AML/CFT ISSUES GUIDE FOR PROCEDURES MANUALS

ISSUES TO BE ADDRESED IN LICENSEE'S AML/CFT PROCEDURES MANUAL

1. Introduction of AML/KYC/CFT

i) Define the terms above
i) Detail the purpose of the manual
ii) Comment on BOD/Senior Management's commitment

2. AML – Procedures (Identifying risks)

i) Risk assessment (high, low) say what policies are in place, explain the risk assessment process
ii) Detail the responsibility of board (if any) for AML/CFT compliance
iii) Outsourcing – policy and criteria for selection process
iv) Responsibility of money laundering reporting officer
v) Responsibility of money laundering compliance officer

3. KYC/Customer Due Diligence

i) When is CDD obtained
ii) Measures to be applied by service provider
iii) Identification/verification information of individual clients
iv) Identification/verification information on corporate entities
v) Identification/verification of directors and beneficial owners
vi) Identification/verification information, trusts and trustees
vii) Identification/verification information foundations

4. Enhanced CDD

i) Non- face-to-face business
ii) PEPs
iii) Identification and approval process

5. Reliance on third parties

i) Intermediaries & introducers
i) Documentation required
ii) Certification required
iii) Process of approval

6. Record keeping and Training

i) Transaction records- protection of data
ii) Records containing suspicious transaction etc.
iii) Records containing policies, systems and controls and training
iv) Reviews of record keeping procedures

7. Reporting of suspicious transaction

i) What is a suspicious transaction
ii) Internal reporting procedures

iii) MLRO reporting procedures
iv) Evaluation of SARS by MLRO
v) Reports to Reporting Authority
vi) Documenting SARS

8. Board /Senior Management approval of procedures