



**MASTER SERVICES AGREEMENT -  
 STATEMENT OF WORK**

**Note**

This document contains the details of the services to be provided under this Statement of Work (“SOW”) (including the Master Services Agreement Terms and Conditions contained therein) and must be signed before the Service Provider (defined below) provides any Services (defined below) and before the Anti-Money Laundering Council of the Philippines (defined below) pays any money for any Services.

**This SOW is NOT to be used for the purchase of any equipment or hardware.**

The Anti-Money Laundering Council of the Philippines engages the Service Provider, and the Service Provider accepts the engagement to provide the Services and Deliverables in accordance with the terms set out in this SOW (including any attachments thereto and the Master Services Agreement Terms and Conditions contained therein) entered into between the parties on 20 December 2021. The Master Services Agreement Terms and Conditions are deemed incorporated in this SOW.

**1. PARTIES**

**A. ANTI-MONEY LAUNDERING  
 COUNCIL  
 (“AMLC”)**

*Address: 5F EDPC Building  
 Bangko Sentral Ng Pilipinas Complex  
 Mabini corner Vito Cruz Streets, Malate  
 Manila, Philippines  
 1004*

*Email: secretariat@amlc.gov.ph*

*Attention: Mel Georgie B. Racela  
 Executive Director*

**B. AML ANALYTICS LTD  
 REG : 07290924  
 (“SERVICE PROVIDER”)**

*Address: Thrupton Down House  
 Thrupton Down  
 Andover  
 Hampshire, UK*

*Email: alex@aml-analytics.com*

*Attention: Alex Oxford  
 Managing Director, Asia-Pacific*



## 2. TERM

This **SOW** will start on (“**20<sup>th</sup> of December 2021**”) and terminate on (“**20<sup>th</sup> of December 2022**”) unless otherwise terminated sooner or later in accordance with the provisions of this SOW.

## 3. THE AMLC’S POINT OF CONTACT

- Arnold T Kabanlit – Acting Deputy Director, Compliance and Supervision Group, Detection and Prevention Department, AMLC.

The AMLC point of contact set out above will be responsible for all matters related to this SOW, including the oversight and management of this SOW as well as the Service Provider’s performance under this SOW.

## 4. SERVICE PROVIDER’S PROJECT MANAGER

- Alex Oxford, Managing Director, Asia-Pacific, AML Analytics Ltd.

## 5. SERVICES

### 5.1 Project Description

The AMLC intends to enhance its supervision of Regulated Entities/Covered Persons (“**REs**”) screening solutions through the use of an analysis tool and appoints the Service Provider for services to (i) provide analysis or stress testing of REs’ automated screening solutions covering sanctions screening systems using an analysis tool; (ii) benchmark the results of the analysis or stress testing referred to under paragraph (i); and (iii) provide advisory services to the AMLC throughout the exercise, including preparing and delivering sectoral feedback following the conclusion of the exercise as more particularly set out in Section 6.1 herein (“**Services**”).

The Services will be provided by the Service Provider on a project basis in the context of a thematic review (“**Review**”) of selected REs over a designated period of time in a date to be decided between the two parties. The aim of the project is to understand the effectiveness and efficiency of each RE’s sanctions screening systems and provide suggestions for enhancing their systems.

The intended outcome of the project for the AMLC is to enhance the objective basis for the AMLC’s assessment of sanctions screening risks, associated with those REs included in the Review and to facilitate those REs remediating any shortcomings identified, with a view to ensuring the robustness of AMLC’s anti-money laundering and counter-terrorist financing regime with regard to these risks.

AML Analytics will provide an annualised subscription to the AML Analytics Analyser Online (Sandbox) technology that will be utilised in the Thematic Review.

In providing the Services under this SOW, the Service Provider is required to conduct independent data tests on the relevant RE’s sanctions screening systems in accordance with the international best practice standards using suitable analytical software.

### 5.2 Location of Services

The Services will mainly be provided remotely by the Service Provider to the AMLC via a web-based portal. The Services should include at least one in person visit as specified in the agreed set of activities. (if allowable under Covid restrictions and agreeable with the





AMLC)

### **5.3 AMLC Commitments**

The AMLC will be responsible for making all significant management and strategy decisions in relation to the Services and evaluating the results of the Services.

### **5.4 Service Provider's Commitment**

In performing the obligations under the SOW, the Service Provider will discharge its duties in a timely and professional manner with the care, skill, diligence and integrity that, under the circumstances then prevailing, a service provider acting in a like capacity would use.

