



## **AMIGO FINANCIAL CRIME STATEMENT**

Version 0.3

## **1.0 INTRODUCTION**

1.1 Amigo Loans Ltd is a limited company registered in England and our registered address is Walton House, 56-58 Richmond Hill, Bournemouth, Dorset BH2 6EX. Our principal place of business is Nova Building, 118-128 Commercial road, Bournemouth, BH2 5LT. Confirmation of our registered address can be found at [www.companieshouse.gov.uk](http://www.companieshouse.gov.uk) – registration number 4841153

1.2 Amigo Loans Ltd is authorised and regulated by the Financial Conduct Authority (FCA). Our Financial Services Registration number is 708284.

1.3 Amigo Loans Ltd is a subsidiary of Amigo holdings Ltd which is registered in England with the registration number 10024479

## **2.0 BUSINESS ACTIVITIES**

2.1 Amigo Loans Ltd ("Amigo") provides a personal loan to consumer borrowers based on the 'old-fashioned' concept of a guarantor loan. Loans are typically between £500 and £10,000 with a term of up to five years.

2.2 The loan is targeted at consumers who are unable to access traditional lending markets as they either have an impaired, limited or no credit history. Each borrower is required to have a guarantor to make payment if the borrower does not.

2.3 Loans are originated from customers that apply to Amigo direct through Amigo's website, through an established network of credit-brokers or through repeat business from existing, well-performing customers.

The Company operates across the United Kingdom and has its operational office and headquarters located in Bournemouth, Dorset. It employed approximately 295 staff members, all of whom were based at the Company's headquarters.

## **3.0 DOMESTIC AND INTERNATIONAL REGULATION TOWARDS ANTI-MONEY-LAUNDERING AND COUNTERING TERRORIST FINANCING**

3.1 Amigo Loans Ltd is authorised and regulated by the Financial Conduct Authority (FCA), under the Financial Services and Markets Act 2000 ("the Act"). The FCA is the principal regulator of the UK's financial services industry, including the consumer Credit industry. The FCA monitors Amigo Loans Ltd and undertakes periodic supervisory visits of the major firms which it regulates, including our Company.

3.2 The United Kingdom is a member of the Financial Action Task Force ("FATF") and has implemented the forty anti-money laundering recommendations developed and published by FATF.

3.3 The legal basis of the UK's anti-money laundering and countering terrorist financing regime is derived from the laws of the European Union. Specifically, the European Union's Third Directive on Anti-Money Laundering is given effect in the United Kingdom by the Money Laundering Regulations 2007 (amended in 2012) and is also reflected in the UK's domestic criminal law.

3.4 The Money Laundering Regulations cover, amongst other issues, customer due diligence requirements, including enhanced due diligence where a person is a politically exposed person (or "PEP"). Detailed guidance on the application of the requirements under the Money Laundering Regulations by the UK's financial service industry can be found in the Joint Money Laundering Steering Group Industry Guidance. This guidance is approved as compliant by HM Treasury.

## **4.0 AMIGO LAONS FINANCIAL CRIME PROCESSES**

4.1 Amigo is committed in its efforts to counter money laundering and terrorist financing and to comply with applicable sanctions regulations. Amigo understands its responsibility to protect its customers, shareholders and society from financial crime.

4.2 Amigo complies with applicable EU, UK and local jurisdictional financial crime and Sanctions laws and regulations and has a zero tolerance of regulatory breaches for financial crime, sanctions requirements and to the circumvention of its financial crime policies and controls.

4.3 To this end, Amigo is committed to compliance with applicable sanctions regulations and preventing itself from being used to facilitate terrorist financing money laundering, and its predicate offences, such as bribery, corruption, tax evasion. Amigo is committed to conducting business in accordance with the highest ethical standards.

4.4 Amigo believes that having an effective framework and appropriate systems and controls to prevent and detect illicit or sanctioned activity is a business imperative; it is a positive investment that protects customers, people and business from the threat posed by financial crime. An effective framework also protects Amigo from legal, regulatory and reputational risks, and protects society from the harm that financial crime causes. Amigo will not conduct business with individuals or entities that are subject to applicable sanction requirements or that it believes are engaged in illicit activity.

