



- Politically Exposed Persons -

**Guideline issued by the Financial Intelligence Unit under Section 9(4)e(iv) of the Anti-Money
Laundering Countering the Financing of Terrorism Act No. 13 of 2009**

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II. Table of Acronyms

AML	Anti-Money Laundering
AML/CFT	Anti-Money Laundering & Countering the Financing of Terrorism
CDD	Customer Due Diligence
CFATF	Caribbean Financial Action Task Force
CFT	Countering the Financing of Terrorism
DNFBPs	Designated Non-Financial Businesses or Professions
EDD	Enhanced Due Diligence
FATF	Financial Action Task Force
FIU	Financial Intelligence Unit
FT	Financing of Terrorism
ML	Money Laundering
PEP	Political Exposed Person
RBA	Risk Based Approach
RE	Reporting Entity
SA	Supervisory Authority
SDD	Simplified Due Diligence
STR	Suspicious Transaction Report

III. Definition of Key terms

Beneficial ownership	“Beneficial ownership” means ownership by a natural person or persons who ultimately exercise individually or jointly voting rights representing at least twenty-five per cent of the total shares, or otherwise have ownership rights of a legal entity; or ownership by a natural person or persons who ultimately owns or controls a customer or the person on whose behalf a transaction is being conducted and includes those persons who exercise ultimate effective control over a legal person or arrangement;(AMLCFT (Amendment) No. 2 Act No. 10 of 2015).
Customer	A 'Customer', for the purpose of this guideline, is a person who seeks to form a business relationship or to carry out a "one off transaction" with any reporting entities. The term customer includes a client of the DNFBPs, where in that context the term client so applies.
Money Laundering	'Money laundering' means conduct which constitutes an offence as described under section 3 of the AML/CFT Act 2009. “A person commits the offence of money laundering if he knowingly or having reasonable grounds to believe that any property in whole or in part directly or indirectly represents any person’s proceeds of crime:- (a)converts or transfers property knowing or having reason to believe that property is the proceeds of crime, with the aim of concealing or disguising the illicit origin of that property; (b) conceals or disguises the true nature, origin, location, disposition, movement or ownership of that property knowing or having reason to believe that the property is the proceeds of crime; (c) acquires, possesses or uses that property, knowing or having reasonable grounds to believe that it is derived directly or indirectly from proceeds of crime; or (d) participates in, associates with or conspires to commit, attempts to commit or aids and abets, counsels or procures or facilitates the commission of any of the above acts....”
Politically Exposed Person	A 'politically exposed person' takes the meaning as set out in the AML/CFT 2009, which states:- ‘any individual who is or has been entrusted with prominent public functions on behalf of a state, including a Head of State or of government, Senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials, including family members or close associates of the politically exposed person whether that person is resident in Guyana or not.
Reporting Entity	A 'reporting entity' refers to any person whose profession or business involves the carrying out of any activity listed in the First Schedule of the AML/CFT Act 2009 or any other activity as may be described by the Minister responsible for Finance.
Risk Based Approach	A 'Risk Based Approach' to AML/CFT means that the reporting entities are expected to identify, assess and understand the ML/TF risks to which they are exposed and take AML/CFT measures commensurate to those risks in order to mitigate them effectively.
Supervisory Authority	'Supervisory Authority' means the authority set out in column 2 of the Fourth Schedule of the AMLCFT Act 2009 who has compliance oversight over the reporting entity set out in column 1 of the Schedule or as may be appointment by the Minister of Finance.
Suspicious Transaction Report	A 'suspicious transaction report' is a report required to be submitted to the FIU as a consequence to observation/recognition of a suspicious transaction/ or activity of a customer/client.

1. Introduction

The Anti-Money Laundering and Countering the Financing of Terrorism (AMLCFT) Act of 2009 (as amended) creates, among other things, the obligation for reporting entities to have appropriate risk management systems in place to determine whether a customer is a ‘Politically Exposed Persons’ (PEPs)¹.

The genesis of this provision stems from the Financial Action Task Force’s (FATF)², Recommendations 12 and 22 of its ‘Forty Recommendations’. Pursuant to those recommendations, countries are required to implement legal, institutional and other measures aimed at detecting prominent public functionaries, who may attempt to use their positions of influence to hide illegally obtained funds or assets when conducting business transactions.