## **6. SCOPE OF WORK AND DELIVERABLES**

### **6.1 Services to be provided by the Service Provider**

- (a) Conduct pre-testing preparation including suggesting testing content/approach.
- (b) Conduct adequate planning and finalise the testing scope.
- (c) Provide introduction (including workshop(s)) and required testing information to REs.
- (d) Liaise with REs in preparing and confirming test data for both customer and payment screening systems for REs to run through the appropriate screening systems;
- (e) Review the returned alerts from REs (testing will be conducted through a web-based portal) and prepare review results;
- (f) Report major issues, if any, identified during testing in a timely manner;
- (g) Consolidate and benchmark review results and provide clear and concise report(s) as required by the AMLC;
- (h) Assist the AMLC in the provision of sectoral guidance and/or training following completion of the Review, summarising the main trends identified from the analysis;
- (i) Provide on-site/off-site (online/web- hosted meeting) support and guidance to the AMLC when conducting results review meetings with the REs, including summarising the results, highlighting any weaknesses or issues and providing guidance on the relevant remediation steps that may be proposed by the AMLC (this Service is expected to be required over a four-week period); and
- (j) Advise the AMLC on any other matters that may affect the AMLC interests in the Review or otherwise may be relevant to the Review.
- (k) Ongoing' Sandbox Subscription for the AMLC
  1. Unfettered access to Sandbox online and all test creation functionality
  2. Up to 3 user licences
  3. Access to all AML Analytics sanction source data
  4. All algorithmic manipulations available

### **6.2 Deliverables**

In relation to each RE covered in the Review:

- Test Dataset 1 – 10,000 sanctioned names (5000 un-manipulated and 5000 algorithmically manipulated) – formatted for payment screening systems; and
- Test Dataset 2 – 10,000 sanctioned names (5000 un-manipulated and 5000 algorithmically manipulated) – formatted for customer screening systems.
- Test Dataset 3 – 100 sanctioned names (100 algorithmically manipulated) – formatted for manual batch screening;

In relation to the AMLC:

- User access to online system "Analyser Online";
- Reports available for download from the Service Provider's online platform "Analyser Online/Sandbox (pdf and xls report format) in relation to each RE's review results;



- Additional reporting(s) providing a 'deep dive' into the relevant RE's performance and peer comparison;
- Analysis, review and advice as stated in Section 6.1 of this SOW;
- Project Tracking tool; and
- AMLC access to the Sandbox service for subsequent ongoing testing of RE's

In relation to the access of all related systems stated in this SOW:

- Certificate or any document signifying the Delivery of License/s (i.e. access of the tool), or its equivalent

### 6.3 Number of REs Subject to the Review

The Service Provider will provide the Services to cover 65 RE's in the Review with an initial batch of 20 to be tested at the outset.

7. ESTIMATED PROJECT SCHEDULE [TO BE FINALIZED]		
1	AMLC/Provider Contracting Period	<i>Date TBC</i>
2	AMLC to contact REs	<i>Date TBC</i>
3	REs' acknowledgment and submission of point of contacts	<i>Date TBC</i>
4	Workshop for RE's	<i>Date TBC</i>
5	On-boarding system access	<i>Date TBC</i>
6	Full Volume test files sent by Service Provider to REs	<i>Date TBC</i>
7	Results returned and processed by Service Provider	<i>Date TBC</i>
9	AMLC to present findings to REs	<i>Date TBC</i>

\*The timeline in the project schedule above is the best estimate only and is subject to change at the AMLC discretion and decision.

### 8. KEY PERSONNEL

Key Personnel of the Service Provider available during the performance of this SOW.

NAME	ROLE
ALEX OXFORD	MANAGING DIRECTOR, APAC
ANDY ROBERTSON	COO
JAMIE COTTRELL	CUSTOMER OPERATIONS MANAGER

### 9. PAYMENT TERMS AND MILESTONES

9.1 The Services will be paid for on a Fixed Price basis based on the number of banks/institutions in scope:

- Number of RE's in scope – 65 **\$65,000**

NOTE: Includes all reasonable travel, accommodation, subsistence costs, and transfer/remittance/bank charges which will be incurred in the payment process.





**9.1.1 Time and Materials Basis**

This is included in the price.

**9.1.2 Fixed Price Basis**

The Service Provider's fixed fee for performing the Services is USD \$65,000 inclusive of any cost, expense and disbursement which may be incurred by the Service Provider in performing the Services.

