



GULF INSURANCE GROUP (GULF) B.S.C.(c) – QATAR BRANCH

ANTI-MONEY LAUNDERING & COMBATTING FINANCING OF TERRORISM POLICY AND PROCEDURES

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Qatar Branch

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Approved by 

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General Manager (SEF) – Qatar
On behalf of the Governing Body
(Authorised by Governing Body in their meeting held on 29th Sep 2022)

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PART 1

Anti-Money Laundering Policy for GIG Gulf - QFC Branch

Contents

A. INTRODUCTION	5
B. COMMITMENT	5
C. LEGAL ENVIRONMENT	5
D. WHAT IS MONEY LAUNDERING	6
D.1. MONEY LAUNDERING OFFENCE	6
D.2. STAGES OF MONEY LAUNDERING	7
E. REPORTING OF SUSPICIOUS TRANSACTIONS & STAFF AWARENESS	8
E.1. SUSPICIOUS TRANSACTIONS – TYPICAL CASES	8
E.2. SUSPICIOUS TRANSACTIONS – ACTUAL EXAMPLES	9
E.3. BRANCH MONEY LAUNDERING REPORTING OFFICERS	9
E.4. ALERTING THE MONEY LAUNDERING REPORTING OFFICER	9
E.5. STAFF AWARENESS	10
F. “KNOW-YOUR-CUSTOMER” (KYC) PROCEDURES	10
F.1. WHO IS OUR “CUSTOMER” FOR AML PURPOSES?	10
F.2. WHO IS A “BENEFICIAL OWNER”?	10
F.3. MATERIALITY	11
F.4. TIMEFRAME FOR PERFORMING CUSTOMER DUE DILIGENCE (CDD) PROCEDURES	11
F.5. VERIFYING THE IDENTITY OF THE LARGE CLIENTS	11
F.6. OBTAINING COMPLETE CLIENT DETAILS FOR ALL CLIENTS	11
F.7. ENHANCED DUE DILIGENCE PROCEDURES	12
F.8. ENHANCED CUSTOMER DUE DILIGENCE FOR POLITICALLY-EXPOSED PERSONS (PEP)	12
F.9. ENHANCED CUSTOMER DUE DILIGENCE FOR NON COOPERATIVE COUNTRIES	12
F.10. TRACKING CORPORATES OR INDIVIDUALS LINKED TO TERRORIST ORGANIZATIONS	13
F.11. ACCEPTING BUSINESS FROM PROFESSIONAL INTERMEDIARY	13
F.12. KNOW-YOUR-INTERMEDIARY	14
G. ACCOUNTABILITY & REPORTING	15
G.1. ACCOUNTABILITY	15
G.2. RECORD RETENTION	15
H. PENALTIES FOR NON-COMPLIANCE	15
H.1. PENALTIES	16
I. Form for reporting Internal Suspicious Transactions	18

A. INTRODUCTION

This Manual contains policies procedures and guidelines adopted by QFC Branch of Gulf Insurance Group (Gulf) B.S.C.(c) (herein after referred to as “GIG Qatar” or “the branch”) in order to ensure Compliance of the requirements of the regulations on Anti-Money Laundering (AML) issued by the Qatar Financial Centre Regulatory Authority. The manual has been divided into 2 parts. Part 1 of the manual details the policies and procedures which are applicable to the staff for the day to day operations of the branch and Part 2 details the policies and procedures to be adopted by the Branch Money-laundering Reporting Officer (“MLRO”) and the Compliance Department of GIG Qatar.

This manual is Part 1 of the Anti-money laundering policy manual of GIG Qatar.

This manual is intended to serve as an operational guidance to the management and staff of the branch and is not exhaustive of any applicable laws and regulatory requirements. For any clarifications or doubts, the provisions of relevant statutory laws or regulations shall primarily prevail upon this manual. As on date, the manual incorporates relevant regulations on AML issued by regulators and applicable for the branch operations. The concerned personnel in the branch are expected to be fully conversant with the contents of this manual and to ensure compliance of the provisions of this manual in totality.

