



Related to decision no. 1965 of the Board

Effective date: 2075.1.1

Directions for Money Laundering and Prevention of Financing
in Terrorist Activities, 2076

Preamble: It is expedient to further regulate and make systematic the functions and activities of a body corporate licensed by the Board with regard to the prevention of money laundering and financing in terrorist activities;

Now, therefore, in exercise of the power conferred by sub-section (2) of section 7pa of the Money (Assets) Laundering Prevention Act, 2064 and sub-section (1) of section 87 of the Securities Act, 2063 (2007), Securities Board of Nepal hereby makes and issues the following directions, namely:-

Chapter-1

Preliminary

1. Short name and commencement: (1) These directions may be called as the Directions for Money Laundering and Prevention of Financial in Terrorist Activities, 2076

(2) They shall come into effect on the first day of Srawan, 2076.

2. Definitions: In these directions, unless the context otherwise requires:—

- (a) “Act” means the Securities Act 2063 (2007);
- (b) “Regulations” means the Money Laundering Prevention Regulations, 2073;
- (c) “Board” means the Securities Board of Nepal constituted in accordance with the Securities Act 2063 (2007) ;

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(d) “Informer organization” means a securities trader and commodities trader who has obtained a license from the Board to carry on securities trading or commodities trading in accordance with the Securities Act2063 or the Commodities Exchange Act2074, as the case may be, the expressions includes a securities exchange market or commodities exchange market, as the case may be, who carries out trading of securities or commodities over the counter (OTC).

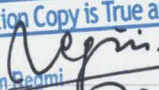
Chapter-2

Provision on License

3. Internal Policy, Procedure and Actbased on Risk: (1) An Informer Organization shall make an internal policy and procedure based on risk assessments, as empowered by section 7p.

(2) The internal policy and procedure to be made by the Informer Organization shall contain the following matters, namely:-

- (a) Internal responsibility and work division of employees;
- (b) Basis and procedure for the risk assessment approach;
- (c) A system for identification, updating and monitoring of customers;
- (d) A system for identification of an unnatural and suspicious trading and its bases;
- (e) An effective procedure to fulfil the responsibility as specified in chapter-6â of the Actand the

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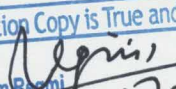


Money Laundering (seizing the assets or fund of listed person, group, or organization) Rules 2070;

- (f) Other matters as may be necessary to effectively comply with act, rules and these directions.

4. Method for identification and verification of customer: (1)
Where necessary, subject to and within the scope and intent of the Act, Rules and these Directions, an Informer Organization shall Actas follows in order to identify and verify a customer in accordance with section 7kā of the Act, and rules 4 & 5 of the Rules:-

- (a) To make clarity in procedures and forms of the documents, details, procedure, control mechanism necessary to identify and verify the bases of risk;
- (b) To find out a technique for identification or verification of any special class or nature of customer where there may be uncertainty to identify and verify;
- (c) To make a system to add-on additional details or documents, if necessary, to a form where any customer requests for availing of an additional service by filing a single form for each client's identification, not separate for each service, or make an integrated system;
- (d) To give continuity to the old form to update identification, where it is possible to add-on information to the old one;
- (e) To simplify a procedure and mechanism.

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(2) For identification of customers, should there appears any customer as a legal person, or in a hierarchical order of management or ownership, and the controlling person for each hierarchical order and such person or management is different, the Informer Organization shall make identification of such person (s) in accordance with sub-rule (2) of rule 6 of the Rules.

(3) The Informer Organization shall make identification of such any other person as may be found involved in a suspicious transaction of any natural person as a beneficiary, except his/her family.

(4) Where any customer, except the investors or customers making investments in securities, approaches to the Informer Organization for carrying on any transaction, it shall be required to maintain name, surname, contact number or address and details of such customer showing relations with it.

