



Safaricom Limited

KNOW YOUR CUSTOMER (KYC) AND ANTI-MONEY LAUNDERING (AML) QUESTIONNAIRE

TABLE OF CONTENTS

1. CONTACT DETAILS	2
2. OWNERSHIP STRUCTURE OF YOUR INSTITUTION	4
3. STRUCTURE OF THE INSTITUTION'S KYC AND AML	5
4. STATUTORY REQUIREMENTS IN THE COUNTRY	8
5. KYC AND AML PROCEDURES OF THE INSTITUTION	10
6. EFFECTIVE IMPLEMENTATION OF THE POLICIES	12
7. DECLARATION BY COMPLIANCE OFFICER OR DULY AUTHORISED OFFICIAL	16

**DUE DILIGENCE QUESTIONNAIRE FOR PARTNER FINANCIAL INSTITUTIONS
KNOW YOUR CUSTOMER AND
ANTI-MONEY LAUNDERING CONTROLS**

Please complete the questions below in accordance with your “Know Your Customer (KYC)” and Anti Money Laundering (AML) requirements. Information provided will be used in confidence.

CONTACT DETAILS

Our contact details	
The completed and signed KYC/AML questionnaire should be faxed, e-mailed or mailed to the contact person.	
Contact person	Martin Nyaga
Title	Senior Manager - Money Laundering Reporting Office
E-mail address	mnyaga@safaricom.co.ke
Telephone number	254 (0)722 00 4036
Postal address	P.O.BOX 66827-0800
	Nairobi, Kenya
Website address	www.safaricom.co.ke
Delivery address	Risk Management Division
	Safaricom House HQ 1
	Waiyaki Way
	Nairobi, Kenya.
Your Contact Details	
Please provide the name, contact details and title of the person who completed this questionnaire: -	
Full names	
Title	
e-mail address	
Telephone number	
Fax number	

Institution details	
Please complete the following details in respect of your institution: -	
Registered name	
Registration date	
Registration number	
Country of registration	
Name and address of Central Bank / regulatory authority	
Bank license number and expiry date	
Registered address	
Postal address	
Website	

KINDLY COMPLETE THE REQUIREMENTS AS STATED BELOW:

As a guide, double click the answer box and choose default value (checked) and have the box checked as .

OWNERSHIP STRUCTURE OF YOUR INSTITUTION

1. Is your Institution publicly owned? Yes No.
2. Is your Institution listed on any stock exchange? Yes No.
3. If listed on a stock exchange, which one:
4. If not listed, please provide a list of the beneficial owners of the Institution (including their Nominees, if their shares are held by Nominees) who own, control or have power to vote for 10 percent or more of any class of voting securities or other voting interests; or of the 10 largest shareholders if No owner has greater than 10%.

Name	Ownership interest (percentage)	Nature of ownership (direct/indirect)

5. Please provide names of the executive and Non-executive directors of the Board of Directors:

Name	Position

STRUCTURE OF THE INSTITUTION'S KYC AND AML FUNCTION

6. Does your Institution have a formal / independent Anti-Money Laundering Compliance function in each of its branches, local and overseas?

Yes No

If No, please give reasons

If yes, does your Institution's formal / independent Anti-Money Laundering Compliance function report directly to the Compliance Director or the Board of Directors?

Yes No

If No, to whom and reasons:

7. Does your Institution have documented Know Your Customer (KYC) and Anti-Money Laundering (AML) policies and procedures?

Yes No

If No, please explain:

If yes, please confirm whether your AML & KYC policies and procedures have addressed the following issues:

a. Establish the true identity of customer and beneficial owner of funds

Yes No

b. Staff training in terms of AML/KYC

Yes No

c. Procedures for the reporting of suspicious transactions

Yes No

d. Audit and compliance review function to test the adequacy of anti-money laundering procedures and policies.

Yes No

8. Is the Institution's external auditor required to review the Institution's KYC and AML policies and procedures annually to ascertain that the rules and regulations are fully complied with?

Yes No

If yes, name of audit firm, date of last review and findings:

	Date	Audit Firm	Findings

If No, please give reasons :

9. Will the Board of Directors or the Compliance Officer review and make changes to the KYC and AML policies and procedures regularly in line with current AML trends and legislative developments?

Yes No

If No, please give reasons.

10. Are any senior political figures (past and present) associated with your institution as a shareholder?

Yes No

If yes, please indicate full names and details:

Name	Position	Special interest

11. Does your institution provide financial services to :

a. Entities that meet the general definition of a "shell bank or a shell company"?

Yes No

If yes, please provide details of your policy with regard to dealings with such entities:

b. Banks operating under an offshore banking license?

Yes No

If yes, please provide details of your policy with regard to dealings with such banks:

c. Senior political figures (past and present)

Yes No

If yes, please provide details of your policy with regard to dealings with such persons:

COMPLIANCE WITH AML STATUTORY AND REGULATORY REQUIREMENTS

12. Does your Institution present a copy of its KYC and AML policies and procedures to Central Bank or other regulatory agency for review on an Annual basis?

Yes No

If yes, name of the regulator, date of last review and findings:

Date	Name of regulator	Findings
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If No, please give reasons.

13. Is your Institution required to report to Central Bank or other regulatory body all transactions over certain limit?

Yes No

If yes, limit amount, frequency i.e. daily, weekly, monthly or other:

	Limit	Frequency	Remark

If No, please give reasons.

14. Are your Institution's KYC and AML policies and procedures:

a. In full compliance with the local and international AML regulations? ;
 Yes No

If no please give reasons and remedial action being taken

15. Does the Central Bank or other regulatory bodies audit your Institution's KYC and AML policies and procedures from time to time?