4.5 Customers are assessed for their financial crime risk and appropriate systems and controls, including transaction monitoring, trigger events and manual customer reviews, are in use for all customers to allow for detection of such illicit activity.

4.6 For those customers assessed as High Risk, appropriate additional controls are in place. Amigo will take appropriate action including to report and exit where it discovers, knows, or has reason to believe, that it is facilitating business involved in illicit activity.

4.7 With regard to compliance with applicable sanction regimes, (as a minimum the UK and EU) customer and payment screening is undertaken to identify sanctioned customers or transactions prohibited under applicable sanctions regimes. Relationships are prohibited with customers who are sanctioned or who act on behalf of, or for the benefit of a government of a comprehensively sanctioned country. Transactions or business, which are not in compliance with applicable sanctions regulations are also prohibited. Furthermore, relationships that have, or are proposing to develop, business links or derive revenue (or assets) from comprehensively sanctioned countries must not be accepted or maintained.

4.8 Amigo's Chief Executive Officer and Board of Directors are committed to their responsibilities under UK Law and Regulation to reduce the extent to which it is possible for Amigo to be used for a purpose connected with financial crime, and to protect the interests of its customers and staff.

4.9 Amigo's control processes and procedures are appropriately designed to reflect Amigo's financial crime risk and implemented effectively to reduce the risk of Amigo being used in connection with financial crime.

## **5.0 AMIGO LAONS FINANCIAL CRIME POLICIES**

5.1 Amigo has established written financial crime policies and procedures, on a risk sensitive approach and which are subject to regular review, to combat money laundering, terrorist financing, bribery and corruption and adhere to relevant Sanctions regimes.

5.2 These policies have been developed to comply with UK/EU legislation, FATF recommendations and legalisation applicable to other jurisdictions in which Amigo operates or conducts business.

5.3 Specifically, Amigo's policies will cover the following areas:

- 5.3.1 The identification of potential financial crime risks relevant to its business model;
- 5.3.2 Identification of customers by the receipt, verification and retention of satisfactory evidence from reliable and independent sources and their source of wealth (where appropriate); before the establishment of a business relationship. This includes implementing measures to recognise and execute appropriate Enhanced Due Diligence for high risk customers such as Politically Exposed Persons (PEPs) and compliance with Sanctions legislation. Where applicable, the 'beneficial owner' of a business will be identified, and information on the purpose and intended nature of the business relationship will be obtained. The extent of client due diligence will be determined on a risk sensitive basis;
- 5.3.3 Internal monitoring of customer activity and transaction monitoring, including reporting suspicions to the UK's National Crime Agency as required; this may include monitoring of cash movements, international payments and the use of appropriate manual and automated account monitoring systems;
- 5.3.4 Comparing sanctions and terrorist listings from open sources against customer databases and customer payment instructions and taking required action according to any prospective matches in compliance with UK, European or US (OFAC) sanctions legislation;
- 5.3.5 Having regard to national and, where necessary, international findings towards jurisdictions with findings (in particular) towards high levels of corruption, crime, drug trafficking, people trafficking, supporting terrorism and nuclear arms proliferation; to classify as High Risk which informs our customer risk assessment, including closing relationships with persons or entities who are domiciled in or have connections with such jurisdictions;
- 5.3.6 On a risk sensitive approach, performing due diligence at on boarding, periodic basis and payment on third parties who perform services for or on behalf of us;
- 5.3.7 Maintaining appropriate records for at least the minimum UK prescribed periods;
- 5.3.8 Undertaking compliance oversight monitoring to test business controls in situ and confirming effectiveness and adherence to financial crime policies;
- 5.3.9 Establishing and maintaining Standards for Management Information on Financial Crime. This includes, but is not limited to, record keeping, customer identity documents, reporting of suspicious activity and details of staff training to comply with the Money Laundering Regulations; and
- 5.3.10 Provision of a financial crime training and awareness programme, covering the induction of new staff and annual refresher training designed to ensure relevant employees are aware of their legal obligations relating to identification, prevention and detection of money laundering, terrorist financing, applicable sanctions regimes; Bribery and Corruption; the tipping off offence and mechanisms for identification of and making prompt reports to the Money Laundering Reporting Officer (MLRO) and/or via the anonymous whistle-blower channels.