The systems required to be put in place at the national (country) level, include obliging reporting entities, to implement effective risk management and risk mitigation systems, to address business relationships established and maintained for customers classified as PEPs.

The aim of this guideline therefore, is to assist reporting entities in implementing the obligations of the AMLCFT Act 2009 (as amended), as they relate to the establishment and maintenance of business relationships with PEPs.

The information contained herein includes, specified provisions of the AMLCFT Act, its Regulations, FATF Recommendations and other International Best Practices developed for establishing and maintaining business relationships with PEPs. It is not intended to replace any entity’s policies and procedures relating to business transactions involving PEPs. A reporting entity is responsible for developing its own policies and procedures, that best suit the nature, size, complexity and Money Laundering & Terrorist Financing Risks associated with the entity.

This guideline must be used in conjunction with the AMLCFT Act of 2009, and all its subsidiary legislation.

¹ Section 15(4)d(ii)

² The body established to set global standards for combating money laundering, terrorist financing and other related threats to the integrity of the international financial system.

2. Who is a Political Exposed Person (PEP)?

A “Politically Exposed Person (PEP)” is any individual **who is** or **has been entrusted** with prominent public functions on behalf of a **State**, including a Head of State or of Government, Senior Politicians, Senior Government, Judicial or Military Officials, Senior Executives of State Owned Corporations, important political parties Officials, including family members or close associates of politically exposed person, whether that person is resident in Guyana or not³.

3. How should the PEP Definition be interpreted?

The definition provided by the AMLCFT Act can be interpreted very widely, as it covers a wide range of prominent functionaries, whether foreign, domestic, present or past, including the family members and close associates of those prominent public officials. Given that the AMLCFT Act did not include a list of specified public positions, family members or associates that would be subject to the Act, it is critical that the reporting entity be always vigilant, and mindful of the levels of ML/TF risks associated with all PEPs across the various categories and apply mitigation measures accordingly.

This guide provides an outline of some positions that may fall under the various categories and which a reporting entity may consider for the purposes of applying enhanced due diligence when it establishes or conducts a business transaction with any such persons. See outline below:

- i. **Head of State or of Government**, includes
 - (a) a President or a Prime Minister;
 - (b) any person holding an equivalent position in a foreign country.

- ii. **Senior Politicians**, including, but not limited to-
 - (a) Persons elected through National and/or Local Government Elections,
 - (b) Members of Parliament,
 - (c) Government Ministers,
 - (d) Leaders of the Opposition,
 - (e) Mayors,
 - (f) Regional Chairs,
 - (g) Other equivalent elected officers;
 - (h) any person holding any of the above or equivalent position in a foreign country

- iii. **Senior Government/State/Public Officials**, including, but not limited to-
 - a) Permanent Secretaries,
 - b) Commissioners of Police

³ Section 2 of the AMLCFT Act 2009

- c) Auditors General,
- d) Speakers of National Assembly,
- e) Senior Parliamentary Officials (e.g. Clerks of National Assembly)
- f) Persons appointed to serve on State Boards, Commissions, Authorities or similar bodies
- g) Persons appointed through a constitutional process or selected as members of Service Commissions e.g. the Director and Deputy Director of Public Prosecutions, Chairman of Elections Commission, Office of the Ombudsman;
- h) Solicitors General and Deputy Solicitors General,
- i) Other similar appointments;
- j) Diplomatic appointments -High Commissioners or Consulates;
- k) any person holding any of the above or equivalent position in a foreign country.

IV. Judicial, including but not limited to-

- (a) Chief Justices,
- (b) Chancellors of Judiciary,
- (c) Judges of the Supreme Court (High and Appeal Courts),
- (d) Judges of the Caribbean Court of Justice (CCJ) for Foreign PEPs
- (e) Magistrates
- (f) Deeds Registrars, Deputy Deeds Registrars and Assistant Registrars for Supreme Courts,
- (g) any person holding any of the above or equivalent position in a foreign country

V. Military Officials, including but not limited to-

- (a) Major General,
- (b) Brigadier General,
- (c) Lieutenant-Colonel,
- (d) Senior Coast Guards,
- (e) Other equivalent military positions;
- (f) any person holding any of the above or equivalent position in a foreign country

VI. Senior executives of State owned corporations, including but not limited to-

- (a) Directors, Deputy Directors or Heads of State Agencies,
- (b) Boards of Directors of State Owned Companies/Bodies Corporate;
- (c) Chief Executive Officers for State-owned Companies or similar legal persons controlled by or acting on behalf of the State;
- (d) General Managers;
- (e) Other equivalent positions in State Entities or acting on behalf of the State;
- (f) any person holding any of the above or equivalent position in a foreign country

