



HOLLARD POLICY



FINANCIAL INTELLIGENCE CENTRE ACT (ANTI-MONEY LAUNDERING):

1. OBJECTIVE

To ensure compliance with the obligations placed on the Company by the Financial Intelligence Centre Act, (FICA).

2. DEFINITION

The Act defines money laundering as:

“An activity which has or is likely to have the effect of concealing or disguising the nature, source, location, disposition or movement of the proceeds of unlawful activities or any interest which anyone has in such proceeds.”

Hollard Life because it carries on long-term insurance business, must comply with all the obligations imposed by FICA, with regard to identifying and verifying the identity of its clients.

Both Hollard Life and Hollard Short Term Companies must report suspicious or unusual transactions.

3. POLICY

3.1. Client identification

Before entering into a business relationship or concluding a single transaction with a client, the identification of the client must be established by obtaining the prescribed information, for a person this would be their identity number, telephone number and address.

3.2. Verification of client information

The information obtained in the identification process must be verified by comparing that information with the prescribed documents, namely their identity book, SARS documents and an account that gives their address.

Note: Trusts, close corporations and companies have different requirements – contact Compliance for these details.

3.3. Record keeping

All information concerning the identity of the client, the verification of identity and the details of the business relationship or transaction must be kept in the prescribed manner. This information must be kept for a period of five years from the date on which the business relationship is terminated or the transaction is concluded.

3.4. Reporting of transactions

Any transaction that is suspected to be, or known to be unusual or suspicious must be reported to the FIC. The report must be made as soon as possible but no later than 15 days after becoming aware of the suspicion or formulating the suspicion. If you are concerned about whether a transaction is suspicious then supply all the information to Compliance who will assist with the suspicious transaction report.

4. WHAT IS A SUSPICIOUS TRANSACTION:

4.1. A transaction that makes you feel uncomfortable, uneasy or distrustful;

4.2. A transaction that is inappropriate or unusual;

4.3. A transaction that assists in the transfer of the proceeds of crime;

4.4. A transaction linked to the evasion of tax, duties or levies.

Guidelines regarding the steps to be taken are available from Compliance.



5. **RESPONSIBILITY**

The ultimate responsibility for complying with FICA and regulations issued in terms of FICA is that of the board.

Line and operational management are responsible for ensuring that the working methodologies and procedures in the various areas are adequate to ensure compliance with FICA and the guidelines. Where necessary, they should ensure that documents are adapted and system changes effected to enable employees to comply.

It is of the utmost importance that every employee in the Company, who might be involved in transactions that could be used for money laundering, should be aware of these obligations and how to comply with them.

It is the responsibility of the Money Laundering Control Officer to ensure compliance with FICA and the guidelines by individuals and the Company.

6. **NON – COMPLIANCE**

By not complying with the FICA and regulations issued in terms of the FICA, the Company and employees within the Company can be fined the maximum of R100 million or imprisonment of up to 15 years.

The necessary disciplinary action will be taken against any employee found to be in breach of any aspect of the FICA and the guidelines.