relation to a Designated Service, or it appears that the person with whom SVO AUSTRALIA PTY LTD is dealing is not the underlying customer to whom the Designated Service is being provided.

Schedule 8: Customer identification and verification procedures for agents of customers

1. All types of customers appointing an agent

- 1.1 The following procedures apply when a customer authorises an agent, who is an individual, to act for or on behalf of the customer in relation to Designated Services.
- 1.2 For avoidance of doubt:
- (a) a person is not an agent of a customer merely because they arrange designated services for or on behalf of the customer;
 - (b) Parts 1 and 2 of this Schedule apply to individuals who act for or on behalf of a customer; and
 - (c) Part 3 of this Schedule applies to agents who are not individuals.

2. Collection of information about agent

SVO AUSTRALIA PTY LTD must collect the following information about an individual purporting to be an agent of a customer or prospective customer:

- (a) full name of the purported agent; and
- (b) evidence of the individual's authority to act on behalf of the customer (e.g. signed letter, signed authorisation form, signed power of attorney).

3. Verifying officers and agents of non-individual customers

- 3.1 If a customer is not an individual, the customer may appoint a verifying officer (e.g. an employee) to identify agents appointed by it, and SVO AUSTRALIA PTY LTD may rely on identification by a verifying officer to satisfy its obligations under Part 4.11 of the AML/CTF Rules.
- 3.2 If SVO AUSTRALIA PTY LTD seeks to rely on identification by a verifying officer, it must:
- (a) identify the verifying officer – that is:
 - (1) identify and verify the verifying officer's identity in accordance with Schedule 1 as if the verifying officer were a customer of SVO AUSTRALIA PTY LTD on their own account; and
 - (2) obtain evidence of the customer's authorisation of the verifying officer to act as a verifying officer (e.g. signed letter or authorisation form);
 - (b) notify the customer that the verifying officer is required to collect the following information about the agent:
 - (1) full name of the agent;
 - (2) title of the position or role held by the agent with the customer;

- (3) copy of the signature of the agent; and
 - (4) evidence of the agent's authorisation to act on behalf of the customer;
- (c) require the verifying officer to make, and for the customer to retain, a record of all information collected under (b) above; and
- (d) collect from the verifying officer:
 - (1) full name of the agent; and
 - (2) copy of the signature of the agent.

4. Agents who are not individuals

- 4.1 It is possible that a customer may appoint a non-individual, such as a company, as the customer's agent. The AML/CTF Rules do not provide for collection and verification of information about the identity of agents who are not individuals.
- 4.2 However, such agents must ultimately act through an individual or individuals (e.g. employees of a company). As such, SVO AUSTRALIA PTY LTD must comply with this Schedule in relation to those individuals, and collect their name and evidence of authority to act on behalf of the customer.
- 4.3 SVO AUSTRALIA PTY LTD must further ensure that the evidence of authorisation shows the chain of authority from the customer to the non-individual agent and from the non-individual agent to the individual actually acting for or on behalf of the customer.

Schedule 9: Beneficial owner safe harbour verification procedure

1. Documentation-based safe harbour procedure

1.1 Do all of the following:

- (a) collect the full name and either:
 - (1) date of birth;
 - (2) full residential address; or
 - (3) both (1) and (2) above,about the beneficial owner or Replacement Beneficial Owner;
- (b) verify each beneficial owner or Replacement Beneficial Owner's full name and either date of birth or full residential address (or both) from:
 - (1) an original or certified copy of a primary photographic identification document; or
 - (2) both:
 - (A) an original or certified copy of a primary non-photographic identification document; and
 - (B) an original or certified copy of a secondary identification document; and
- (c) verify that each document produced by the customer in regard to each beneficial owner or Replacement Beneficial Owner has not expired (other than in the case of an Australian passport that expired within the last 2 years).

1.2 "Primary photographic identification document", "primary non-photographic identification document" and "secondary identification document" have the same meaning as in Schedule 1.

2. Electronic-based safe harbour procedure

2.1 Do all of the following:

- (a) collect the full name and either:
 - (1) date of birth;
 - (2) full residential address; or
 - (3) both (1) and (2) above,about the beneficial owner or Replacement Beneficial Owner; and

- (b) verify each beneficial owner or Replacement Beneficial Owner's full name and either date of birth or full residential address (or both) using reliable and independent electronic data from at least two separate data sources.

