



**STALLION**

**HOLDINGS LIMITED**

**Fraud Management Policy**

# Fraud Management Policy

V-1.0





# STALLION

## HOLDINGS LIMITED

### Fraud Management Policy

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|---|----|
| 1. Introduction.....                            | 4  |
| 2. Objective.....                               | 4  |
| 3. Scope.....                                   | 4  |
| 4. Definitions.....                             | 4  |
| 5. Frauds Types in E-Wallet.....                | 6  |
| 6. Preventing & Detecting Method.....           | 9  |
| 7. Policy Administration: .....                 | 11 |
| 8. Responsibilities and Roles .....             | 11 |
| 9. Anti-Fraud Framework.....                    | 14 |
| 10. REP017 Payments Fraud Reporting.....        | 22 |
| 11. REP018 Operational Risk Reporting.....      | 22 |
| 12. Development and Training Requirements ..... | 22 |



#### 1. Introduction

Stallion Holdings Limited believes in encouraging an organizational culture with the highest level of honesty and ethical dealings and will not stand any act of fraud/ fraudulent activities/gross misconduct or any matters that require detailed investigation.

This Policy & Procedures document sets out the approach adopted by the management and key stakeholders of Stallion Holdings Limited for the reporting and investigation of fraud/fraudulent activities/gross misconduct or any matter that requires detailed investigation.

#### 2. Objective

The objective of this Policy & Procedure is to ensure a comprehensive investigation procedure for the management of the Stallion Holdings Limited to mitigate the risk of fraud/ fraudulent activities/gross misconduct or any matter that requires detailed investigation, and to establish procedures for reporting of such kind of matter that may occur in Stallion Holdings Limited that requires escalation or detailed investigation. This Policy & Procedure also enlightens the responsibility of various Committees/Head of Division/functions related to the investigation and the subsequent actions, thereof.

#### 3. Scope

This policy is applicable to any fraud/fraudulent activities/gross misconduct or any matter that requires detailed investigation involving Board Members/ Senior Management/ Employees/ Vendors/ Consultants/ Outside Agencies doing business with Stallion Holdings Limited and/ or any other party with a business relationship with the Stallion Holdings Limited .

Any investigative activity required will be conducted without regard to the suspected wrongdoer's length of service, position/title or relationship with Stallion Holding Limited.

#### 4. Definitions

In the context of the policy & procedure, it is important to highlight the various activities that may require a detail investigation. They are:



|       |   |
|-------|---|
| Fraud | <p>The term "Fraud" for this Policy &amp; Procedure of Stallion Holdings Limited is defined as theft, forgery, bribery, cyber-attacks, corruption, extortion, deception, embezzlement, Conspiracy, fabrication, falsification, misappropriation, false representation, concealment of material facts and collusion, use of deception with the intention of obtaining an advantage, violation of trust or any other dishonest activity causing actual or financial loss to Stallion Holdings Limited .</p> <p>It does not, however, include honest judgmental errors that are proven to be committed in good intent that may occur in day-to-day functioning provided where due diligence and reasonable prudence are exercised in carrying out the assigned function.</p> |
|-------|---|

|   |   |
|---|---|
| Fraud can be categorized into two broad categories: | <b>Internal Fraud</b> - committed by Board Members/Senior Management/ Unit Heads/ Employees/ former employees |
|   | <b>External Fraud</b> - committed by customers/Vendors/consultants  |



## 5. Frauds Types in E-Wallet

EMI Fraud normally includes the following acts, although the list is not exhaustive:

### 5.1 Assets Misappropriation

Asset misappropriation fraud happens when people who are entrusted to manage the assets of an organization steal from it. Asset misappropriation fraud involves third parties or employees in an organization who abuse their position to steal from it through fraudulent activity.

#### 5.1.1 Card Theft

An employee of the company snips Data , either by physically taking it or diverting it in some other way.

#### 5.1.2 Data Fraud

Most common in EMI where Personal Data Collected are common, this type of fraud covers simply:

- a. Stealing Customer Data
- b. Stealing Account Information
- c. Stealing Payment Information
- d. Any other fraud that involves the removal of hard information.

