



UFUK
İnsani Yardım Derneđi

UFUK ASSOCIATION FOR RELIEF AND DEVELOPMENT

Anti-Money Laundering Policy



1. PURPOSE AND SCOPE

This policy outlines the commitment of the **UFUK ASSOCIATION FOR RELIEF AND DEVELOPMENT** (hereinafter referred to as the “Association”) to preventing money laundering and illicit financial activities.

Our objectives are to:

- Ensure that all operational and financial processes are conducted **lawfully, transparently, and in an auditable manner**,
- Safeguard the Association’s reputation and credibility,
- Strengthen the trust of stakeholders, including donors, volunteers, employees, project partners, and suppliers.

This policy applies to **the Association’s management, employees, volunteers, donors, financial partners, and suppliers**, as well as all parties engaged with the Association.

2. LEGAL BASIS AND OBLIGATIONS

This policy has been developed in line with **national legislation** and **international standards**.

- **Law No. 5549 on the Prevention of Laundering Proceeds of Crime (Turkey):** Preventing illicitly obtained funds from being laundered through the Association’s activities.
- **Financial Crimes Investigation Board (MASAK) Regulations:** National-level reporting and compliance obligations.
- **Financial Action Task Force (FATF) Recommendations:** Adherence to internationally recognized AML standards.
- **EU and UN Sanctions Regimes:** Ensuring alignment with global sanction lists and compliance frameworks.

3. RISK MANAGEMENT AND ASSESSMENT

The Association adopts a **risk-based approach** by continuously assessing and managing potential money laundering risks.

- **Geographic Risk:** Political stability, corruption indices, and supervisory adequacy in regions where funds originate or where activities take place.
- **Donor Risk:** Nature of the donor (individual, corporate, or opaque structure), country of residence, and past financial activities.
- **Product/Service Risk:** High-risk fundraising or transfer methods (e.g., cash donations).
- **Transaction Risk:** Unusual frequency, large volume, or unexplained financial movements.

4. DONOR IDENTIFICATION (KYC) AND DUE DILIGENCE

The Association applies **tiered verification procedures** depending on the donor's risk level.

- **Simplified Due Diligence (Low Risk):**
 - Example: Small and recurring donations.
 - Procedure: Collection of basic identity and contact information (name, email, phone).
- **Enhanced Due Diligence (Medium/High Risk):**
 - Example: Large donations exceeding defined thresholds or donations originating from high-risk regions.
 - Procedure: Collection of official identification documents (ID card, passport, articles of incorporation).
 - Verification of the **legal source of funds** (bank statements, payroll slips, proof of commercial activity).
 - Regular screening of donors against **MASAK and international sanctions lists**.

5. SUSPICIOUS TRANSACTION REPORTING (STR)

Identification of Suspicious Transactions:
Situations considered suspicious and subject to immediate review include:

- Inconsistent or insufficient donor identity or fund source information,
- Transactions of unusual size, frequency, or nature inconsistent with the Association's activities,
- Complex or opaque transaction structures (e.g., multiple small transfers, use of different accounts).

Reporting Process:

1. Any staff or volunteer detecting suspicious activity must immediately report it to the designated responsible officer.
2. The responsible officer reviews the case confidentially.
3. If suspicion remains, the matter is reported to the **Financial Crimes Investigation Board (MASAK)** within the legally required timeframe.
4. All reports are kept strictly confidential; neither the donor nor external parties are informed.

6. TRAINING AND AUDIT

- **Mandatory Training:** All staff and volunteers receive regular training on AML policies, examples of suspicious transactions, and reporting procedures.
- **Internal Audit:** Regular internal monitoring of financial processes and controls.
- **Independent External Audit:** Periodic external audits to ensure transparency and compliance with applicable regulations.

7. VIOLATIONS AND CONSEQUENCES

- Any breach of this policy will trigger **disciplinary action** within the Association.
- Depending on the severity, violations may also result in **legal liability**.
- The Association will immediately terminate cooperation with any individual or entity proven to be involved in illicit financial activities.

8. CONTINUOUS UPDATING

This policy will be reviewed and updated **at least once a year**, or whenever necessary, to ensure compliance with evolving national and international regulations.

Sincerely,

The Board of Directors and Legal Team of UFUK Association for Relief and Development

For detailed questions, please contact,

info@ufuk-insani.org