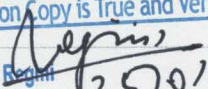
(5) For the identification of a customer, finger prints of the following persons as stated in sub-rule (4) of rule 4 of the Rules shall be required:

- (a) Of guardian, in the case of a natural person where a beneficiary and guardian are different;

Provide that there shall be no restriction to get finger prints of the guardian only, in the case of a minor.

- (b) An authorized person, in the case of a legal person or manager.

(6) The Informer Organization shall require to obtain name, address, method to contact including minimum details and documents satisfying to identify and verify customer (s) in accordance with the Act and Rules. The Informer Organization

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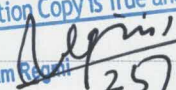
may, considering the risk factor, ask further documents and details for identification and verification of customers in accordance with the Act, Rules and these Directions, and take an interview with the customers to identify a real owner, and beneficiary, where necessary.

(7) The Informer Organization shall comply with the chapter-6a of the Act and the Money Laundering (seizing the assets or fund of listed person, group, or organization) Rules, 2070 for the identification of customers and carrying on any transactions.

5. Further measures to be applied identification of politically exposed person: (1) The Informer Organization shall apply the following further measures to identify or ascertain a politically exposed person in accordance with section 7khā of the Act:

- (a) A mechanism to identify a politically exposed person at the opening of beneficiary account of a customer, carrying on trading, or margin trading with a customer, and updating its details regularly;
- (b) A mechanism to immediately identify politically exposed persons in a situation of change or transfer of such persons;
- (c) A further mechanism to identify families and relatives of politically exposed persons;
- (d) A mechanism to assess risk as per the position/status and involvement of politically exposed persons.

(2) The Informer Organization may apply the following in order to identify politically exposed persons:

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- (a) To obtain information from customers;
- (b) To obtain information from publicly available sources;
- (c) To obtain and analyze information available in social media;
- (d) To obtain information from the records kept in any organization in accordance with the prevailing law;
- (e) To obtain information from a commercial database or any other appropriate means.

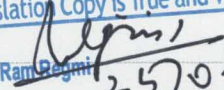
(3) The Informer Organization shall maintain the records of politically exposed person(s) or his/her family and relatives till a period of five years from the date of retirement or discharge from the position, or the ending of business relations or transactions with him/her.

6. To identify beneficiary: (1) The Informer Organization shall apply the following in order to identify beneficiary in accordance with section 7ga of the Act and rule 6 of the Rules:

- (a) A mechanism to identify beneficiary;
- (b) A mechanism to monitor all transactions of beneficiary and related to him/her in an integrated manner.

(2) The Informer Organization shall comply with the procedures as specified in sub-section (2) of section 5 in order to identify and verify the beneficiary.

(3) The Informer Organization shall maintain the records of the beneficiary or his/her family and relatives till a period of

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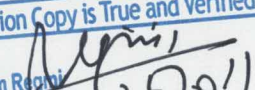


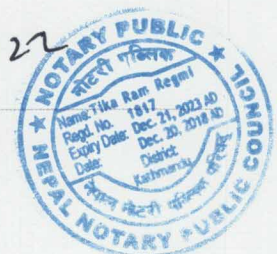


five years from the date of the ending of business relations or transactions with him/her.

7. Basis for risk management and assessment: (1) The Informer Organization shall also take the following matters as a basis for the identification, assessment and management of risk in accordance with section 7ghā of the Act:-

- (a) A national or sector report on risk assessment;
- (b) A study and research report on money laundering and financing in terrorist activities prepared by any reputed international organization;
- (c) Business relations, limitations and nature;
- (d) The elements inclined to risk related to customers:-
 1. A customer, types of beneficiary, nature & numbers;
 2. Business relations maintained in an unnatural situation;
 3. A non-resident customer;
 4. A legal person or legal arrangement to bearing individual property;
 5. A nominated shareholder, or securities holder, or a legal person or arrangement holding unnatural and complicated nature of ownership structure.
- (e) Other matters relative to risk.

