

**BpER Banking Group statement on its AML/KYC policy
according to the Wolfsberg AML Questionnaire**

Name of Entity Completing Questionnaire: BANCA POPOLARE DELL'EMILIA ROMAGNA SOC. COOP.		
Date Completed: May 10, 2012		
Completed by: Michele Pisani, officer in charge with specific knowledge of the herein mentioned topics		
I. General AML Policies, Practices and Procedures:		
1. Does the AML compliance program require approval of the FI's Board or a senior committee thereof?	Yes ¹	
2. Does the FI have a legal and regulatory compliance program that includes a designated Compliance officer that is responsible for co-ordinating and overseeing the AML program on a day-to-day basis, which has been approved by senior management of the FI?	Yes	
3. Has the FI 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 FI client have an internal audit function or other independent third party that assesses AML policies and practices on a regular basis?	Yes	
5. Does the FI 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 ¹	
6. Does the FI have policies covering relationships with politically exposed persons consistent with industry best practices?	Yes	
7. Does the FI have appropriate record retention procedures pursuant to applicable law?	Yes	
8. Does the FI require that its AML policies and practices be applied to all branches and subsidiaries of the FI both in the home country and in locations outside of the home country?	Yes ²	
II. Risk Assessment		
9. Does the FI have a risk focused assessment of its customer base and transactions of its customers?	Yes	
10. Does the FI determine the appropriate level of enhanced due diligence necessary for those categories of customers and transactions that the FI has reason to believe pose a heightened risk of illicit activities at or through the FI?	Yes	
III. Know Your Customer, Due Diligence and Enhanced Due Diligence		
11. Has the FI 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 FI have a requirement to collect information regarding its customers' business activities?	Yes	Yes ³
13. Does the FI collect information and assess its FI customers' AML policies or practices?	Yes	
14. Does the FI 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 FI take steps to understand the normal and expected transactions of its customers based on its risk assessment of its customers?	Yes	
IV. Reportable Transactions and Prevention and Detection of Transactions with Illegally Obtained Funds		
16. Does the FI have policies or practices for the identification and reporting of transactions that are required to be reported to the authorities?	Yes	
17. Does the FI have procedures to identify transactions structured to avoid large cash reporting requirements?	Yes	
18. Does the FI screen transactions for customers or transactions the FI 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	Yes	

transactions?		
19. Does the FI 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 ¹	
20. Does the FI have policies to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in their countries of origin?	Yes	
V. Transaction Monitoring		
21. Does the FI have a monitoring program for suspicious or unusual activity that covers funds transfers and monetary instruments (such as travelers checks, money orders, etc.)?	Yes	
VI. AML Training		
22. Does the FI 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 FI's products and services and internal policies to prevent money laundering?	Yes	
23. Does the FI retain records of its training sessions including attendance records and relevant training materials used?	Yes	
24. Does the FI have policies to communicate new AML related laws or changes to existing AML related policies or practices to relevant employees?	Yes	
25. Does the FI employ agents to carry out some of the functions of the FI and if so does the FI 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 FI's products and services and internal policies to prevent money laundering?	Yes ⁴	
<p>Comments on replies to items no. 1, 5, 8, 13, 19 and 25.</p> <p>1) The FI has an AML program approved by the General Management which provides for:</p> <ul style="list-style-type: none"> - a "Directory of AML and anti-terrorism compliance policies", which is held at disposal of the FI's employees through the FI's web portal; said Directory is also supplied to employees as printed matter during recurring training courses; - circular letters undersigned by the General Management, addressed to branches and concerned head office departments, released over the years ever since the law enforcement of AML obligations. <p>2) The FI requires that its AML program as outlined in item #1 is applied to BpER entities established under the Italian law as listed below.</p> <p>3) In compliance with the prevailing Italian regulations, more specifically in connection with Law Decree no.231/2007, the FI applies such procedures of information collection and assessment to correspondent banks based outside the European Union only, in the frame of the so called 'strengthened obligations' for the proper assessment of the client's AML policy.</p> <p>4) The FI does have agents to carry out some of its functions, however the identification and reporting of suspicious transactions is carried out by the FI itself.</p>		

The above Wolfsberg Questionnaire covers the financial institutions of the BpER Group which are headquartered in Italy, as per below list:

Banca popolare dell'Emilia Romagna Entities covered by this AML Questionnaire	Address	City	Zip Code	Country
Banca popolare dell'Emilia Romagna Soc. Coop. (the Parent Bank of the BpER Banking Group)	Via S. Carlo, 8/20	MODENA	41121	Italy
BANCA POPOLARE DI RAVENNA S.p.A.	Via Guerrini, 14	RAVENNA	48100	Italy

BANCA POPOLARE DI APRILIA S.p.A.	Piazza Roma	Aprilia (LATINA)	04011	Italy
CARISPAQ – Cassa di Risparmio dell'Aquila S.p.A.	Corso Vittorio Emanuele II, 48	L'AQUILA	67100	Italy
BANCA POPOLARE DI LANCIANO E SULMONA S.p.A.	Viale Cappuccini, 76	Lanciano (CHIETI)	66034	Italy
BANCA DELLA CAMPANIA S.p.A.	Collina Liguorini	AVELLINO	83100	Italy
BANCA POPOLARE DEL MEZZOGIORNO S.p.A.	Via Napoli, 60	CROTONE	88900	Italy
BANCO DI SARDEGNA S.p.A.	Viale Umberto, 36	SASSARI	07100	Italy
BANCA DI SASSARI S.p.A.	Viale Mancini, 2	SASSARI	07100	Italy
MELIORBANCA S.p.A.	Via Negri, 10	MILANO	20123	Italy

Signed for Banca popolare dell'Emilia Romagna Banking Group by the Managing Director Dr. Luigi Odorici

Kindly note that Supervisory Authorities are soon going to enact additional provisions on KYC practices intended to prevent the use of regulated subjects for money laundering purposes or the financing of terrorism.