B. COMMITMENT

Gulf Insurance Group (Gulf) B.S.C (c) (hereby referred to as “GIG Gulf”) is committed to fight against the threats of Money Laundering (ML) and Terrorist Financing (TF) in the territories of its operation. GIG Gulf exercises utmost vigilance wherever its products and services are involved whether they are distributed through own distribution channels or through intermediaries. GIG Gulf is committed to adhere to the local Anti-money Laundering (AML) & Counter Terrorist Financing (CTF) regulations and adopt best global practices in fighting ML/TF risks

C. LEGAL ENVIRONMENT

Do not hesitate to refer to the links below or request the MLRO for a copy to learn more about the laws applicable to GIG Qatar:

Qatar	<p>QFC Legislation Anti-Money Laundering and Combating Terrorist Financing (General Insurance) Rules 2019 (AMLG) (https://qfcra-en.thomsonreuters.com/rulebook/anti-money-laundering-and-combating-financing-terrorism-general-insurance-rules-2019-amlg) QFCRA Guidance on Customer Due Diligence https://eforms.qfcra.com/PublishedFiles/AttachmentsToNotice/Notice_50/Guidance%20on%20Customer%20Due%20Diligence%20March%202020.pdf</p> <p>State Law and Legislation Administrative Order No. (1-2004) establishing the Qatar Financial Information Unit (QFIU) and its organisational structure Law No. (20) of 2019 on Combating Money Laundering and Terrorism Financing Implementing Regulations of Law No. (20) of 2019 on Combatting Money Laundering and Terrorism Financing (http://www.qfiu.gov.qa/files/AML_CFT_L20_EN_2019.pdf) Decree Law No. [19] of 2021 Amending Some Provisions of the Law No. (20) of 2019 on Combatting Money Laundering and Terrorism Financing</p> <p>Qatari Criminal Laws which apply in the QFC</p>
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	Law No. (27) of 2019 Promulgating the Law on Combating Terrorism Implementing Regulations of 2020 (Targeted Financial Sanctions) Law No. (11) of 2004 (Penal Code of Qatar) Law No. (6) 2020 amending Criminal Procedures Code Law No. (23) 2004
Bahrain	Amiri decree No 4 of 2001 with respect to preventing and prohibition of the Laundering of Money. ((https://cbben.thomsonreuters.com/rulebook/appendix-aml-i-amiri-decree-law-no-4-2001)) Central Bank of Bahrain rulebook, Volume 3 "Insurance", Financial Crime Module (((https://cbben.thomsonreuters.com/rulebook/fc-financial-crime-8)))

D. WHAT IS MONEY LAUNDERING

Money laundering, in simple terms, is the process by which the true origin and ownership of proceeds of criminal / illegal activities are concealed and transformed into legitimate capital.

- 1) Law No. [20] of 2019 on Combatting Money Laundering and Terrorism Financing defines money laundering in detail, whoever intentionally commits any of the following acts shall be deemed to have committed money laundering offence: Conversion or transfer of funds, knowing that they are proceeds of a crime or an act of participation in the said crime; with a view to concealing or disguising the illicit source of funds or assisting any person involved in the commission of the crime to evade the legal consequences of his actions.
- 2) Concealment or disguise of the true nature, source, location, disposition, movement, ownership or the rights of funds, knowing that they are the proceeds of a crime.
- 3) Acquisition, possession or use of funds, knowing, at the time of receipt thereof, that they are proceeds of a crime.
- 4) Participation in, association with or conspiracy to commit, attempt, or aid, abet, facilitate, counsel in, cooperate in, or contribute to the commission of any of the acts stipulated in this Article.

D.1. Money Laundering offence

As per the Law No. [20] of 2019 on Combatting Money Laundering and Terrorism Financing of the state of Qatar anyone who intentionally commits one of the following acts is considered to have committed an offence associated with Money Laundering:

- Failure to maintain adequate, accurate and updated information on the beneficial ownership and organizational structure of legal persons and legal arrangements as required pursuant to the law referred above;
- Failure, as required by the law referred above, to take the following measures:
 - a) To identify a customer or verify the customer's identity.
 - b) To make enquiries in relation to a customer or collect relevant information.
 - c) To identify the beneficial owners of a customer or verify their identity.
 - d) To exercise ongoing due diligence with respect to business relationships, to examine transactions carried out under a business relationship, or to ensure that documents, data or information collected under customer due diligence measures are kept up to date and relevant.
 - e) To take measures to address specific risks of money laundering or terrorism financing.
 - f) To have risk management systems.