#### 5.1.3 Embezzlement

Embezzlement is a form of white-collar crime wherein a person or entity misappropriates the assets entrusted to him or her. In this type of fraud, the assets are attained lawfully, and the embezzler has the right to possess them, but the assets are then used for unintended purposes.

#### 5.1.4 Hacking

Where customer or criminal Actor try to invade information through illegal way to gather account information or payment information.



#### **5.2 Vendor Fraud**

- a. Vendor fraud is one key fraud category to watch. Vendor fraud involves fraud schemes in which the fraudster manipulates a company's accounts payable and payment systems for illegal personal gain

##### **5.2.1 Fake Supplier**

- a. An employee sets up a fake supplier and bills the company for goods or services not provided.

##### **5.2.2 Procurement Fraud**

- a. Procurement fraud is any fraud relating to a company purchasing goods, services or commissioning construction projects from third parties. Fraud can happen when the tender process has not been followed so that fraud can be committed, or when there is bid-rigging

##### **5.2.3 Payment Fraud**

- a. This can include vendor fraud schemes as well as creating false customer accounts to generate false payments. It also includes:
  - b. Altering payee details on checks and payables
  - c. Self-authorizing payments
  - d. Colluding with others to process false claims for benefits or payments

##### **5.2.4 Accounts Payable Fraud**

- a. Accounts payable fraud is among the most damaging for affected businesses.
- b. It's also among the easiest frauds to perpetrate, since most of the money leaving a company legitimately goes through the accounts payable function.

##### **5.2.5 Accounting Fraud**

- a. Accounting fraud is an intentional manipulation of financial statements to create a facade of a company's financial health.

##### **5.2.6 Misrepresentation**

- b. Misrepresentation of Financial Statements; and



- c. Misrepresentation of Non-Financial Statements.

#### **5.2.7 Misconduct**

- a. Breach of internal policies and procedures; and
- b. Breach of applicable Laws, Rules, Regulations, Notices and the Standards.

#### **5.2.8 Expense Reimbursement Fraud**

Also called expense fraud, this type of fraud includes:

- a. Forging receipts
- b. Double claiming for expenses
- c. Submitting false reimbursement claims
- d. Inflated expense claims

#### **5.2.9 Expense Account Fraud**

- a. An employee uses a company expense account for personal expenses and submits them as business-related. This can also include expense reimbursement fraud, above.

#### **5.2.10 Commission Fraud**

- a. An employee inflates sales numbers to receive higher commissions, falsifies sales that did not occur or colludes with customers to record and collect commissions on falsified sales.

#### **5.2.11 Accounts Receivable Fraud**

- a. Accounts receivable fraud takes place through many different types of schemes: lapping, fictitious sales, skimming and more.

#### **5.2.12 Data Theft**

- a. Data theft is the act of stealing computer-based information from an unknowing victim with the intent of compromising privacy or obtaining confidential information.

#### **5.2.13 Malware Attacks**

- a. Software is specifically designed to disrupt, damage, or gain authorized access to a computer system.





#### 5.2.14 Hacking

- a. Unauthorized intrusion into a computer or a network.

#### 5.2.15 Cross-site scripting

- a. Cross-site Scripting (XSS) refers to a client-side code injection attack wherein an attacker can execute malicious scripts (also commonly referred to as a malicious payload) into a legitimate website or web application.

### 6. Preventing & Detecting Method

#### 6.1 To prevent and detect asset misappropriation:

- a. Conduct thorough background checks on new employees.
- b. Implement checks and balances.
- c. Separate the functions of cheque preparer and cheque signer.
- d. Rotate duties of employees in accounts.
- e. Conduct random audits of company accounts.
- f. Don't pay commission until goods are services have been delivered.
- g. Keep cheques in a locked cabinet and destroy voided cheques.
- h. Implement an anonymous ethics hotline to encourage employees to report wrongdoing.
- i. Take insurance coverage to reduce the impact of fraud.

