



Manual for  
The Prevention of Money Laundering  
and Terrorist Financing  
Risk Based Approach Know Your Client Guidelines

## 1. General Definitions

For the purposes of this Manual, and unless the context otherwise requires:

**'Act'** means the Proceeds of Crime Act, 2013;

**'AML/CFT Compliance Officer'** means the person appointed by ePlanet Brokers as its AML/CFT compliance officer under the Regulations;

**'AML/CFT Reporting Officer'** means the person appointed by ePlanet Brokers as its AML/CFT reporting officer under the Regulations;

**'Beneficial Owner'** means

- (a) an individual who is an ultimate beneficial owner of the Legal Person, partnership or legal arrangement, whether or not the individual is the only beneficial owner;
- (b) an individual who exercises ultimate control over the management of the Legal Person, partnership or legal arrangement, whether alone or jointly with any other person or persons, regardless of whether the ultimate ownership or control is direct or indirect. For the avoidance of doubt, an individual is not deemed to be the Beneficial Owner of a company, the securities of which are listed on a recognized exchange;

**'Business Relationship'** means a business, professional or commercial relationship between ePlanet Brokers and a customer which is expected by ePlanet Brokers, at the time when contact is established, to have an element of duration;

**'Customer Due Diligence Information'** means Identification Information and Relationship Information;

**'Customer Due Diligence Measures'** means

- (1) the measures for:
  - (a) identifying a customer;
  - (b) determining whether the customer is acting for a Third Party and, if so, identifying the Third Party;
  - (c) verifying the identity of the customer and any Third Party for whom the customer is acting;
  - (d) identifying each Beneficial Owner of the customer and Third Party, where either the customer or Third Party, or both are not individuals;
  - (e) taking reasonable measures, on a risk-sensitive basis, to verify the identity of each Beneficial Owner of the customer and Third Party so that ePlanet Brokers is satisfied that it knows who each Beneficial Owner is, including, in the case of a Legal Person, partnership, Foundation, trust or similar arrangement, taking reasonable measures to understand the ownership and control structure of the Legal Person, partnership, Foundation, trust or similar arrangement; and
  - (f) obtaining information on the purpose and intended nature of the Business Relationship or Occasional Transaction. Such measures include where the customer is not an individual, measures for verifying that any person purporting to act on behalf of the customer is authorized to do so, identifying that person and verifying the identity of that person.

(2) Where ePlanet Brokers is required to verify the identity of a person, it shall verify that person's identity using documents, data or information obtained from a reliable and independent source.

**'Director'** in relation to a Legal Person means a person appointed to direct the affairs of the Legal Person and includes a person who is a member of the governing body of the Legal Person and a person who, in relation to the Legal Person, occupies the position of director by whatever name called;

**'Domestic Politically Exposed Person'** means a person who is or has been entrusted with a prominent public function by the State;

**'FATF'** means the international body known as the Financial Action Task Force or such other international body as may succeed it;

**'FATF Recommendations'** means the FATF Recommendations, Interpretive Notes and Glossary issued by the FATF in February 2012, incorporating such amendments as may from time to time be made to the Recommendations or such document or documents issued by the FATF as may supersede those Recommendations;

**'Foreign Politically Exposed Person'** means a person who is, or has been entrusted with a prominent function by an international organization;

**'Foundation'** means a foundation, wherever established;

**'Identification Information'** is information used to identify a person required by the Regulations to be identified and as specified in the Code;

**'Intermediary'** means a person who has or seeks to establish a Business Relationship or to carry out an Occasional Transaction on behalf of his or her customer with ePlanet Brokers, so that Intermediary becomes a customer of ePlanet Brokers;

**'Introducer'** means a person who has a Business Relationship with a customer and who introduces that customer to ePlanet Brokers with the intention that the customer will form a Business Relationship or conduct an Occasional Transaction with ePlanet Brokers so that the Introducer's customer also becomes a customer of ePlanet Brokers;

**'Legal Person'** includes a company, a partnership, whether limited or general, an association or any unincorporated body of persons, but does not include a trust;

**'Occasional Transaction'** means a transaction that is carried out otherwise than as part of a Business Relationship, and is carried out as:

- (a) a single transaction; or
- (b) two or more linked transactions where it appears at the outset to any person handling any of the transactions that the transactions are linked or at any later stage it comes to the attention of the person handling any of those transactions that the transactions are linked, that amount to \$ 2500 where it is a transaction or linked transaction carried out on the course of a money services business or \$ 10,000 in the case of any other transaction or linked transaction;

**'Ongoing Monitoring'** means with regards to a Business Relationship:

- (a) scrutinizing transactions undertaken throughout the course of the relationship,

including where necessary the source of funds to ensure that the transactions are consistent with ePlanet Brokers' knowledge of the customer and the customer's business and risk profile; and

- (b) keeping the documents, data or information obtained for the purpose of applying Customer Due Diligence measures up-to-date and relevant by undertaking reviews of existing records.

**'Politically Exposed Person'** means a Foreign Politically Exposed Person, a Domestic Politically Exposed Person or a person who is, or has been entrusted with a prominent function by an international organization;

**'Relationship Information'** means information concerning the Business Relationship or proposed Business Relationship between an ePlanet Brokers and its customer;

**'Relevant Business'** means a business which, if carried on by a person, would result in that person being an ePlanet Brokers;

**'Terrorism, Terrorist Financing, Terrorist Financing Disclosure'** are as defined in the Anti-Terrorist Financing and Proliferation Act, 2014.

**'Third Party'** means a person for whom a customer is acting.

## 2. Customer Due Diligence

2.1 ePlanet Brokers shall:

- (a) obtain Customer Due Diligence Information on every customer, Third Party and Beneficial Owner; and
- (b) verify the identity of the customer and any Third Party and take reasonable measures on a risk sensitive basis, to verify the identity of each Beneficial Owner in accordance with this Manual.

2.2 Customer Due Diligence Measures shall be applied:

- (a) before ePlanet Brokers establishes a Business Relationship or carries out an Occasional Transaction;
- (b) where ePlanet Brokers suspects money laundering or terrorist financing or doubts the veracity or adequacy of documents, data or information previously obtained under its Customer Due Diligence Measures or when conducting Ongoing Monitoring; and
- (c) for existing customers at other appropriate times as determined on a risk-sensitive basis and at least once every five-year period.

2.3 Customer Due Diligence Information shall be obtained where:

- (a) there is a change in the Identification Information of a customer;
- (b) there is a change in the Beneficial Ownership of a customer; or
- (c) when there is a change in the Third Parties or the Beneficial Ownership of Third Parties.

2.4 ePlanet Brokers may complete the verification of the identity of the customer, Third Party or Beneficial Owner after the establishment of a Business Relationship if:

- (a) it is necessary not to interrupt the normal conduct of business;
- (b) there is little risk of money laundering or terrorist financing occurring as a result; and

(c) verification of identity is completed as soon as reasonably practicable after contact with the customer is first established. Where it cannot be completed, ePlanet Brokers shall terminate the Business Relationship with the customer.

2.5 ePlanet Brokers shall conduct Ongoing Monitoring of a Business Relationship and where unable to do so, it shall terminate the Business Relationship.

2.6 Where ePlanet Brokers is unable to apply Customer Due Diligence Measures before the establishment of a Business Relationship or before the carrying out of an Occasional Transaction in accordance with this Manual, ePlanet Brokers shall not establish the Business Relationship or carry out the Occasional Transaction.

2.7 Where ePlanet Brokers is unable to apply the measures, verify the identity or undertake Ongoing Monitoring, it shall consider whether it is required to make a money laundering disclosure or terrorist financing disclosure.

### **3. Risk Based Approach**

3.1 In accordance with the provisions contained in this Section 3 and in Schedule 1, ePlanet Brokers shall at all times apply a risk-sensitive approach to determining the extent and nature of:

- (a) the Customer Due Diligence Measures to be applied to a customer and to any Third Party or Beneficial Owner; and
- (b) its Ongoing Monitoring of a Business Relationship.

3.2 In doing so, it shall:

- (a) assess the risk that any Business Relationship or Occasional Transaction involves, or will involve, money laundering or terrorist financing, depending upon the type of customer, Business Relationship, product or transaction and consider on a risk-sensitive basis, whether further identification or Relationship Information is required;
- (b) on the basis of the Customer Due Diligence information obtained and the information obtained under paragraph (a) prepare and record a risk assessment with respect to the customer;
- (c) periodically update the Customer Due Diligence information that it holds and adjust the risk assessment it has made accordingly.

