

# FAR EAST NATIONAL BANK

 **SinoPac Holdings** Group Company

## BSA/AML Questionnaire


<b>Far East National Bank at 977 North Broadway, Los Angeles, CA 90012, USA</b>	
<b>I. General AML Policies, Practices and Procedures:</b>	
1. Does the AML compliance program require approval of the Bank's Board or a senior committee thereof?	Yes
2. Does the Bank have a legal and regulatory compliance program that includes a designated Compliance officer that is responsible for coordinating and overseeing the AML program on a day-to-day basis, which has been approved by senior management of the Bank?	Yes
3. Has the Bank developed written policies documenting the processes that they have in place to prevent, detect and report suspicious transactions that has been approved by senior management?	Yes
4. In addition to inspections by the government supervisors/regulators, does the Bank have an internal audit function or other independent third party that assesses AML policies and practices on a regular basis?	Yes
5. Does the Bank have a policy prohibiting accounts/relationships with shell banks (A shell bank is defined as a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group)?	Yes
6. Does the Bank have policies covering relationships with politically exposed persons consistent with industry best practices?	Yes
7. Does the Bank have appropriate record retention procedures pursuant to applicable law?	Yes
8. Does the Bank require that its AML policies and practices be applied to all branches and subsidiaries of the Bank both in the home country and in locations outside of the home country?	Yes
<b>II. Risk Assessment</b>	
9. Does the Bank have a risk focused assessment of its customer base and transactions of its customers?	Yes
10. Does the Bank determine the appropriate level of enhanced due diligence necessary for those categories of customers and transactions that the Bank has reason to believe pose a heightened risk of illicit activities at or through the Bank?	Yes
<b>III. Know Your Customer, Due Diligence and Enhanced Due Diligence</b>	
11. Has the Bank implemented systems for the identification of its customers, including customer information in the case of recorded transactions, account opening, etc. (for example; name, nationality, street address, telephone number, occupation, age/ date of birth, number and type of valid official identification, as well as the name of the country/state that issued it)?	Yes
12. Does the Bank have a requirement to collect information regarding its customers' business activities?	Yes
13. Does the Bank collect information and assess its FI customers' AML policies or practices?	No
14. Does the Bank have procedures to establish a record for each customer noting their respective identification documents and Know Your Customer Information collected at account opening?	Yes
15. Does the Bank take steps to understand the normal and expected transactions of its customers based on its risk assessment of its customers?	Yes
<b>IV. Reportable Transactions and Prevention and Detection of Transactions with Illegally Obtained Funds</b>	
16. Does the Bank have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities?	Yes
17. Does the Bank have procedures to identify transactions structured to avoid large cash reporting requirements?	Yes

# FAR EAST NATIONAL BANK

 **SinoPac Holdings** Group Company

18. Does the Bank screen transactions for customers or transactions the Bank deems to be of significantly high risk (which may include persons, entities or countries that are contained on lists issued by government/international bodies) that special attention to such customers or transactions is necessary prior to completing any such transactions?	Yes
19. Does the Bank have policies to reasonably ensure that they will not conduct transactions with or on behalf of shell banks through any of its accounts or products? (A shell bank is defined as a bank incorporated in a jurisdiction in which it has no physical presence and which is unaffiliated with a regulated financial group.)	Yes
20. Does the Bank have policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in their countries of origin?	Yes
<b>V. Transaction Monitoring</b>	
21. Does the Bank have a monitoring program for suspicious or unusual activity that covers funds transfers and monetary instruments (such as travelers checks, money orders, etc.)?	Yes
<b>VI. AML Training</b>	
22. Does the Bank provide AML training to relevant employees that includes identification and reporting of transactions that must be reported to government authorities, examples of different forms of money laundering involving the Bank's products and services and internal policies to prevent money laundering?	Yes
23. Does the Bank retain records of its training sessions including attendance records and relevant training materials used?	Yes
24. Does the Bank have policies to communicate new AML related laws or changes to existing AML related policies or practices to relevant employees?	Yes
25. Does the Bank employ agents to carry out some of the functions of the Bank and if so does the Bank provide AML training to relevant agents that includes identification and reporting of transactions that must be reported to government authorities, examples of different forms of money laundering involving the Bank's products and services and internal policies to prevent money laundering?	No

Item #13, If customer of the Bank is another FI operating in the US, it is not required to ask for its AML policy. Nevertheless, the Bank is not required to assess the AML policy of its FI customer.
Item #25, the Bank performs in-house AML/counter terrorist financing monitoring.

<b>Name: Mary Grace Karonis, CRCM</b>
<b>Title: FVP, Chief BSA Officer</b>
<b>Signature:</b> 
<b>Date: June 1, 2011</b>