



TOPICAL OUTLINE
Of KYC/AML PROCEDURES (Rev. June 2010)

1. ESTABLISHING NEW BANKING RELATIONS

1.1. Customer identification and due diligence in 13 steps

1.1.1. Customer Information File (CIF) as the automated repository of all pertinent information on accountholders.

1.1.2. Identification via an official document bearing a photograph (National identity card, Passport, Driver's license, Fiscal id card). Rules for identification of non natural person (entity)

1.1.3. Obtainment of residential and/or business address

1.1.4. Address verification via documents or site visits

1.1.5. Procurement of date of birth

1.1.6. Indication of occupation and/or profession

1.1.7. Determination of beneficial ownership

1.1.8. Obtainment of signature specimen

1.1.9. Determination of funds origin of the initial deposit

1.1.10. Obtainment of personal and business references.

1.1.11. Matching customer name to various lists (Central Bank, OFAC, etc.)

1.1.12. Construction of initial profile of the customer

1.1.13. Rules for Archiving of account opening and transaction documents

1.2. Classification of entities for purposes of establishing legal ownership and responsibilities

1.2.1. Account in the name of natural persons

1.2.2. Account in the name of entities

1.2.3. Account in the name of Off-shore entities

1.3. Further classification for Enhanced Monitoring:

1.3.1. Politically Exposed Persons

1.3.2. Non-resident persons or entities

1.3.3. Cash-intensive Businesses

2. ACTIVITY MONITORING THROUGH PRODUCTS, SERVICES AND PROCESSES

2.1. Cash transactions Monitoring and Reporting (BRH Circular 95 and AML Law)

2.1.1. Cash deposits, Foreign exchange transactions

2.1.2. Funds received for remittance by UNITRANSFER

2.1.3. Funds received for replenishing "VOILA Mobile T-cash" account

2.1.4. Transmission to the FIU (UCREF) of filled out Funds Source Forms (CTR)

2.1.5. Watchfulness over structuring attempts

2.1.6. Continuous monitoring of transactions covered by Circular 95

2.1.7. Bi-monthly Report on Circular 95 compliance by branches

2.2. Incoming and outgoing wire transfers

2.2.1. Restriction of services to account holding customers

2.2.2. "Reinforced Travel Rule" including European Union and Hong Kong requirements

2.2.3. Consultation of OFAC List of Prohibited Countries

2.2.4. Automated systems of daily report on funds transfer

- 2.3. Sales of foreign and domestic drafts
 - 2.3.1. Restriction of services to account holders
 - 2.3.2. Automated systems of daily report on drafts sold.
- 2.4. Trade Finance
 - 2.4.1 Documentation and OFAC Filtering
 - 2.4.2 LCs: Consistency of products shipped with the nature of company
 - 2.4.3 LCs: Verification of unitary prices of products shipped (over- and under-pricing)
- 2.5. Credit granting operations: Due diligence on funds source
 - 2.5.1. Source of funds for Cash collateral and other guarantees (securities, real-estate, etc)
 - 2.5.2. Watchfulness over declared destination of a loan
 - 2.5.3. Watchfulness over anticipated payments of a loan (Early payoff)
- 2.6. Monitoring of Prepaid Card 'Direk Cash'
 - 2.6.1. Restriction of services to savings and checking account holding customers
 - 2.6.2. Daily report on newly issued prepaid debit card and on reload
- 2.7. Monthly update of the Table of accounts Activities
- 2.8. Currency shipments on behalf of Unibank to US correspondent (CMIR, FINCEN Form 105).
- 3. **SUSPICIOUS ACTIVITY REPORTING**
 - 3.1. Responsibility for submitting suspicious activity report
 - 3.2. General guidelines for initiating a suspicious activity report (12 telltale indicators)
 - 3.3. Formalized decision making process on filing or not filing SAR
 - 3.3.1 Working Group on Suspicious Activity: membership and duties
 - 3.4. Inquiries and Requests from UCREF (the FIU) and judicial authorities
 - 3.5. Notifying the Corporate Compliance Committee of SAR filings and judicial inquiries
 - 3.5.1 Corporate Compliance Committee membership
- 4. **"KNOW YOUR EMPLOYEE"**
 - 4.1. Selection of Collaborators
 - 4.2. Continuous Training in AML Prevention
 - 4.3. Periodicity and Target Audiences
 - 4.4. Documentation of training sessions