VII. Important Political Party Officials, including but not limited to-

- (a) Senior Members of established political parties,
- (b) Senior Political Party members (listed or registered for Government/National Electoral purposes who may or may not be elected to sit as Members of Parliament);

- (c) General Secretaries of Political Parties;
- (d) any person holding any of the above or equivalent position in a foreign country

VIII. Family members of anyone listed at (i) to (vii);

The term ‘family members’ as used in the definition, if interpreted broadly, would give rise to a wide range of family relations being considered as PEPs. A reporting entity in determining the family relationships that should be considered under the PEP definition, may include or adapt as part of its policies and procedures guidelines provided by the FATF in the document titled “FATF Guidance on PEPs”⁴.

The guidance provides, inter alia, that consideration be given to the influence a family member may have in relation to a PEP. This is referenced to the fact that in some societies, the type of family members with close influence may vary. For some, it may be minute or insignificant while in others it may be extended and include, tribes, clans, religious groups or cults or even whole communities.

The following list, which is not exhaustive, provides a guide for the reporting entity to consider when it establishes or conducts a business transaction with a PEP. The reporting entity may include immediate family members related through birth, marriage, adoption or co-habitation or based on the assessed risks associated with the familiar relationship:

- (a) Spouses, including ex-spouses (marriage or common Law)
- (b) Parents (biological, adoptive, guardian or acknowledgement)
- (c) Children, including step-children or foster children,
- (d) Siblings (adoptive, foster, Step);
- (e) Any other family member close enough, using a risk sensitive approach, to be recognised as an immediate family member of influence to the PEP.

IV. Close Associates of anyone listed at (i) to (vii).

The Term ‘close Associates’ can also be interpreted widely and creates a challenge to determine how far to extend the application of enhanced due diligence or monitoring procedures when dealing, for business purposes, with such customers. Relying on the guidance of the FATF, the following list may be considered as ‘close associates’ for purposes of the AMLCFT Act. It includes persons who are either personally or professionally associated with a PEP and include, but not limited to -

⁴ FATF Guidance, Politically Exposed Persons (Recommendations 12 & 22) published 2013

- (a) Known Sexual Partners, including the mother or father of their child/children;
- (b) Prominent members of the same political party, Civil Organisation, Labour or Employee Union;
- (c) Business Partners or associates, including those that share beneficial ownership of the business or arrangement;
- (d) Associations through joint membership of company boards;

4. Why are PEP considered as high Risk?

PEPs are considered as high-risk customers mainly because of their position of influence. They have opportunities and the ability to influence decisions, control human and financial resources and impact policy decisions within Government institutions and International Organisations. These factors inevitably can make these individuals vulnerable to corruption⁵, a criminal activity which impacts both the local and global economy.

Since it is possible for PEPs to abuse the power vested in them by way of influence over persons or institutions facilitating transactions involving them, it has become increasingly necessary for caution to be applied through enhanced customer due diligence measures. This is to ensure that a 'blind eye is not turned' for illegal transactions conducted by prominent public functionaries.

Many developing countries are known to have lost significant amounts of revenues or funds through public sector corruption. It is also known that large proportions of the embezzled funds are often disposed of in foreign countries. It is against this backdrop, that many countries have sought to and have intensified their efforts to curb corruption and bribery by public officials. The FATF body has particularly recognised the potential and inherent Money Laundering (ML) and Terrorist Financing (TF) risks posed by PEPs. Their initial focus was on foreign PEPs and this was later extended to domestic PEPs.

Among the requirements set by the FATF are for measures, in line with the United Nations Convention against Corruption (UNCAC)⁶, to be put in place by countries, including measures for customer due diligence requirements to be strictly adhered to by reporting entities. Guyana has ratified the UNCAC since 2008.

5. How long does a PEP remain a PEP?

The AMLCFT Act places no limitation or time frame within which persons cease to be classified as PEPs, after the demission of office of their prominent public function. It must be noted that PEPs can benefit from their

⁵ Corruption is simply the misuse of public power for private benefit.

⁶ Article 52

former positions years after leaving office. A PEP's estate may also contain asset or funds derived from corruption or other illegal means, even after their demise.

