

NATIONAL BANK OF KUWAIT S.A.K.

ANTI MONEY LAUNDERING (AML) / COMBATING FINANCING OF TERRORISM (CFT) & KNOW YOUR CUSTOMER (KYC) QUESTIONNAIRE

Full name of Financial Institution	NATIONAL BANK OF KUWAIT S.A.K.P.							
Full Address of the registered office	PO BOX 95, 13001 SAFAT KUWAIT							
Telephone Number	+965 22593011							
Fax Number	+965 22467926							
Website	www.nbk.com							
Country of Incorporation	KUWAIT							
Principal business activity	BANKING							
Banking License & Date of expiry and Registration No	License No. P.S./1/1979 (expiring on 24.07.2016). Registration # 8490.							
Principal Local Regulator	THE CENTRAL BANK OF KUWAIT							
Name of External Auditor(s)	ERNST & YOUNG and DELOITTE & TOUCHE							
Is your institution a Shell Bank?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No							
Are your shares publicly traded? If yes, in which stock exchange market(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No THE KUWAIT STOCK EXCHANGE							
Please provide list of shareholders having more than 10% ownership in your institution:								
<table border="1"> <thead> <tr> <th>Name</th> <th>Ownership %</th> </tr> </thead> <tbody> <tr> <td>NIL – NBK is 100% publicly owned and there is no individual shareholding exceeding 10%.</td> <td></td> </tr> <tr> <td></td> <td></td> </tr> </tbody> </table>			Name	Ownership %	NIL – NBK is 100% publicly owned and there is no individual shareholding exceeding 10%.			
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NIL – NBK is 100% publicly owned and there is no individual shareholding exceeding 10%.								
Are there any Politically Exposed Persons (PEPS) among your Institution's Ownership Structure and Executive Management <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No								
Please confirm the areas of your organization covered by this questionnaire:								
a) Head Office & Domestic branches : <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No b) Domestic subsidiaries: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No c) Overseas branches: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No d) Overseas subsidiaries: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No								
If you answered "No" to any of the items above, please explain as to how does your institution's policies, procedures and monitoring specifically outline how to mitigate the potential risks associated with it.								

I. REGULATORY ENVIRONMENT		
<p>1. Is money laundering a criminal offence in the country where the institution is located? Has your country established laws designed to prevent money laundering and terrorist financing in line with Financial Action Task Force (FATF)'s recommendations?</p> <p>If No, has your institution designed policies to prevent money laundering and terrorist financing and is it in accordance with the FATF (40+9) recommendations?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No
<p>2. Do the laws and regulations in your country prohibit your institution from :</p> <p>a. Conduct business with Shell banks (i.e. banks with no physical presence in any jurisdiction)?</p> <p>b. Open/maintain anonymous or numbered accounts?</p>	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No
II. INSTITUTION'S AML/CFT POLICIES AND CONTROLS		
<p>3. Does your institution have written policies and internal procedures and controls reasonably designed to prevent and detect money laundering/terrorist financing activities?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>4. Does your institution's AML policies and program have clearly defined roles, responsibilities and accountabilities as they relate to anti-money laundering compliance?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>5. Does your institution have an Anti-Money Laundering Officer or equivalent responsible for coordinating/monitoring compliance with AML requirement? If yes, please provide the details mentioned below:</p> <p>Name : Mr. Hatem El Ayouty</p> <p>Title : Head of Anti-Money Laundering</p> <p>Mailing Address : PO Box 95, 13001, Safat Kuwait</p> <p>Telephone Number : +965- 22592387</p> <p>Fax Number : +965-22467926</p> <p>Email Address : Hatemelayouty@nbk.com</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>6. Does your institution's AML/CFT program include the following:</p> <p>a. A requirement for periodic approval of your institution's AML/CFT policy by your institution's Board or senior committee?</p> <p>b. Customer identification requirements at the inception of the relationship? If yes, are these requirements in line with the Financial Action Task Force (FATF) standards?</p> <p>c. A risk-based assessment of your customer(s) and their transactions? If yes, how often the customer risk assessment program is updated? <u>On an annual basis.</u></p> <p>d. Policies and procedures for updating customer information periodically?</p>	<input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No <input type="checkbox"/> No

