

**Anti-Money Laundering &
Counter Terrorism Financing
Middle East Bank**

**مبارزه با پولشویی و تامین مالی تروریسم
بانک خاورمیانه**

According to Iranian Anti-Money Laundering (AML) Act which came into force on January 22, 2008, and its subsequent bylaws, all the Iranian financial institutions have to comply with the regulations set forth.

Middle East Bank hereby declares that it intends to and does fully comply with all Iranian banking regulations including AML and Counter Terrorism Financing (CTF), as well as national and international standards regarding Due Diligence and Know Your Customer (KYC) principles, record keeping, detecting and reporting suspicious activities to relevant authorities, and prohibiting correspondent relationship with shell banks.

We further notify that the Compliance and AML Department is responsible for coordinating AML and CTF program and has established a regulatory compliance framework.

April 2015

Middle East Bank
Compliance and AML Department

مطابق قانون مبارزه با پولشویی مصوب دوم بهمن ماه ۱۳۸۶ و آیین نامه ها، دستورالعمل ها و بخشنامه های متعاقب آن، کلیه بانک ها و موسسات اعتباری کشور متعهد به رعایت مقررات مزبور می باشند.

بانک خاورمیانه بدینوسیله اعلام می دارد که کلیه مقررات بانکی کشور از قبیل مبارزه با پولشویی و مبارزه با تامین مالی تروریسم، همچنین استانداردهای داخلی و بین المللی در خصوص شناسایی مشتری، نگهداری اسناد، شناسایی و گزارش دهی معاملات مشکوک به مقامات صالح، و عدم داشتن روابط کارگزاری با بانک های پوسترهای را رعایت می نماید.

همچنین اعلام می گردد مدیریت تطبیق قوانین و مبارزه با پولشویی بانک، مسئول اداره مبارزه با پولشویی و جلوگیری از تامین مالی تروریسم می باشد.

اردیبهشت ماه ۱۳۹۴

بانک خاورمیانه
مدیریت تطبیق قوانین و مبارزه با پولشویی



Anti-Money Laundering (AML) and Counter- Terrorist Financing (CTF) Policies and Principles

The rationale behind making laws and implementing regulations is to maintain stability, order and security. To this end, MEB's compliance department has been formed to ensure the application of this principle of jurisprudence and stability, order and security in all aspects of our operations. The goal of this department is to ensure full compliance with laws and rules and regulations, both domestic and international. Domestic regulations cover a wide spectrum ranging from the constitution, ordinary laws, banking laws, government decisions and central bank directives and guidelines, to the bank's own internal guidelines. In the field of international regulations, compliance extends to international conventions, United Nations resolutions, international treaties, anti-money laundering (AML) regulations, and regulations pertaining to unified practices by international organizations including, amongst others, the international chamber of commerce (ICC). While emphasizing the importance of its mission to ensure strict adherence to laws and regulations, the goals of the department include:

1. Anti-Money Laundering and Countering Of Financing of Terrorism

MEB has established a strict policy on Anti-money laundering (AML) and countering the financing of terrorism (CFT). MEB's compliance framework on combating money laundering and financing of terrorism meets national and international regulatory requirements. Know your customer (KYC), sanctions, politically exposed persons (PEPs), suspicious activities, shell banks, and correspondent banking relationship, are subjects of interest with regards to AML and CFT, and constructive measures have been undertaken to comply with relevant laws and regulations. Furthermore, training programs on AML and CFT are devised regularly for the employees of bank in order to develop their knowledge and insights, as well as the culture of compliance in these areas.

2. Protecting the Rights of Customers

By supervising the observance of laws, the compliance department will raise the customers' confidence in the bank's ability to look after their rights and interests. Confidence in a bank's ability to look after their rights and interests is a key criterion for selecting a bank. The compliance department plays a key role in assisting customers in making that decision.



3. Operational Transparency

One of the best indicators of compliance with laws and regulations is transparency in bank's operations. Banking operations that are in line with the governing laws, rules and regulations are clear and predictable, which are indispensable preconditions for customer's trust. In effect, compliance and operational transparency are two sides of the same coin and are mutually dependent.

4. Prevention of Non-Compliance

The compliance department has come up with a set of key measures to ensure identification of, and compliance with, fundamental laws and regulations governing the banking profession.

This department has also made preparations to familiarize various bank departments with the laws and regulations related to their particular area of interest, and is in charge of monitoring the observance of those laws and regulations. This proactive approach to compliance protects the customer's interests.

5. Reducing Losses Due to Non-Compliance

By identifying all instances of non-compliance, the compliance department helps curb losses resulting from instances of such negligence and non-compliance.

6. Promoting the Culture of Respecting Laws

One of the main goals of the compliance department is to internalize the culture of compliance with the laws so that individuals and divisions instinctually operate within the framework of the law, thereby safeguard the interests of the Bank and its customers.

7. Protecting the Bank's Credibility and Reputation

Compliance with laws and regulations will lead to increased transparency, confidence and customer satisfaction, and decreases losses resulting from non-compliance, and thus promotes a culture of obedience by the law. The ultimate byproduct of compliance is a boost in the bank's credibility and reputation within the banking industry and the society at large, which is the main goal of MEB.