

## Guidance – Investment Service Providers REQ

In terms of the Regulation 19 of the PMLFTR, the Financial Intelligence Analysis Unit (“FIAU”) can require subject persons to submit periodical reports on the AML/CFT measures, policies, procedures and controls they are implementing. This is being done through the annual Risk Evaluation Questionnaire (“REQ”). Unless otherwise stated, all subject persons, including those that were licensed in 2019 and are still licensed as of 28 February 2020, are bound to complete and submit the REQ through the CASPAR system by the deadline communicated to subject persons by the FIAU against payment of the applicable administrative fee. Failure to do so may result in the imposition of administrative sanctions by the FIAU.

This document clarifies the interpretation of specific questions and provides more information on the data being requested in particular sections within the REQ. Please go through this document prior to the completion and submission of the REQ. Subject Persons are invited to call the FIAU at any time during office hours on 21231333 or send an e-mail to: [caspar@fiumalta.org](mailto:caspar@fiumalta.org)

*This REQ covers the period 01 January 2019 to 31 December 2019. Reference to prior calendar year throughout the REQ should be taken to refer to 01 January 2019 to 31 December 2019.*

*Subject persons are required to complete the questionnaire in respect of the activity that falls within the definition of "relevant activity" and "relevant financial business" in accordance with Regulation 2 (1) of the PMLFTR.*

*Various questions in this REQ have also been applied across other different sectors. As a result, generic terminology such as "you / your entity" and "entity" has been applied and should therefore be taken to refer to the subject person completing this REQ.*

*Unless otherwise stated, reference to monitoring system throughout the REQ should be interpreted to refer to both manual and automated systems.*

## Abbreviations

AML/CFT	Anti Money Laundering / Combatting the Funding of Terrorism
BO	Beneficial owner
BRA	Business Risk Assessment
CASPAR	Compliance and Supervision Platform for Assessing Risk
CDD	Customer Due Diligence
CIS	Collective Investment Scheme
CRA	Customer Risk Assessment
ECB	European Central Bank
EDD	Enhanced Due Diligence
EEA	European Economic Area
EU	European Union
FATF	Financial Action Task Force
FIAU	Financial Intelligence Analysis Unit
FTE	Full-time equivalent
IPs	The Implementing Procedures issued in terms of Regulation 17 of the Prevention of Money Laundering and Funding of Terrorism Regulations (PMLFTR)
MFSA	Malta Financial Services Authority
ML/FT	Money Laundering / Funding of Terrorism
MLRO	Money Laundering Reporting Officer
NAV	Net Asset Value
NRA	National Risk Assessment
OTF	Organised Trading Facility
PEP	Political Exposed Person
PMLFTR	Subsidiary Legislation 373.01 Prevention of Money Laundering and Funding of Terrorism Regulations
SDD	Simplified due diligence
SNRA	Supranational Risk Assessment
SP	Subject person
STR	Suspicious transactions report
UBO	Ultimate beneficial owner

## FAQs

If a subject person was previously registered in CASPAR, should the subject person register again or can the previous credentials be used?	Subject persons do not need to register again and can use the same credentials
I am the MLRO of an entity that obtained its license in 2020. What should we do now?	Once the appointment of the MLROs is duly approved by the relevant supervisory authority, where applicable, the appointment and any subsequent changes thereto must be notified to the FIAU through CASPAR. The MLRO should register on CASPAR and create a Subject Person. Guidance on the registration process is available on the FIAU website. The first REQ in this case will be due in 2021 and will cover the period 1st January 2020 to 31st December 2020.
If there was a change in MLRO in 2020, is it correct to assume that the current MLRO has to submit the REQ for 2019?	Yes, the current MLRO has to submit the REQ.
If the MLRO resigned some time ago and an interim MLRO has been appointed quite recently, can the designated employee submit REQ instead?	The REQ can only be submitted by the MLRO.
Does a REQ need to be completed even if operations have just started?	The 2020 REQ covers the operating period January – December 2019, therefore subject persons who obtained their license in or prior to 2019 have to complete the 2020 REQ. Subject persons who do not require to be licensed have to complete the REQ depending on the day when they commenced operations. Registration on CASPAR is compulsory.
If an investment advisory entity removed its license in December 2019, and is now acting solely as a tied agent, does that entity need to submit an REQ?	No, the entity is not considered to be a subject person, thus REQ does not need to be submitted.
Does an entity which was liquidated in 2019 or is currently in the process of liquidation need to complete and submit a REQ?	As long as the entity is still licensed, it is still required to submit the REQ for the year 2020.
The activity that I / my entity undertakes cuts across various REQs (e.g. an advocate also undertaking activities relating to a CSP and tax advisor). Which REQ should I complete?	The CASPAR System will amalgamate questions covering all the licences / services offered by the subject person into one REQ. Questions that apply equally will need to be answered once while questions that are product and customer based will be asked per type of license / service offered.
Is a separate REQ required to be completed for different entities?	Yes, each subject person has to complete a separate REQ and provide information that is specific to that subject person. Even if entities form part of the same group and controls may be the same, a separate REQ has to be completed and the inherent risk questions have to be completed to cover for the specific risk exposures of that subject person.