e. Enhanced Know Your Customer (KYC) routines in relation to the following:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
i. Dealings with individuals, companies and institutions located in or dealing with high risk countries	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
ii. Politically Exposed Persons (PEPs)	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
iii. Money transmission services which are not licensed or authorised by a regulatory or governmental body	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
iv. Non face to face business relationships	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
v. Customers (other than those mentioned above) who are assessed to be high risk customers concerning the risk of money laundering and terrorist financing?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
f. Established controls to reasonably identify the origin of funds to a customer's account?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
g. Permit transaction with non-established or walk in customers? If yes, does your institution have customer identification requirements for such customers, please specify.	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
h. Procedures to monitor large cash deposits and withdrawals?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
i. Providing complete information for all payments transactions, including sender and beneficiary names, addresses, account numbers and purpose?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
j. Established method for monitoring and reporting suspicious activities?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
k. Screening customer against the names appearing in relevant regulatory blacklists? If yes, please specify the lists.	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<input checked="" type="checkbox"/> OFAC SDN <input checked="" type="checkbox"/> EU <input checked="" type="checkbox"/> UN <input checked="" type="checkbox"/> BOE <input type="checkbox"/> Others: <u>MAS, BIS, CSSF etc.</u>		
l. Record retention requirements for documentation obtained regarding the customer? If Yes, how long are records retained? <u>5 years</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
m. Policies prohibiting business with shell banks (i.e. banks with no physical presence in any jurisdiction)?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
n. Policies prohibiting opening / maintaining of anonymous or numbered accounts?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
o. Periodic Anti-Money Laundering Training Programs? If yes, how frequently is the training conducted? <input type="checkbox"/> Quarterly <input type="checkbox"/> Bi-Annually <input checked="" type="checkbox"/> Annually <input type="checkbox"/> Others	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
p. Retention of records pertaining to training sessions including attendance records and relevant training material used?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
q. Policy and procedures for independent audit or testing of the anti-money laundering compliance program? If Yes, how frequently are these audits/tests conducted. <u>Annually</u>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
r. Policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in the countries of their origin?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
s. Conduct covers payments (i.e. payment instructions utilizing the MT202 Swift message type)? If yes, do you utilize the MT202COV SWIFT message type in all cases that a cover payment is required?	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No

<p>t. Comply with FATF Special Recommendation VII – to include complete and meaningful originator information in funds transfer?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>u. Policies prohibiting any third party to have direct access to your account with your Correspondent Banks (i.e., Payable through accounts)?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>v. Policies protecting employees, if they report in good faith any suspicious activities/transactions?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>If you answered “No” to any of the items above (except 6 g), please explain the policies and procedures implemented to mitigate the potential risks associated with it.</p>		

III. GENERAL COMPLIANCE QUESTIONS

<p>7. Is your institution able to provide relevant customer identification information on request to any correspondent bank (if required)?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>8. Do you gather sufficient information about the respondent institution to understand their business, reputation, quality of supervision and regulatory controls?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>9. In addition to the regulatory inspections, do you have an internal audit function or other independent third party that assess AML policies and practices on a regular basis?</p>	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> No
<p>10. Has your institution had any regulatory or criminal enforcement actions resulting from violations of anti-money laundering laws or regulations OR has your institution, been the subject of any investigation, indictment, conviction or civil enforcement action related to financing terrorists in the past five years? If Yes, please provide more details.</p>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No
<p>11. Please advise if your institution and its Expanded Affiliated Group have been registered under FATCA regulations. If “No”, do you plan on being FATCA compliant?</p>	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input type="checkbox"/> No <input type="checkbox"/> No
<p>12. Do you provide correspondent banking services for banks or other financial institutions domiciled in Iran? If yes; do you conduct enhanced due-diligence measures on such customer relationships?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No <input type="checkbox"/> No
<p>13. Does your institution have any customers (individual or legal entities) domiciled or incorporated in Iran? If yes; please provide details such as relationships with these customers and if enhanced due-diligence measures are conducted on such customer relationships.</p>	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> No

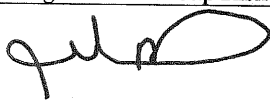
IV. OTHER INFORMATION

Please provide a copy of :

- Your valid commercial registration and banking license.
- Your Anti-Money laundering / Combating Financing of Terrorism/ Know Your Customer policy.

COMMENTS (If any):

I confirm that, to the best of my knowledge, the above information is current, accurate and reflective of my institution's anti-money laundering policies and procedures.

Name	Mr. Walid El Seyoufi
Title	Deputy General Manager- NBK Group Risk Management
Signature (Authorized Signatory)	
Location	Kuwait
Date	7 March 2016