

COMPLIANCE AML/CFT TRAINING FOR ALL EMPLOYEES

AUGUST 13, 2025



TRAINING OBJECTIVES

- Understand AML/CFT regulations and their importance in Olive monie
- Learn your roles and responsibilities in preventing ML/TF.
- Identify red flags in transactions and customers.
- Review internal policies and reporting obligations.
- Strengthen a compliance culture across the institution.



AML/CFT/CPF MEASURES



AML/CFT/CPF refers to the measures implemented to combat money laundering, terrorist financing and proliferation financing. These include national and state laws, regulatory directives and company internal policies.

Most AML/CFT/CPF laws, regulations and policies globally are usually prepared in line with the 40 recommendations of the Financial Action Task Force (FATF). FATF is a body that sets global standards for the mitigation of ML/TF/PF risks. FATF has regional styled bodies in different parts of the world where member countries interact and conduct peer reviews to check the effectiveness and efficiency of AML/CFT/CPF controls.

At Olive Monies there is an AML/CFT/CPF policy which is approved by the Board of Directors and provides guidance on the measures to be implemented to mitigate ML, TF and PF risks in Opay.

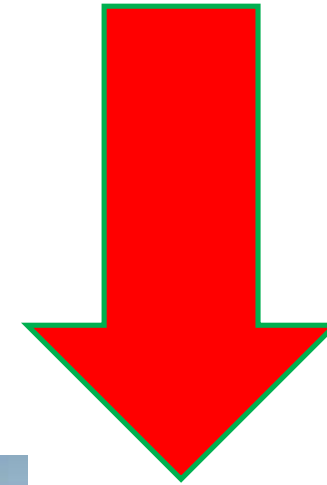
MONEY LAUNDERING



Money laundering is the process of hiding the criminal source of funds obtained via criminal means with the goal of making it appear to seem legitimately obtained. Money laundering is a secondary crime, and for money laundering to occur, a predicate offence (criminal activity that generates illicit funds) must have occurred.

In the context of Olive monies licensed institution:

- The primary crime may have occurred elsewhere (e.g., cybercrime overseas).
- The criminal could use your remittance services to move or disguise the illicit funds.
- Even if your institution had no role in the predicate



CRIMINAL/PREDICATE OFFENCES

Section 18 (6)(a) of the MLPPA 2022 lists the following as criminal activities that lead to money laundering.

- (a) participation in an organised criminal group ;
- (b) racketeering, terrorism, terrorist financing ;
- (c) trafficking in persons, smuggling of migrants, sexual exploitation, sexual exploitation of children ;
- (d) illicit trafficking in narcotic drugs and psychotropic substances ;
- (e) illicit arms trafficking, illicit trafficking in stolen goods ;
- (f) corruption, bribery, fraud, currency counterfeiting ;
- (g) counterfeiting and piracy of products, environmental crimes ;
- (h) murder, grievous bodily injury ;
- (i) kidnapping, hostage taking, robbery or theft ;
- (j) smuggling (including in relation to customs and excise duties and taxes), tax crimes (related to direct taxes and indirect taxes) ;
- (k) extortion, forgery, piracy ;
- (l) insider trading and market manipulation ; and
- (m) any other criminal act specified in this Act or any other law in Nigeria including any act, wherever committed in so far as such act would



STAGES OF MONEY LAUNDERING



3 Stages of Money Laundering



01. Placement

Placement stage signifies the point at which illicit funds first enter the financial system.



02. Layering

Aim is to create complex transactions to obscure the audit trail and make it difficult for authorities to trace the source of the funds



03. Integration

Laundered funds are reintroduced into the legitimate economy. This can take the form of purchasing assets, or simply mingling the illicit funds with clean money.



EXPLANATION OF THE THREE STAGES OF MONEY LAUNDERING

1. Placement – Getting the illicit money into the financial system

What it means for Olive Monies an IMTO licensed institution:

This is when criminals first introduce illegal funds into your institution's network — usually in small amounts to avoid suspicion.

How it can happen in your business:

- ❖ A customer sends several small remittances using through different agents using our platform in one day to different recipients.
- ❖ Customers splitting large amounts into multiple transactions to avoid Cash Transaction Reporting thresholds.

Our defence:

- Apply KYC at every onboarding and before each transaction.
- Monitor for structuring patterns (many small transfers that add up to a large sum).
- Report suspicious placements immediately via STR to the NFIU.

2. Layering – Moving the money around to hide its origin

What it means for our institution:

Once illicit funds are in the system, the launderer tries to make them harder to trace by sending them through multiple transfers, accounts, currencies, or recipients.