- g) To pay special attention to a transaction, pattern of transactions or business relationships.
- h) To develop or implement programs for the prevention of money laundering and terrorism financing.
- Failure to maintain relevant records, in accordance with the provisions of this law or conceal, destroy or disguise such records.
- Failure to provide or to facilitate access to information or records in a timely fashion when requested by the competent authorities or the supervisory authorities in accordance with the provisions of this law.
- Failure to submit a report to the Financial Intelligence Unit (FIU) as required pursuant to this law.
- Opening or facilitating the opening of an account for an unidentified customer, in violation to the provisions of this law.

As per the Law No. [20] of 2019 on Combatting Money Laundering and Terrorism Financing whoever intentionally, by any means, directly or indirectly, with an unlawful intention provides or collects funds to be used, or while knowing that they are to be used, in whole or in part, in any of the following, shall be deemed to have committed a terrorist financing offence:

1. To carry out a terrorist act(s);
2. By an individual terrorist or by a terrorist organization, even in the absence of a link to a specific terrorist act or acts;
3. To finance the travel of individuals to a State other than their State of residence or nationality, for the purpose of the perpetration, planning, or preparation of, or participation in, terrorist acts or the providing or receiving of terrorist training;
4. To organize or direct others to commit or attempt to commit any of the acts stipulated in this Article.
5. To participate; collude; aid, abet, facilitate, counsel in, cooperate in, conspire to commit or attempt to commit any of the acts stipulated in this Article.

The terrorism financing offence extends to any funds, whether from a legitimate or illegitimate source, regardless of whether the funds were actually used to commit or attempt to commit a terrorist act, or are linked to a specific terrorist act.

The terrorism financing offence shall be deemed to have been committed, irrespective of whether the person charged with committing the offence is present in the same country or where the terrorist or terrorist organization is located or where the terrorist act was committed, or would be committed or in any other State.

The terrorism financing offence shall be considered a predicate offence of money laundering.

Receiving information related to a money laundering or terrorism financing crime, and not taking the specified legal measures to inform the competent authorities of such crime is also considered as an offence.

D.2. Stages of Money Laundering

The Money Laundering process often involves the following three Stages:

a. Placement

Placement is the first stage by which funds derived from a criminal activity are introduced into the financial system, either directly or through using other retail businesses. This can be in the form of large sums of cash or a series of smaller sums..

b. Layering

The aim of the second stage is to disguise the transaction through a succession of complex financial transactions with the purpose of erasing as quickly as possible all links with its unlawful origin. The funds may be converted into shares, bonds, life insurance policies or any other easily negotiable asset or may be transferred to other accounts in other jurisdictions.

c. Integration

Complex integration schemes then place the laundered funds back into the economy through real estate, business assets, securities and equities, in such a way that they re-enter the financial system appearing as normal business funds that have been legitimately earned. It is the final stage in which the money launderer takes the illegal money back into the legitimate economy.

E. REPORTING OF SUSPICIOUS TRANSACTIONS & STAFF AWARENESS

E.1. Suspicious transactions – typical cases

GIG Qatar encourages all staff members to report suspicious transactions. All suspicious transaction cases as well as any attempted suspicious transaction should be reported directly to MLRO. Examples of money laundering could include:

Sales / underwriting:

- **any large payment by cash** (cash payments in excess of QAR.10,000 is considered material and must be reported to the MLRO for verification).
- **payment by way of third party** cheque or money transfer where there is a variation between the account holder, the signatory and the insured;
- **a proposer who is not resident** and where the purchase of an insurance policy in the GCC appears abnormal or suspicious, or any proposer with no discernible reason for purchasing insurance
- **any transaction in which the insured is unknown or is a front** covering several unconnected individuals;
- any transaction where **the customer has no clear insurable interest**;
- **a transaction not in keeping with normal practice** in the market to which they relate, e.g. with reference to size or class of business;
- **refusal to provide the information and identification documents**, could also constitute suspicious transaction and should be reported

Endorsements / cancellations:

- **assignment of policies to apparently unrelated third parties**;
- **early cancellation** of policies with return of premium, with no discernible purpose or in circumstances which appear unusual;

Claims:

- **abnormal settlement instructions**, including large cash payment, or payment to apparently unconnected parties, or to countries in which the insured is not known to operate.