**9.2 Payment Structure**

Payment of the charges will be made by way of a single instalment of USD \$65,000 by the AMLC within 30 days of receipt of a valid invoice issued by the Service Provider. The Service Provider shall bear the payment of remittance/bank/transfer charges to be deducted from the Contract price.

**10. SPECIFICATIONS**

This item is not applicable to this SOW.

**11. ACCEPTANCE CRITERIA**

Testing will be subject to the Service Provider's internal quality checks before releasing to the AMLC and/or REs.

**12. OTHER SPECIAL CONDITIONS**

**12.1 Pre-engagement Screening**

The Service Provider's Key Personnel WILL NOT be subject to pre-engagement screening by the AMLC.

**12.2 Engagement Beyond the End Date**

The AMLC does not warrant or represent that the Service Provider's engagement will continue beyond the End Date. However, if, for any reason, the Service Provider's engagement continues after the expiry of the End Date where the End Date is not extended by another SOW in writing, then the terms and conditions of this SOW will continue to apply for as long as the Service Provider's engagement continues subject to the AMLC right to terminate this SOW immediately by written notice to the Service Provider and subject further to the provisions of termination set out in this SOW.

**12.3 (a) Termination For Cause**

Without prejudice to any other right or remedy it may have, the AMLC may terminate this SOW immediately by written notice to the Service Provider: (i) if the Service Provider is in material breach of any provision of this SOW and either such breach is not capable of remedy or, if the breach is capable of remedy, the Service Provider has failed to remedy such breach within thirty (30) days of receiving written notice requiring it to do so; or (ii) if there is a change of Control of the Service Provider; (iii) if the Service Provider becomes insolvent, or if an order is made or a resolution is passed for the winding up of the Service Provider (other than voluntarily for the purpose of solvent amalgamation or reconstruction), or if an administrator, administrative receiver or receiver is appointed in respect of the whole or any part of the Service Provider's assets or business, or if the Service Provider



makes any composition with its creditors or takes or suffers any similar or analogous action in consequence of debt.

For the purposes of this SOW, "Control" means the power, direct or indirect, to direct or cause the direction of the management and policies of such entity whether by contract, ownership of shares, membership of the board of directors or otherwise and without limiting any of the foregoing, any entity owning more than fifty percent (50%) of the voting securities of an entity will be deemed to control that entity.

**(B) Termination for Convenience:**

The **AMLC** may terminate the contract, in whole or in part, if it determines, in its sole and absolute discretion, that a termination is in its best interests. In order to terminate the contract, the bank shall send the contractor a written termination notice at least ten (10) working days prior to the intended date of termination. Notice of such termination shall state that termination is for the bank's convenience. The notice shall also state the extent to which performance of services under the contract is terminated, and the termination date. Unless otherwise instructed by the bank, Service Provider shall stop work immediately on receipt of the termination notice and follow the instructions and directions of the bank. In the event of termination for convenience by the bank, contractor shall be entitled to be paid for services properly performed by contractor prior to the effective date of termination, provided, however, that such payment shall not exceed the total contract price after adjustment to account for the price associated with services not performed. Service Provider will also be paid for unavoidable direct costs, actually incurred by contractor, and directly related to the termination Service Provider. shall not be allowed, and expressly waives, payment for profit on services that were not performed as of the termination date.

**12.4 Confidentiality**

The parties understand and agree that during the course of their performance of this SOW each party may have access to Confidential Information of the other party. For the purposes of this SOW, "Confidential Information" will mean information or data (a) that is labelled or identified clearly as confidential by the disclosing party; or (b) in respect of which the receiving party has received from the disclosing party specific written notice of its proprietary and confidential nature, either prior to or concurrently with the disclosure, and includes in any event all information revealed by or through one party to the other party arising out of or in relation to this SOW and the existence and terms of this SOW.

Neither party will disclose, directly or indirectly, in whole or in part, to any third party, any Confidential Information which it receives from the other party, except that any such Confidential Information may be disclosed to a party's employees, agents and advisors (a) to the extent that that party reasonably determines such disclosure to be reasonably necessary; and (b) provided that the receiving party is under an obligation of confidentiality substantially the same as that set out in this Section 12.4.

Each party will use the same degree of care in safeguarding the Confidential Information as it uses for its own confidential and proprietary information, but not less than a reasonable degree of care.