How it can happen in our business:

- A sender sends funds to multiple recipients in different countries within short intervals.
- Funds received from one sender are quickly transferred out again to a completely different jurisdiction.

Your defence:

- Watch for rapid movement of funds through your platform.
- Flag transactions where there is no clear business or personal reason for complex routing.
- Conduct enhanced due diligence for high-risk corridors or unusual transaction chains.

3. Integration – Making the funds look legitimate

What it means for an IMTO:

This is when the laundered money is reintroduced into the economy appearing as lawful funds — the point where it's hardest to detect.

How it can happen in your business:

- Transfers received through your platform are used to buy assets, invest in businesses, or fund large purchases.
- Customer claims funds are “business earnings” without credible documentation.

Your defence:

- Always request proof of source of funds for high-value or high-risk transactions.

TERRORISM FINANCING

Terrorism financing is the provision of financial support or financial services to terrorist individuals or groups. The funds provided must not be linked to an actual terrorist act to be considered an act of terrorism financing.

The source of funds for terrorism financing may either be from legitimate means or from illegitimate means. The legitimate means is usually from individuals who support the motives the terrorists while illegitimate sources of funds include crimes such as rustling, robbery, illegal taxation, ransom from kidnapping etc

▪ **EXAMPLE**

Ahmed, living in Lagos, regularly sends small transfers (~~N~~50,000—~~N~~150,000) to his “cousin” in IRAN OR SYRIA a conflict-affected areas. He uses different IMTO agent locations and sometimes sends through friends to avoid drawing attention

.The Reality:

The cousin is actually linked to a terrorist organisation operating in that region. The funds are being used to:Purchase communication devices for coordination. Pay for safe houses and transportation for members. Cover recruitment costs for new fighters.

How it looks at first:Small transactions below reporting thresholds.Seemingly legitimate “family remittances.”

Red flags your institution could detect:

High-risk jurisdiction — recipient location has known terrorist activity (listed in NFIU or FATF advisories).

No verifiable family relationship despite repeated claims.

Structuring — breaking transfers into smaller amounts.

Multiple senders using similar beneficiary details or addresses.

Frequent transactions inconsistent with sender’s income level.

What you should do:

Flag for Enhanced Due Diligence immediately.

Screen beneficiary against UN/OFAC/CBN sanctions lists.

File a Suspicious Transaction Report (STR) to the NFIU

PROLIFERATION FINANCING

Proliferation financing refers to the financing of all activities related to the proliferation of weapons of mass destruction, including the manufacturing, processing, transportation, distribution etc. The source of proliferation financing may be from either legitimate or illegitimate transactions

Key Difference Between AML/CFT/CPF			
Aspect	AML – Anti-Money Laundering	CFT – Counter-Financing of Terrorism	PF – Proliferation Financing
Objective	Stop the processing of funds obtained from criminal activities.	Stop funds — whether legal or illegal — from being used to support terrorism.	Stop funds from supporting the development, production, or transfer of weapons of mass destruction (WMD) and their delivery systems.
Source of Funds	Always illegal (proceeds of crime like fraud, corruption, drug trafficking).	Can be legal (salaries, business income) or illegal — source doesn't matter if end-use is terrorism.	Can be legal or illegal — focus is on the recipient's involvement in WMD activity.
Main Threat Actors	Criminal organisations, fraud syndicates, corrupt officials.	Terrorist organisations, or individuals supporting them.	States, companies, or individuals engaged in WMD development or proliferation.
Key Compliance Tools	KYC/CDD, transaction monitoring, Suspicious	KYC/CDD, Enhanced Due Diligence (EDD), sanctions	Sanctions screening (UN, OFAC, EU, CBN), export

Key AML/CFT/CPF Compliance Measures for OLIVE MONIE

- AML/CFT/CPF measures are required by regulation. However, apart from regulations, these measures are required to ensure the stability of the financial systems and also the sustainability of Olive monies business.
- In implementing AML/CFT/CPF measures, activities involved include due diligence reviews, regulatory scanning, regulatory liaison, policy formulation and regulatory reporting
- **Due diligence reviews:** This involves reviews of customer KYC documentation at onboarding and on an ongoing basis.
- **Regulatory liaison:** This involves correspondence with regulators, law enforcement agencies and other government institutions.
- **Regulatory scanning:** This involves checking for new information released from regulators and government agencies. The websites of regulatory bodies are usually visited to get new information. This can also be obtained from the social media handles of these agencies
- **Policy formulation:** This involves the creation of new policies when required and also the update of existing regulations as required.
- **Regulatory reporting:** This involves the collation of data, preparation and sending of regulatory returns to the relevant agencies.

*Thank
you*