

## **‘AML and Management of High-Risk Clients’**

### **Overview**

The 6<sup>th</sup> Money Laundering Directive (6DML) came into force in June 2021 and has added further complexity and regulatory risk to this area of intense regulatory focus and political sensitivity. In the meantime, money laundering and terrorist financing threats are becoming increasingly diverse and complex, so that traditional AML approaches are no longer sufficient, particularly when dealing with High-Risk Clients.

This course considers what makes a client high risk and what actions a firm needs to take in such cases.

### **Learning Objectives**

This 3-hour event will help delegates to update on the new anti-money laundering requirements and provide a unique opportunity to benchmark current approaches against industry best practice.

Key issues addressed will include:

- Identifying key money laundering risks and developing effective risk-based controls
- Cross-border issues, including tax and “equivalence”
- How to produce effective Customer Due Diligence policies and procedures
- Managing high risk areas such as sanctions, PEPs and HNW Customers
- Effective systems and controls to monitor AML under new regulations

### **Who should attend?**

Although this workshop is especially designed for professionals in the wealth management sector, to clarify specific regulatory challenges and benchmark AML approaches with industry peers, it is also of significant value to professionals from:

- AML/CTF
- Financial Crime
- Compliance
- Risk and Internal Audit departments
- Employees in client facing roles who either face conflicts and/or ‘relationship management’ dilemmas



# **CYPRUS INSTITUTE OF INTERNAL AUDITORS**



## **Methodology**

A mixture of a virtual presentation and discussions taken from up-to-the-minute and real-life examples.

The topics will be structured over (3) 40 minute sessions, allowing for 15-20 minutes of discussion and Q&A and a 10-15 minute break between each session.

## **Course Outline**

### **Session 1: The new regulations, Risks and Concerns**

- What is the 6<sup>th</sup> directive?
- What has it introduced?
- What makes a client high risk?
- Typical systems and controls
- Money laundering deterrence in Cyprus
- The products
- The clients
- PEPs and other high-risk individuals
- Taxation and Tax Transparency
- Wilful blindness

### **Session 2: Sanctions, Terrorism, PEPs & HNW Customers**

- The sanctions regime
- The terrorism dimensions
- Vexed questions on PEPs
- Are all HNW clients High-Risk?
- US and other sanctions
- Corruption risks

### **Session 3: Enhanced Due Diligence**

- Dealing with non-face to face customers
- What really is EDD?
- What should be done in practice?
- Ongoing monitoring obligations
- Actions to be taken
- How to ask for additional information
- Solutions and scenarios

### **Session 4: Practical Issues**

- Problems faced in practice
- The issues regarding family and close relationships
- The relationship between persons and their companies
- Practical steps to be taken
- Lessons from recent cases