



**DECLARATION OF MANAGING DIRECTOR ON PREVENTION OF
ANTI-MONEY LAUNDERING (AML) AND COMBATING FINANCING OF TERRORISM (CFT)
FOR THE YEAR 2022**

Industrial and Infrastructure Development Finance Company (IIDFC) Limited, a leading Non-Bank Financial Institution (NBFI), is committed to fully comply with Money Laundering Prevention (Amendment) Act, 2015 and Anti-Terrorism (Amendment) Act, 2013 and its regulations as well. IIDFC has set a comprehensive policy and procedures in line with laws and regulations in force in Bangladesh and this policy and procedures has been approved by the Board of IIDFC. IIDFC acts for combating the risk of money laundering and terrorist financing in collaboration with Bangladesh Financial Intelligence Unit (BFIU) and Government agencies.

IIDFC hereby declares and confirms that:

1. it is subject to and compliant with all applicable laws and regulations relating to the money laundering and terrorist financing;
2. it applies self-assessment and independent testing procedures towards gap analysis for ensuring that all functional units of the organization are compliant with applicable laws and regulations;
3. it follows procedures strictly regarding Know Your Customer (KYC), Customer Due Diligence (CDD) and Enhanced Due Diligence (EDD) to identify the customer and verification of customer's identity on the basis of documents, data or information provided by the client;
4. it applies procedures regarding Know Your Employee (KYE) to identify the employee, verification of employee's identity and understand employees background, conflicts of interest and susceptibility on the basis of documents, data or information provided by them;
5. it applies procedures/judgment to identify suspicious transaction and activity and accordingly report it to BFIU as per section 6 of Money Laundering Prevention (Amendment) Act, 2015 and FATF Recommendation-21;
6. it keeps correct and full records of the customers at least for five years after closing of relationship as per section 25(1) of Money Laundering Prevention (Amendment) Act, 2015;
7. it applies ongoing monitoring measures, including regular screenings of the sanctions lists issued by The United Nations Security Council Resolution 1267 & 1373 and ensures that its customer files are checked regularly before initiating any financial transaction;
8. it does and will not hold assets on behalf of customers or beneficial owner of the customers a) domiciled in jurisdiction which, according to the listings published by the FATF, is a high risk and non-cooperative jurisdiction or b) which are subject to UN sanctions;
9. it has developed a list of 1384 Drug Dealers which was published in the Daily Ittefaq from May 27, 2018 to June 03, 2018 to ensure that there is no account with IIDFC in the name of those drug dealers; and
10. It implemented Know Your Customer (e-KYC) systems to verify customer identity through digital means.

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Co-operative Stat:

1. we shall remain alert to prevent the use of our products and services by those who are likely to abuse them;
2. 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;
3. we shall not open any account without checking our IOAML software where the customer's identity can be verified with the UN Sanction list and terrorist groups as banned by Bangladesh Government;
4. 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;
5. we shall take necessary procedures to monitor transactions for the purpose of identifying possible suspicious transactions or activities and reportable cash transactions;
6. we shall send all sorts of reporting related to AML/CFT issues to BFIU in time;
7. 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;
8. we shall keep implementing Know Your Employee (KYE) program to understand employees background, conflicts of interest and susceptibility to ML/TF complicity;
9. we shall strictly follow the AML/CFT Acts, Rules/Regulations & Circulars of BFIU issued from time to time and other applicable directives;
10. we shall check with the list of 1384 Drug Dealers and Government banned terrorist organizations before initiating any transaction with prospective clients; and
11. we shall not allow/maintain any anonymous account.

Md. Golam Sarwar Bhuiyan
Managing Director