The above obligations of confidentiality will not apply to any information or data which:

- (1) was known to the receiving party before the information or data was imparted by the disclosing party;
- (2) is in or subsequently comes into the public domain (through no fault on the receiving party's part);





- (3) is received by the receiving party without restriction on disclosure or use from a third party lawfully entitled to make the disclosure to the receiving party without such restrictions;
- (4) is developed by the receiving party without using the information or data imparted by the disclosing party;
- (5) the disclosing party has given prior written consent to the receiving party for disclosure;
- (6) is required by applicable law to be disclosed by the receiving party, provided, if permitted by applicable law, prior written notice of such required disclosure will be given as soon as reasonably practicable to the disclosing party, and any such disclosure is restricted to the minimum required under applicable law.

Upon request by the AMLC at any time or upon termination of this SOW, the Service Provider will: (a) return to the AMLC all copies of the Confidential Information of the AMLC or other materials incorporating Confidential Information of the AMLC in its possession and in the possession of its employees, agents and advisors; (b) if so instructed by the AMLC, the Service Provider will destroy all such copies provided that the obligation to return or destroy will, in respect of Confidential Information of the AMLC stored in or transmitted by computers, electronic mail or similar electronic systems, be met by the Service Provider having made commercially reasonable efforts to destroy or erase the same. Notwithstanding the foregoing, Confidential Information of the AMLC retained for compliance with applicable law or the Service Provider's document retention and legal and compliance policies need not be returned or destroyed.

The Service Provider agrees that, notwithstanding any terms to the contrary in the SOW, it will not use the name of the AMLC, for any purpose, including in any promotional or advertising or other publication or in any press release, or use any language, whether oral or written, such that any Restricted Name could reasonably be implied or inferred, without the prior written consent of the AMLC

This Section 12.4 will survive the termination date of the Services provided in this SOW.

## **12.5 Amendments**

Any amendments to this SOW will be effective only if made in writing and signed by an authorized officer on behalf of the Service Provider and by an authorized signatory of the AMLC.

## **12.6 Assignment, No Sub-Contracting and No Agency**

The Service Provider will not, directly or indirectly, assign this SOW, in whole or in part, or any of its rights hereunder without the prior written consent of the AMLC and will notify the AMLC within a reasonable time period of any changes in Control of the Service Provider and will not, without the AMLC prior written consent directly or indirectly communicate or disclose (whether in writing or orally or in any other manner) the details of this SOW.

The Service Provider will not be permitted to sub-contract any of its obligations under this SOW (or any part of this SOW) unless the Service Provider has received the prior written consent of the AMLC. Where the Service Provider is permitted to sub-contract, the Service Provider will remain liable for all acts or omissions of any sub-contractor. A sub-contractor will have no rights under this SOW (or in law) to enforce any right or obligation.

Nothing in this SOW will be deemed to constitute either party an agent of the other party. Neither party will have any authority to make any commitments on the other party's behalf.



**12.7 Dispute Resolution**

Any dispute arising under or in connection with this SOW will be subject to the non-exclusive jurisdiction of AMLC courts to which the parties to this SOW hereby submit.

**12.8 Governing Law and Third-Party Rights**

This SOW will be governed by, construed and enforced in accordance with the laws of the United Kingdom.

**12.9 Severability Clause**

The invalidity or unenforceability of any provision of this SOW will not affect the validity or enforceability of any other provision of this SOW.

**12.10 No Implied Waivers**

No delay or omission by either of the parties in exercising any right under this SOW will operate as a waiver of that or any other right. A waiver or consent given by either of the parties on any one occasion is effective only in that instance and will not be construed as a bar to or waiver of any right on any other occasion.

**12.11 Entire Agreement**

This SOW constitutes the entire agreement between the parties concerning the subject matter in this SOW and supersedes all prior agreements and understandings, oral or written, between them regarding such subject matter.

**12.12 Notices**

Except as otherwise expressly provided in this SOW, whenever any notice is required or permitted to be given under any provision of this SOW, such notice will be in writing, will be signed by or on behalf of the party giving the notice and will be mailed by first class mail or sent by courier, or email with confirmation of transmission to the other party at the address set forth in Section 1 or to such other address as a party may from time to time specify. Any such notice will be deemed duly given when delivered at the addresses set out in Section 1.

**12.13 Service Providers Banking Information**

The Service Providers banking information to facilitate wire transfer payments are as follows:

Barclays Bank  
50 Jewry St, Winchester, Hampshire, UK, S023 8RG

**Sort Code:** 20-97-01

**Account Number:** 55164411

**IBAN:** GB88 BUKB 2097 0155 1644 11

**Swift:** BUKBGB22





#### **12.14 COPYRIGHT**

- (a) The deliverable report(s) and other creative work developed by the service provider specifically and exclusively for the AMLC as provided under the Contract, including all written, graphic, audio, visual and any other materials, contributions, applicable work product and production elements contained therein whether on paper, disk, tape, digital file or any other media, (the "Deliverable Service(s)") are considered work made for hire. The AMLC is the sole proprietor of the Deliverable Service(s) from the time of their creation and owns all rights, titles and interests therein throughout the world including, without limitation, the copyright and all related rights.