3.3 In preparing a risk assessment with respect to a customer, ePlanet Brokers shall take account of all relevant risks and shall consider, in particular, the relevance of the following risks:

- (a) customer risk;
- (b) product risk;
- (c) delivery risk; and
- (d) country risk.

3.4 ePlanet Brokers shall be able to demonstrate at all times that:

- (a) the extent of the Customer Due Diligence Measures applied in any case is appropriate having regard to the circumstances of the case, including the risks of money laundering and terrorist financing; and
- (b) it has obtained appropriate information to carry out the risk assessments required.

3.5 ePlanet Brokers shall, on a risk-sensitive basis, apply enhanced due diligence measures and undertake enhanced Ongoing Monitoring:

- (a) where the customer has not been physically present for identification purposes;

- (b) where ePlanet Brokers has, or proposes to have, a Business Relationship with, or proposes to carry out an Occasional Transaction with, a person connected with a country that does not apply, or insufficiently applies the FATF Recommendations;
- (c) where ePlanet Brokers has or proposes to have a Business Relationship with, or to carry out an Occasional Transaction with, a Foreign Politically Exposed Person or a family member or close associate of a Foreign Politically Exposed Person;
- (d) where any of the following is a Foreign Politically Exposed Person or a family member or close associate of a Foreign Politically Exposed Person:
  - (i) a Beneficial Owner of the customer;
  - (ii) a Third Party for whom a customer is acting;
  - (iii) a Beneficial Owner of a Third Party for whom a customer is acting;
  - (iv) a person acting, or purporting to act on behalf of the customer;
- (e) where a customer, transaction or Business Relationship involves:
  - (i) private banking, Legal Persons or arrangements, including trusts, that are personal asset holding vehicles; or
  - (ii) companies that have nominee shareholders or shares in bearer form; and
  - (f) in any other situation which by its nature can present a higher risk of money laundering or terrorist financing.

3.6 ePlanet Brokers shall apply the following additional measures when it is applying due diligence measures to non-face-to-face customers:

- (a) perform at least one additional check designed to mitigate the risk of identity fraud; and
- (b) apply such additional enhanced Customer Due Diligence Measures or undertake enhanced Ongoing Monitoring as it considers appropriate.

3.7 ePlanet Brokers is not required to apply Customer Due Diligence Measures before establishing a Business Relationship or carrying out an Occasional Transaction where it has reasonable grounds to believe that the customer is a service provider, foreign regulated person, public authority in the State or a company the securities of which are listed on a recognized exchange.

3.8 ePlanet Brokers shall not set up or maintain a numbered account, an anonymous account or an account in a name which it knows or has reasonable grounds to suspect, is fictitious.

## 4. Introducers and Intermediaries

4.1 ePlanet Brokers may rely on an Introducer or an Intermediary to apply Customer Due Diligence Measures with respect to a customer, Third Party or Beneficial Owner if:

- (a) the Introducer or Intermediary is a regulated person or a foreign regulated person; and
- (b) the Introducer or Intermediary consents to being relied on, and shall immediately obtain the Customer Due Diligence Information from the Introducer or Intermediary.

4.2 Before relying on the Introducer or Intermediary, ePlanet Brokers shall obtain adequate assurance in writing from the Intermediary or Introducer that they:

- (a) have applied the Customer Due Diligence Measures for which ePlanet Brokers intends to rely on;
- (b) are required to keep and do keep a record of the evidence of identification relating to each of the customers of the Intermediary or Introducer;
- (c) will without delay provide the information in that record to ePlanet Brokers or any supervisory authority if so required.