5.4 Amigo's Compliance function owns and is responsible for the Policies covering Anti Money Laundering, Anti-Bribery and Corruption, Conflicts of interest and Whistleblowing. These policies are applicable to all Amigo employees and contractors and are accessible via its internal intranet.

5.5 Amigo' has appointed a Money Laundering Reporting Officer (MLRO) in accordance with its UK regulatory and criminal law obligations.

## **6.0 FURTHER INFORMATION**

6.1 If you have any questions or require further information please contact:

**Amigo Loans Ltd, Nova Building, 118-128 Commercial Road, Bournemouth,  
BH2 5LT**



## **"WHISTLEBLOWING" POLICY**

Version 0.5

## **AMIGO LOANS**

### **"WHISTLEBLOWING" POLICY** (Making a Disclosure in the Public Interest)

#### **1.0 INTRODUCTION**

1.1 Amigo Loans and its subsidiaries (together 'the Company') are committed to the highest standards of openness, probity and accountability.

1.2 An important aspect of accountability and transparency is a mechanism to enable staff and other stakeholders of the Company to voice concerns in a responsible and effective manner. It is a fundamental term of every contract of employment that an employee will faithfully serve his or her employer and not disclose confidential information about the employer's affairs. Nevertheless, where an individual discovers information which they believe shows serious malpractice or wrongdoing within the organisation then this information should be disclosed internally without fear of reprisal, and there should be arrangements to enable this to be done independently of line management (although in relatively minor instances the line manager would be the appropriate person to be told).

1.3 The Public Interest Disclosure Act, which came into effect in 1999, gives legal protection to employees against being dismissed or penalised by their employers as a result of publicly disclosing certain serious concerns. The Company has endorsed the provisions set out below so as to ensure that no members of staff should feel at a disadvantage in raising legitimate concerns. This is a key part of the company's effective risk management systems.

1.4 It should be emphasised that this policy is intended to assist individuals who believe they have discovered malpractice or impropriety. It is not designed to question financial or business decisions taken by the Company nor should it be used to reconsider any matters, which have already been addressed under harassment, complaint, and disciplinary or other procedures. It is reasonable to expect staff to use the Whistle blowing procedures rather than air their complaints and concerns outside the Company.

1.5 In addition, the Financial Conduct Authority (FCA) offers a service where employees can chose, rather than 'blowing the whistle' internally, to 'blow the whistle' to the FCA directly. Ordinarily the employee's first port of call should be internally under this policy and procedure.

1.6 Amigo understands that there is no regulatory duty placed on staff to blow the whistle but believe this policy is invaluable for its corporate culture and transparency.

#### **2.0 SCOPE OF POLICY**

2.1 This policy is designed to enable employees of the Company to raise concerns internally and at a high level and to disclose information, which the individual believes shows malpractice or impropriety.

2.2 The Company take any failure of its systems or processes seriously. Breaches of law, regulation and the company's systems and processes can have a significant impact on the Company.

2.3 For example, it may impact on the reputation or prudence of the Company and could have an impact on the integrity of the market.

2.4 If the disclosed matter is serious it may ultimately be considered by the FCA to call into question the suitability (threshold condition 5) of the Company for a FCA Approved Person to continue to be authorised by the FCA.

2.5 This policy is intended to cover concerns, which are in the public interest and may at least

initially be investigated separately but might then lead to the invocation of other procedures e.g. disciplinary. These concerns could include:

- 2.5.1 Financial malpractice or impropriety or fraud;
- 2.5.2 Failure to comply with a legal or regulatory obligation including FCA rules and Principles;
- 2.5.3 Dangers to Health & Safety or the environment;
- 2.5.4 Criminal Activity;
- 2.5.5 Improper conduct or unethical behaviour;
- 2.5.6 Attempts to conceal any of these; and/or
- 2.5.7 Incitement to commit any or all of the concerns listed above.

