KNOW YOUR CLIENT / ANTI-MONEY LAUNDERING / COMBATING THE FINANCING OF TERRORISM POLICY

of

BUGLEROCK CAPITAL PRIVATE LIMITED

(Formerly known as o3 Securities Private Limited)

Registered with the Securities and Exchange Board of India as a Portfolio Manager with effect from May 16, 2017
Registration No. INP000005430

1. Objective and Scope

The Prevention of Money Laundering Act, 2002 (PMLA), was enacted to prevent the financing of terrorism and combat money laundering. It is designed to safeguard the financial system by imposing stringent obligations on individuals and entities to detect, report, and prevent illicit transactions.

2. Reporting Obligations under PMLA

Entities and individuals subject to PMLA are legally mandated to report specific types of transactions routed through them to the Financial Intelligence Unit – India (FIU-IND). These obligations are crucial to ensuring the effectiveness of anti-money laundering (AML) systems and preventing the financing of illegal activities.

3. Applicability to Regulated Entities

PMLA is applicable, inter alia, to intermediaries regulated by SEBI and the Reserve Bank of India (RBI). This includes banks, financial institutions, and other entities providing financial services. All such entities must ensure full compliance with PMLA provisions, adhering to the specific guidelines issued by the relevant regulatory bodies.

4. Buglerock Capital Private Limited Commitment

Buglerock Capital Private Limited, a SEBI-registered Portfolio Manager ("Buglerock"), is committed to complying with the obligations set forth under the PMLA. Buglerock has established a comprehensive Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT) Policy to ensure adherence to regulatory requirements.

5. Regulatory Framework and Client Due Diligence

SEBI and other regulatory authorities have issued detailed guidelines requiring intermediaries to implement written procedures to enforce AML provisions. Buglerock has adopted the following key parameters for its Client Due Diligence (CDD) process, as mandated under PMLA:

a) Client Acceptance Policy – Defining criteria for accepting clients to ensure the exclusion of high-risk entities and individuals.

b) Client Identification Procedure – Comprehensive identification and verification procedures to ensure that clients are legitimate and do not pose a risk of money laundering or terrorism financing.

c) Transaction Monitoring and Reporting – Continuous monitoring of client transactions, with a focus on detecting and reporting Suspicious Transactions (STR) to the FIU-IND as required under PMLA.

6. Enhanced Due Diligence (EDD) for High-Risk Clients

Buglerock conducts Enhanced Due Diligence (EDD) for clients falling under higher-risk categories, such as those from high-risk jurisdictions or belonging to special categories, including Politically Exposed Persons (PEPs), trusts, NGOs, charities, and organizations receiving donations. Detailed scrutiny is applied to such clients in accordance with the provisions of the PMLA and the firm's internal AML policy.

7. New Client Onboarding Procedures

As part of the client onboarding process, Buglerock ensures that all prescribed CDD procedures are strictly followed, including Know Your Customer (KYC), Client Acceptance, and Client Identification. Clients are expected to fully cooperate in providing the required documentation and information to ensure compliance with PMLA.

8. Transaction Record Maintenance

Buglerock maintains detailed records of all client transactions in a format that enables prompt retrieval and reporting to authorities, as required under PMLA. This ensures that any suspicious or high-value transactions can be promptly identified and reported.

9. Client Awareness and Compliance Cooperation

Clients are advised to stay informed of the evolving provisions of PMLA and any amendments thereto. They are required to cooperate fully by providing additional documents or information requested by Buglerock to ensure compliance with PMLA. Non-compliance or refusal to provide requested details may result in restrictions on account activities.

10. **Information and Document Requests**

Clients are required to provide documents related to their financial transactions, including those evidencing the source of funds, tax returns, bank records, etc. Cooperation is essential to ensure that Buglerock can fulfill its obligations under PMLA.

11. Client Responsibility to Avoid Suspicious Activity

Clients must exercise caution and avoid involvement in any activities that could facilitate money laundering or terrorism financing. Buglerock urges clients to actively support its efforts to comply with PMLA by refraining from transactions that raise suspicion and reporting any suspicious activity encountered.

12. Additional Information

For more information on PMLA and related compliance obligations, clients may visit the websites of the FIU (www.fiuindia.gov.in) and SEBI (www.sebi.gov.in).

13. Client Obligations – Illustrative List

To ensure full compliance, clients are expected to adhere to the following obligations:
a) Provide all required information and documentation as requested by Buglerock from time to time.
b) Submit valid identity and address proof documents as part of the KYC process.
c) Furnish accurate personal information, including mobile number, email ID, occupation, and the nature of business activities (where applicable).
d) Disclose up-to-date financial information, such as annual income and net worth.
e) Respond promptly to requests for additional information regarding trades, holdings, or transactions.
f) Disclose the rationale or purpose behind specific transactions if queried by Buglerock.
g) Proactively update Buglerock on any changes in personal or financial information, including supporting documentation.
h) Complete KYC updates when prompted by Buglerock, as required by regulatory authorities.
i) Cooperate with requests for additional documents, including but not limited to, bank records, income tax returns, salary slips, and explanations regarding specific transactions.
j) Report any suspicious communication or requests for information to Buglerock Compliance Officer at compliance@buglerock.asia.