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**Prevention of Money Laundering and Counter Financing of Terrorism Policy Statement**

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National Bank of Umm Al Qaiwain (“NBQ” or the “Bank”) is a United Arab Emirates (“UAE”) incorporated bank with retail, commercial and corporate operations in the UAE.

Increasing risk of financial crimes like Money Laundering and Terrorist Financing has prompted global regulatory authorities to tighten related laws and increase penalties for non-compliance.

NBQ is committed to comply with relevant regulatory laws & guidelines covering money laundering, terrorist financing, and sanctions related regulations.

This Policy Statement outlines the minimum standards which NBQ will adhere to protect the Bank from money laundering and terrorist financing activities.

**OBJECTIVES:**

National Bank of Umm Al Qaiwain (NBQ) is committed to achieving the highest level of compliance with U.A.E laws and guidelines on Anti Money Laundering (AML) and Counter Financing of Terrorism (CFT).

The requirements described in the AML Policy and Procedures are primarily derived from the recommendations issued by the Financial Action Task Force (FATF) as detailed in the Central Bank of the United Arab Emirates Circular No. 24/2000 dated Nov 14, 2000 and subsequent amendments issued from time to time, plus Federal Law No. (4) of 2002 regarding Criminalization of Money Laundering.

**KNOW YOUR CUSTOMER/DUE DILIGENCE/ENHANCED DUE DILIGENCE:**

The Bank is committed to make reasonable efforts to ascertain the true identity of all customers by obtaining adequate documents in line with Bank’s policy and regulatory guidelines.

Wherever the customer is a legal entity, the Bank is committed to ascertain the Ultimate Beneficial Owners (“UBOs”) of such companies and obtain satisfactory evidence of their identities.

Line managers are responsible for ensuring that all staff opening accounts and/or on boarding clients have adequate guidance in respect of the Bank’s policies and procedures and relevant laws and regulations.

Senior Managers in the branches and business units are responsible for ensuring compliance with the Bank’s policies and procedures with regard to clients on-boarding.

The Branch or Department maintaining the relationship is responsible for carrying out on-going customer due diligence on the client relationship and obtain updated information and documentation such as valid passport, latest address, residence status, profession, source of funds. Whenever there is lack of clarity, further customer due diligence would be undertaken.

It is the Bank’s policy not to open anonymous or masked accounts where the identity of the account holder is not divulged.

Names of customers and counter-parties are regularly screened against lists of sanctioned individuals and entities issued by various regulatory authorities like OFAC, UN, EU and the Central Bank of UAE, by the Bank’s Compliance unit using appropriate filtering systems.

The Bank adheres to the relevant regulatory requirements pertaining to relationship with Politically Exposed Persons.

For customers belonging to industries which carry higher risk of financial crimes, enhanced due diligence is practiced.

The Bank also conducts compliance check on all its partners including correspondent banks on a regular basis.

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As a policy, the Bank does not deal/have relationship with shell banks (A shell bank is defined as a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group).

**TRANSACTION MONITORING AND IDENTIFICATION OF SUSPICIOUS TRANSACTIONS:**

Bank stands committed to adhere to Central Bank of UAE regulations related to monitoring of customers' transactions and concerned officials are required to make reasonable efforts to ascertain the nature and expected level of customer's activity and to monitor it against actual activity.

Compliance officials make reasonable efforts to identify and report suspicious transactions to Central Bank in appropriate form.

**SCREENING OF REMITTANCES AGAINST SANCTIONED ENTITIES:**

The Bank will make concerted efforts to ensure that relevant details as required by global best practices are obtained and provided in all outbound remittances processed by the bank.

Names of customers and counter-parties are regularly screened against lists of sanctioned individuals and entities issued by various regulatory authorities like OFAC, UN, EU and Central Bank of UAE.

**RECORD RETENTION:**

In accordance with the Bank's policy which is as per Central Bank norms, all client identification documents, transaction vouchers and other details are retained for a period of at least five years from the date of closure of accounts.

**AML/KYC TRAINING:**

Training on KYC, AML, & CFT and related compliance issues is provided to front-office and transaction processing staff by Compliance Department in liaison with Learning & Development Unit.

Managers in the branches and business units/department are responsible for ensuring that they and their staff attend such training in coordination with the Bank's Learning & Development Unit.

The above policy statement applies to all branches of NBQ in UAE as also its MOL (Ministry of Labor) Centers.

In case any clarification is required, please contact:

Compliance & Internal Control Department

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