- 4.3 Before relying on the Introducer or Intermediary, ePlanet Brokers shall:
- (a) satisfy itself that the Intermediary or Introducer is a regulated person or a foreign regulated person and has all the procedures in place to undertake Customer Due Diligence Measures.
  - (b) assess the risk of relying on the Intermediary or Introducer with a view to determining:
    - (i) whether it is appropriate to rely on the Intermediary or Introducer; and
    - (ii) if it considers it is so appropriate, whether it should take any additional measures to manage the risk.
  - (c) obtain in writing from the Introducer:
    - (i) confirmation that each introduced customer is an established customer of the Introducer; and
    - (ii) sufficient information about each introduced customer to enable it to assess the risk of money laundering and terrorist financing involving that customer.
  - (d) obtain in writing from the Intermediary sufficient information about the customer for whom the Intermediary is acting to enable the service provider to assess the risk of money laundering and terrorist financing involving that customer.
- 4.4 ePlanet Brokers shall:
- (a) make and retain records detailing the risk assessment carried out and any additional risk mitigation measures it considers appropriate; and
  - (b) retain in its records the assurances and confirmations it has obtained and the information it has sought and obtained.

## **5. Policies, Procedures, Systems, Controls, Record Keeping and Training**

- 5.1 ePlanet Brokers shall establish, maintain and implement appropriate risk-sensitive policies, procedures, systems and controls to prevent and detect money laundering and terrorist financing, including policies, systems and controls relating to:
- (a) Customer Due Diligence Measures and Ongoing Monitoring;
  - (b) the reporting of disclosures;
  - (c) record keeping;
  - (d) the screening of employees;
  - (e) internal controls;
  - (f) risk assessment and management; and
  - (g) monitoring and management of compliance with, and the internal communication of, its policies, systems and controls to prevent and detect money laundering and terrorist financing, including those specified above.
- 5.2 The policies, systems and controls must provide for:
- (a) the identification and scrutiny of:
    - (i) complex or unusually large transactions;
    - (ii) unusual patterns of transactions which have no apparent economic or visible lawful purpose; and
    - (iii) any other activity which ePlanet Brokers regards as particularly likely by its nature to be related to the risk of money laundering or terrorist financing.
  - (b) The taking of additional measures, where appropriate, to prevent the use for money laundering or terrorist financing of products and transactions which are susceptible to anonymity; and
  - (c) determining whether:
    - (i) a customer, any Third Party for whom the customer is acting and any Beneficial Owner of the customer or Third Party, is a politically exposed person or a family member or close associate of a politically exposed person;

- (ii) a Business Relationship or transaction or proposed Business Relationship or transaction is with a person connected with a country that does not apply or insufficiently applies the FATF Recommendations;
- (iii) a Business Relationship or transaction or proposed Business Relationship or transaction is with a person connected with a country that is subject to measures for purposes connected with the prevention and detection of money laundering or terrorist financing, imposed by one or more countries or sanctioned by the European Union or the United Nations.

5.3 ePlanet Brokers shall maintain adequate procedures for monitoring and testing the effectiveness of the policies and procedures maintained in this Section 5 and the training provided as required herein.

5.4 ePlanet Brokers shall keep all records in a form that enables them to be made available on a timely basis when lawfully required, to any supervisory authority or regulatory body as may be required.

5.5 The records required to be kept include:

- (a) a copy of the evidence of identity obtained pursuant to the application of Customer Due Diligence Measures or Ongoing Monitoring or information that enables a copy of such evidence to be obtained;
- (b) the supporting documents, data or information obtained in respect of a Business Relationship or Occasional Transaction which is the subject of Customer Due Diligence Measures or Ongoing Monitoring;
- (c) a record containing details relating to each transaction carried out by ePlanet Brokers in the course of any Business Relationship or Occasional Transaction with sufficient information to enable the reconstruction of individual transactions;
- (d) all account files;
- (e) all business correspondence relating to a Business Relationship or an Occasional Transaction.

5.6 Records shall be kept in such manner that:

- (a) facilitates Ongoing Monitoring and periodic updating;
- (b) ensures that they are readily accessible to ePlanet Brokers;
- (c) enables the supervisory authority, internal and external auditors and other competent authorities to assess the effectiveness of systems and controls that are maintained by ePlanet Brokers to prevent and detect money laundering and terrorist financing.

5.7 The AML/CFT compliance officer and other appropriate employees shall have timely access to all customer Identification Information records, other Customer Due Diligence information, transaction records and other relevant information and records necessary for them to perform their functions.

