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| 0811_SCP V0 | Issuance Date: 10 October 2024 Revision Date: 10 October 2024 |
| approved by: MD <i>Saeed Ramezani</i> | Reviewed by: HM |

1.0 Purpose

The purpose of this procedure is to establish a standardized process for ensuring compliance with U.S. sanctions regulations for all clients of BRSM, as required by the Office of Foreign Assets Control (OFAC). This procedure ensures that BRSM verifies client compliance with sanctions frameworks in a systematic, accurate, and impartial manner, maintaining the integrity of BRSM's certification services.

2.0 Scope

This procedure applies to all clients seeking certification services from BRSM, particularly those located in or associated with regions or entities potentially subject to U.S. sanctions. It covers the processes for client screening, verification, and ongoing monitoring to ensure compliance with applicable sanctions during the certification cycle.

3.0 Definition, suitable to BRSM internally

Sanctions Compliance: The process of ensuring that BRSM's clients, their operations, and associated entities are not subject to U.S. sanctions as administered by OFAC.

Client Self-Declaration: A formal submission by the client via BRSM-FORM-001-En_Questionnaire, providing detailed information about their operations, ownership, and affiliations to assess sanctions compliance.

4.0 Procedure


4.1 Client Self-Declaration

All clients must complete and submit BRSM-FORM-001-En_Questionnaire as part of the initial application process. This form requires clients to provide accurate and detailed information regarding their business operations, ownership structure, geographic locations, and any affiliations that may be relevant to U.S. sanctions.

4.2 Initial Assessment and Sanctions Screening

4.2.1 Review of Self-Declaration

- The assigned department reviews the completed BRSM-FORM-001-En_Questionnaire to determine the client's potential exposure to U.S. sanctions based on their provided information.

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- If the questionnaire is incomplete or unclear, additional information is requested from the client before submitting of form 031.

4.2.2 Sanctions List Verification

- For clients operating in high-risk geographic regions (e.g., Cuba, Iran, Afghanistan), BRSM conducts a mandatory check against the OFAC sanctions list at <https://sanctionssearch.ofac.treas.gov/> before completing FORM-031_Application Review Form.
- If the client or any associated entity is listed on the OFAC sanctions list, BRSM will reject the application and notify the client through the original submission channel.
- If the client is not listed, BRSM may proceed with the application process, subject to ongoing monitoring.

4.3 Ongoing Monitoring

Throughout the certification cycle, BRSM monitors clients for any changes in sanctions status. If a client becomes subject to U.S. sanctions during the certification period, BRSM will initiate the termination process as outlined in Clause 8, "Termination by BRSM," of the TBA_Agreement_Terms of Business document. This may result in the withdrawal of the client's certification.

4.4 Response Delivery

Any communication regarding sanctions compliance, including rejections or requests for additional information, is delivered to the client through the same channel as the original submission unless otherwise specified.

Responses are provided in a clear, concise, and professional manner within 5 working days.

4.5 Follow-Up

If necessary, BRSM follows up with the client to ensure clarity on sanctions compliance decisions or to address additional questions.

Any further clarifications or requirements are communicated promptly to maintain transparency.

4.6 Documentation

All sanctions compliance activities, including the completed BRSM-FORM-001-En_Questionnaire, FORM-031_Application Review Form stored in the designated OneDrive folder.

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By following this process, BRSM ensures that all clients are screened and monitored for compliance with U.S. sanctions in a professional and impartial manner. The sanctions compliance process is periodically reviewed for effectiveness and alignment with OFAC regulations.

Implement improvements based on feedback from clients, internal audits, and updates to OFAC sanctions lists.