- **large claims in the first year**, need special attention as this could indicate layering whereby laundered funds are given the legitimacy of insurance funds.

E.3. Branch Money Laundering Reporting Officers

In case of any doubt on the nature of a transaction, the staff should contact Nishath Kasheef who is the MLRO for Qatar and who will advise and will help to liaise with the Regional MLRO.

E.4. Alerting the Money Laundering Reporting Officer

All staff should report any suspicious, fraudulent or abnormal transaction to GIG Qatar's Money Laundering Reporting Officer (MLRO) the contact details of whom is below:

GIG Qatar's MLRO	Nishath Kasheef Email: nishath.kasheef@gig-gulf.com OR compliance.qatar@gig-gulf.com Tel: +974 74070775
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The MLRO will analyze reported suspicious transactions and decide whether to report it to the regulators. The MLRO will keep the name of the staff member who reported the suspicious transaction confidential unless with his/her prior approval.

GIG Qatar's DMLRO	Mr. Silva Jose Email: silva.jose@gig-gulf.com OR compliance.qatar@gig-gulf.com Tel: +974 4496 7380
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If for any reason the MLRO or DMLRO cannot be reached or does not acknowledge receipt, the staff should escalate to GIG Gulf's Compliance Department as per the details listed below:

Head of Regional Compliance	Ajay Kumar C Email: ajay.kumar@gig-gulf.com OR compliance@gig-gulf.com Tel. +973 66328120
Senior Compliance & AML Manager	Ajith Ramachandran Email: ajith.ramachandran@gig-gulf.com OR compliance@gig-gulf.com Tel. +973 66328121

The format of making the report is available in this manual (Appendix 1). Any format for reporting is suitable (email, phone call, hard copy) but should contain the details of the customer and reasonable description of the basis for suspicion. Failure to report a suspicious transaction, which should have been identified in the normal course of staff's duties, without reasonable excuse would be considered as a negligence of duties and can be referred for disciplinary action. In case of any doubt, the MLRO should be contacted to obtain clarification.

What is Tipping-Off

Tipping off, in relation to an applicant for business or a customer of a Firm, is the unauthorised act of disclosing information that may result in the applicant or customer, or a

third party (other than the FIU or the Regulator), knowing or suspecting that the applicant or customer is or may be the subject of:

- a suspicious transaction report; or
- an investigation relating to money laundering or terrorism financing; and
- may prejudice the prevention or detection of offences, the apprehension or prosecution of offenders, the recovery of proceeds of crime, or the prevention of money laundering or terrorism financing.

Staff should ensure not to tip off the customer in any case. Any person who commits the offense of disclosing information that may reveal that a suspicious transaction report has been submitted to the Unit, or has not been submitted, shall be sentenced to imprisonment for a term not exceeding three (3) years and a fine not more than (QR 500.000) five hundred thousand Qatari Riyals, or one of these two penalties.

E.5. Staff awareness

Part 1 of this policy is available to all employees. New employees will be given a paper copy when signing their contract and the importance of AML to the branch will be explained by the MLRO. It will be circulated to all staff. Part 2 of the manual is mostly relevant for the compliance staff. However, it shall be made available to the staff by the MLRO upon written request.

In addition to the circulation of this manual, the MLRO will provide training to staff in exposed functions or business lines. The training can be in the form of class room training or regional e-training and should be done at-least once every year for all staff and within three months of joining for new staff.

F. “KNOW-YOUR-CUSTOMER” (KYC) PROCEDURES

F.1. Who is our “Customer” for AML Purposes?

A customer, includes any person who engages in, or who has contact with the branch with a view to engaging in, any transaction with the branch

- on the person’s own behalf; or
- as agent for or on behalf of another person;

F.2. Who is a “Beneficial Owner”?