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(2) The Informer Organization shall classify risks as high, medium and low category, and it may make further classification of risk on the basis of its appraisal.

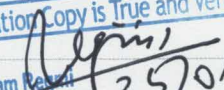
(3) The Informer Organization shall make an assessment of risk and maintain an updated records thereof and such records shall be available to the Board and other relevant entities, whenever entailed.

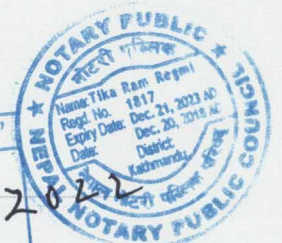
(4) An enhanced customer due diligence method shall, with necessary assessment, be adopted for the identification of a customer of high risk category.

8. Enhanced customer due diligence method: (1) Further to the customers as stated in sub-section (1) of section 7nā, the Informer Organization shall adopt an enhanced customer due diligence method in maintaining business relations or carrying on transactions with the following customers:-

- (a) A customer maintaining business relations through an electronic means or carrying on transactions therewith;
- (b) A customer with high risk;
- (c) A customer with high net worth (for this purpose, the Informer Organization shall fix a threshold to indicate high net worth);
- (d) A customer on being involved in a crime of moral turpitude or dubious activities;
- (e) A customer involved in a business with high density of cash use.

(2) Further to the measures as stated in rule 8 of the Rules, the Informer Organization shall apply the following

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enhanced customer due diligence methods in maintaining business relations or carrying on transactions with the customer as specified in sub-section (1) where such customer seemed in high risk category:-

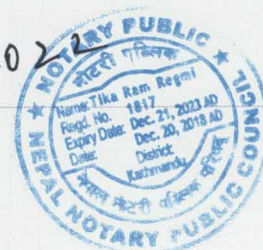
- (a) To identify sources of assets;
- (b) To get information about the objective of transactions;
- (c) To further monitor as per the extent, nature and risk of transactions;
- (d) To make payment through an account payee cheque against the transactions of securities purchased, among others, between other informer organization and the customer.

9. Simplified customer identification method: (1) The Informer Organization shall relate to the following standards and measures in using a simplified customer identification & verification method in accordance with section 7chā of the Act and rule 9 of the Rules:-

- (a) To make sure a simplified customer identification form;
- (b) To maintain a separate record in respect of a customer where a simplified customer identification method applied.

(2) The Informer Organization shall require to obtain approval by the Board as stated in sub-rule (2) of rule 9 of the Rules in carrying on transactions with the customer of low risk category in accordance with sub-rule (1) of rule 9 thereof.

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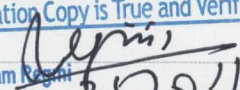
10. To update identification of current customer: (1) For the identification of customers and beneficiaries in accordance with section 7chā of the Act, the Informer Organization shall perform as follows:-

- (a) Once in a year for the customers with high risk;
- (b) Immediate, where a transaction does not match with the details of customer's identification;
- (c) Immediate, where customer's identification has not complete;
- (d) Immediate, where it appears suspicious to the Informer Organization about authenticity of information, communication and data stated in a customer identification details;
- (e) As prescribed by the Informer Organization in a situation where other risk seems relatively modest.

(2) Notwithstanding anything contained in sub-section (1), the Informer Organization shall perform an act of updating and verification of identity of current customers and beneficiaries within one year from the date of coming into force of these directions.

(3) The Informer Organization shall manage to identify customers and updating thereof by analyzing information obtained directly, indirectly or informally by any officials or employees.

(4) The Informer Organization shall ask such other details and documents, as may be changed or likely to change, for identifications of customers and updating thereof; except the information already exists.

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(5) Where updating the customers' details, the Informer Organization shall make available sufficient information required to the financial information unit.

(6) A separate details shall be maintained for those customers where a contact was not established with due effort during updating the customer's identification in accordance with sub-section (5).

