

Anti-Money Laundering & Combating
Financing of Terrorism

JUNE 2017

Statements of Anti-Money Laundering and Combating the Financing of Terrorism Policy:

Bank of Khartoum is fully committed to local and international legal and supervisory requirements to combat the spread of money laundering and financing terrorism. The Bank is in full compliant with all Central Bank of Sudan's (CBOS) "regulations Governing Anti-Money Laundering and Combating Terrorist Financing, The Bank are also adopting the principles of the International Standards and Guidelines on the AML/CFT field. This responsibility is communicated to all staff in order to secure the Bank's reputation

BOK's Anti Money Laundering/ combating Financing of Terrorist program

According to Central Bank of Sudan (CBOS) regulations bank of Khartoum developed an effective AML/CFT program consists of:

1. AML/CFT policies & procedures :

BOK's AML/CFT manual approved by the bank's board of directors (BOD). The policy defined clearly the roles & responsibilities of the following units regarding the implementation of BOK's AML/CFT program:

- **Board of directors:** Overall responsibility for the Bank's compliance with AML related laws and regulations rest with the Board Governance & compliance Committee and Senior Management, which monitor the effectiveness of the Bank's AML program to ensure that it is in line with regulations and industry best practice
- **BOK's management:** to ensure the day-to-day compliance with anti money laundering obligations within the operational areas.
- **Compliance officers:** The Head of Compliance has the responsibility of ensuring that BOK has a robust system for the identification and management of regulatory compliance requirements and provides reasonable assurance to the Senior Management and Board Governance & compliance Committee , that it is applied in a consistent manner in all the departments/ units.

The Head of Compliance is responsible for all BOK's Anti Money Laundering activities carried on in or from the Sudan

- **Internal audit:** Internal Audit shall ensures that all the Bank's employees in the different grades and levels are following the Bank's policies and procedures regarding Anti money laundering operations & Assessing compliance, adequacy of controls and systems, and adherence to policies and procedures along with assessments of the roles of the concerned parties.

2. **Risk assessment:**

According to Central Bank of Sudan (CBOS) regulations, FATF recommendations, BOK has developed an internal Risk assessment approach to enhance more controls over the high risk areas and to evaluate the adequacy of the existing controls. BOK assessed its ML/FT risk based on Customers/geographical distribution / products & services/ channels of delivering. Risk assessment framework reviewed twice a year as per CBOS regulations to allow the Bank to determine whether any adjustment should be made to the risk rating.

3. **Customer acceptance policy:**

Only identifiable customers who meet the specific criteria for minimum acceptance of a customer explained under the 'BOK's customers acceptance Policy' are acceptable to establish a relationship with BOK and carrying out business transactions.

4. **KYC & Due Diligence & enhanced due diligence:**

It is the policy of the Bank to apply the current Central Bank of Sudan's (CBOS) AML regulations as the basis for customer identification, verification of the source of funds, nature of business Customer due diligence performed based on the categorization of customers according to perceived risk

5. **Transactions monitoring:**

Bank of Khartoum has automated monitoring system for unusual and potential suspicious activities including funds transfer locally or internationally along with screening all customers/ transactions against local and international sanctions list (UN, OFAC....ect).

6. **Suspicious transaction reports:**

There is a legal obligation on all members of staff to report any suspicious transaction/s and not to tip off a suspected launderer, procedures of reporting the suspicious transactions are documented and communicated to all BOK's staff, The Compliance Officer will examine all received reports and submit a formal disclosure report to the FIU.

7. **Staff's competent - Education & Training program:**

BOK shall not hire any individual involved or suspected of involvement in any illegal activities.

The Bank has on-going training and awareness programs for all employees at all levels to insure that they are aware of the BOK's policies and procedures regarding AML/CFT, and the local legal requirements to combat ML. Specific training shall be provided on the recognition and handling of suspicious transactions

8. **Record Keeping:**

As per CBOS's regulations, all customers' identifications & transactions documents, risk assessment documents, suspicious transactions reports, training records, shall be kept for at least five years from the transaction date.

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