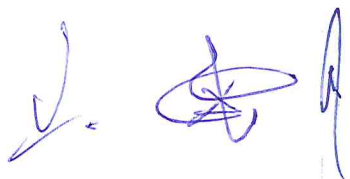


INDIAN OCEAN GENERAL ASSURANCE LTD

CUSTOMER DUE DILIGENCE MANUAL

**Extracted from the CODE ON THE PREVENTION OF MONEY
LAUNDERING & TERRORIST FINANCING – MARCH 2012**
(Issued under Section 7(1)(a) of the Financial Services Act 2007 and
Section 18(1)(a) of the Financial Intelligence and Anti-Money Laundering Act 2002)

Although the primary objective of the Company is to conduct business with its customers, it should nevertheless adhere to the relevant Laws and Regulations, The Company relies a lot on the support and commitment of all its Staff Members. The information provided in this Manual is essential to establish the presence of a suspicious transaction. However it is imperative that Staff Members succeed in receiving all relevant information from the customer by using a friendly customer based approach. Clients should not be pressurized to provide KYC information, but should be kindly requested to so provide. Staff Members should *never* make the procedures seem bulky so as to discourage a potential client.



1. What is Money Laundering?

Money laundering is a generic term used to describe any process that conceals the origin or derivation of the proceeds of crime so that the proceeds appear to be derived from a legitimate source.

Money laundering is sometimes wrongly regarded as an activity that is associated only with organised crime and drug trafficking. It is not. It occurs whenever any person deals with another person's direct or indirect benefit from crime.

IOGA, as a Financial Institution, is also vulnerable to abuse by money launderers. It is imperative as such, for the protection of the Company that Staff Members fully appreciate the money laundering vulnerabilities of the services that we offer.

Indicators of Potentially Suspicious Activities are to be found in Appendix III hereto.

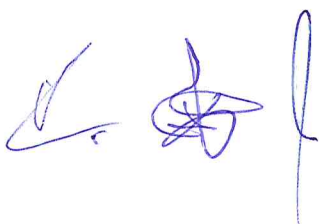
2. Internal Controls

Regulation 9 of the FIAML Regulations 2003 requires Indian Ocean General Assurance Ltd (hereinafter referred to as IOGA), as a Financial Institution, to implement a system of internal controls as well as other measures to combat money laundering and financing of terrorism.

The Company therefore has the legal obligation to set up a system of internal controls to manage their Anti Money Laundering and Combating the Financing of Terrorism (AML/CFT) risks and to provide a systematic and disciplined approach to assuring compliance with AML/CFT laws, codes and standards of good practice.

The present Manual is intended:

1. To create awareness of all members of the staff of the reporting chain and the procedures to follow.
2. To promote an organizational culture which establishes through both actions and words the expectation of compliance by all employees to observe the standards of good practices and ethical behaviors so as internal policies and procedures are adhered to.



3. The Money Laundering Reporting Officer (MLRO)

Pursuant to Regulation 6(1) of the FIAML Regulations 2003, Mrs. Adeelutcheemy Ramen (Pamela) is the present MLRO to whom all internal report of suspicious transactions must be made. A sample Internal Disclosure Form to the MLRO is attached for completion and submission to the MLRO whenever the need arises.

3.1 Duties of The Money Laundering Reporting Officer (MLRO)

The duties of the MLRO should at a minimum consist of the following:

- △ Implementing and monitoring the day to day operation of the AML/CFT policy and procedures.
- △ Reporting to the Board of Directors or a committee of the Board on any material breaches of the internal AML/CFT policy and procedures and of the AML/CFT laws, codes and standards of good practice.
- △ Preparing reports annually and such other periodic reports as she deems necessary to the Board of the Company or a committee of the Board dealing with:-
 - △ the adequate/shortcomings internal controls and other AML/CFT procedures implemented,
 - △ recommendations to remedy the deficiencies identified above,
 - △ the number of internal reports made by staff,
 - △ the number of reports made to the FIU.

The MLRO should be the main point of contact with the FIU in the handling of disclosures. The MLRO shall be in regular contact with the Board of Directors so as to ensure that the Company is:

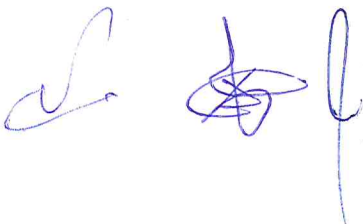
- △ complying with all the statutory obligations and provisions regarding AML/CFT; and
- △ taking sufficiently robust measures to protect itself against the potential risk of being used for money laundering and terrorist financing.

In the absence of the MLRO, Mrs Heeranjeenee Obeegadoo shall act as Alternate MLRO and will be expected to fulfill the duties of the MLRO.