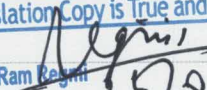
11. Report to be provided about transactions threshold: (1) Where any person or a body corporate has carried on trading of securities valued at ten lakh rupees or more in a single day at once or repeatedly, the stock exchange market, in the case of the trading over the counter, and the relevant securities broker, or commodities trading broker, the portfolio manager, the scheme manager, and the issue and sale manager, in the case of other trading, shall furnish such information to the financial information unit within fifteen days from such trading.

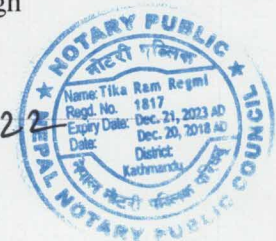
Note: a report about a threshold of transactions shall be provided in a format as may be prescribed by the financial information unit.

(2) The Informer Organization shall prepare and maintain a separate record for the amounts, book keeping, or accounts of the transaction valued at ten lakh rupees or more, and such record be updated specifying a source of income used in carrying on such transaction.

(3) The Informer Organization shall keep harmless the details furnished to the financial information unit till at least five years.

(4) The Informer Organization shall furnish a financial report along with such details as stated in sub-section (3) through

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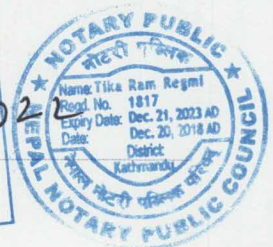


an electronic or other means as may be prescribed by the financial information unit.

(5) Notwithstanding anything contained in this section, a report of the transactions carried on by the following government offices, organizations, or individuals shall not be required to furnish to the financial information unit:-

- (a) A transaction to be carried on by Government of Nepal, its any entity, or a body corporate having full or partial ownership of government of Nepal;
- (b) A transaction to be carried on by a body corporate established by a special act;
- (c) A transaction to be carried on by a subsidiary company established to sale and purchase of securities by a body corporate registered with the Board and have obtained a license;
- (d) A transaction to be made with a body corporate registered with the Board, governmental or quasi-governmental entity, union, association, company, or agency, or entity established by a special act;
- (e) A transaction made by an insurance company;
- (f) A transaction of granting loan or credit facility provided by the Informer Organization to its customers;
- (g) A transaction to be carried on by the United Nations, its offices and the specialized agencies, and international organizations;

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- (h) A transaction made between informer organizations; and
- (i) A transaction to be carried on by the Informer Organization in providing facility to its employees.

(6) Notwithstanding anything contained in sub-section (5), the Informer Organization shall ensure whether any transaction as specified in this sub-section is suspicious or not. In doing so if such transaction is appeared as suspicious, the Informer Organization shall prepare a report in this regard and send the same to the financial information unit within three days.

12. To give special attention to a special transaction: The Informer Organization shall develop and apply a special system in respect to a special transaction as specified in sub-section (1) of section 7nā of the Act.

13. To prepare a report of suspicious transaction: (1) Where any condition as specified in section 7ghā of the Act is present, the Informer Organization shall submit a report on suspicious transaction to the financial information unit in a format as prescribed by it.

Note: For the time being, a format about suspicious transaction is provided in schedule-2 as prescribed by the financial information unit under Nepal Rastra Bank.

(2) Where a new fact or matter perceived suspicious has occurred during an investigation into any person or organization made by an investigating agency, its findings shall be provided to the financial information unit as a further information.

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(3) The Informer Organization shall prepare indicators to identify suspicious transactions and implement them, and such indicators be updated from time to time.

14. Compliance with directions of financial information unit: The Informer organization shall comply with directions and guidance with respect to a threshold of transaction and suspicious transaction issued by the financial information unit.

15. Provision of Internal Control System: (1) It shall be the responsibility of the board of directors of an Informer Organization to make policies, procedures, control system(s), recruit human resources, manage finances to perform or cause to perform, its obligations under the Act, the Rules, and these Directions in an effective manner.