The onus is therefore on the reporting entities to apply a risk based approach when dealing with past or former Prominent Public Officials or PEPs. While some jurisdictions have put time limits, such as one year or two years after serving in the particular influential capacity, for treating of a person as a PEP for purposes of AMLCFT, most have adopted to the adage and practice that: "once a PEP always a PEP". This position is premised on the fact that the mere demission from a prominent function does not, by itself, eliminate or exempt such a person from exposure to ML/TF risks. Individuals, such as a former presidents or Prime Ministers, for example, continue to possess great influence over business transactions conducted by or through them. Many PEPs may also be beneficial owners of ongoing business transactions, which were initiated during their tenure and therefore requires continued monitoring. This approach has been recognised by the FATF guidance, which suggests that a risk based approach be adopted, including monitoring to determine the former public official's level of (informal) influence, which may still be exercised; the seniority of the position that the individual held as a PEP; or whether the individual's previous and current function are linked in any way formally by being involved in the appointment of the successor, or informally by the fact that the individual continues to deal with the same substantive matters.

The expectations of reporting entities therefore are to ensure a continuous monitoring process is applied based on the circumstances surrounding the transactions being conducted by the "former PEP". Each situation must be treated with on a case by case basis and appropriate risk mitigation measures should be applied commensurate with the identified risk.

6. Common misconceptions about PEPs

The obligation to implement measures to determine if a customer is a PEP is not intended to stigmatise persons who hold or held prominent public function. These measures are intended to be preventative and not to criminalise individuals. Being classified as a PEP does not mean that the person is involved in criminal activity. A reporting entity should not refuse to establish a business relationship or conduct business transaction merely on the basis that a person is a PEP.

A common misconception is that enhanced due diligence measures should only apply to senior politicians or government officeholders. The definition includes and should apply to all other prominent public

functionaries who act on behalf of the State, namely, military, judicial, etc as outlined in Section 3. It may not necessarily apply to middle or lower ranking public servants.

Another key misconception regarding PEPs is that a reporting entity should only be concerned about individuals when identifying PEP risk, without thought of the possible misuse of complex ownership structures established by PEPs. A FATF consultation paper issued in 2002, however, indicates that “the proceeds of corruption are typically transferred to a number of foreign jurisdictions and concealed through private companies, trusts or foundations.”⁷ Attention must therefore be paid to the beneficial ownership information to decipher if the ultimate owner or controller of a transaction is a PEP.

Another misconception is that PEPs are immune from the application of the AMLCFT Act, on the basis that they may be immune from legal action during their tenure in public office (e.g. a Head of State). The AMLCFT Act applies to all PEPs as outlined in the definition.

7. What measures should a reporting entity have in place for treating with PEPs?

Because of the wide meaning that could be given to the definition of PEP and the possible challenges that may be encountered in its interpretation, this guideline seeks to provide reporting entities with basic information to aid in the formation of appropriate policies and procedures, clarify legal expectations, and share international best practices, when dealing with customers. Some of the legal expectations and best practices are listed hereunder:

- (i) Ensure a system is in place for Risk Management and Risk Mitigation;
- (ii) Include in the entity’s AMLCFT Manual, Standard Operating Procedures, guidance relating to SDD, CDD and EDD for dealing with PEPs.
- (iii) Develop a PEPs listing system or a PEP Register;
- (iv) Obtain, keep and maintain records on all transactions conducted by PEPs;
- (v) Establish and Maintain a system for identifying and monitoring the transactions conducted by PEPs;
- (vi) File suspicious reports on PEPS (where and when necessary).

⁷ “Politically Exposed Person”, Refining the PEP Definition, Edition II White paper produced by World-Check 2008 Global Objectives Limited

8. What risk management and risk mitigation measures should a reporting entity employ?

The AMLCFT Act⁸ obliges the reporting entity to have risk management systems in place that will enable it to determine whether a customer is a PEP. Among the measures outlined under the mentioned section, include:

- (i) Obtaining approval from senior management (where applicable) prior to establishing a business relationship with such persons; Management's approval should be documented;
- (ii) Take reasonable measures to obtain information on the source of wealth or source of property and;
- (iii) Conduct regular enhanced monitoring of the business relationship.

Additionally, if a customer subsequently is found or becomes a PEP, the reporting entity must, where applicable, obtain senior management's approval to continue such business relationship.