3.2 Rights of The Money Laundering Reporting Officer (MLRO)

Your attention is consequently drawn to the fact that the MLRO:

- Must be allowed timely access to customer identification data and other Customer Due Diligence (CDD) information, transaction records, and other relevant information in order to properly evaluate internal suspicious transaction reports.
- The MLRO must be autonomous in her decisions as to whether a suspicious transaction report should be made to the FIU.
- The MLRO may consult with any one of you as part of the evaluation process. However, she must be free to make her decision and without undue influence,



pressure or fear of repercussions in the event that any Senior Colleagues disagrees with her decision.

- The MLRO has the legal obligation to report to the FIU upon validating an internal report about a transaction that has aroused suspicion.

4. The Customer Due Diligence–“CDD”

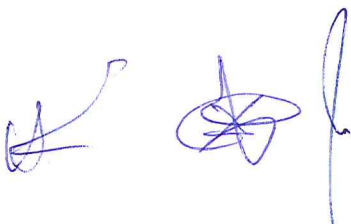
The need for IOGA to know its customers is essential to the prevention of money laundering and combating the financing of terrorism. CDD is a key element in the process.

The Staff Member must therefore undertake CDD measures and be satisfied of the results obtained:

- Prior to establishing any business relationship with a customer for business and carrying out any business transaction for or on behalf of the applicant for business;
- In cases of one-off transactions or a series of occasional transactions where the total amount of the transactions which is payable by or to the customer for business is above MUR 350,000 or an equivalent amount in foreign currency; or
- Whenever there is a suspicion of money laundering or terrorist financing at any point in time since the inception till the termination of the business relationship.

CDD measures that should be taken by the Staff Member include:

- Identifying and verifying the identity of the applicant for business using reliable, independent source documents, data or information;
- Identifying and verifying the identity of the beneficial owner such that IOGA is satisfied that he knows who the beneficial owner is;
- Obtaining information on the purpose and intended nature of the business relationship; and
- Conducting ongoing due diligence on the business relationship and scrutiny of transactions throughout the course of the business relationship to ensure that the transactions in which the customer is engaged are consistent with IOGA's knowledge of the customer and his business and risk profile (including the source of funds).
- In the event of any doubtful or suspicious transactions, the staff member shall immediately report the case to the MLRO for further inquiry before any decision is taken as to whether the case is validated or rejected.



5. Know Your Client (KYC) Documentation - Individuals

The Staff Member must identify and verify the identity of the applicant for business in accordance with the measures outlined below:

The Staff Member must ensure that the following KYC Documents (in original format) or Information are supplied by the Client:

1. For the Proposal of Any Class of Insurance Business:

- The National Identity Card: Full Name and Surname, I.D. Number and Date of Birth
- A recent CEB or CWA Utility Bill: The Current residential address
- Any Occupation, Public Position held and where appropriate the Name of the Employer
- His Email Address and Telephone Contact Number

2. For the Insurance of a Motor Vehicle:

- ▲ Proof of Ownership of a Motor Vehicle From the Motor Vehicle Registration Book
- ▲ Driving License for the type of Motor Vehicle being proposed for insurance.

3. When a Claim is Made by either the Insured or by a Third Party:

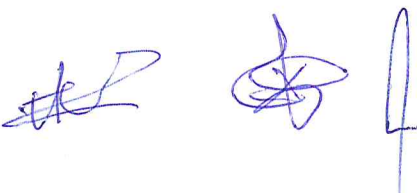
- The same Documentation and Information stated above.

A clear scan or photo copy of the above documents must be filed by the Staff Member for future reference.

6. KYC Documentation – Companies/Partnerships /Associations

The Staff Member must:

- (i) Obtain a copy of the Certificate of Incorporation, Business Registration Certificate to determine the name, incorporation number, date and country of incorporation or registration;



- (ii) Obtain a copy of the Client's Business VAT Registration Certificate;
- (iii) Identify and verify any registered office address and principal place of business (where different from the registered office);
- (iv) Record its email address;
- (v) Identify and verify that any person who purports to act on behalf of the legal person is duly authorized as such. The National Identity Card or Passport and Recent Utility Bill of any person authorized to act on behalf of the legal person are required for that purpose;
- (vi) A signed Board Resolution authorizing that person to act on behalf of the legal person;
- (vii) Copies of the Customer's Balance Sheets for the past 3 years to ensure that the business is a going concern.

7. Validity of KYC Documentation

When a Client comes to the counter for a new business, the Staff member needs to have access to verification of the original identity documentation. He or she may take copies the KYC documentation and certify them personally as true copies of the original documentation.