2.6 There may be other appropriate routes for some issues, such as employee grievances or consumer complaints, but internal arrangements as set out in SYSC 18.3.1R(2) can be used to blow the whistle after alternative routes have been exhausted.

### **3.0 PROTECTION**

3.1 This policy is designed to offer protection to those employees of the Company who disclose such concerns provided the disclosure is made:

- 3.1.1 In good faith;
- 3.1.2 In the reasonable belief of the individual making the disclosure that it tends to show malpractice or impropriety; and
- 3.1.3 If they make the disclosure to an appropriate person (section 7 refers). It is important to note that no protection from internal disciplinary procedures is offered to those who choose not to use the procedure. In an extreme case malicious or wild allegations could give rise to legal action on the part of the persons complained about.

### **4.0 CONFIDENTIALITY**

4.1 The Company will treat all such disclosures in a confidential and sensitive manner. The identity of the individual making the allegation may be kept confidential so long as it does not hinder or frustrate any investigation.

4.2 However, the investigation process may reveal the source of the information and the individual making the disclosure may need to provide a statement as part of the evidence required (although they will not be forced to do so).

### **5.0 ANONYMOUS ALLEGATIONS**

5.1 This policy encourages individuals to put their name to any disclosures they make. Concerns expressed anonymously are much less credible, but they may be considered at the discretion of the Company.

5.2 In exercising this discretion, the factors to be taken into account will include:

- 5.2.1 The seriousness of the issues;
- 5.2.2 The credibility of the concern
- 5.2.3 The likelihood of confirming the allegation from attributed sources

### **6.0 UNTRUE ALLEGATIONS**

6.1 If an individual makes an allegation in good faith, which is not confirmed by subsequent investigation, no action will be taken against that individual.

6.2 In making a disclosure the individual should exercise due care to ensure the accuracy of the information. If, however, an individual makes malicious or vexatious allegations, and particularly if he or she persists with making them, Amigo will take appropriate action against the employee, providing it can be demonstrated that person has knowingly made the false disclosure with a malicious intent. In such cases disciplinary action will be taken against that

individual.

## **7.0 PROCEDURE FOR MAKING A DISCLOSURE**

7.1 On receipt of a complaint of malpractice, the member of staff who receives and takes note of the complaint, must pass this information as soon as is reasonably possible, to an appropriate designated investigating officer (the "Investigating Officer") as follows:

7.1.1 The appropriate Director or a member of the HR team will investigate complaints of malpractice unless the complaint is against the Director or is in any way related to the actions of a Senior Manager. In such cases, the complaint should be passed directly to either a member of the HR team or the Chief Executive Officer (CEO) for referral;

7.1.2 In the case of a complaint, which is any way connected with but not against a Senior Manager, the CEO may nominate another Senior Manager to act as the alternative investigating officer;

7.1.3 The complainant has the right to bypass the line management structure and take their complaint direct to the CEO. The CEO has the right to refer the complaint back to the relevant Senior Manager if he feels that a Senior Manager without any conflict of interest can more appropriately investigate the complaint.

7.2 If there is evidence of criminal activity then the Investigating Officer should immediately inform the police. The Company will ensure that any internal investigation does not hinder a formal police investigation

7.3 However, any employee wishing to take their concern to an external body, rather than 'blowing the whistle' internally, can 'blow the whistle' to the FCA directly. Notices to employees have been placed in high traffic areas of the company premises to ensure they understand the process should they require it.

## **8.0 TIMESCALES**

8.1 Due to the varied nature of these sorts of complaints, which may involve internal investigators and / or the police, it is not possible to lay down precise timescales for such investigations. The Investigating Officer should ensure that the investigations are undertaken as quickly as reasonably practicable without affecting the quality and depth of those investigations.

8.2 The investigating officer, should as soon as reasonably practical possible, send a written acknowledgement of the concern to the complainant and thereafter report back to them in writing the outcome of the investigation and any action that is proposed. If the investigation is a prolonged one, the investigating officer should keep the complainant informed, in writing, on the progress of the investigation and when it is likely to be concluded.