The beneficial owner is

- For an account—the individual who ultimately owns, or exercises effective control, over the account and includes any person according to whose instructions the signatories are accustomed to act directly or indirectly; or
- For a transaction—the individual for whom, or on whose behalf, the transaction is ultimately being, or is ultimately to be, conducted; or
- For a legal person or legal arrangement—the individual who ultimately owns, or exercises effective control over, the person or arrangement and **includes an individual who owns at least 20% of the shares or voting rights of the company** or in the case of a trust an individual **who is to receive at least 20% of the funds of the trust.**

F.3. Materiality

GIG Qatar will exercise simplified due diligence for a customer in relation to a general insurance contract if the annual premium is not more than 55,000 Qatari Riyals (or its equivalent in any other currency at the relevant time);.

GIG Qatar's policy for these less material clients is to collect the mandatory details along with a copy of the identification document and rely on the usual checks (several of them built in the IT system) performed by Underwriting and Claims departments, the Finance department and Internal Audit.

F.4. Timeframe for performing Customer Due Diligence (CDD) procedures

Relevant staff must conduct customer due diligence measures for a customer when;

- It establishes a business relationship with the customer i.e., New Clients; or
- It conducts a one-off transaction for the customer with a value (or, for transactions that are or appear (whether at the time or later) to be linked, with a total value) of at least QAR. 55,000/-; or
- It suspects the customer of money laundering or terrorist financing; or
- It has doubts about the veracity or adequacy of documents, data or information previously obtained in relation to the customer for the purposes of identification or verification.

F.5. Verifying the identity of the large clients

The identity of large clients (above materiality threshold) should be systematically verified. Verifying the identity consists in either:

- **seeing an original valid Commercial Registration (or ID for individuals) and filing a copy marked "original sighted" by the branch staff,**
- **obtaining and filing a certified copy of a valid Commercial Registration (or ID for individuals). Based on risk factor, MLRO may issue guidance that faxes and electronic copies are acceptable.**

Cases where the client name differs from the Commercial Registration must be corrected. Reluctance from the broker or client to provide proof of identity should be reported to the MLRO, for possible reporting to the regulator as a suspicious transaction. If need be, brokers should be reminded of their AML responsibility under the law and under the brokerage agreement.

F.6. Obtaining complete client details for all clients

The data below should be collected upon sales or policy renewals. **Under no circumstances should GIG Qatar maintain anonymous or fictitious accounts or allow the beneficiary to remain anonymous.**

Natural persons	Legal entities
<ul style="list-style-type: none"> a) full legal name b) nationality c) date and place of birth d) National ID card number and 	<ul style="list-style-type: none"> a) full legal name b) legal form c) date and place of incorporation d) registration number

e) passport number(not mandatory for Qatar nationals)	e) registered address and trading address where applicable
f) full permanent residential address or employer physical address otherwise	f) Contact detail (tel., email)
g) Contact detail (tel., email)	g) type of business activity
h) Occupation	h) Source of funds
i) Employer's name	i) Anticipated premium volume
j) Source of funds (where premium value is greater than QAR 10,000)	j) Name of the auditor
k) Signature	k) Details of authorised signatory
l) a certification by the client that he is acting on his own behalf.	l) Details of major shareholders (holding 20% or more of the shares)
	m) Details of Directors

F.7. Enhanced due diligence procedures

In case of clients who have a higher risk profile based on monetary limits or country risk, the MLRO makes additional enquiries such as:

- Personal reference or bank reference;
- Verification of employment or public position;
- Documentation regarding customers source of wealth and income;
- Evidence of a person's permanent address through use of a credit reference, agency search or through independent verification by personal visit;

In case the client is an overseas customer, documents of an equivalent nature as indicated above must be obtained as proof of adequate documentation. Where the identification of the client is doubtful or proper identification as stipulated above is not forthcoming, enhanced due diligence may be undertaken. Else, issue of policy may be stopped and a Suspicious Transaction Report (STR) may be filed.

F.8. Enhanced customer due diligence for Politically-Exposed Persons (PEP)

PEP is an individual (A) who is, or has been, entrusted with prominent public functions like heads of states, senior members of the government, the judiciary, the military or state-owned companies in a foreign jurisdiction; or

- **a family member like spouses, children and their spouses and parents of A; or**
- **a close associate of A like joint owners with A of any entity.**

A PEP client must be reported to the MLRO who shall prepare a profile document for the PEP from publicly available data sources and submit for senior management approval. GIG Gulf relies on World-check listing and data from customers to identify PEPs.