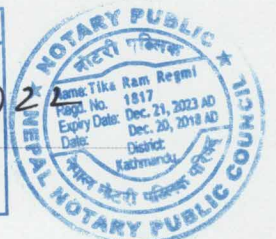
(2) An Informer Organization shall appoint a compliance officer of managerial level pursuant to section 7tâ of the Act in order to accomplish its obligations effectively and such officer's name, surname, address, email, qualification, and details, among others, shall be provided to the Board and the financial information unit.

(3) Whenever the compliance officer or his/her details appointed pursuant to sub-section (2) get changes, such shall be informed to the Board and the financial information unit.

(4) Further to the functions, duties, and powers of the compliance officer appointed pursuant to sub-section (2) as specified in sub-section (4) of section 7tâ, the compliance officer shall also perform the following responsibilities:-

(a) To Act as a liaison person to perform the functions under the Act and the Rules more effectively;

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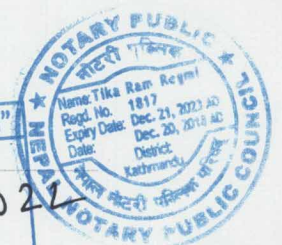
- (b) To prepare drafts of policy, procedure, and standards in order to perform the functions under the Act, the Rules and these Directions more effective, and submit those drafts;
- (c) To make inquiry into the suspicious and unnatural transactions based on the information obtained by its own officials, employees working at branch offices and other employees in accordance with the Act, the Rules and these Directions.
- (d) To obtain any documents, details, or information from other branch office(s) or officials at any time for the performance of its own works;
- (e) To monitor the compliance of the Act, the Rules and these Directions by the concerned.

(5) The compliance officer shall make a recommendation to take a departmental action against any officials or employees of the Informer Organization who do not provide communications, information, documents, records, or details demanded by him in the course of effective application of the Act, the Rules and these Directions, and the Informer Organization shall take the departmental action as per the recommendation. The departmental action taken in such a way shall be notified to the Board and the financial information unit.

(6) The compliance officer shall require to submit a trimester report on the activities carried out in accordance with the Act, the Rules and these Directions to the board of directors.

(7) The Informer Organization shall conduct the following corporate capacity enhancement program for the officials of the board of directors holding more than one percent

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shares and high ranking/management level officials to comply with the Act, the Rules and these Directions effective and result-oriented:-

- (a) To conduct orientation programs for shareholders, officials, and top management level on money laundering and financing in terrorist activities;
- (b) To provide opportunities to the compliance officer and other employees to participate in training programs on money laundering and financing in terrorist activities who are directly and regularly involved in the works related thereto;
- (c) To provide opportunities to the employees to participate in national and international training programs on money laundering and financing in terrorist activities.

16. To adopt further necessary measures: (1) The chief executive officer of the Informer Organization shall assign the responsibility or make work division to its employees to get performed the works under the Act, the Rules and these Directions, as necessary.

(2) Notwithstanding anything contained in sub-section (1), responsibility or work division shall not be assigned on being against the roles of the compliance officer as specified in sub-section (4) of section 7tâ of the Act, the Rules and these Directions.

(3) Notwithstanding anything contained elsewhere in these Directions, the Informer Organization shall require to adopt other measures to fulfil the obligations as specified in the



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Act and the Rules subsequent to the provisions enshrined in these Directions.

17. Compliance of standards: (1) The Informer Organization may admit the study and research reports published by the International Organization of Securities Commission (IOSCO) or such other agencies or international organizations to monitor or study in this matter as a basis to develop a system on money laundering and financing in terrorist activities in line with the Act, the Rules and these Directions.

(2) The Informer Organization shall prepare and update a list of those countries which are considered weak in prevention of money laundering and financing in terrorist activities including other illegal and criminal activities.

18. Report and re-examination: (1) The Informer Organization shall furnish a half-yearly report performed under these Directions in a format as specified in schedule-3 to the Board within fifteen days following the ending of such period.