#### 6.2 To prevent and detect vendor fraud:

- a. Formulate a significant mechanism to select vendor services and receive tenders
- b. Implement checks and balances on payments to vendors.
- c. Separate the functions of cheque preparer and cheque signer.
- d. Conduct random audits of vendor files.
- e. Conduct due diligence when setting up vendors by verifying:
- f. Vendor's business name
- g. Tax Registration Number (TRN)
- h. Phone number
- i. PO box and street address
- j. Bank account



- k. Vendor contact person
- l. Use data mining to uncover anomalies and patterns.
- m. Compare vendor addresses with employee addresses.
- n. Implement a dual review process for master vendor file management.
- o. Review the vendor master file to check that the volume of billing is reasonable and consistent.

#### **6.3 To prevent and detect accounting fraud:**

- a. Implement tight internal controls on accounting functions.
- b. Separate the functions of account setup and approval.
- c. Conduct random audits of account payable and accounts receivable records.
- d. Assign a trusted outside contractor to review and reconcile accounts at regular intervals.
- e. Rotate duties of employees in accounts payable and accounts receivable.
- f. Make it mandatory for employees to take vacation time.
- g. Set up an automated positive pay system to detect fraud.
- h. Reconcile balance sheets and payroll accounts each quarter.
- i. Require managers or supervisors to approve timesheets and overtime claims.
- j. Institute mandatory vacations for payroll employees.
- k. Restrict payroll department employees' ability to modify pay rates and hours.
- l. Perform data analytics on payroll records to look for matching addresses, names, bank accounts, etc.
- m. Check payroll records to ensure terminated employees have been removed from the payroll.
- n. Separate tasks of preparing payroll cheques and reconciling payroll account.

#### **6.4 To prevent and detect data theft:**

- a. Restrict access to company proprietary information to only those who need it in the course of their jobs.
- b. Set up IT controls to alert the management of large data downloads or transfers or downloads and transfers that occur at odd times.
- c. Purchase software that alerts management of suspicious activity on a company network, such as an employee trying to access sensitive information.



- d. Dispose of confidential information properly, by shredding documents and completely removing data from electronic devices before redeploying or disposing of them.
- e. Use strong passwords for all computers and devices that can access sensitive information.
- f. Implement a clean-desk policy that prohibits employees from keeping sensitive information on their desks while they are not present.

#### **6.5 Staff Rotation and Mandatory Vacations of front end officers**

- a. Job rotation is the systematic movement of employees from one job to another within the organization to achieve various human resources objectives.
- b. Job rotation and mandatory vacations are the two least used anti-fraud controls by organizations that have been victims of employee theft.
- c. Rotating jobs and requiring employees to take mandatory vacations so other employees can temporarily fill the position were required, this activity may reduce the chances of fraud.
- d. The Manager in charge must rotate its employees at regular intervals among different sections within the same branch or to another branch.

### **7. Policy Administration:**

#### **7.1 Updating the Policy**

- a. Fraud Prevention Officer of Stallion Holdings Limited shall review and update the policy, as and when required.

#### **7.2 Approval of the Policy**

- a. The policy shall be approved by the Boards of Stallion Holdings Limited, as per the Delegation of Authority.

### **8. Responsibilities and Roles**

- a. This section of the document covers the specific roles and responsibilities of the parties/divisions related to the fraud investigation for all types of fraud.

#### **8.1 Board of Directors**

- a. To formulate the investigation team;



- b. To appoint an external investigator, if it deems necessary, for the purpose of conducting external fraud;
- c. To ensure that the investigation team have the appropriate expertise depending upon the nature and scope of the suspected fraud;
- d. To ensure that there is no conflict of interest situation in handling the investigation while appointing the investigation team and evaluate the need for appointing an external investigator if it deems necessary;
- e. To ensure that investigation team including the internal auditor (head of the team) have access to all relevant documents and records and should be given necessary co-operation and assistance by all divisions or branches of the Stallion Holdings Limited during the entire course of investigation including preliminary inquiry;
- f. To ensure that the investigation team, if required, can contact experts or witness outside the Stallion Holdings Limited ;
- g. To ensure that the investigation team conduct the enquiry with due regard to the reputation and rights of all individuals involved and, to the maximum extent possible, the privacy of those who report the fraud in good faith;
- h. To ensure the implementation of the action is conducted by Internal Auditor in a consistent manner;
- i. To appoint, if required, the team for conducting special investigation on the suspected fraud; and
- j. To ensure the special investigation team has the required expertise, depending upon the nature and scope of the suspected fraud, to conduct the investigation process.

