

## Compliance & AML Policy Statement

United Arab Emirates is a member of the Gulf Cooperation Council, who in turn is a member of the Financial Action Task Force (FATF) on Money Laundering and Terrorism Financing. UAE's commitment in fighting Money Laundering & Terrorism Financing is evident from the fact that clear and wide-ranging laws & regulations (Federal Law No. 4 of 2002) are in place. The Central Bank of UAE which is the regulator for all banks operating in UAE has also issued regulations on procedures for Anti Money Laundering (Notice No. 24/2000). Al Masraf's Compliance & AML policies are designed to ensure compliance to requirements and obligations set out in local & applicable international regulations as well as FATF recommendations on AML & CTF.

### Al Masraf Policies & Principles

Al Masraf's Compliance & AML Team owns and is responsible for the following policies;

- ❖ Anti-Money Laundering/Counter-Terrorist Financing
- ❖ Sanctions Compliance
- ❖ Correspondent Banking Relationships
- ❖ FATCA Compliance

### ❖ **Anti-Money Laundering Policy**

Al Masraf's AML Policy sets out the minimum standards which must be complied with across the Bank:

- The appointment of a Money Laundering Reporting Officer (MLRO), who has responsibility for oversight of compliance with relevant regulations, rules and best practices.
- Establishing and maintaining Risk Based Customer Due Diligence, Identification, Verification and Know Your Customer Procedures, including Enhanced Customer Due Diligence for those customers presenting higher risk, such as Politically Exposed Persons and Correspondent Banking Relationships.
- Establishing and maintaining Risk Based Systems and Procedures to monitor ongoing customer account activity.
- Procedures for reporting Suspicious Transaction Reports internally as well as to regulatory bodies (AMLSCU at the Central Bank of UAE).
- The maintenance of appropriate records for the minimum prescribed periods as per local regulations.
- AML training and awareness for all relevant employees.
- Appropriate management information and reporting on AML matters to the Senior Management of the Bank.

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### ❖ Sanctions Compliance Policy

Al Masraf's Sanctions Compliance Policy is designed to ensure that the Bank complies with applicable economic sanctions laws in every jurisdiction with which it may operate/trade.

- All banking transactions are screened against watch/sanctions lists like World Check, Central Bank of UAE, United Nations, European Union, UK's HM Treasury and US's OFAC.
- It is Al Masraf's policy not to deal with any person/entity that may result in violation of any sanctions regulations.
- All employees receive ongoing training on the Sanctions Compliance Policy.

### ❖ Correspondent Banking Policy

The correspondent banking policy describes the risks associated with correspondent banking relationships and provides a framework of core requirements and procedures.

- As per The Central Bank of UAE's regulations, all correspondent banking relationships are subject to enhanced customer due diligence and review.
- In accordance with local regulations & FATF recommendations, Al Masraf does not deal with any Shell Banks (i.e. banks that do not have any physical presence in any country).

### ❖ FATCA Compliance

FATCA requires foreign financial institutions (FFIs) to register with the Internal Revenue Service of USA, perform due diligence to identify US accounts and report client data to the IRS.

- United Arab Emirates is on list of FATCA Compliant Countries as it has signed IGA Model 1 Agreement with the USA. Under this agreement, all UAE Banks will report US Accounts to the Central Bank of UAE for onward submission to the IRS of USA.
- Al Masraf is registered with the IRS of USA and our Global Intermediary Identification Number (GIIN) is **"CHKEPT.99999.SL.784"**.
- Al Masraf has updated its account opening documents and other monitoring procedures to capture the relevant information required for identification, classification & reporting of US persons/entities accounts.