

## Anti-Money Laundering, Counter Terrorist Financing and Sanctions Policy

As an entity owned by a strong American private equity firm, First Bank (hereinafter "the Bank") complies with all Sanctions programs issued by Romania, the European Union, the United Nations and the United States of America.

Consequently, the Bank has adopted a series of policies and procedures to prevent the Bank's involvement in doing business with certain countries and regions, namely **Iran, Cuba, Democratic Republic of Korea / North Korea, Sudan, South Sudan, Syria, Ukraine – Crimea (hereinafter referred to as "Country" collectively "Countries")**. **Increased caution is exercised for any potential dealing with Luhansk, Donetsk, Kherson and Zaporizhzhia (hereinafter referred to as "Region" collectively "Regions")**.

Given the nature of the Sanction programs, the list of Countries and Regions mentioned above may be modified without prior notice.

The policies and procedures in place include, among other, the continued development of compliance and risk management measures, ongoing monitoring of policies and procedures implementation, implementation of applicable legislation, as well as the financial sector regulations and best practices. All this gives assurance that the services and products offered by the Bank will not be used for the purposes of money laundering and / or terrorist financing, or for violations of the provisions on the application of international sanctions. In order to meet the standards and expectations of regulating and supervising authorities, the Bank carries out a series of initiatives to ensure that the policies and procedures adopted are respected. In order to comply with prudential banking requirements, the Bank will require supporting documents for certain transactions as part of the Bank's ongoing assurance program.

Further to these legal commitments, it is important to have a mutual understanding with our customers about the standards implemented.

In this regard:

- the business relationship is continuously monitored to ensure, among other things, that there is no direct or indirect connection with the Countries and Regions which fall under international sanctions.
- when a direct or indirect connection with the Countries and Regions becomes evident, the Bank reserves the right of not fulfilling any obligations relating to any operation including but not limited to non-execution of payments, refusal to issue Financial Instruments etc.
- by indirect connection it is understood, inter alia, that the documents processed by the Bank indicate that the goods / services originate from or are destined for the Countries and Regions, transit in or are transshipped through any of these Countries and Regions, or any of the transaction counterparties are related to these Countries and Regions.

The Bank is committed to ensuring that it has adequate controls to prevent money laundering and to counter terrorism financing, as well as to apply international sanctions in accordance with applicable laws and regulations.

Considering the above, the Bank reserves the right of not starting business relationship or to terminate business relationships, as well as to refuse certain operations, as provided in the General Business Terms and Conditions.