## 8.2 Investigation Team

Following are the roles and responsibilities of the Investigation Team:

- a. To conduct the preliminary inquiry, as and when, directed by the Boards;
- b. To initiate the process of investigation immediately after the completion of the preliminary inquiry;
- c. To evaluate the available information including reviewing the relevant documents and interviewing the relevant staffs;
- d. To request the Board, if required, for approving the list of documents further required for the investigation process;



- e. Conduct witness/ suspect interviews associated with fraudulent activity;
- f. To prepare and submit the investigation report to the Board after the completion of the investigation process with the team's recommendation; and
- g. To ensure the confidentiality of the fraud/suspected fraud is maintained by all the team members of the investigation team

### **8.3 Fraud Officer**

The Fraud Officer is responsible for:

- a. Managing, monitoring, and implementing the Stallion Holdings Limited Fraud Control Policy;
- b. Identifying emerging risks and threats and specifying potential areas for operational and analytic improvements;
- c. Streamlining fraud rules to improve customer experience, fraud detection effectiveness, and operational cost;
- d. identifying and evaluating the effectiveness of application fraud controls;
- e. Ensuring controls are in place to mitigate fraud risks.

### **8.4 Internal Auditor**

The responsibilities of an internal auditor include:

- a. Conducting an annual fraud risk control assessment;
- b. Evaluating fraud indicators and taking any other necessary procedures or conducting investigations if needed;
- c. Examining and evaluating the control methods, the role of the organization in the management of the risk of fraud and how effective and sufficient they are;
- d. Communicating regularly that all fraud risks have been considered appropriately.
- e. Evaluating the design and operation of internal controls related to fraud risk management.
- f. Treating in accordance with the established Anti-Fraud policy and procedures potential
- g. Providing adequate knowledge about fraud cases to determine fraud indicators;
- h. Being ready for any opportunity that may allow the commission of fraud such as any weakness in the control methods;



- i. Whistle-blowing and reporting to the competent authorities inside the organization if a fraud case is detected to recommend the conduct of an investigation;
- j. Participating in the Fraud Response Team as required.

## 9. Anti-Fraud Framework

The purpose of this framework is to promote a culture of integrity and honesty within the Stallion Holdings Limited by providing the guidance and information to staff members on how the organization needs to act to prevent, detect, investigate, respond to and report on fraud and corruption. The following elements of the Anti-fraud framework shall be defined below in detail:

### 9.1 Preventive Measures

The Organization has established a comprehensive framework of measures to prevent cases of Fraudulent Acts, as listed below.

### 9.2 Governance and Structure

Stallion Holdings Limited has established a sound governance structure, reporting lines, accountability structures and delegations of authority which allows continuous monitoring of work and behavior of their employees, make them accountable for their work and activities which minimizes and reduces the chances of fraud to have happened.

The tone has been set at the top where the reporting of suspicions shall only be directed to the Board.

### 9.3 Policies and Procedures

Policies help to manage risks and reduces the chances of fraud in the way that it defines the standards and provide workers / employees that what is expected from them for e.g. about their behavior and performance standard, further it demonstrates good faith that workers/ employees will be treated fairly and equally, provide clear framework for delegation of work and communication of information this helps to improve workforce morale, worker retention and job satisfaction which ultimately reduces the chances of fraud.

