



**POLICY FOR ANTI-MONEY
LAUNDERING / KNOW YOUR
CUSTOMER**

INTERNAL CONTROL
(July/2019)

INTRODUCTION

As a member of Turkish Financial Sector, GSD Yatırım Bankası A.Ş. (“GSD Bank”) established Ethical Principles and applies these principles to operational banking procedures and transactions, with regard to its customers, employees as well as its relationship with other entities and organizations.

It is the policy of GSD Bank to ban and actively pursue the prevention of money laundering or the funding of terrorism or criminal activities. GSD Bank is committed to AML/KYC compliance in accordance with applicable law and requires its management and employees to adhere to these standards in preventing the use of its products and services for money laundering purposes. Principle policies are;

- Prevention of the laundering of the crime revenues through banks and financing of terrorism by use of banks,
- Develop awareness of the legal and administrative obligations of the bank and the staff,
- Ensure conformity of the policies, procedures and control methods required as per regulations set forth by laws and institutions authorized under the laws.
- Ensure compliance to International agreements, and act in cooperation with correspondent banks as required thereunder, and
- Improve safety of GSD Yatırım Bank's banking activities and protection of its reputation and customer quality.

REGULATIONS

Bank employees are informed of the following headlines and such information is updated as required for a full understanding of the legal and administrative obligations for an effective combat against crime revenue, money laundering and finance of terrorism.

- a) Laws,
- b) Regulations,
- c) Communiqués,
- d) Sanctions:
 - Criminal,
 - Civil, and
 - Administrative
- e) Legal authorities:
 - Financial intelligence unit,
 - Banking Regulation and Supervision Authority and
 - Others
- f) Duties and obligations of the compliance officer.

GSD Bank's all departments have adopted policies and procedures of Anti-Money Laundering (AML)/Know Your Customer (KYC), in compliance with applicable anti-money laundering legislations together with the recommendations of Financial Action Task Force (FATF) in Turkey,

List of legislations for AML/KYC in Turkey:

A.M.L - NATIONAL LEGISLATION

Law:

- Law No. 5549 on Prevention of Laundering Proceeds of Crime
- Turkish Criminal Law No. 5237
- Turkish Criminal Procedure Law No. 5271
- Misdemeanours Law No. 5326
- Banking Law No. 5411
- Law No. 4208 on Prevention of Money Laundering

Regulations

- Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism
- Regulation on Program of Compliance with Obligations of Anti-Money Laundering and Combating the Financing of Terrorism
- Regulation Regarding the Examination of Money Laundering Offence
- Regulation on Working Procedures and Principles of the Coordination Board
- Regulation of Duties and Working Procedures of Financial Crimes Investigation Experts
- Regulation of Working Procedures of the Coordination Board for Combating Financial Crimes

TERRORIST FINANCING - NATIONAL LEGISLATION

Laws

- Law No. 6415 on the Prevention of the Financing of Terrorism
- Anti-Terror Law No. 3713

Regulations

- Regulation on the Procedures and Principles Regarding the Implementation of Law on the Prevention of the Financing of Terrorism
- Regulation on Measures Regarding Prevention of Laundering Proceeds of Crime and Financing of Terrorism

POLICY FOR ANTI-MONEY LAUNDERING & KNOW YOUR CUSTOMER

- Regulation on Program of Compliance with Obligations of Anti-Money Laundering and Combating the Financing of Terrorism
- Regulation Regarding the Examination of Money Laundering Offence
- Regulation on Working Procedures and Principles of the Coordination Board
- Regulation of Duties and Working Procedures of Financial Crimes Investigation Experts

Other

- Regulation on Money Laundering Investigation
- The Financial Crimes Investigation Board General Communiqués No.5, No. 7 through No.13

AML / KYC POLICIES**TRANSACTION AND ACTIVITY CLASSIFIED AS SUSPICIOUS BY GSDBANK:**

The followings shall be evaluated as suspicious transaction:

- Unwillingness in providing information when opening an account,
- Transfer of large amounts of money from listed countries and persons (OFAC/UN/EU) or to offshore centers,
- Abnormal increase in the number inactive accounts of a person or entity
- Transfer of large amounts to accounts other than the ones the customer uses regularly,
- Repayment of large amount of loans in a short period of time in an unexpected way and without any reasonable explanation,
- Application for a loan in home country using an account in another country as a guarantee,
- Insufficient and restricted explanation about the use of credit and source of repayment at credit application stage

CUSTOMER DUE DILIGENCE:

- GSD Bank pays utmost attention to “Know Your Customer Principles” in order to protect itself from crime revenue launderers.
- GSD Bank checks the identity and required documents of customers and of those who carry out banking transactions on behalf of customers before processing transactions.
- All information and copies of the documents regarding customer identification and transaction details are kept for at least 10 years.
- Opening to the bearer account and conducting any kind of relationships with Shell Banks is disallowed.
- Anti bribery corruption

MONITORING, INTERNAL CONTROL AND REPORTING OF SUSPICIOUS TRANSACTIONS:

- Suspicious transactions and the parties to these transactions are reported to Financial Crimes Investigation Board (MASAK) and, in case of necessity, to Public Prosecutor.
- All departments of GSD Bank are regularly informed about the types of suspicious transactions as well as the new or revised AML/KYC laws, rules and regulations.
- The name of the suspicious individuals/entities listed in OFAC/UN/EU list are informed in order to avoid any relation prior to initiating transactions.
- In GSD Bank, the organization-wide compliance with the applicable AML/KYC laws, rules and regulations is controlled quarterly and strictly by Internal Control Department.

EMPLOYEE TRAINING PROGRAM

Bank personnel are required to undergo periodic training programs on the following;

- Laws and regulations,
- GSD Bank's principles and applications on crime revenues,
- Documents needed and methods of verification of such documents as well as other information provided by potential customers,
- International regulations and standards,
- Recognition and reporting of suspicious transactions,
- Types of industries and transactions as well as high risk geographical areas,
- Legal and administrative responsibilities.

GSD BANK'S COMPLIANCE OFFICER:

GSD Bank has designated compliance officer responsible for developing and monitoring of programs and strategies related to AML/KYC laws, rules and regulations.

Compliance Officer :

Name: Uğur SOYSAL

Date: 03.07.2019

Title: Head of Internal Control

Phone: +90-216-5879000 (Ext:143)

E:mail: usoysal@gsdbank.com.tr

*Adress: Aydınevler Mah. Kaptan Rifat Sk. No:3 K.Yalı/Maltepe
Istanbul/TURKEY*