**ANTI-MONEY LAUNDERING (AML) & COUNTERTERRORISM FINANCING (CTF)**

Black Diamond Private Wealth LTD (BDPW) by law must take AML and CTF extremely seriously. Refer to [www.bdpw.io](http://www.bdpw.io) for our policies for AML and CTF. It is a legal requirement that ***all Lenders*** provide the identification to BDPW as outlined below. All client documentation is held on BDPW secure servers for a period of 6 years following the maturity of any loan as governed by the ANTI-MONEY LAUNDERING & COUNTERTERRORISM FINANCING ACT NO. 13 OF 2014, VANUATU.

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| Understanding AML and CTF: |  |

Introduction The AML&CTF Act imposes requirements on reporting entities related to reporting of transactions, record keeping, staff awareness and implementing customer due diligence processes. These statutory requirements are briefly outlined in this Part of the Guideline. In addition, to assist reporting entities develop internal policies, processes and procedures to establish an effective system to combat money laundering and terrorist financing, this Part provides guidance on the practical implementation of the requirements and intent of the AML&CTF ACT and AML&CTF Regulations.

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| Anti-money laundering (AML) |  |

Anti-money laundering (AML) refers to a wide set of laws and regulations mandating steps that financial institutions and other regulated industries must take to prevent criminals from depositing or transferring funds that come from illicit activity – money laundering. AML regulations are designed to stop the financing of terrorism and other illicit activities. Regulated industries must not knowingly or unknowingly aid these activities.

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| Counterterrorism Financing (CTF) |  |

Terrorist financing involves collecting and providing funds for terrorist activity. Terrorist activity has as its main objective, intimidation of a population or compelling a government to do something or not do something. This is done by intentionally killing, seriously harming or endangering a person, causing substantial property damage likely to seriously harm people or by seriously interfering with or disrupting essential services, facilities or systems.

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| Know your customer (KYC) |  |

Know your customer (KYC) refers to the KYC checks that a company carries out to ensure their customers are who they say they are and do not pose a risk to the business.

While these terms are often used interchangeably, anti-money laundering (AML) is the collective term for a range of regulatory compliance processes businesses must have in place of which KYC compliance is one. KYC checks typically fall into three activities.

* Customer due diligence (CDD)
* Enhanced due diligence (EDD)
* Continuous Monitoring

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| BDPW requires each Lender to provide the following documents under the Law of Vanuatu. These documents are to be held on BDPW secure servers internally for 6 years following the maturity of the loan. Documents may be required to be updated during the loan period of the loan term. |

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| INDIVIDUAL/PERSONAL LENDERS MUST PROVIDE EITHER: | | |
| * Two ‘Category A’ documents * Proof of home residential address | OR | * One ‘Category A’ document and two ‘Category B’ letters * Proof of home residential address |

**Category A – Official Documents:**

* Current passport (all countries)
* Current driver’s license (all countries)
* Government identification documents (all countries)
* Certificate of Christening/Baptism
* Citizenship certificate
* Birth certificate
* Employment identification
* Employment records
* Employment pay slips
* Marriage certificate
* Educational institution certificates
* Student card or registration document for an educational institution (such as a primary or high school)
* Government health card
* Public utilities record (such as an electricity or telephone bill)
* Current records of membership of professional or trade organisation
* Records from a bank (including bank or credit cards such as Visa, Diners Club, Master Card, American Express; or statements for an account or credit card)
* Superannuation or provident fund membership card
* Fire arms license Enhanced due diligence (EDD)

**Category B Documents:**

A written reference confirming the customer’s full name, date of birth and occupation, from one of the following acceptable referees:

* A senior bank employee
* An officer in charge of a bank agency
* A bank manager
* A lawyer or legal practitioner
* A registered medical practitioner or dentist
* A qualified pharmacist
* A Magistrate of a District Court
* A landlord of a rented premises where the person lives
* A public servant
* A Customs or Immigration officer
* A Magistrate
* A local level Government Councillor
* A Notary / Justice of the Peace
* A Headmaster of a primary or secondary school
* A serving Member of Parliament
* A Police officer or commander
* An accountant who is a member of an association of accountants
* A Minister of Religion
* A Church leader person who has known the customer for 5 years or more

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| Reference of legal articles for KYC and AML: |
| <https://shuftipro.com/compliances-reports/vanuatu.pdf>  <https://fiu.gov.vu/docs/VFIU%20Guidelines%20for%20Financial%20Institutions%20(2015).pdf> |

ANTI-MONEY LAUNDERING (AML) & COUNTERTERRORISM FINANCING (CTF)

**CLIENT INFORMATION RECORD**

**Natural Persons**

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
| **First Name:** |  | **Middle Name:** |  | | |
| **Surname:** |  | **Date of birth:** |  | | |
| **Place of Birth:** |  | **Nationality:** |  | | |
| **Residential Address:** |  | | | | |
| **Occupation:** |  | | | | |
| **Email:** |  | | | | |
| **I am a politically exposed person:** | | | Yes | No |
| **Purpose and intended nature of the business relationship:** | | | | |
|  | | | | |
| **Understanding of the ownership and control structure and purpose and intended nature of the business relationship:** | | | | |
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| **Documents Attached:** | |
|  | 2 x Category A & Proof of residential address |
|  | 1 x Category A & 2 x Category B & Proof of residential address |

I give my consent under the law of Vanuatu, for Black Diamond Private Wealth LTD to hold my personal information securely for a period of 6 years following the maturity of my loan term.

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| Full Name: |  |  | Signature: |  |