Stallion Holdings Limited has developed policies and procedures in order to cater the fraud risk and can save the organization from the losses. Following policies has been developed by Stallion Holdings Limited which caters the fraudulent activities:



- a. Risk Management Policy
- b. Code of Conduct and Corporate Governance
- c. Fraud Management Policy

#### **9.4 Code of Conduct**

Stallion Holdings Limited is committed to maintaining the highest standards of ethical conduct. This Code of Business Conduct and Ethics reflects the business practices and principles of behavior that support this commitment.

This Code of Conduct is intended to provide guidance for avoiding situations of conflict and in general to uphold proper conduct.

Stallion Holdings Limited has defined the code of conduct and behaviors in its policies which will allow the users/employees to conduct in a fair and transparent way in all their business dealings and shall remain honest and maintain integrity all the time. These behaviors and work conduct will create an atmosphere of trust and fairness and will not allow the employees to engage any kind of misconduct or fraudulent act.

#### **9.5 Internal Control System**

Stallion Holdings Limited has maintained the sound internal control system which allows many ways to reduce the chances of fraud;

- a. By setting the control environment.
- b. Defining the control structure.
- c. Implementing the risk assessment.
- d. Monitoring and reviewing.
- e. By setting the internal reporting and communication system.

#### **9.6 Fraud and Corruption awareness program**

To ensure that the risk of fraud and corruption is effectively mitigated, Stallion Holdings Limited implements a communications campaign to raise awareness about Fraudulent Acts and their prevention. Stallion Holdings Limited time to time makes its employees aware of how to react



in case of any fraudulent activity occurs and how to prevent fraud and to maintain public confidence.

#### **9.7 Detection of Fraudulent activities**

The following measures have been taken for the discovering of fraud when it occurs:

#### **9.8 External Audits**

Stallion Holdings Limited as per the FCA, HMRC guidelines has appointed external auditors to conduct external audits for their accounts and financials in order to get assurance about the truth and fairness of the financial statements.

#### **9.9 Internal Controls and Audits**

Stallion Holdings Limited appointed an internal auditor for the testing of their internal control system on an on-going basis in order to identify, detect and report about any discrepancies or any abnormalities in their systems or transactions.

#### **9.10 Testing of transactional data for possible indicators of fraud**

Stallion Holdings Limited has appointed a compliance officer and alternate compliance officer who on a regular/daily basis performs screening of customers and monitoring of transactions for the identification and detection of any possible frauds, money laundering, and criminal act.

#### **9.11 Scrutinizing of documents**

Stallion Holdings Limited has established the document scrutinizing process which includes the process for the identification and assessment of the genuineness and completeness of the document trail. For the detection of fraud, it is important for the detailed scrutiny of each document pertaining to suspicious or fraudulent transactions. Every document which relates to any suspicious transactional activity has been subject to the review of the compliance officer.

#### **9.12 Investigation Process**

Fraud/Gross Misconduct is inconsistent with the principles that Stallion Holdings Limited follows in fulfilling its mission and will not be tolerated. If allegations of such fraud/gross misconduct or any related activities which require full investigation are raised or noticed, Stallion Holdings Limited shall conduct a prompt and thorough investigation and ensure the imposition





of appropriate penalties when the allegation is proven. In light of the same, investigation team has been formed to oversee all the investigations on behalf of Stallion Holdings Limited.

- a. The composition of the investigation team shall at a minimum, which include 3 members:
  - i. Manager in Charge / General Manage
  - ii. Senior Accountant
  - iii. Internal Auditor / Fraud Prevention Officer
- b. Anyone who is nominated to the investigation team shall be so nominated after having due regard to conflict of interest situation and the technical expertise required.

#### **9.13 Preventive Actions**

Before conducting a thorough investigation, the investigation team shall consider the following actions to prevent the perpetration of further loss and ensure the safety of all the records. They are:

#### **9.14 Suspension/Monitoring of the Staff**

- a. Evaluate the need for suspending/ terminating any staff who is allegedly involved in the fraud.
- b. Ensure those staff/s who are allegedly involved in the fraud are not in a position to destroy or remove the evidence that may cause a hurdle during the investigation.
- c. Ensure that the suspects are supervised at all possible times before they leave the Stallion Holdings Limited premises and that they are not in a position to remove any property belonging to Stallion Holdings Limited.