(2) The Informer Organization shall make necessary measures in order to carry out evaluation, auditing including re-examination of other activities undertaken in accordance with the prevailing law related to prevention of money laundering and financing in terrorist activities.

19. To Maintain records harmless: The Informer Organization shall maintain harmless the details, records, reports, lists, information and communication prepared in accordance with section 7da of the Act and rule 12 of the Rules, whenever requires, for a period as prescribed in the above said section and rule, including in an electronic version. The records so maintained in such a manner may be used as evidence.

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20. Regarding secrecy of information: (1) Reports, documents, records, details, information or communications prepared by the officials and employees of an Informer Organization in accordance with the Act, the Rules and these Directions shall not be provided to customers or any other persons.

(2) If any reports, documents, records, details, information or communication is provided to any customer or any other person, it shall be liable to punish in accordance with section 44kâ of the Act, except save as by section 37 of the Act.

21. Regarding action and punishment: (1) A Informer Organization, its officials and employees shall be liable to punish in accordance with the Act whenever they are found not being implemented the provisions of the Act, the Rules and these Directions effectively.

(2) The Board shall provide an opportunity to provide clarifications within fifteen days before taking any action in accordance with sub-section (1).

(3) The Board may take any of the following actions or punishment in accordance with section 7kâ of the Act, taking into consideration of a degree of violation and a possible impact to be arisen, if no any response given to the clarifications asked in accordance with sub-section (2), or such response found unsatisfactory, or found not compliant with the Act, the Rules, and these Directions:-

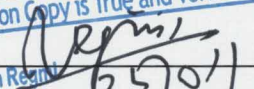
S.N	Not compliant condition	Types of action
1	Not made policy & procedure pursuant to section 7tâ of the act.	1. To admonish in writing for the first time, 2. To ban to undertake any or all types of business for the second time

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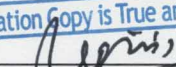
		<ol style="list-style-type: none">To impose fines from twenty lakh to one crore rupees for the third time,To cancel the registration of an Informer Organization thereafter.
2	Not implemented the provision of client's identification pursuant to section 7kā of the act.	<ol style="list-style-type: none">To admonish in writing for the first time,To ban to undertake any or all types of business fro the second timeTo impose fines from twenty lakh to one crore rupees in the third time,To cancel the registration of an Informer Organization thereafter.
3	Having carried on transactions by fictitious or <i>benami</i> or anonymous name against section 6 of the act,	To impose a fine from one crore to ten crore rupees.
4	Not compliant with the provision of section 6khā	<ol style="list-style-type: none">To impose a fine of fifty lakh rupees for the first time,To impose a fine of one crore rupees for the second time,To impose a fine from two crore rupees to five crore rupees for the third time,To impose a partial or full ban on transaction or business or cancel therefore where systemic problems occur from time to time.
5	Not having a mechanism to identify politically exposed person in accordance with section 7khā.	<ol style="list-style-type: none">To admonish in writing for the first time;To ban on conducting any or all types of business for the second time;To impose fine from ten lakh to fifty lakh rupees for the third time;

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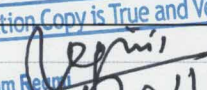
		4. To cancel registration of an Informer Organization thereafter.
6	Not having a mechanism to identify beneficial owner, enhanced customer identification, and update identification in accordance with section 7gâ of the act.	1. To admonish in writing for the first time; 2. To ban on conducting any or all types of business for the second time; 3. To impose fine from twenty lakh to fifty lakh rupees for the third time; 4. To cancel registration of an Informer Organization thereafter.
7	Not having a system of risk assessment in accordance with section 7ghâ of the act.	1. To admonish in writing for the first time; 2. To ban on conducting any or all types of business for the second time; 3. To impose fine from thirty lakh to one crore rupees in the third time; 4. To cancel registration of an Informer Organization thereafter.
8	Not having a regular monitoring mechanism in accordance with section 7jhâ of the act.	1. To admonish in writing in the first time; 2. To ban on conducting any or all types of business for the second time; 3. To impose fine from ten lakh to fifty lakh rupees for the third time; 4. To cancel registration of an Informer Organization thereafter
9	Not having a mechanism to identify a threshold of transaction in accordance with section 10kâ of the act.	1. To impose fine from ten lakh up to fifty lakh rupees for the first time; 2. To cancel registration of an Informer Organization thereafter.