The senior management (SEF) should record his approval for taking on a client who is a PEP after due consideration of the potential risk for GIG Qatar.

The MLRO will maintain a separate list of PEP's for continuous transaction monitoring.

F.9. Enhanced customer due diligence for Non Cooperative Countries

The same measures as for PEPs should be applied to any resident of a Non Cooperative Country as defined by the Financial Action Task Force (inter-governmental body of which the GCC is a member).

As of October 2021, there are no countries on the NCCT list.

As of June 2022, the FATF identified jurisdictions that have strategic deficiencies and works with them to address those deficiencies that pose a risk to the international financial system (for latest list visit (<http://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html>))

Please refer to Appendix 2 for the list of high-risk countries and jurisdictions under increased monitoring

F.10. Tracking corporates or individuals linked to terrorist organizations

GIG Qatar should screen its clients database for persons subject to sanctions especially those connected to terrorist organisations, as identified by the United Nations and regularly updated under <https://www.un.org/securitycouncil/content/resolutions>

The customer facing staff and MLRO have access to World-Check login which can be used to screen new customers against the sanctions lists.

F.11. Accepting business from professional Intermediary

GIG Qatar can accept customers introduced to it by other financial institutions or intermediaries if it is satisfied that the said intermediary or financial institution is also subject to equivalent Customer Due Diligence measures. Though GIG Qatar may delegate the CDD measures to another intermediary, it cannot abdicate its responsibility for meeting the compliance requirements.

This clause mentions the identification required when dealing with an intermediary that is supposed to be a Financial Institution or a Bank itself. This intermediary must not be confused with brokers, agents etc. (who are collectively called insurance licensees).

Before accepting business through the above referred intermediary GIG Qatar need to ensure that the following conditions are satisfied;

- There should be a formal agreement defining the roles GIG Qatar and the professional intermediary regarding the customer due diligence measures. The agreement must also specify that CDD measures of the introducer complies with FATF recommendations.
- There must be a written confirmation from the introducer (intermediary in this case) stating that all CDD measures pertaining to the customer have been followed and his identity verified. It should also have a provision for accessing the information so provided by the introducer, at any time by GIG Qatar.
- The intermediary must also provide all relevant data regarding the identity of the customer, the identity of the policyholder and the beneficiary of the policy and these documents will be retained for a period of ten years, even after the relationship is terminated by either parties.

The broker relationship team will ensure that these are completed at the time of renewal of agreement with the above referred intermediaries.

The broker agreement should specify that customer identification documents and other due diligence material should be readily accessible to the Company and the regulators upon request.

F.12. Know-Your-Intermediary

As per the law, the brokers have the same responsibility as the insurance companies. They must notably obtain sufficient client details, establish the source of their funds, and report suspicious transactions.

The model brokerage agreement clearly states the intermediary's responsibility to implement AML procedures. GIG Qatar may rely on the intermediary's customer due diligence (KYC) process, however, the ultimate responsibility for customer due diligence remain with GIG Qatar

The branch is required to implement these new agreement to their brokers and other intermediaries. If needed, this agreement can be obtained from the MLRO.

It is the responsibility of the staff dealing with brokers and agents to ensure that they are licensed by the concerned regulator and documents evidencing this must be obtained and maintained

F.13. Due Diligence Procedures on Non-Face to Face Customers

Customers who prefer to contact GIG Qatar for any product through other distribution channels for e.g. Regional Call Centre or Internet are falling in the category of non face to face customers. As the customers are not physically present in the branch which limits the customer service officer to verify the photo identification of customers ID document. It is mandatory for all the non face to face customers to provide a valid photo identification document to GIG Qatar to fulfil the regulatory requirements.

Customers through the Call Centre:

Customers contacting GIG Gulf through the Call Centre for any policy at a post quotation stage or at the time of policy conversion have to provide the call centre agent with its valid photo identification copy (passport, Qatar ID card) through email or fax. The call centre agent should ensure the validity of the ID document and then should forward it to the team leader to perform initial due diligence i.e. World Check. Once the World Check is performed if there are any positive hits on the customer the same should be referred to the branch MLRO who will further take enhanced due diligence measures and will decide whether to take on the customer or to file an STR with the concerned authorities.

