Caymanians First Charitable Foundation

Anti-Money Laundering (AML), Counter-Terrorist Financing (CFT) and Proliferation Financing (PF) Annual Training Policy for Directors

TABLE OF CONTENTS

PURPOSE

The purpose of this policy is to ensure that the Directors of the Caymanians First Charitable Foundation (the “Foundation”) receive adequate and ongoing training in anti-money laundering (AML), counter-terrorist financing (CFT), proliferation financing (PF), and targeted financial sanctions obligations applicable within the Cayman Islands.

This policy ensures that the Board maintains sufficient knowledge to:

- Identify and understand money laundering and terrorist financing risks relevant to the Foundation;
- Fulfil their governance and oversight responsibilities;
- Ensure the Foundation operates in compliance with Cayman Islands laws and regulatory expectations; and
- Protect the Foundation from legal, reputational, and financial risks associated with financial crime

LEGAL AND REGULATORY FRAMEWORK

This policy is designed to support compliance with Cayman Islands legislation and regulatory standards, including but not limited to:

- The Proceeds of Crime Act (as revised);
- The Anti-Money Laundering Regulations (as revised);
- The Terrorism Act (as revised);
- Guidance issued by the Cayman Islands regulatory authorities regarding the prevention and detection of money laundering and terrorist financing;
- The Non-Profit Organisations Law (2020 Revision) and associated regulatory expectations; and
- International standards issued by the Financial Action Task Force (FATF).

Although the Foundation operates as a charitable non-profit organization, the Board acknowledges that non-profits may be vulnerable to misuse for illicit financial activities.

Accordingly, the Board is committed to maintaining appropriate AML awareness and governance oversight.

SCOPE

This policy applies to:

- All Directors of the Caymanians First Charitable Foundation;
- Newly appointed Directors upon joining the Board;
- Members of staff; and
- Any committee members or senior individuals exercising governance or financial oversight responsibilities.

BOARD RESPONSIBILITIES

The Board of Directors is responsible for ensuring that:

- Directors understand the risks associated with money laundering, terrorist financing, and proliferation financing;
- Appropriate AML/CFT/PF policies and controls exist within the Foundation;
- The Foundation maintains a culture of compliance and transparency; and
- Directors remain informed of relevant legal and regulatory developments.

Each Director is responsible for completing the training required under this policy and maintaining sufficient knowledge to discharge their duties.

ANNUAL TRAINING REQUIREMENT

All Directors and staff must complete AML/CFT/PF training once per calendar year.

Training must be designed to ensure Directors understand:

- The nature and methods of money laundering and terrorist financing;
- Risks specific to the charitable and non-profit sector;
- Governance responsibilities related to financial crime prevention;
- Suspicious activity identification and reporting procedures; and
- Sanctions compliance obligations.
- The Foundation's internal AML controls and procedures

New Directors must complete AML training within three (3) months of appointment if they have not completed equivalent training within the preceding 12 months.

TRAINING CONTENT

Annual AML training will include, at minimum, the following topics:

6.1 Cayman Islands AML Framework

Overview of the legal and regulatory regime governing AML/CFT/PF in the Cayman Islands.

6.2 Governance and Board Oversight

Responsibilities of directors in overseeing AML compliance, including risk management and internal controls.

6.3 Money Laundering and Terrorist Financing Risks

Understanding typologies, red flags, and vulnerabilities relevant to charities and non-profit organizations.

6.4 Suspicious Activity Reporting

Procedures for identifying and escalating suspicious activity and the role of the relevant reporting authorities.

6.5 Targeted Financial Sanctions

Understanding sanctions regimes and obligations to avoid dealings with sanctioned individuals or entities.

6.6 Foundation-Specific Risk Awareness

Training on the Foundation's internal controls, donation monitoring, financial governance processes, and risk assessment framework.

TRAINING DELIVERY

AML training may be delivered through:

- In-person training sessions;
- Online compliance courses;
- External professional training providers;
- Board governance workshops; and
- AML briefings conducted by qualified professionals.

Training should be appropriate for a board-level audience and focus on oversight governance rather than operational compliance procedures.

DOCUMENTATION AND RECORDKEEPING

The Foundation will maintain records of all AML training completed by Directors.

Training records must include:

- Director's name
- Training provider
- Date of completion
- Course title and summary
- Certificate of completion or attendance confirmation

Training records will be maintained by the Foundation CEO or designated officer and retained for a minimum of five (5) years.

NON-COMPLIANCE

Failure by a Director to complete the required AML training may:

- Be addressed by the Chair of the Board and CEO of Foundation;
- Require remedial training within a specified timeframe; and
- Be considered during board governance reviews

Directors must notify the Chair or CEO if they anticipate delays in completing required training.

POLICY REVIEW

This policy will be reviewed annually by the Board of Directors to ensure it remains aligned with:

- Cayman Islands legal and regulatory requirements;
- Best practices for charitable governance; and
- Changes in the Foundation's activities or risk profile.

All amendments must be approved by the Board.

APPROVAL

This policy was approved by the Board of Directors of the Caymanians First Charitable Foundation.