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10	Not having a mechanism to identify a suspicious transaction in accordance with section 7ghâ of the act.	<ol style="list-style-type: none">1. To impose fine from twenty lakh up to one crore rupees in the first time;2. To cancel registration of an Informer Organization thereafter.
11	Not having appointed a compliance officer in accordance with section 7tâ of the act.	<ol style="list-style-type: none">1. To admonish in writing for the first time;2. To ban on conducting any or all types of business for the second time;3. To impose fine from ten lakh to fifty lakh rupees for the third time;4. To cancel registration of an Informer Organization thereafter
12	Not having made an appraisal by the board of directors.	<ol style="list-style-type: none">1. To admonish in writing for the first time;2. To ban on conducting any or all types of business for the second time;3. To impose fine from ten lakh to fifty lakh rupees for the third time;4. To cancel registration of an Informer Organization thereafter
13	Not having conducted a capacity enhancement program for institutional and employees.	<ol style="list-style-type: none">1. To admonish in writing for the first time;2. To ban on conducting any or all types of business for the second time;3. To impose fine from ten lakh to fifty lakh rupees for the third time;4. To cancel registration of an Informer Organization thereafter
14	Not having maintained records or not kept harmless	<ol style="list-style-type: none">1. To impose a fine of fifty lakh rupees or more based on severity for the first time;

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		2. To cancel registration of an Informer Organization thereafter.
15	In the case of others	To take action or to punish on the basis severity.
16	Not furnished a report regarding threshold or suspicious transactions in accordance with section 7ghâ of the act.	The financial information unit may impose a fine of ten lakh rupees in accordance with section 10 of the act.

(4) Notwithstanding anything contained in sub-section (3) the Board shall take actions on being effective, proportional and preventive taking into consideration of financial and organizational condition of an Informer Organization, efforts initiated to comply, and severity of crime.

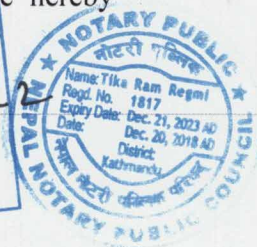
Provided that there shall be no restriction to take any or all actions in accordance with section 7ka of the act, taking into consideration of the degree of violation.

(5) Where any action or punishment taken to an Informer Organization under this section and such action or punishment taken due to action or omission of any official or employee of the Informer Organization, such official or employee shall be punished in accordance with the prevailing law or bye-law.

22. Obligation of Informer Organization: The Informer Organization shall fulfil its obligations in accordance with the Act and the Rules in the matters not stated in these directions, and in accordance with these Directions in the matters stated therein.

23. Repeal and saving: (1) the Directives on Prevention of Money laundering and Financing in Terrorist Activities are hereby repealed.

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(2) Anything done or any action taken under the Directives as stated in sub-section (1) shall be deemed to have been done or taken under these Directions, except prohibition made by the Act and the Rules.

