



Policies for Prevention of Money Laundering and Terrorist Financing in AB DNB Bankas

In 1997 the Parliament of the Republic of Lithuania adopted the Law on Prevention of Money Laundering. On 17 January 2008 a new Law of the Republic of Lithuania on Prevention of Money Laundering and Terrorist Financing came into force (hereinafter – the “Law”). Referring to the Law, financial and credit institutions are obliged to implement certain preventive measures to combat the legalization of illegally acquired money. Banks are obliged to maintain a special register wherein the data on all financial operations, exceeding the amount of EUR 15 thousand, regardless of the operation nature (whether a cash payment or clearing in any currency) shall be recorded. The information on any cash exchange of one currency for another when the amount exceeds EUR 6 thousand and interrelated financial operations exceeding the amount of EUR 15 thousand per day shall be included in such register as well. According to the Law, banks are obliged to submit entries from such register to the Financial Crime Investigation Service under the Ministry of the Interior of the Republic of Lithuania (hereinafter – “the FCIS”) on a regular basis, i.e. once a week. Furthermore, banks shall immediately report any suspicious customer conducted transaction, regardless of the amount, to the FCIS.

The Register of AB DNB Bankas (hereinafter – the “Bank”) is automated. The Bank has implemented the Banking Information System which integrates the money laundering prevention module software. Entries in the Register are made automatically when the transaction amount exceeds one of the above mentioned thresholds. The details of the customer conducting the transaction can be retrieved from the Banking Information System.

The Management Board of the Bank has approved the Procedure for Prevention of Money Laundering and Terrorist Financing. The Procedure for Prevention of Money Laundering and Terrorist Financing is in adherence with, but not limited to the following national requirements:

- To identify a customer before opening an account or concluding a customer service agreement;
- To identify a customer if a monetary transaction involves an amount exceeding EUR 15 thousand;
- To identify a customer if a cash exchange operation involves an amount exceeding EUR 6 thousand;
- To run the Register of Money Laundering Prevention when monetary transactions exceed EUR 15 thousand;
- To monitor banking transactions of and keep a close watch on Politically Exposed Persons;
- To perform enhanced due diligence of high risk customers;
- To keep copies the identification documents for 10 years after the end of relationship with a customer;
- To manage the Register;

— AB DNB bankas

J. Basanavičiaus g. 26, LT-03601 Vilnius
Banko kodas 40100

Tel.: 1608, (8 5) 239 3444
Faksas (8 5) 213 9057
El. paštas info@dnb.lt, www.dnb.lt

Banko (įmonės) kodas 112029270
Duomenys kaupiami ir saugomi
Juridinių asmenų registre

- To submit entries of the Register to the FCIS;
- To notify the FCIS of any suspicious monetary transactions irrespective of the amount;
- To appoint the persons responsible for the implementation of measures for the money laundering prevention;
- To identify beneficiaries of the customer;
- To carry out regular training of the Bank's employees on the issues of money laundering prevention;
- To carry out regular reliability checks of the Bank's employees at least every 2 years.

The Management Board of the Bank has also approved the criteria for determining whether a monetary transaction is regarded as suspicious. The criteria cover the following cases: a customer conducts transactions that are not typical for his/her activities, the source of money is unclear, a customer deliberately divides a transaction into several (chain) transactions in order to reduce the amount, etc. According to the procedures, the Bank's employees shall immediately report any suspicious transaction to the Prevention Department.

Employees of the Prevention Department maintain relationship with the FCIS notifying them of suspicious transactions, submitting entries from the Register, applying for consultations. The FCIS Officers deliver lectures to the Bank's employees, introduce the most common cases of money laundering and explain the schemes of financial offences. During the regular staff training on the money laundering prevention issues the audience is informed about the laws and decrees of the Republic of Lithuania regulating the money laundering prevention. Within the framework of practical training, the features of suspicious operations are analyzed and particular cases related to untypical operations in the banking practice are discussed, also the Bank's Procedure for Prevention of Money Laundering is explained in detail. After the training the Bank's employees have to pass a special examination.

The Bank maintains the list and updates the information about persons related to international terrorism. Should any person from such list wish to become the Bank's customer, this would be immediately reported to the FCIS. Any inter-bank transactions are checked on-line for any possible relation to the persons from such list. Financial deals of the Bank's customers with the persons from the aforementioned list are also regarded as suspicious.

The anti-money laundering reporting officer of the Bank is Mr. Šarūnas Vaineikis, Head of Security Department (tel. + 370 5 2393425; fax: + 370 5 2393736; e-mail: sarunas.vaineikis@dnb.lt).