If the customer refuses to provide its identification documents, the call centre agent should raise an internal suspicious transaction report with the MLRO for an STR to be filed with the concerned authorities.

Customers through the Internet:

Customers who want to use the internet facility to issue an insurance policy for themselves, also have to submit their identification documents through an upload module embedded within the website. The uploaded documents can be accessed by the Customer Service Officer in Qatar Branch to perform initial Due Diligence process i.e. (World Check) on the customer. If the customer fails to upload the documents the final policy is not issued. In any case (due to the limitation of courier services in the State of Qatar), for the collection of policy documents the customer has to visit the branch and it's the responsibility of the Customer Service Executive to collect the valid identification documents from the customer. The customer service executive must perform initial due diligence process i.e. World Check. Once the World Check is performed if there are any positive hits on the customer the same should be referred to the branch MLRO who will further take enhanced due diligence measures and will decide whether to take on the customer or to file an STR with the concerned authorities.

Record Retention

In case of non-face to face customers the documents are electronically submitted to GIG Qatar by the customers. The data is backed up at regular intervals and the documents can also be retrieved as and when required. For further details on record retention refer to section G.2. of the AML Policy.

G. ACCOUNTABILITY & REPORTING**G.1. Accountability**

Every year, the Audit Committee, approves the company's updated AML policy and reviews the AML report. Significant matters will be reported by the Audit Committee to the Board.

The operations staff are responsible for

- collecting all relevant KYC details from the customer along with the copies of the required documents.
- clearly entering the details of the customer in the insurance system.
- Ensuring broker agreements are in place with all brokers and the agreement clearly specifies the broker's responsibility in relation to AML.
- reporting to the MLRO any activity, customer or transaction which appears to be suspicious.
- providing any assistance requested by the MLRO for conduct of enhanced due diligence of customers.

The MLRO is responsible for

- collecting STR and informing the relevant regulators whenever appropriate,
- drafting and updating the company's AML policy,
- monitoring the progress in implementing the relevant procedures across the Operations and informing the Management and the Audit Committee,
- maintaining archives of all STR, annual reports, training programs for a period of six years minimum.

G.2. Record Retention

The branches must comply with record keeping requirements as specified in the respective countries. All records made by the branch for the AML/CFT Law must be kept for at least **ten years** after the day they are made. For Customer, records must be maintained for a period of ten years after the end of the insurance contract with the customer. Where a customer is under investigation, records must not be destroyed without consulting with the FIU. Staff need to seek MLRO guidance in such cases.

H. PENALTIES FOR NON-COMPLIANCE

GIG Gulf faces a huge reputational risk if it is deemed to be involved in Money Laundering related prosecution or faces regulatory censure for non-compliance with Anti-Money Laundering regulations of the respective countries.

The AML regulations in all the countries impose criminal liability on the firms/individuals deemed to be involved in Money laundering and this includes fines, cancellation of licence and imprisonment. **Employees need to be aware that they can be individually prosecuted for involvement in Money laundering offence.** As explained in section D.1 **failure to disclose**

information and tipping off customers under suspicion are deemed to be money laundering offence.

H.1. Penalties

Without prejudice to a more severe penalty stipulated in any other law, and in case it is evidenced that any financial institution, DNFBP, or NPO, or any of the directors, board members, executives or management thereof, has violated the provisions of this Law, the Implementing Regulation, or any AML/CFT decisions or directives, the supervisory authorities may impose one or more of the following measures:

1. Sending written warnings.
2. Ordering regular reports on the measures taken.
3. Ordering compliance with specific instructions.
4. Imposing a financial penalty of no less than (QR 25.000) twenty five thousand Qatari Riyals, and no more than (QR 100.000) one hundred thousand Qatari Riyals per violation per day, on the financial institution or the DNFBP after being notified.
5. Imposing a financial penalty of no more than (QR 100.000.000) one hundred million Qatari Riyals on the violating financial institution or the DNFBP.
6. Imposing a financial penalty of no more than (QR1.000.000) one million Qatari Riyals on any of the directors, board members, executives or management of a supervised entity.
7. Restricting the powers of the directors, board members, executives, or management, in addition to appointing a special administrative supervisor, or subjecting the financial institution, DNFBP, or NPO to direct control.
8. Prohibiting the perpetrator from working in the relevant sectors, either temporarily or permanently.
9. Suspending, dismissing or replacing directors, board members, executives, management, trustees of trusts, or trustees of NPOs, either temporarily or permanently.
10. Imposing suspension of the license, restricting any other type of permit, and prohibiting the continuation of work, the profession or the activity, or barring the name from the relevant registry.
11. Revoking and withdrawing licenses and registrations.