Schedule 10: Collection and verification of information if a beneficial owner of a customer is a PEP

1. Determining if the beneficial owner of a customer is a PEP

- 1.1 SVO AUSTRALIA PTY LTD must determine whether the individual beneficial owner of the customer is a politically exposed person (PEP) by referring to the definition of PEP in Schedule 12 before the provision of the Designated Service to the customer or as soon as practicable after the Designated Service has been provided.
 - 1.2 SVO AUSTRALIA PTY LTD must ensure that it maintains access to up-to-date databases of domestic PEPs, foreign PEPs and international organisation PEPs, and compares the identity of beneficial owners of a customer against such databases during the customer identification and verification procedure conducted during the onboarding process prior to providing any Designated Service to the customer.
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2. PEP procedures

- 2.1 If SVO AUSTRALIA PTY LTD determines that the individual beneficial owner of a customer is a PEP, for a domestic politically exposed person and international organisation politically exposed person, SVO AUSTRALIA PTY LTD must:
 - (a) identify the beneficial owner in accordance with the individual KYC requirements set out in Schedule 1 as if the beneficial owner was the customer; and
 - (b) determine whether the beneficial owner is high ML/TF Risk.
- 2.2 If the beneficial owner is determined to be high ML/TF Risk or the beneficial owner is a foreign politically exposed person, then SVO AUSTRALIA PTY LTD must also:
 - (a) obtain senior management approval before establishing or continuing a business relationship with the individual and before the provision, or continued provision, of a designated service to the customer;
 - (b) take reasonable measures to establish the beneficial owner's source of wealth and source of funds; and
 - (c) comply with the obligations in the Ongoing Customer Due Diligence procedure.

Schedule 11: Certification of copies and extracts

1. Definitions

Term	Meaning
Certified copy	A document that has been certified as a true copy of an original document.
Certified extract	An extract that has been certified as a true copy of some of the information contained in an original document.

2. Who can certify a copy or extract?

The following persons may certify a copy or extract:

- (a) a person who, under a law in force in a State or Territory, is currently licensed or registered to practice in an occupation listed in Part 1 of Schedule 2 of the *Statutory Declarations Regulations 2018*;
- (b) a person who is enrolled on the roll of the Supreme Court of a State or Territory, or the High Court of Australia, as a legal practitioner (however described);
- (c) a person listed in Part 2 of Schedule 2 of the *Statutory Declarations Regulations 2018*. For the purposes of these Rules, where Part 2 uses the term '5 or more years of continuous service', this should be read as '2 or more years of continuous service';
- (d) an officer with, or authorised representative of, a holder of an Australian financial services licence, having 2 or more years of continuous service with one or more licensees;
- (e) an officer with, or a credit representative of, a holder of an Australian credit licence, having 2 or more years of continuous service with one or more licensees;
- (f) a person in a foreign country who is authorised by law in that jurisdiction to administer oaths or affirmations or to authenticate documents.

Schedule 12: PEP definitions

Term	Meaning
Domestic PEP	A politically exposed person of an Australian government body
Foreign PEP	A politically exposed person of a government body of a foreign country
International organisation	<p>An organisation:</p> <p>(a) established by formal political agreement by two or more countries and that agreement has the status of an international treaty; and</p> <p>(b) established by formal political agreement by two or more countries and that agreement has the status of an international treaty; and</p> <p>recognised in the law of the countries which are members of the organisation.</p>
International organisation PEP	A politically exposed person of an international organisation
Politically exposed person (PEP)	<p>An individual:</p> <p>(a) who holds a prominent public position or function in a government body or an international organisation, including:</p> <ol style="list-style-type: none"> (1) Head of State or head of a country or government; (2) government minister or equivalent senior politician; (3) senior government official; (4) Judge of the High Court of Australia, the Federal Court of Australia or a Supreme Court of a State or Territory, or a Judge of a court of equivalent seniority in a foreign country or international organisation; (5) governor of a central bank or any other position that has comparable influence to the Governor of the Reserve Bank of Australia; (6) senior foreign representative, ambassador or high commissioner; or (7) board chair, chief executive officer or chief financial officer of, or any other position that has comparable influence in, any state enterprise or international organisation; <p>(a) who is an immediate family member of a person referred to in paragraph (a) above, including a:</p> <ol style="list-style-type: none"> (1) spouse;

Term	Meaning
	<p>(2) de facto partner;</p> <p>(3) child and child's spouse or de facto partner; or</p> <p>(4) parent; or</p> <p>(b) who is a close associate of a person referred to in paragraph(a) above, which means an individual who is known (having regard to information that is public or readily available) to have:</p> <p>(1) joint beneficial ownership of a legal entity or legal arrangement that is known to exist for the benefit of a person described in paragraph (a); or</p> <p>(c) sole beneficial ownership of a legal entity or legal arrangement that is known to exist for the benefit of a person described in paragraph (a).</p>

Henry L Hirsch

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