To the extent that it is determined that the Deliverable Service(s) do not qualify as work made for hire, then the service provider hereby irrevocably transfers and assigns to the AMLC all of its rights, titles and interests in and to the Deliverable Service(s), throughout the world and in perpetuity, to the extent possible, including without limitation all of its rights, titles and interests in copyright and related rights, free of any claim by Consultant or any other person or entity.

- (b) Under no circumstances shall service provider use, disclose, reproduce, publish, distribute or display copies to the public, modify or prepare deliverables produced as a result of or in connection with, the Deliverables Service(s), including derivative works, in whole or in part, without the AMLC's prior written consent.

All right, title and interest (including, without limitation, rights in patents, trademarks, copyright, and related rights) in pre-existing proprietary intellectual property included in the Deliverable Service(s) (the "Pre-Existing Intellectual Property") shall remain with the service provider. The service provider hereby grants the AMLC an irrevocable, royalty-free, worldwide license to use, disclose, reproduce, publish, distribute or display copies to the public, or modify or prepare derivative works of such Pre-Existing Intellectual Property, in whole or in part, without the prior written consent of the service provider. The service provider shall provide the AMLC, within thirty (30) days of the Contract award, a list of the Pre-existing Intellectual Property it intends to include in the Deliverable Service(s) and shall supplement such list as and when additional Pre-existing Intellectual Property is included in the Deliverable Service(s). Service provider will own its working papers, pre-existing materials and software, as well as any general skills, know-how, processes, or other intellectual property (including a non-client specific version of any Deliverables), which the service provider may have discovered or created as a result of the Services (" Service provider Materials"). The AMLC has a nonexclusive, non-transferable license to use any Service provider Materials included in the Deliverables for AMLC's own internal use as part of those Deliverables.

#### **12.15 QUALITY ASSURANCE AND REPORTING**

Service provider is responsible for all aspects of quality assurance and quality control for the Services provided under this Contract. In addition to the Service provider's quality assurance program, the Service provider agrees, at a minimum: (a) to meet with the AMLC's Contract Representative to review performance and ensure that it is consistent with the Contract Documents when requested; and (b) to prepare a report of any remedial action required.

#### **12.16 DISPUTES**

Any dispute or difference arising out of, or in connection with, this Contract or breach Thereof that cannot be amicably settled between the Parties (including through alternative Dispute resolution procedures as may be agreed to by the Parties) shall be arbitrated in Accordance with the UNCITRAL Arbitration Rules as at present in force. The arbitration shall take place in AMLC. Any resulting arbitral decision shall be final and



binding on both parties. Judgement upon any arbitration award may be entered in any court having jurisdiction thereof. Such judgement shall be in lieu of any other remedy. Pending final resolution of any claim, dispute or action arising under or related to this Contract, Service provider shall, if requested by the AMLC, proceed diligently with the performance of this Contract.

**12.17 INDEMNIFICATION**

The Service Provider agrees to indemnify and hold harmless the AMLC, its officers and Agents from and against all claims, suits, damages and losses including expenses arising From violation of any intellectual property rights of third parties or the AMLC, including without limitation rights relating to patents, trademarks, copyrights or trade secrets



**13 EXECUTION**

In Witness Whereof, the parties hereto through their duly authorised representatives, have executed this SOW, effective as of the.....

<p><b>EXECUTED</b> by <b>Anti-Money Laundering Council</b></p>	<p> </p> <hr/> <p>Signature of Authorised Officer</p> <p><b>MEL GEORGIE B. RACELA</b>  <b>Executive Director</b></p> <hr/> <p>Name of Authorised Officer (print)</p> <p>Date: <u>23 December 2021</u></p> <hr/> <p>Signature of witness</p> <hr/> <p>Name of witness (print)</p>
--	---





<b>EXECUTED</b> by AML ANALYTICS LTD	 _____ Signature of Authorised Officer
	ALEXANDER - S . OXFORD _____ Name of Authorised Officer (print)
	Date: 28/12/2021 _____ Date
	 _____ Signature of witness
	TANYA LOUISE MENZEL. _____ Name of witness (print)