



Old Mutual (South Africa)

Money Laundering Policy

The management of Old Mutual is ultimately responsible for preventing and reducing the incidence of fraud in the company, and they must ensure that the proper controls are in place to achieve this. Each employee must adhere to the Policy and has an obligation to report any suspicions of fraud. [Click here for the full Money Laundering Policy.](#)

Old Mutual is committed to the prevention and control of money laundering

Money laundering is the process by which criminals attempt to conceal and misrepresent the true origin and ownership of the proceeds of their criminal activities.

In terms of the Prevention of Organised Crime Act, 121 of 1998 ("the POC Act") it is a criminal offence for anyone who knows, or ought reasonably to have known, that property is or forms part of the proceeds of criminal activities -

- to enter into any agreement or transaction with anyone in connection with such proceeds;
- where such agreement or transaction is likely to have the effect that the nature or source of the proceeds will be concealed or prosecution may be avoided;
- to acquire, use or have such property in his possession.

The POC Act provides for severe penalties for facilitating or concealing money laundering and upon conviction a person can face a fine of up to R100 million or imprisonment for a period of up to 30 years. In terms of the Financial Intelligence Centre Act, 38 of 2001 ("the FIC Act") an accountable institution such as Old Mutual may not establish a business relationship or conclude any transaction unless it has taken the prescribed steps to establish and verify the identity of the client and/or any person acting in a representative capacity including the authority to act in that capacity.

Records of all transactions have to be kept for at least five (5) years from the date on which the business relationship is terminated or the transaction is concluded. Old Mutual is required to formulate and implement internal rules and provide training to appropriate staff members. The FIC Act further provides that where a person knows or suspects that a suspicious or unusual transaction:

- is in any way linked to proceeds of unlawful activities or money laundering; and/or
- has no apparent business or lawful purpose; and/or may be an evasion or an attempt to evade the payment of any tax, duty or levy to the SARS;
- he/she must, within the prescribed period, report the grounds for the knowledge or suspicion and report the prescribed particulars of the transaction to the Financial Intelligence Centre.

Failure to report is a criminal offence and upon conviction a person can face a fine of up to R10 million or imprisonment for a period of up to 15 years. In terms of the FIC Act a person will also be guilty of an offence where he/she ought reasonably to have known or suspected that any of the facts requiring reporting existed and negligently failed to report a suspicious or unusual transaction.

Where international products are involved Old Mutual will, as may be necessary, give effect to the money laundering requirements of the foreign countries involved in the transaction.

To give effect to this Money Laundering policy:

- Old Mutual will provide training to staff members to increase their awareness and ability to deal with suspicious transactions and to keep them informed of new developments and requirements.
- Old Mutual will formulate and implement internal rules and develop procedures and systems to detect and monitor suspicious transactions and to report thereon to the relevant authorities.
- Old Mutual will create an environment where staff members who report on suspicious transactions can do so confidentially and without fear of reprisal.
- Non-reporting of knowledge or a suspicion of money laundering by a member of staff will be viewed in a very serious light and could lead to disciplinary action against the individual concerned.

Any knowledge or a suspicion of money laundering must be reported to the Money Laundering Forum via the policy website, or to your Manager, or to your Business Unit Compliance Officer. All reporting will be dealt with in a strictly confidential manner.