#### **9.15 Denying Access to Staff**

- a. Ensure that any security passes, keys to premises, cash chest, offices are returned to the officials at the time of on-going investigation.
- b. Ensure that the suspect's access to critical systems including data is withdrawn and that his/ her access to any critical documents is restricted as deemed fit.
- c. Evaluate the need and ways and means to deny access to the Stallion Holdings Limited while the suspect remains suspended. The same should be in line with the Labor Law.



#### **9.16 Securing the Passport of the Staff**

- a. Evaluate the need to confidentially advise Manager In-charge to ask the suspected staff/s to submit their passport/ emirates id/ visa document.
- b. Ensure Manager In charge does not release the passport/id/ visa document of the suspects until completion of the investigation process and to ensure that the document is in a secured environment.

#### **9.17 Legal Action against the staff**

- a. Evaluate the need for any police advise and filing of the First Information Report (FIR).
- b. Evaluate the need for any immediate legal action or for notifying the relevant regulatory authority pending finalization of the investigation by getting external legal advice.

#### **9.18 Minimizing the quantum of loss**

- a. Evaluate actions to stop the loss.
- b. The investigation team shall discuss all the aforesaid preventive actions with management and shall seek Boards' approval for implementing the actions.

#### **9.19 Detailed Investigation - Internal**

- a. To conduct the investigation, the investigation team should prepare, at a minimum, the following:
- b. A list of documents that should be requested clearly indicating the source of such documents and the person by whom it is retained and the purpose for which such documents should be reviewed (document trail).
- c. A list of individuals who should be interviewed including the complainant (if known), employees of the Stallion Holdings Limited and their family members (cases to case basis), customers, any other persons whom the Investigation Team may deem necessary including any individuals/ vendors/ companies who are not under the employment of Stallion Holdings Limited but may be associated with the fraudulent activity under investigation.
- d. Any other matter which the team considers necessary to be summoned to substantiate the fraud.



- e. The aforesaid list and procedures, if any, should be approved by the Board and all cases where an external entity, (an entity other than the Stallion Holdings Limited employees) is to be contacted, also should be approved by Board.

#### **9.20 Investigative process**

- a. Upon obtaining the approval of the concerned authority, the Internal Auditor along with the other members of the Investigation Team should notify the respondents in writing of the commencement of the process as soon as possible.
- b. The respondent(s) will be interviewed as part of the investigative process. All investigation sessions should be minuted and all evidence properly tagged with exhibits numbers to corroborate the findings.
- c. Internal Auditor along with the other members of the Investigation Team shall ensure that the entire investigation process remains confidential and shall have due regard to the reputation and rights of all individuals involved and, to the maximum extent possible, the privacy of those who report the fraud in good faith.
- d. The respondent may be asked to present personal data such as bank account statements, mobile phone and personal email records which can become a part of the evidence.

#### **9.21 Timeframe & Status Update**

- a. Internal Auditor along with the other members of the Investigation Team shall ensure that the investigation is completed within a reasonable time frame. If during the investigation process, the team opines that circumstances warrant a period longer than a month to conclude the investigation; the investigation record must include documentation of the reasons.
- b. Internal Auditor along with the other members of the Investigation Team shall provide a weekly status report to the Board detailing the status of the investigation.

#### **9.22 Detailed Investigation - External**

- a. In case of an external fraud committed by the customer of the Stallion Holdings Limited, Stallion Holdings Limited shall perform, in addition to all the activities mentioned in the internal fraud procedures, the following procedures:



- b. The Investigation Team shall immediately take necessary actions including freezing the account of the customer involved in the fraud/suspected fraud or any other legal actions, as it may deem necessary, with prior approval from Board and after taking an expert legal opinion;
- c. In respect to cases pertaining to anti-money laundering fraud, the Board shall delegate the investigation to the specialized AML investigation team who shall take appropriate action as per the policy of Stallion Holdings Limited after due consideration of advice from the Board;
- d. The Board may appoint an external investigator if it deems necessary for the purpose of conducting the fraud investigation;
- e. In case, an external investigator is appointed, the Board shall be responsible to approve the scope and terms of reference of the external investigator;
- f. In case the fraud is proven against the customer, the Investigation team, under the advice to the Board, shall ensure that the customer involved in the fraud is blacklisted and shall report/update the Police Authorities, UKFIU, HMRC.

