

CHECK-LIST

relating to the INTERNAL DIRECTIVES in MLA matters to be submitted by candidates for affiliation to ARIF

The **directives relating to the internal controls and organisation in anti-money laundering and terrorist financing matters** drafted by the candidates and submitted to the Admission Commission together with their applications, should tend to establish that the candidates have taken due note of their legal obligations and that they have adapted accordingly their internal controls so as to ensure the effective respect of such obligations taking into account the size and complexity of their companies, as well as the nature, volume and diversity of their activities.

These internal directives (not consisting of simple cross-references to the ARIF directives) should accordingly contain provisions relating in particular to :

• Organisation and internal control (= directive 7)

- tasks, responsibilities and powers of the MLA officer
- tasks and objectives of the individuals in contact with clients
- tasks and responsibilities of the management

• MLA Register(= directive 8)

- nature and content of the register
- description of the specific section of the MLA officer

• Procedure for entering into a business relationship (= directive 9)

- distribution of tasks amongst members of staff and management in the company (*note : may be coupled with the point « Organisation and internal control »*)
- indication/reminder (*note: according to the wording of the documents*) of the information to obtain with regard to i) identification of the persons involved in the relationships, ii) assessment of their financial situation and of the economic/geographic origin of the assets to be held
- use of a separate form for each relationship

• Verification of the identity of the contracting party (= directive 2)

- principle of the verification and nature specific aspects of cash and exchange transactions
- information and documents requested for natural persons
- information and documents requested for legal entities (incl. authority to bind the entity and persons opening the business relationship)
- form and treatment of documents
- failure to verify, breaking off precontractual negotiations, duty to report (if founded suspicion)

• Identification of the beneficial owner (= directive 3)

- principle and form of the verification, and nature specific aspects of cash and exchange transactions
- information required : natural persons; legal entities; types specific situations of trusts/foundations and collective investments (*note : according to the activity of the candidate*)
- failure to verify, breaking off precontractual negotiations, duty to report (if founded suspicion)

• Renewal of the verifications (= directive 4)

- statement of the circumstances

• Clarification and increased vigilance (= directive 5)

- knowledge of the nature and purpose of each business relationship
- definition of business relationships / transactions that require clarification of their economic background and their purpose, and increased vigilance
- means and criteria to detect such relationships / transactions
- contents and aim of the clarification
- behaviour to adopt and follow-up
- failure to clarify

• Reporting well-founded suspicions, freezing of assets, prohibition of information
(= directive 13)

- verification and occurrence of well-founded suspicions of money laundering or terrorism financing (incl. at the stage of precontractual negotiations)
- reporting procedure, form, deadlines
- freezing the assets (according to circumstances)
- maintaining secrecy, significance, duration, attitude towards others financial intermediaries
- fate of the relationship in question

• Delegation of the duties of diligence (= directive 10)

- between financial intermediaries
- to "auxiliaries"

• Retention of documents (= directive 6)

- types of documents to keep
- purpose of the retention, form, duration, place

• Training (= directive 11)

- persons obliged to attend training
- purpose of the training
- nature and content of the knowledge to be acquired

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