



DECLARATION OF MANAGING DIRECTOR ON AML/CFT
FOR THE YEAR 2020

Introduction

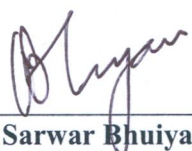
Being an institution licensed under Financial Institution Act-1993, IIDFC is subject to and compliant with all applicable laws and regulations relating to the ML/TF issues. Criminals are laundering money to hide wealth, avoid seizure & prosecution, become legitimate, increase profits and evade taxes. Moreover, asset and commodity prices are distorted by money laundering process which ultimately leads to misallocation of financial resources in the society. Eventually, unstable liability base and unsound asset structure may be constructed which leads to systematic crisis for the financial institute and loss of credibility. Besides, terrorist financing involves providing financial support to terrorists which results in not only the harm of the general public but also the damages of the stability and reputation of the financial sector as a whole.

Central Compliance Unit (CCU) of IIDFC

IIDFC adopted a Board approved policy on prevention of ML/TF and implemented effective program to comply with applicable laws and regulations. Considering the potential negative impact of money laundering and terrorist financing, the Board of IIDFC approved AML/CFT policies. The management of IIDFC established Central Compliance Unit (CCU) to work dedicatedly against ML/TF in compliance with the BFIU master circular no. 12 dated June 29, 2015. CCU administers ML/TF issues by engaging CAMLCO, DCAMLCO, BAMLCO, Compliance officers and other committees.

We promise that:

- ✓ we shall strictly follow the AML/CFT Acts, Rules/Regulations & Circulars of BFIU issued from time to time and other applicable directives set by BFIU in order to combat money laundering & terrorist financing. We shall assist BFIU and other regulatory authorities to identify relevant information with regard to identifying customer/entities who are related to the ML/TF activities;
- ✓ we shall develop and continue to update AML/CFT guidelines periodically to meet applicable legal and regulatory requirements, if any, circulated by BFIU and other regulatory authorities;
- ✓ We shall ensure compliance throughout organization so that money launderer & terrorist financier cannot use our products and services;
- ✓ we shall take initiative to train employees through internal and external training programs and assist them for enhancing knowledge and building capacity to combat ML/TF;
- ✓ we shall keep implementing Know Your Employee program and procedures to understand employees background, conflicts of interest and susceptibility to ML/TF complicity. we shall not allow/maintain any anonymous account; and
- ✓ We shall implement Electronic Know Your Customer (e-KYC) systems by 2020.



Md. Golam Sarwar Bhuiyan
Managing Director