5.8 ePlanet Brokers shall take appropriate measures for the purposes of making employees whose duties relate to the provision of relevant business aware of:

- (a) the anti-money laundering and counter-terrorist financing policies, procedures, systems and controls maintained by ePlanet Brokers; and
- (b) the relevant laws relating to money laundering and terrorist financing offences, and,

shall provide them with training in the recognition and handling of:

- (i) transactions carried out by or on behalf of any person who is or appears to be engaged in money laundering or terrorist financing; and
- (ii) other conduct that indicates that a person is or appears to be engaged in money laundering or terrorist financing.



## 6. Compliance and Reporting Obligations

6.1 The principal functions of the AML/CFT reporting officer are to:

- (a) receive and consider internal money laundering and terrorist financing disclosures;
- (b) consider whether a suspicious activity report should be made to any regulatory authorities and if so, submit such report.

6.3 The principal function of the AML/CFT compliance officer is to oversee and monitor ePlanet Brokers's compliance with all relevant legislation for the time being in force concerning money laundering and terrorist financing.

6.4 The AML/CFT reporting officer and the AML/CFT compliance officer shall:

- (a) be an employee of ePlanet Brokers or of a company in the same group as ePlanet Brokers;
- (b) have the appropriate skills and experience and otherwise be fit and proper to act as ePlanet Brokers's AML/CFT reporting officer and AML/CFT compliance officer;
- (c) possess sufficient independence to perform his or her role objectively;
- (d) have sufficient seniority in the organisational structure of ePlanet Brokers to undertake his or her responsibilities effectively and in particular, to ensure that his or her requests, where appropriate, are acted upon by ePlanet Brokers and its staff and his or her recommendations properly considered by the board;
- (e) report regularly and directly to the board and have regular contact with the board;
- (f) have sufficient resources, including time, to perform the functions of AML/CFT compliance officer and AML/CFT reporting officer effectively;
- (g) have unfettered access to all business lines, support departments and information necessary to perform the functions of AML/CFT reporting officer and AML/CFT compliance officer effectively; and
- (h) have timely access to all records that are necessary or expedient for the purpose of performing his or her functions as AML/CFT reporting officer or AML/CFT compliance officer.
- (i)

### **Schedule 1 Risk Based Approach for KYC & AML**

In this review of the current procedures for new client acquisition, ePlanet Brokers Ltd, has used information provided through the FATF website [www.fatf-gafi.org](http://www.fatf-gafi.org)

ePlanet Brokers Ltd, relies on the various publications of the FATF and its regional bodies (FSRBs) and updates itself on any changes during the course of the year. There are 38 members of FATF. Residents of the United Kingdom along with residents of jurisdictions who are members of the EEA and FATF are considered 'Low Risk'.

In addition, the nine FSRBs have an essential role in promoting the effective implementation of the FATF Recommendations by their membership and in providing expertise and input in FATF policy-making. Over 190 jurisdictions around the world have committed to the FATF Recommendations through the global network of FSRBs and FATF memberships.

ePlanet Brokers Ltd, considers these jurisdictions as 'Medium Risk' and requires a level of 'Heightened Due Diligence'. 'High Risk' and other monitored jurisdictions will be evaluated on a case by case nature as to ensure fair play in a non-prejudicial style. ePlanet Brokers Ltd, will NOT deal with Sanctioned jurisdictions.

## **Due diligence requirements for individual clients or company representatives (Table 1)**

ePlanet Brokers Ltd has assessed its current client base and has identified that there are various levels of risks when engaging with new clients:

1. **Low and Medium risk** – where clients originate from Low and Medium Risk jurisdictions it will carry the required Due Diligence and rely on CreditSafe to validate the Client's passport and check it against the CreditSafe sanction lists. The firm also uses information provided by the government of the United Kingdom.
2. **High risk** – Where clients originate from a High Risk Jurisdiction, it will carry Third Party checks and Enhanced Due Diligence on all new clients, requesting that all documents should be certified by a competent person.
3. **Sanction List and Very High risk** – Where individuals are from countries that are in the Sanction list or have been identified as VERY high risk, ePlanet Brokers Ltd will not carry any business with those individuals ( See list1 Below). Compliance maintains a FATF Country Watch List and updates it periodically.

The Account Representative prospecting the new client familiarise themselves with the various risk levels and obtain the necessary information from the client.

