

Politically Exposed Persons

Enhanced Privacy and Confidentiality Policy

Reference	IFB-POL-PEP-EPC
Version	1.0
Classification	Public
Effective date	1 October 2013

1. Purpose

International Finance Bank LTD ("IFB" or "the Bank") recognises that politically exposed persons, senior public officials, members of ruling and royal families and comparable individuals face exceptional personal, commercial and security risks arising from unauthorised disclosure of their financial affairs. This Policy sets out the principles under which the Bank protects the confidentiality of such clients. It is published so that clients, their advisers and the Bank's counterparties understand both what the Bank protects and what it does not.

2. Governing principle

A client's status as a Politically Exposed Person results in enhanced due diligence. It does not, of itself, diminish that client's entitlement to confidentiality.

The Bank distinguishes rigorously between enhanced regulatory scrutiny and unnecessary dissemination of client information. PEP status is a risk-management classification applied on the basis of office or function under the applicable regulatory definition. It is not evidence of wrongdoing, and it is not a justification for wider internal or external disclosure than the law requires. The Bank's standard may be summarised in four words: enhanced scrutiny inward, enhanced confidentiality outward.

3. Privacy without anonymity

The Bank's Client Confidentiality Policy (IFB-POL-CONF) applies to every client without distinction. The measures described here are additional to it, available where a client's public function creates particular exposure, and nothing in this Policy subtracts from the general standard.

Qualifying relationships may be maintained under the Bank's Enhanced Confidentiality Protocol. Under that Protocol client information is compartmentalised, knowledge of the client's identity is restricted within the Bank on a strict need-to-know basis, and the existence of the banking relationship is not disclosed to unauthorised third parties.

Enhanced confidentiality is not anonymity. The Bank knows, verifies and records the identity, beneficial ownership, source of wealth and source of funds of every client without exception. All sanctions screening, transaction monitoring and regulatory reporting are performed against the client's true identity. Coded internal references protect the client from casual exposure inside the Bank; they never stand between the client and the Bank's legal obligations.

4. What the Bank will not do

The Bank does not confirm or deny to any unauthorised private party whether a person is or has been a client, whether an account, mandate or transaction exists, or any other particular of a client relationship. This applies equally to enquiries from the press, political organisations, private investigators, commercial intelligence firms, employers, counterparties, relatives and any other person without lawful authority or the client's written mandate.

A person who introduces a client to the Bank acquires no continuing entitlement to information about that client's affairs. Introduction is not authorisation.

5. What the Bank must do

Enhanced confidentiality does not restrict, and shall not be read as restricting, the Bank's obligations under applicable anti-money-laundering and counter-terrorist-financing law, sanctions regimes, tax-transparency and reporting arrangements, judicial process or the requirements of its supervisory authority and correspondent banks. The Bank discloses confidential client information where, and only to the extent that, disclosure is required or expressly authorised by law, binding judicial process, a competent regulatory authority, the lawful due-diligence requirements of a correspondent institution, or the client's own written instruction. All such requests are handled exclusively by Legal and Compliance.

6. Legal foundation

The Bank is an offshore banking institution licensed under the framework administered by the Anjouan Offshore Finance Authority and is supervised accordingly. Its confidentiality regime rests upon three distinct layers: the regulatory obligations attaching to that licence; the anti-money-laundering, counter-terrorist-financing, sanctions, tax-transparency and judicial obligations that apply to the Bank according to their respective reach; and, above both, the Bank's own Enhanced Confidentiality Standard, which is deliberately more protective than any regulatory minimum.

Within that third layer the Bank has elected, of its own motion and as a matter of institutional conviction, to adopt the substantive professional-secrecy principles expressed in the banking law of the Union of the Comoros, Loi n° 13-003/AU of 12 June 2013: the duty of professional secrecy binding every person who participates in the administration, management, operation or control of a financial institution; the gravity with which breach of that duty is regarded; and the rule that professional secrecy may never be invoked against a supervisory authority acting within its mission or a judicial authority acting in criminal proceedings. This adoption is voluntary. It does not constitute, and is not to be construed as, any representation that the Bank is licensed, regulated or supervised by the Banque Centrale des Comores.

The Bank's AML/CFT programme is founded upon the FATF Recommendations, including the specific measures for politically exposed persons prescribed by Recommendation 12. This Policy is an additional protective layer around that programme, not an exception to it.

7. Data protection

The Bank collects only the information necessary for identification, beneficial ownership, source of wealth and funds, sanctions screening, adverse-media assessment, transaction monitoring, regulatory reporting and the legitimate conduct of the banking relationship. It does not compile political, ideological or personal material beyond that purpose. Client information is held under access controls, encryption and audit logging proportionate to its sensitivity, and is retained for the periods the law requires and no longer.

8. Political neutrality

The Bank does not distinguish between clients by political ideology, party, government or opposition status, or political viewpoint. Classification as a politically exposed person follows office and function under the applicable definition, and nothing else.

Document owner	Head of Compliance
Approved by	Board of Directors, International Finance Bank LTD
Effective date	1 October 2013
Review cycle	Annual, or upon material regulatory change