

AML/CFT Policy Statement:

In order to meet the legal and regulatory requirements and to protect the Bank's resources and reputation, Ithmaar Bank BSC (c) has adopted policies and procedures to combat Money Laundering and Financing Terrorism. It is the policy of the Ithmaar Bank BSC (c) to comply with the Anti-Money Laundering laws and regulations of the jurisdictions in which it undertakes business activities, as the basis for customer identification, verification of sources of funds and the ongoing monitoring and reporting of suspicious transactions.

The policy has been approved by the Board of Directors and complies with the CBB regulations and FATF Recommendations.

In accordance with the Financial Crime Module of the CBB Rule Book V.2, Ithmaar Bank BSC (c) is required to:

- Establish procedures for verifying the identity of clients "Customer Due Diligence" (CDD), also known as "Know Your Customer" (KYC).
- Establish risk-based system to identify and monitor "suspicious transactions".
- Establish internal and external "suspicious transactions" reporting procedures.
- Appoint a Money Laundering Reporting Officer (MLRO) and a Deputy MLRO.
- Train employees on the procedures for recognizing and reporting suspicious transactions.
- Train employees on their legal obligations and responsibilities in this area.
- Establish record-keeping procedures to ensure evidence of client identity and transactions is maintained.

All Ithmaar Bank BSC (c) employees, including members of the Board of Directors and Executive management are responsible for the implementation of this policy. In particular, relevant units are responsible to ensure the following:

General AML Policies, Practices and Procedures:

- All documents relating to transactions shall be maintained for at least five years after the transaction was completed.
- Besides the CBB's periodic AML inspection conducted to review the extent of the bank's Anti-Money Laundering Compliance function, the bank is being audited annually by external auditors to review its compliance with applicable AML/CFT laws and regulations.
- Ithmaar Bank BSC (c) does not establish business relations with banks, which have no physical presence in the jurisdiction in which they are, licensed "Shell Banks".
- The bank has policies covering relationship with Politically Exposed Persons (PEP's), their family and close associates.

Risk Assessment:

- An Appropriate level of enhanced due diligence is being necessary determined for those categorized of customers and transactions that the bank has reason to believe pose a heightened risk of illicit activities at or through the bank.

Know Your Customer, Due Diligence and Enhanced Due Diligence:

- Accounts shall only be opened for customers whose identity has been verified in accordance with the CDD / KYC requirements.
- Client's personal information and evidence of identity and business relationship shall be maintained for a minimum period of five years after the date of termination of relationship with the Bank.
- All incoming Electronic Transfers shall include the name of the Ordering Customer and all outgoing transfers shall include the details of the beneficiary.

Reportable Transactions and Prevention and Detecting of Transactions with Illegal Obtained Funds:

- Channels for reporting suspicious transactions shall be documented.
- The bank establishes a procedure for checking clients and potential clients to ensure that all names are screened against identified lists issued by various regulatory bodies and organizations such as the United Nations and US Treasury – OFAC.
- A procedure is in place to report suspicious/unusual transactions internally to the MLRO (Money Laundering Reporting Officer), as well as external reporting by the MLRO to the Regulatory Authorities.

Transaction Monitoring:

- The bank has a monitoring program for unusual and potentially suspicious activity that covers funds transfers including any other monetary instruments.

AML Training:

- All employees shall receive initial and continuous training to ensure that they appreciate the significance of and increase their awareness of Anti-Money Laundering & Countering Terrorist Financing.
- Ithmaar Bank BSC (c) shall not hire any individual previously suspected of involvement in money laundering activities.
- Corresponding to the CBB's requirement, periodic training is provided to relevant staff members at least annually. In addition, relevant new employees are given AML/CFT training within three months of joining the bank.

For any questions relating to this Policy, please contact:

The Money Laundering Reporting Officer "MLRO"

Appointed for Ithmaar Bank BSC (c)

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Signature: 

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