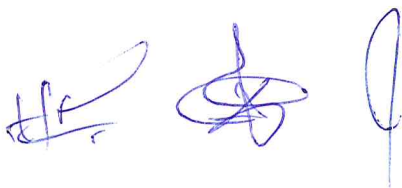
When the KYC identity documentation submitted is not in an original form, the documentation must have been appropriately certified as true copies of the original documentation by a suitable person, such as a lawyer, notary, actuary, an accountant or any other person holding a recognized professional qualification, director or secretary of a regulated financial institution in Mauritius or in an equivalent jurisdiction, a member of the judiciary or a senior civil servant. The certifier should sign the copy document and clearly indicate his name, address and position or capacity on it together with contact details to aid tracing of the certifier.

The Staff member must also ensure that the client's signature on the KYC documents match the signature on the Proposal Form or other document.

Where the Staff has not been able to complete the CDD measures prior to the conclusion of the insurance contract, he must ensure that this is done in conformity with section 4.6 of the Code, where the approval of senior management must be sought and recorded in writing.

Various insurance transactions or 'trigger events' occur after the contract date and indicate where due diligence may be required. These trigger events include claim notifications and policy alterations including changes in ownership.

In any case, identification and verification must occur at or before the time of claims settlement or premium refunds.



8. Eligible Introducer Certificates

Reliance is normally placed upon Registered Insurance Brokers in satisfying their obligations to undertake the KYC measures under the current Regulations.

Specimen of the Eligible Introducer Certificate is to be found in **Appendix II** hereto.

The Staff member should however ensure that:

- the Broker has copies of identification data and other relevant documentation relating to the KYC requirements
- that timely access can be obtained to the KYC information maintained by the Broker, and
- that the KYC documentation will be made available from the latter upon request without delay.

In case the Broker ceases to act as such for the Company, the Staff member must see to it that all the KYC documentation collected and kept by the Broker when the KYC exercise was undertaken are sent to the Company.



Three handwritten signatures in blue ink, located at the bottom left of the page.

Sample Internal Disclosure Form to MLRO

1. Reporting Employee

Name : _____
Telephone No : _____

2. Client

Client Name : _____
Address : _____
Contact Name : _____
Contact Telephone No : _____
Date Client Relationship
Commenced _____
Client reference : _____

3. Information/Suspicion

Suspected Information/
Transaction : _____
Reasons for Suspicion : _____

Please attach copies of any relevant documentation to this report.

Reporter's Signature : _____ Date: _____

It is an offence to advise the customer/client or anyone else of your suspicion and report.

This report will be treated in the strictest confidence.



Handwritten signatures in blue ink at the bottom left of the page.

Specimen Eligible Introducer Certificate

Name of Applicant:

Address of Applicant:
(including postcode)

.....

I/We certify that in accordance with the provisions of the Financial Intelligence and Anti Money Laundering Act 2002 and the FSC's Code on the Prevention of Money Laundering and Terrorist Financing as amended from time to time, *or equivalent legislation*:

- 1. I/We have undertaken and completed Customer Due Diligence measures for the Applicant and confirm that I/we have in our possession sufficient information to establish the *ownership and control structure of the Applicant* (if a corporate entity) or the *Applicant's identity* (if a natural person).
- 2. Original or certified copies of Customer Due Diligence documentation will be made available to [Name of Licensee in Mauritius] **upon request without delay**.

AND

- 3. The Applicant(s) is/are applying on his/her own behalf and not as nominee, trustee or in a fiduciary capacity for any other person.
- 4. I/We am/are unaware of any activities of the Applicant that cause me/us to suspect either that the applicant is engaged in money laundering or any other form of criminal conduct.

Full Name of Regulated Introducer:

Name of Regulator: Country of Regulator:

Registration No:

Signed: Full Names:

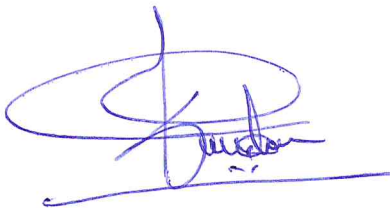
Job Title: Date:



Indicators of Potentially Suspicious Activity

This list of indicators is by no means an exhaustive list of indicators of suspicious activity.

1. Any activity that casts doubt over the true identity of an applicant for business or the principals thereof
2. Any relationship or arrangement that appears not to have a clear commercial justification or rationale
3. Any unusual or unexplained transaction in the context of the normal pattern of activity for a particular relationship
4. Reluctance on the part of clients to respond to enquiries made by the Company
5. Unusually linked transactions
6. Any activity that appears to be inconsistent with the CDD information and profile of a particular client e.g. the client's apparent standing and means.
7. The request for use of intermediary client accounts as bank accounts
8. Churning



For Indian Ocean General Assurance Ltd

Chief Executive Officer