## **Due diligence requirements for Corporate clients (Table 2)**

- As with Individuals, the Due Diligence for companies is guided by the same principles of risk and are described in Table 2
- Offshore Jurisdictions (Mauritius, Seychelles, Belize, BVI etc.) will be treated as High Risk.

**Table 1- Individuals**

<b>Risk Category</b>	<b>Location</b>	<b>Primary Verifiers</b>	<b>Secondary Verifiers</b>
<b>LOW</b>	UK only	Creditsafe online search pass	Copy of Passport <sup>1</sup> or National ID card Copy of 1x address document <sup>2</sup>
		Copy of Passport <sup>1</sup> or National ID card <sup>1</sup> Copy of 1x address document <sup>2</sup>	Refer to MLRO where Primary verifiers are not available
<b>MEDIUM</b>	EEA only	Copy of Passport <sup>1</sup> or National ID card <sup>1</sup> Copy of 2x address documents <sup>2</sup>	Please refer to MLRO where Primary verifiers are not available – other certified documents will be required. Guidance will be provided on country specifics.
	FATF only	Copy of Certified Passport <sup>1</sup> or National ID card <sup>1</sup> (A driving licence would not be acceptable)	
<b>HIGH</b>		Copy of 1 certified address document <sup>2</sup>	Please refer to MLRO where Primary verifiers are not available – other certified documents will be required
	Others	Certified copy of Passport or National ID card <sup>4</sup> Certified copy of 2x address documents <sup>5</sup>	

**Notes:**

PEP/Sanctions check must be undertaken via CreditSafe for each new customer relationship.

**All documentation provided in a language other than English must be translated into English.**

This translation must be certified (dated, signed and stamped) by the individual undertaking the translation.

i.e.

- **Notary Public**
  - **Solicitor**
- UK consulate**

**\*\*\*For the avoidance of doubt. No other forms of certification from firms/persons will be accepted (e.g. Accountant/Auditor)\*\*\***

- Proof of ID. Passport is the first option and most commonly used form of ID (and/or National ID card). Details must be legible and must pass the Creditsafe Passport verification check (i.e. must include machine readable code).
- Proof of Address. Documents can include driving licence, utility bill and/or bank statement. Documents provided must be current (within 3 months of application date).
- For list of EEA and FATF countries/territories, please refer to Appendix A

**Table 2- Companies**

Type of Customer	Primary Verifiers	Individuals within corporate customer firm that require personal verification (see Table 1 for details)	Additional documentation required	Notes
Public Limited Company (listed on a recognised exchange)	Exchange webprint evidencing listing	None	Evidence that individuals retain appropriate corporate authorisation to undertake transactions (e.g. authorised signatory list)	→This could be evidenced by company resolution
FCA regulated institution or other firm subject to UK AML regulations or equivalent	Webprint evidencing regulatory status	None	Evidence that individuals retain appropriate corporate authorisation to undertake transactions (e.g. authorised signatory list)	Refer to MLRO to discuss status of prospective corporate customer
UK Private Limited Company	WebCheck search pass which confirms the following information: •Full name •Registered number •Registered office •Business address •Names of all Directors •Names of all individuals and/or Corporate owners who own or control over 25% of its shares or voting rights	•Directors •25% or greater individuals and/ or Corporate owners who own or control over 25% of its shares or voting rights •Ultimate beneficial owner(s) •Individuals authorised to undertake transactions	Evidence that individuals retain appropriate corporate authorisation to undertake transactions (e.g. authorised signatory list)	
Overseas Corporation	CreditSafe Offline search pass which confirms the following information: •Full name •Registered number •Registered office •Business address •Names of all Directors •Names of all individuals and/or Corporate owners who own or control over 25% of its shares or voting rights	•Directors •25% or greater individuals and/ or Corporate owners who own or control over 25% of its shares or voting rights •Ultimate beneficial owner(s) •Individuals authorised to undertake transactions	Evidence that individuals retain appropriate corporate authorisation to undertake transactions (e.g. authorised signatory list) – this will be by way of a company board resolution.	Refer to MLRO where Equifax service is unable to provide all Primary Verifiers – other certified documents will be required If this information is not verifiable by third parties, then a certification by the company's lawyer of Directors and Ultimate Beneficiary owners should be obtained.
Other entities including investment clubs, trusts & charities				Refer to MLRO