9. What are some other measures the reporting entity may include in its risk management systems relating to PEPs?

The reporting entity must implement EDD measures in its 'Risk Based Approach' for dealing with PEPs. This may include, but not limited to the following:

- (a) Develop a Risk Profiling system for PEPs
- (b) Assign risk ratings against each category of PEP, e.g.
 - (i) PEPs from developing countries
 - (ii) PEPs from countries with higher rates of corruption
 - (iii) PEPs who have been the subject of adverse media coverage
- (c) Obtain sufficient Customer Identification data on the PEPs.

10. What identification and verification information must the reporting entity seek to obtain from a PEP (the enhanced due diligence measures)?

The reporting entity may seek to obtain some or all of the following information, along with any additional information deemed necessary, based on the assessed level of risk:

- (a) The PEP's full name (including maiden name, aliases, etc - where applicable)

⁸ Section 15(4) d of the AMLCFT Act

- (b) National Identification and/ or Passport
- (c) Proof of permanent and mailing address
- (d) Telephone Numbers (office and personal)
- (e) Email addresses (where applicable)
- (f) Date and place of birth
- (g) Nationality
- (h) Position/designation held in public office (local or foreign)
- (i) Name and address of employer (state entity to which the PEP is/ was attached (local or foreign)
- (j) Information on source of income/ funds such as, but not limited to, a payslip, job letter, Income Statement, tax returns, credit report, or other relevant and authentic document depending on the nature of the transaction being conducted with the PEP;
- (k) Information on intended or ultimate destination of funds (where applicable)
- (l) Document evidencing the authorisation for the PEP to act on behalf of the state (where applicable);
- (m) Signature.

11. Are foreign PEPs treated the same way as local PEPs?

Foreign PEPs are individuals who are or have been entrusted with prominent public functions by a foreign country, in similar positions to those mentioned in the definition for local or domestic PEPs. It must be emphasised, that a reporting entity must apply the same enhanced due diligence measures when dealing with customers, who are from another country, that fall under any of the categories listed above for PEPs (hereinafter referred to a 'foreign PEP'). In applying the risk based approach, the reporting entity must seek to establish the level of ML or TF risks associated with the jurisdiction from which the PEP resides and determine whether or not those risks (if any) impacts the transaction being conducted with the foreign PEP.

12. International Organisation PEPs. How to deal with them?

'International Organisation PEPs' are persons who are or have been entrusted with a prominent function by an international organisation. Such positions include members of senior management or individuals who have been entrusted with equivalent functions, i.e. directors, deputy directors and members of the board or equivalent functions⁹.

It should be noted that while the definition given in the AMLCFT Act for PEPs, did not include specifically the term, 'International Organisation PEPs', reporting entities, using a risk based approach, should employ

⁹ FATF Guidance, Politically Exposed Persons, Recommendation 12 & 22 published 2013

procedures for dealing with customers classified as ‘International Organisation PEPs’ or executive members of those organisations . Some organisations that may be considered under this category are:

- i. United Nations and affiliated international organisations
- ii. Organization of American States
- iii. Inter-American Development Bank
- iv. International Labour Organization
- v. CARICOM Secretariat

13. What should a reporting entity do if it is unable to obtain the requisite information from the PEP?

The AMLCFT Act¹⁰ makes it mandatory for reporting entities to terminate the business relationship and/or consider making a suspicious transaction report to the FIU in instances where they are unable to obtain the information as may be required from a PEP.

14. Is the RE required to keep Records?

Reporting entities are required to keep and maintain records of all data and information obtained from the PEP. This includes all identification and verification documentations received when establishing the business relationships and details of transactions conducted with the PEP. Records of the enhanced customer due diligence and monitoring measures taken are also expected to be kept and maintained for a period of 7 years as required under the AMLCFT Act.

15. What if a PEP is the Beneficial Owner of a Transaction?

PEPs, like many other customers, pose risks from the viewpoint of corruption, where attempts can be made to launder proceeds of crimes, such as bribes received through companies and trust structures or through bank accounts, investments owned and controlled by trusts or companies aimed at disguising the true beneficial owners of the funds. In many instances, attempts are also made to launder funds obtained through corrupt activities via foreign banks or foreign companies. The reporting entities CDD measures must be robust enough to effectively detect if customers or beneficial owners (foreign or local) are PEPs. The reporting entities must therefore make a determination, based on the assessed ML and TF risks posed by the connection, whether to establish or maintain a business relationship with a PEP.