### 9.23 Concluding the Fraud Investigation process

#### a. Investigation Report / Fraud Incident Register

- i. At the conclusion of the investigation pertaining to all types of frauds, members of the Investigation Team shall submit a written report/investigation register to the Board immediately when the amount of loss is equal to or above GBP 50,000. The report shall, at the minimum, include:
  - i. Date of Fraud Incident
  - ii. Date of Reporting
  - iii. Authorities Reported
  - iv. Fraud Reported by
  - v. Fraud Committed by
  - vi. Fraud Type
  - vii. Place of Fraud
  - viii. Damage Caused to Company
  - ix. Members involved and their Designation for Fraud Investigation
  - x. Disciplinary Action



- xi. Others Action Taken
- xii. Loss Incurred Due to Fraud
- xiii. Acceptance of Loss by Insurance
- xiv. Percentage of Loss Covered by Insurance

The report shall provide and summarize all facts of the case and evidence etc. for the Fraud review Group to take a further decision like Major category or minor category etc.

#### **9.24 Follow-up of Action Plan**

The Internal Auditor shall be responsible to follow up with the relevant division for the smooth implementation of the action plan. Internal Auditor shall follow-up on the following and provide the status update report to the Board on a weekly basis. They are the following:

#### **9.25 Disciplinary Action**

Internal Auditor shall ensure that Manager In-charge / GM has taken appropriate disciplinary actions in accordance with the final decision approved by the Board.

#### **9.26 Insurance Claims**

- a. Internal Auditor shall ensure that Accounts team implement the following actions in relation to claiming insurance from the insurance companies:
- b. To inform the insurance companies about the occurrence of the fraud and the probable loss.
- c. To claim from the insurers the actual loss incurred by the Stallion Holdings Limited due to the occurrence of the fraud and to coordinate with the insurance company on the documents required to be submitted for claiming the insurance.
- d. To identify the reasons from the insurance company for the delay in the payment of the loss or for the partial claim accepted by the insurance company or for the complete rejection of the claim.
- e. To identify the accounting entry and the Loss Write off Accounts to be used to book the write off transaction, in case the amount cannot be claimed for insurers (partially or in total).



#### **9.27 Informing to FCA**

Internal Auditor shall ensure that the Compliance department informs FCA by using the “DISP 1.10B”

#### **10.REP017 Payments Fraud Reporting**

Stallion Holdings Limited must send FCA statistical data on fraud affecting different all type of payment. Report will be made based on following regulation and This should be submitted in accordance with the method and form specified in the Supervision Manual (SUP 16.13.5 to 16.13.8A).

#### **11.REP018 Operational Risk Reporting**

Stallion Holdings Limited is required under the Payment Services Regulations 2017 (PSRs 2017) and the Electronic Money Regulations 2011 (EMRs) to provide certain data and information to us either periodically or under specified circumstances. Via RegData (as applicable)

#### **12.Development and Training Requirements**

Stallion Holdings Limited must ensure that:

- a. Appropriate and documented anti-fraud training is provided to all employees;
- b. Two such trainings are provided to employees during the first year of their employment and annual training is given thereafter;
- c. Training is provided to prevent fraud incidents from taking place at Stallion Holdings Limited ;
- d. Training covers fraud typologies, fraud detection, fraud prevention, the Stallion Holdings Limited policies/procedures, and reporting procedures at a minimum; and
- e. Employees are assessed annually to test their understanding of fraud prevention measures.
- f. Pieces of training on crucial topics such as data analytics, cyber-attacks and use of adequate software's to combat these threats should be provided to every employee



**Summary of key principles- For illustrative purpose only:**



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