

Dear Sirs/Madams,

Please be informed that, being one of the largest commercial banks in the Republic of North Macedonia, Stopanska banka AD - Skopje (SB) strongly believes in the absolute necessity for prevention and control of the global issue of Money Laundering and Financing of Terrorism, and implements domestic and internationally acknowledged banking practices to that purpose.

### **GENERAL INFORMATION**

Since April 2000, Stopanska banka AD - Skopje (SB), with Head Office at 11 Oktomvri Str. No. 7, 1000 Skopje, Republic of North Macedonia, operates as a majority-owned subsidiary of the financial group of the National Bank of Greece S.A. Athens (NBG).

### **ANTI-MONEY LAUNDERING LEGISLATION IN THE COUNTRY**

At the present, the legislation concerning Money Laundering and Terrorist Financing Prevention in the Republic of North Macedonia (NRM) is contained in: the Law on Prevention of Money Laundering and Financing Terrorism (the Law), the Criminal Code of NRM and the Law on Banks, as well as in the relevant by-laws passed by regulatory authorities [National Bank of the Republic of North Macedonia and Financial Intelligence Office (domestic FIU related to this subject)]. Fully acknowledging the revised 40 FATF Recommendations from 2012, the regulation puts the pressure primarily on the banking sector, however recognizing other non-banking financial, as well as non-financial, institutions as important part of the chain.

According to the Law, the banks, as well as other institutions, are obliged to conduct customer due diligence before entering into business or any other type of contractual relationship with the entity, to have efficient internal monitoring and control systems with respect to Money Laundering and Terrorist Financing Detection and Prevention, to keep records, to gather and submit information on transactions to the Office for Money Laundering and Terrorist Financing Prevention.

### **INTERNAL POLICIES. PROCEDURES AND CONTROLS**

Coming from a member-country of FATF, the National Bank of Greece is clearly committed to following the FATF Recommendations and has set principles, internal rules, procedures and duties for action in the field of Money Laundering and Terrorist Financing combat, not only for the activities of NBG on the territory of Greece, but also in any country NBG maintains its presence.

Accordingly, the Supervisory Board and Board of Directors of SB have adopted set of internal Policies and Procedures, such as:

- Anti-Money Laundering and Combating Financing of Terrorism Policy – Policy for Client Acceptance,
- AML/CFT Policy for Cross-Border Correspondent Banking,
- Know Your Client (KYC) Procedure,
- Procedure for client analysis, risk analysis and determining the risk profile of clients, etc.,

which are regularly updated, fully implemented and applicable in the headquarters and all of its branches.

Among other things, the stated SB Enactments prohibit opening and maintaining anonymous, numbered accounts and accounts registered on fictitious names, and require enhanced due diligence with regard to Politically Exposed Persons (PEP).

According to SB's abovementioned internal enactments, **SB is obliged to establish the identity of the legal entity and its beneficial owner or the authorizer and any individual**, regardless of whether being domestic or foreign, when providing services (exchange operations, financial transactions, opening of account) or establishing any other type of business or contractual relationship, no matter whether the person is entering into permanent business relationship with SB, or uses the services of SB temporarily or occasionally. The **process of establishing the identity** of a potential customer must be entirely completed before SB executes any transaction on the customer's behalf. The identification is made upon keeping a copy of personal identification card / Passport for individual person and for legal entities a document for registration issued by a competent authority in which the legal entity is registered and original or certified documents and business records for the identification of the beneficial owner. The entire documentation regarding the clients is regularly updated and kept for 10 years.

With reference to correspondent relations with foreign banks and financial institutions, in order to assure that they have adequate Anti-Money Laundering and Combat Terrorist Financing Procedures in place, and to avoid any possibility for establishing, maintaining, administrating or managing correspondent account for or on behalf of "shell banks or financial institutions", apart from maintaining relationship only with first-class correspondent banks, SB is conducting ongoing monitoring of the activities completed through all correspondent accounts.

SB has established permanent staff training program in order to increase the awareness about the subject of Money Laundering and Terrorist Financing detection, and, on a regular, at least monthly basis, educates its employees to identify and prevent suspicious activities that may be related to Money Laundering and Terrorist Financing.

Any further information with regard to above matter are available on the below stated contact details.

Regards,

Maja Andreevska - Blazevska, CCO, CAMO  
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Member of NBG Group



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