Yes NO

If yes, date of last audit, name of regulator and findings:

Date	Name of regulator	Findings Compliant/Not Compliant	If not compliant, remedial action taken

KYC AND AML PROCEDURES OF THE INSTITUTION

16. What are the procedures taken by your Institution to determine that a request to open an account is acceptable?

- a. Establish the prospective customer’s identity
Yes No
- b. Obtain a reference from a party acceptable to the Institution
Yes No
- c. Know the prospective customer’s background, career history, source of income (including the amount that will be in the form of cash).
Yes No
- d. Know the prospective customer’s assets and liabilities situation
Yes No

17. Does your Institution require walk in customers to produce identification documents for reference and verification before receiving any service from the Institution if the transaction amount is over certain limit?

Yes No

If yes, limit amount:

Service	Limit

If No, please give reasons:

18. Does your Institution keep a complete record of all transactions done with walk in customers together with customers' identification for future reference?

Yes No

If yes, what is the retention period?.....

If No, reasons:

19. Does your Institution keep a copy of all customers' identification documents in its file for future reference?

Yes No

If yes, what is the retention period?.....

If No, reasons:

20. Will your Institution refuse to process an inward or outward remittance if the source or purpose of remittance of the funds is not clear?

Yes No

If No, please give reasons:

EFFECTIVE IMPLEMENTATION OF THE POLICIES TO YOUR MPESA PAYMENT SOLUTION

With particular reference to the Mpesa Payment Solution offered to your customers through your mobile banking service kindly confirm the following:

21. Do your Institution's controls and procedures include processes to verify the identity of all customers prior to allowing them access to their mobile banking and other services (e.g. opening accounts, etc)?

Yes No

If No, explain what is being done:

22. Does your Institution have an ongoing system in place to monitor and report suspicious activity?

Yes No

If No, Why Not?

23. If yes what are the procedures taken by your Institution to pick out unusual transactions?

Reports produced by system

- | | | | | |
|------------|-----|--------------------------|----|--------------------------|
| a. Daily | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| b. Weekly | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| c. Monthly | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

Reports / transactions reviewed manually

- | | | | | |
|------------------|-----|--------------------------|----|--------------------------|
| a. By Business | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| b. By Compliance | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| c. By Committee | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

Reports / transactions reviewed manually?

- | | | | | |
|------------|-----|--------------------------|----|--------------------------|
| a. Daily | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| b. Weekly | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |
| c. Monthly | Yes | <input type="checkbox"/> | No | <input type="checkbox"/> |

24. Does your Institution have a computer system to monitor and identify all these transactions and prepare the report automatically?

Yes No

If No, is a transaction monitoring / reporting system planned?

Yes No

If yes, when is the system scheduled to be in place? _____

25. What are the benchmarks used by your Institution in picking out unusual transactions?

- Data from report compared against the Institution's KYC profile information.
- Data from report compared against the Institution's past transactions record.
- Guidelines set by regulatory body. Guideline amount: _____
- Others:

26. What procedures will be taken when an unusual transaction is identified?

- Business department will investigate.
- Compliance will investigate.
- Both Business and Compliance will investigate.
- Other steps to be taken, specify:.....

27. Who will determine that a transaction is suspicious?

- Business
- Compliance
- Risk Management
- Committee: Business Head, Compliance, Audit & Security
- Others, specify:.....

28. Who will determine that it is necessary to report the suspicious transaction to the Central Bank or other regulatory bodies?

- Business
- Compliance
- Audit
- Committee: Business Head, Compliance, Audit & Security

29. Who will do the reporting?

- Business
- Compliance
- Security
- Audit

30. Does your institution have a policy of protecting employees who report, in good faith, any suspicious activities and/or transactions?

Yes No

If yes, what are the policy safe guards?

31. Does your institution cooperate with authorities to permit the investigation of suspicious activities and/or transactions and, if necessary, provide evidence for prosecution of criminal behavior?

Yes No

If yes, how?

32. Will your institution have an objection to sharing information with Safaricom Limited pertaining to Suspicious Activity involving Mpesa payments?

33. Does your Institution search customer surveillance database for known terrorist names, bad debtors and other generally undesirable customers?

Yes NO

If Yes, indicate what recognized lists of known terrorists, etc are used - e.g. OFAC, etc):

COMMUNICATION OF POLICIES

34. How are your Institution's KYC and AML Policies and Procedures communicated in the network of local and foreign offices?

- By internal circular / memorandum / mail.
- Via seminar / training courses.
- Posted on Intranet.
- Others:

35. How are your Institution's KYC and AML Policies and Procedures enforced in the network of local and foreign offices?

- Compliance Department is responsible for proper enforcement.
- Business Department is responsible for proper enforcement.
- Internal Audit Department is responsible for proper enforcement.
- Others:

36. Who will provide KYC and AML training to the Institution's employees?

- Compliance Department.
- Business Department.
- External Seminar.
- Others:

37. How often will the KYC and AML training be provided to the Institution's employees?

- Annually.
- Whenever there is a change of policy / procedure.
- Continuous
- Other period, specify:.....

38. To whom will the training be provided?

- All staff.
- Control staff.
- Front end staff.
- Others, specify:.....

PENAL SANCTIONS

39. Has your institution ever been investigated or prosecuted or fined for failure to comply with anti-money laundering regulations and legislations

Yes NO

If yes, what were the findings?

DECLARATION BY COMPLIANCE OFFICER OR DULY AUTHORISED OFFICIAL

I, the undersigned, based on my best knowledge and belief, certify that the above referenced questions were honestly and diligently answered.

Signature Certified by.....

Position Date.....

E Mail address