Any person who commits any of the money laundering crimes stipulated in Article (2) of this Law, shall be sentenced to imprisonment for a term not exceeding ten (10) years, and a fine not less than (QR 2.000.000) two million Qatari Riyals and not more than (QR 5.000.000) five million Qatari Riyals, or twice the value of the money laundered, whichever is greater Any person who commits any of the terrorism financing crimes stipulated in Article (3) of this Law shall be sentenced to imprisonment for a term not exceeding twenty (20) years, and a fine not less than (QR 5.000.000) five million Qatari Riyals and not more than (QR 10.000.000) ten million Qatari Riyals, or twice the value of the financing provided, whichever is greater The penalties provided for in the previous paragraphs shall be doubled in case of:

1. Repetition and recurrence. An offence is considered recurrent, if the perpetrator committed a similar offence within 5 years of the date of executing the penalty imposed or extinguished by lapse of time.
2. Contributing to the commission of one or more ML/TF offence(s), or attempted offence(s), as part of a group acting with a common purpose.

3. An offence is committed by a person who abuses his powers or influence in a financial institution, or a DNFBP, or abuses the powers offered by his job position or his professional or social activity.

The company will also initiate disciplinary action against employees who are not in compliance with this policy. The report will be made to the audit committee which will decide on disciplinary action to be taken.

I. APPENDIX 1 : Form for reporting Internal Suspicious Transactions**GULF INURANCE GROUP (GULF) BSC (c)**

Branch: _____

In Respect of: Individual Company / Business

Date of transaction/attempted transaction:

1. Full Name of Client	
2. Nationality	
3. CR No. / ID No. / Passport No.	
4. Full Permanent address	
5. Date of Birth / Date of Incorporation	
6. Occupation / Business activity	
7. Contact Person & Designation (for companies)	
8. Telephone number;	
9. Email address	
10. Fax number;	
11. Website (if available)	
12. Source of Income	

Documents Collected	
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Transaction Details

Reason for Suspicion/Reporting (attach additional sheets if required and note number of pages attached)

Name and Signature of Employee reporting	Date

Comments by Branch MLRO and signature	Date

APPENDIX 2 – High Risk Jurisdictions and Jurisdictions under increased monitoring

<https://www.fatf-gafi.org/publications/high-risk-and-other-monitored-jurisdictions/documents/increased-monitoring-june-2022.html>

High Risk Jurisdictions

High-risk jurisdictions have significant strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation. For all countries identified as high-risk, the FATF calls on all members and urges all jurisdictions to apply enhanced due diligence, and in the most serious cases, countries are called upon to apply counter-measures to protect the international financial system from the ongoing money laundering, terrorist financing, and proliferation financing (ML/TF/PF) risks emanating from the country. This list is often externally referred to as the “black list”

SI No	Jurisdiction
1	Iran
2	North Korea

Jurisdictions under Increased Monitoring

Jurisdictions under increased monitoring are actively working with the FATF to address strategic deficiencies in their regimes to counter money laundering, terrorist financing, and proliferation financing. When the FATF places a jurisdiction under increased monitoring, it means the country has committed to resolve swiftly the identified strategic deficiencies within agreed timeframes and is subject to increased monitoring. This list is often externally referred to as the “grey list” as at June 2022.

I No	Jurisdiction	SI No	Jurisdiction
1	Albania	18	South Sudan
2	Barbados	19	Syria
3	Burkino Faso	20	Turkey
4	Cambodia	21	Uganda
5	Cayman Islands	22	United Arab Emirates
6	Gibraltar	23	Yemen
7	Haiti		
8	Jamaica		
9	Jordan		
10	Mali		
11	Morocco		
12	Myanmar		
13	Nicaragua		
14	Pakistan		
15	Panama		
16	Philippines		
17	Senegal		