

MUFG Union Bank, N.A., BSA/AML Policy

MUFG Union Bank, N.A. (“Union Bank,” “the Bank”) provides this summary overview of its Bank Secrecy Act (“BSA”) and Anti-Money Laundering (“AML”) policies and programs, based on the Wolfsberg Questionnaire. Send questions to corporate.aml@unionbank.com

I. BSA/AML PROGRAMS, POLICIES, AND PROCEDURES

- **Compliance Program:** The Board of Directors, or a senior committee of the Board, reviews and approves Union Bank’s BSA/AML Compliance Program no less frequently than annually.
- **Compliance Officer:** Designated in the program, a compliance officer has responsibility for coordinating and overseeing the BSA/AML Compliance Program on a day-to-day basis.
- **Suspicious Transaction Detection:** Union Bank has developed written policies documenting the processes in place to prevent, detect, and report suspicious transactions.
- **Internal Audit Function:** Union Bank’s internal audit function assesses the BSA/AML policies and practices.
- **Shell Bank Prohibition:** Union Bank policies prohibit the establishment of accounts or relationships with shell banks; policies and procedures in place reasonably ensure that the Bank does not conduct transactions with or on behalf of shell banks.
- **Correspondent Accounts:** Union Bank policies prohibit the opening or maintenance of correspondent accounts by third parties to transact business on their behalf (payable-through accounts); policies and procedures in place reasonably ensure the Bank’s adherence to this prohibition.
- **Anonymous Accounts:** Union Bank policy prohibits the establishment of anonymous accounts; policies and procedures in place reasonably ensure the Bank’s adherence to this prohibition.
- **Politically Exposed Persons:** Union Bank policies regarding relationships with politically exposed persons are consistent with industry best practices.
- **Program Applicable to Subsidiaries and Affiliates:** Union Bank applies its BSA/AML policies and practices to all branches and subsidiaries in the home country and in locations outside the home country.

II. BSA/AML RISK ASSESSMENT PROCESS AT UNION BANK

- **Risk Assessment Process:** Union Bank performs an enterprise-wide risk-based assessment of its customer base, products, services, transactions, and geographies.
- **Risk Assessment:** Union Bank may determine that certain categories of customers, products, services, transactions, and/or geographies pose a heightened risk of illicit activities occurring at or through the Bank.
- **Due Diligence:** For customers and/or transactions that fall into a heightened risk category, Union Bank determines the appropriate level of enhanced due diligence and account/transaction monitoring.

III. KNOW YOUR CUSTOMER, DUE DILIGENCE, AND ENHANCED DUE DILIGENCE PRACTICES AT UNION BANK

- **Customer Identification Program:** Union Bank has implemented systems for the identification of its customers as required under law and as mandated by federal regulations. Union Bank observes OFAC, U.S., and U.N. sanctions programs and lists, and screens customers accordingly.
- **Customer Business Activity Information:** In addition to customer identification information, Union Bank also requires the collection of information concerning its customers’ business activities.
- **Financial Institution Customer Information:** Union Bank collects and assesses information concerning the BSA/AML policies and practices of its financial institution customers.
- **Recordation of Customer Information:** Union Bank’s account opening procedures require establishing a record for each customer and noting the pertinent identification and other documents reviewed; the Bank’s record retention procedures comply with applicable law.
- **Expected Customer Activity:** Union Bank’s policies ensure awareness of customers’ usual transactions.

IV. REPORTABLE TRANSACTIONS; PREVENTION AND DETECTION OF TRANSACTIONS WITH ILLEGALLY OBTAINED FUNDS

- **Suspicious Activity Reporting:** Union Bank has established policies for identifying and reporting to the federal government any transactions that require reporting, including monetary instruments such as traveler's checks and money orders.
- **Cash Structuring:** Procedures and automated systems are in place to identify customer transactions structured to avoid large cash reporting requirements.
- **Customer/Transaction Screening:** Union Bank screens transactions for customers and transaction types that have been deemed high risk, e.g., persons, entities or countries that are included on certain government issued lists, prior to completing the transactions; procedures are in place to update all related customer information, when appropriate.
- **Correspondent Banking Relationships:** Union Bank has policies in place to reasonably ensure that it only operates with foreign correspondent banks that possess licenses to conduct business in their countries of origin; reasonable due diligence is performed on all relationships with foreign and domestic financial institutions.
- **SWIFT Message Format:** Union Bank has policies and procedures in place to adhere to the Wolfsberg Transparency Principles and the appropriate usage of the SWIFT MT 202/202COV and MT 205/205COV message format.

V. TRANSACTION MONITORING PROGRAM

- **Funds Transfers:** Union Bank's monitoring programs for suspicious or unusual activity cover funds transfers and monetary instruments such as traveler's checks and money orders.

VI. BSA/AML TRAINING PROGRAM

- All Bank Employees Receive BSA/AML Training, which includes:
 - Identification and reporting of transactions that must be reported to government authorities;
 - Examples of different forms of potential money laundering involving Bank products and services; and
 - Overview of Bank policies adopted to prevent money laundering.
- **Training Documentation and Verification:** Union Bank maintains attendance records, training materials, and test scores for all BSA/AML training.
- **Communication of New BSA/AML Laws and Regulatory Developments:** Policies are in place to disseminate to Bank employees (1) new BSA/AML-related laws or changes; and (2) updates to the Bank's existing BSA/AML-related policies and procedures.
- **Contractors Receive BSA/AML Training:** Certain contractors engaged by Union Bank receive the same AML/BSA training as Bank employee