8.3 All responses to the complainant should be in writing and sent to their home address.

## **9.0 INVESTIGATING PROCEDURE**

9.1 We require internal whistle blowing arrangements to ensure the 'effective assessment and escalation' of concerns. It is accepted that not all disclosures will result in investigative action, although we would expect due consideration to be given to each case and for this to be recorded.

9.2 The Investigating Officer should follow these steps:

9.2.1 Obtain full details and clarification of the complaint;

9.2.2 The Investigating Officer should inform the member of staff against whom the complaint is made as soon as is reasonably practical. The member of staff will be informed of their right to be accompanied by a trade union or other representative at any future interview or hearing held under the provision of these procedures;

9.2.3 The Investigating Officer should consider the involvement of the Company

auditors and the Police at this stage and should, where appropriate, consult with the Chairman/CEO;

9.2.4 The allegations should be fully investigated by the Investigating Officer with the assistance where appropriate, of other individuals / bodies;

9.2.5 The Investigating Officer will make a judgement concerning the complaint and validity of the complaint. This judgement will be detailed in a written report containing the findings of the investigation and rationale behind it. The report will be passed to the CEO or Chairman (as appropriate);

9.2.6 The CEO will decide what action to take. If the complaint is shown to have justification, then they will invoke the disciplinary or other appropriate Company procedures;

9.2.7 The complainant should be kept informed of the progress of the investigations and, if appropriate, of the final outcome; and

9.2.8 If appropriate, a copy of the outcomes will be passed to the Company Auditors to enable a review of the procedures.

9.3 If the complainant is not satisfied that their concern is being properly dealt with by the Investigating Officer, they have the right to raise it in confidence with the CEO/Chairman, or the Director of legal & Compliance.

9.4 If the investigation finds the allegations unsubstantiated and all internal procedures have been exhausted, but the complainant is not satisfied with the outcome of the investigation, the Company recognises the lawful rights of employees and ex-employees to make disclosures to prescribed persons (such as the Health and Safety Executive or the utility regulators), or, where justified, elsewhere.

## 10.0 REFERENCE FOR EMPLOYEES

10.1 This policy is made available on the Company intranet for all employees to refer to. Additionally, a summary of the Company's policy will be displayed prominently in strategic points of the Company's sites and a confidential email address (confidential@amigo.me) will be created and monitored by a nominated Non-Executive Director.

10.2 As part of the induction process, all new employees shall be required to review and confirm their understanding of this policy as part of their initial reference material.

10.3 All line managers, or staff holding a position of authority, must ensure that the employees under their charge are clear that any concern or report shall be taken seriously; in confidence and that the manager is open to these concerns.

10.4 In addition to the confidentiality procedures listed at Section 4, line managers shall also ensure that, upon receipt of a concern or report, that they further emphasise that concerned employees will be supported and protected from reprisals.

10.5 Employees should be made aware of the contact details for the following external bodies:

10.5.1 The FCA's Whistle blowing hotline:

2.2.1 Telephone: 020 7066 9200

2.2.2 Email: [whistle@fca.org.uk](mailto:whistle@fca.org.uk)

Enforcement and Financial Crime Division (ref PIDA)

Financial Conduct Authority

25 the North Colonnade Canary Wharf London E14 5HS

2.2.3 [www.fca.org.uk/site-info/contact/whistleblowing](http://www.fca.org.uk/site-info/contact/whistleblowing)

10.5.2 for free and confidential advice, Public Concern at Work, an independent charity offers the following services:

2.2.4 Telephone: 020 7404 6609

2.2.5 [www.pcaw.co.uk](http://www.pcaw.co.uk)

## **11.0 REVIEW**

11.1 Amigo prepares an annual whistle blowing report, for the Board, which is available to the FCA or the PRA on request. This report will not be made public.

11.2 Amigo will inform the FCA of cases where an employment tribunal finds in favour of a whistleblower when the finding related to a claim that the whistleblower was victimised, informing them in writing using [whistle@fca.org.uk](mailto:whistle@fca.org.uk).

11.3 This policy shall be reviewed no less than annually by the HR Department who shall ensure that the most up-to-date version remains available on the Company intranet.