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Schedule-1

(Relating to Section 11)

A general format of statement/report of transaction threshold to be submitted to the financial information unit by the Informer Organization

S.N	Customers' name & address(individual & organization)	Dmat Account No	Occupation/ profession	Place of transaction	Date of transaction	Type of transaction (sale or purchase)	Amount of transaction	Source of income	Remarks

Of the signature submitting statements:

(Compliance officer/authorized agent)

Name:

Designation:

Phone:

Email:

Fax:

Date:

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Schedule-2

(Relating to section 13)

Suspicious Transaction Report

A Reporting Institution:

Name of the Business Person/Branch	
---------------------------------------	--

B. Details of customers

1	a. Name of the Main account holders/customer:	a.
	b. Related Party/ies:	b.
2	a. Permanent Address:	a.
	b. Present address:	b.
3	Profession (as per KYC):	
4	Nationality:	
5	Other account(s) number (if any):	
6	Other business, if any:	
7	a. Citizen No/PP No, /other ID No. /Regd. No	a.
	b. Issue date and Place	b.
	c. Issuing authority/Agency	c.
8	a. Father's name:	a.
	b. Mother's name:	b.
		c.

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	c. Spouse's name:	d.
	d. Grand father's name:	e.
	e. Chairman/MD/ Proprietor:	
9	Date of birth (Natural person): Date of establishment (legal person)	

C Details of Customers:

1	Demat Account number	
2	Nature of account	
3	Nature of ownership: (Individual/proprietorship/partnership/company/pls. specify	
4	Names of Prop/directors/partners, etc.:	
5	Date of business established:	
6	Demat account(s) (related parties):	1. 2. 3.
7	Margin Account:	

D Transaction:

a. Transaction details:

Transaction No.	Year	Buy	Sell	Closing balance

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	Total trans No.	Total Dr. amount	Total trans No.	Total Cr. Amount
Total up to now				

b. Person and Transaction Tree or Map

E Reasons for considering the transaction(s) as unusual/suspicious:

- Summary of suspicious activities
- Analysis or examination
- Possible linkage

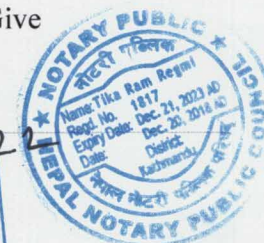
F Suspicious Activities:

Summarize characterization of suspicious activity/please specify the typologies (as per Actand FATF Guidelines):

a	Corruption/gratuity	E	False statement	I	Structuring
b	Cheque fraud	f	Debit/credit or other card	J	Mysterious
c		g		K	Disappearance/behavior
d	Tax evasion	h	Theft	l	Misuse of position or self
	Loan fraud				
Other (please specify):					

G Has the Regulator taken any action in this context? Give details:

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Signature (compliance office or authorized officer):

Name:

Designation:

Phone:

Fax:

Date:

Email:

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Schedule-3

(Relating to section 18)

Format of Report

a. Name and address of Informer
Organization.....

Year.....Month.....

b. Details:

- 1 Policy and procedure issued date:
- 2 Policy and procedure updated date:
- 3 Risk assessment completion date:
- 4 Risk assessment updated date:

S.N.	Details	Up to the previous fiscal year	Current fiscal year		Total	Remarks
			First half year	Second half year		
1	Number of total customers					
	Number of customers borrowing margin credit					
	Production & services related equipment classified as a high risk category					
	Production & services related equipment classified as a medium risk category					
	Production & services related equipment classified as a low risk category					
2	Customers having updated identification					
3						

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	Customers not having undated identification					
4	Customers not having full identification					
5	Customers having classified in high risk category					
6	Customers having classified in medium risk category					
7	Customers having classified in low risk category					
8	Number of customers having changed risk category					
9	Number of customers transacted classified in high risk category					
10	Number of customers enhanced identification made					
11	Politically Exposed Persons					
12	Number of beneficial owners identified					
13	Numbers conducted supervision					
14	Number of threshold transactions reported					
15	Number of suspicious transactions reported					
16	Capacity enhancement: a. Customers b. Officials c. Employees					
17	Date deliberated in the board of directors					

- c. The activities carried out in the previous fiscal year and challenges
- d. A plan of action for the next fiscal year



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Authorized signature:

Prepared by:

Signature:

Name:

Designation:

Date:

Seal of Informer Organization:

Approved by:

Signature:

Name:

Designation:

Date:

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