¹⁰ Ibid 15(11)

As a general guide, where the reporting entity discovers that the beneficial owner of a transaction is a PEP, the reporting entity must seek to obtain the information listed at number 10 above, for both the person conducting the transaction (with necessary adjustments) as well as for the PEP (the beneficial owner of the transaction).

Some of the documents that may be obtained when a transaction is being conducted on behalf of a PEP who is understood to be the beneficial owners of the transaction, include but should not be limited to the following:

- (a) Identification of person acting on behalf of and the principal/settler/donor
- (b) Obtain an updated copy of any existing Power of Attorney document
- (c) Letter of Authorisation
- (d) Trust Instruments - e.g. Trust Deeds
- (e) Letters of Administration or Probate
- (f) Verification of the authenticity of the identification and other documents provided by the customer who is acting on behalf of the PEP;

The reporting entity must also seek to establish and obtain information on the relationship between the customer and the PEP on whose behalf the customer is acting.

A reporting entity must also ensure that the provisions under the AMLCFT Act, the AMLCFT Regulations and Guideline No. 1 of 2016 are taken into account when the enhanced due diligence measures are being implemented or enforced with respect to all transactions with PEPs.

16. Are there Sanctions for non-compliance with the provisions of AMLCFT Act relating to PEPs?

All reporting entities are required under sections 15 to 16 and 18 to 20 of the AML/CTT Act (as amended) to comply with the obligations to, inter alia, identify, verify and maintain up-to-date records of all their customers, including PEPs. They are also required to obtain information on beneficial ownership and the control structure of legal persons and legal arrangements (trusts).

The failure to comply with the obligations under the specified sections of the AML/CFT Act (as amended) may warrant or result in a Supervisory Authority imposing sanctions, which may include one or more of the following:

- I. Written warnings:
- II. Order to comply with specific instructions:
- III. Order regular reports:
- IV. Prohibit convicted persons from employment within the sector:

- V. Suspension:
- VI. Restriction or withdrawal of the entity's licence: and
- VII. If the default is attributable to a director or senior management of the reporting entity, direct the reporting entity to remove him/her from the Board or relieve from function and impose a fine of not less than five million dollars nor more than fifteen million dollars¹¹.

The law also provides that “where a reporting entity or in the case of a body corporate, any of its directors, managers, officers or employees that or who breaches its obligations under the AML/CFT Act, where no penalty is provided, commits an offence and shall be liable on summary conviction to a fine of not less than five million dollars nor more than fifteen million dollars and to imprisonment for a term not exceeding three years, and in the case of a body corporate, to a fine of not less than fifteen million dollars nor more than forty million dollars”¹².

❖ Red Flag indicators to consider when transacting business with a PEP

The FATF has identified the following red flags relating to a PEP’s behaviour and individual characteristics that should raise suspicion or cause a reporting entity to raise the level of due diligence measures based on risks posed by the PEP:

- a) Use of corporate vehicles (legal entities and legal arrangements) to obscure their beneficial ownership or involvement in the industry to divert funds to foreign countries.
- b) The PEP makes inquiries about the institution’s AML policy or PEP policy.
- c) The PEP seems generally uncomfortable to provide information about source of wealth or source of funds.
- d) The information that is provided by the PEP is inconsistent with other (publicly available) information, such as asset declarations and published official salaries.
- e) The PEP is unable or reluctant to explain the reason for doing business in the country of the financial institution or DNFBP. (Designated Non-Financial Business or Profession)
- f) The PEP provides inaccurate or incomplete information.
- g) The PEP seeks to make use of the services of a financial institution or DNFBP that would normally not cater to foreign or high value clients.

¹¹ Section 23 (1)(a) to (f) AML/CFT Act 2009

¹² Section 23(2) of the AML/CFT Act 2009

- h) Funds are repeatedly moved to and from countries to which the PEP does not seem to have ties with.
- i) The PEP is or has been denied entry to a country (visa denial).

Conclusion

It cannot be overemphasised that a reporting entity must ensure that it has a robust AMLCFT regime that meets the requirement and objectives of the AMLCT Act. Critical to this process is that reporting entities, at any given moment, must be adequately prepared for an examination by its supervisory body or an international assessment body (e.g. assessors from CFATF).

It is expected that this guide would assist reporting entities in achieving the standard that would guarantee a high level of effectiveness with respect to its policies and procedures for dealings with PEPs.