



ARIG BANK

Statement of Anti-Money Laundering and Countering Terrorist Financing Policy

Arig Bank has been established in Mongolia with a commercial banking license issued by the Bank of Mongolia (the Central bank of Mongolia), regulated and supervised by the Bank of Mongolia. Arig bank complies with applicable AML/CTF laws, and regulations and implements programs against Money-laundering and Terrorism-Financing by establishing and maintaining appropriate systems and controls to limit the vulnerability to Financial Crimes.

The “Anti-Money Laundering and Countering Terrorist Financing Policy” of Arig bank of Mongolia is a policy that is designed to combat Money-Laundering, counter Terrorist-Financing and take all necessary preventive actions. The policy is applied evenly to all the branches and subsidiaries of the Bank.

The objectives of the Policy are:

1. To comply with the law on Anti-Money Laundering (AML) and Counter Terrorist-Financing (CTF) of Mongolia, regulations of the Bank of Mongolia, FATF recommendations, and other international common principles and legal acts;
2. To comply with “Know Your Customer” principles and customer identification regulations;
3. To detect, investigate and report suspicious operations and transactions, which may relate to Money-Laundering and Terrorist-Financing activities or illegally obtained funds;
4. To designate legal and administrative roles of the Bank and its employees related to AML/CTF;
5. To provide AML/CTF training to relevant employees on internal AML/CTF policies and identification and reporting of suspicious transactions to legal authorities;

The Statement of the Policy:

1. Arig Bank of Mongolia is a limited liability company and is regulated and supervised by the Bank of Mongolia (Central Bank of Mongolia). Arig Bank and its entire branch units are required to fully comply with the law on Anti-Money Laundering (AML) and Counter Terrorist-Financing (CTF) of Mongolia and the regulations and standards of the Bank of Mongolia.
2. We only have domestic branches and subsidiaries. (No foreign branches and subsidiaries in locations outside of the jurisdiction)
3. The policy was revised and approved by the Bank’s Board of Directors.



AML/CTF program:

Arig bank has a Compliance Division with designated AML/CTF compliance officers under the control of the Chief Executive Officer, responsible for overseeing the AML and CTF efforts of the bank. The Compliance Division reports directly to the Board of Directors of the bank. The Board of directors ensures that the compliance division has the appropriate authority and resources to administer the Bank's AML/CTF activities. The Bank has developed and implemented AML/CTF program, which includes the following, but is not limited to:

1. A written policy and procedure;
2. A customer identification and verification program;
3. Internal procedures for identifying and reporting suspicious activities;
4. Processes and systems to monitor customer transactions;
5. An automated system to screen customers against financial sanction lists;
6. Risk-based approach;
7. The retention of relevant records;
8. Regular staff training;
9. Procedures for reporting a suspicious or large amount of transactions to the appropriate Financial Intelligence Unit (FIU);
10. Internal audit function and management review to monitor AML/CTF compliance.

The program reflects on FATF (Financial Action Task Force) recommendations to combat money laundering and counter-terrorism financing. The Bank has a policy to assess risks associated with correspondent banking and review the AML/CTF compliance of all correspondent banks periodically.

Arig Bank does not establish relationships with shell banks or have anonymous accounts. The Bank does not knowingly make contact and transact business with sanctioned individuals, entities, and countries identified by government agencies, law enforcement, regulators or the United Nations resolutions.