

Trade and Development Bank JSC's Anti-Money Laundering (AML) and Counter-Terrorist Financing (CTF) Programme

Trade and Development Bank JSC is registered in Mongolia and regulated by the Mongolbank (Central Bank of Mongolia) and the Financial Regulatory Commission of Mongolia. It is subject to Mongolian statutory laws, Law on Combating Money Laundering and Terrorism Financing and Law on Proliferation of Weapons of Mass Destruction and Terrorism, and regulations regarding AML & CTF and Combating the Proliferation of Weapons of Mass Destruction and Terrorism.

The Bank is also subject to the sanction programmes administered by the United Nations, the U.S. Department of the Treasury, Office of Foreign Assets Control (OFAC), the European Union, the U.K. - HMT, and other related jurisdictions.

As the law requires, we have implemented a risk-based, enterprise-wide AML & CTF programme that complies with the specific provisions and the spirit of all relevant laws and regulations. Accordingly, the programme includes, but is not limited to, the following. Therein:

- (1) The appointment of an AML & CTF compliance officer and implementation of AML & CTF programme;
- (2) Enhanced due diligence on higher-risk customers;
- (3) Regular independent testing;
- (4) Processes and systems to monitor customer transactions and to identify potentially suspicious activity;
- (5) Reporting of suspicious activity to appropriate regulatory bodies;
- (6) A policy forbidding direct or indirect service to shell banks;
- (7) Policies and controls ensure compliance with the sanctions programmes administered by the United Nations, U.S.-OFAC, the European Union, U.K.- HMT, and among others;
- (8) Report that analyses the referred customers' deposit fluctuation and incoming and outgoing transaction volumes.
- (9) A Customer Due Diligence Programme and appropriate due diligence for customers depending on the risk profile.
- (10) A training programme;
- (11) Relevant AML & CTF documentation and record-keeping