Are entities constituted in terms of the Securitisation Act and subsidiary legislation thereunder required to complete and REQ?	An entity constituted in terms of the Securitisation Act and subsidiary legislation thereunder, is not deemed to be a Subject Person as it does not carry out any activity falling under the definition of 'relevant activity' or 'relevant financial business'. The entity is therefore not required to submit a REQ.
How should subject persons answer questions that require a monetary value?	All questions requiring the subject person to give monetary values require an answer in Euro. The rate of conversion that has to be utilised depends on the type of question that is being answered. If the value requested is the value at year end, then the subject person should use the last official exchange rate available for the year under review. On the other hand, where the value represents the sum total of a number of transactions which took place during the year, the subject person may either utilise the official daily exchange rate or in the absence thereof the official monthly / annual average exchange rates.
What is the difference between the "Not Available" and the "Not Applicable" answer options provided?	<p>The "Not Applicable" option should only be selected in those instances where the question does not apply to the subject person answering the REQ, such as where the subject person does not offer a specific product / service or where the subject person may have only recently commenced operations. If however a Subject Person does provide the service / product but registered no activity in the prior calendar year, then the respondent should input a '0' value.</p> <p>The "Not Applicable" option may also be availed of where the main question upon which all subsequent questions depend was answered in the negative.</p> <p>The "Not Available" option should only be selected in those instances where the subject person cannot reply to the question as it does not have the required or sufficient information at its disposal.</p>
When the question requires an answer in numbers, currency or percentages, what is the difference between inputting "0", and selecting the 'not applicable' or 'not available' option?	<p>Inputting "0" means that the question applies to the subject person, however the subject person had nothing to report.</p> <p>The 'Not Applicable' option should only be selected in instances where the question does not apply to the subject person answering the REQ such as where a product is not offered or the subject person has only recently commenced operations. The 'Not Applicable' option can also be availed of where the main question upon which all subsequent questions depend was answered in the negative.</p> <p>The 'Not Available' option should be selected in those instances where the question applies to the subject person, however the entity does not have sufficient information at its disposal to answer the said question.</p> <p>When a number/percentage is required to be input and the 'Not Applicable' option is not available, a '0' value should be input.</p> <p>Example: "What percentage of total customers are resident or otherwise incorporated or their principal place of business is in a non-EU / EEA jurisdiction?"</p> <ul style="list-style-type: none"> <li>- Subject persons who do not accept customers from non-EU / EEA jurisdiction, should select "Not Applicable";</li> <li>- Subject persons who accept customers from non-EU / EEA jurisdictions, however did not have any customers from such jurisdiction as at the end of the prior calendar year, should input "0";</li> <li>- Subject persons who have customers from the mentioned jurisdictions, but the requested information may not be extracted, should choose the "Not Available".</li> </ul>

<p>If an entity has two licenses, but only one license is being used. The second license is not used, has no activity (no customers and no products) and is not being marketed. What information need to be provided?</p>	<p>If an entity has two licenses, then the categories chosen upon registration of said entity is to reflect the two licenses. In this manner, the REQ will reflect questions pertaining to the two licenses. If one of the two licenses is not being used, then this shall be stated in the 'General Remarks' tab at the beginning of the REQ and all questions relating to this particular licence are to be answered with either "0" / "Not Applicable" inputs. The control based questions in the REQ should be completed by the subject person, independently of the level of activity of the licensee.</p>
<p>Why is there a reference to the Basel Index in the REQs?</p>	<p>The 2019 REQ required subject persons to make their own determination to identify high risk jurisdictions when answering related questions. This introduced an element of subjectivity that undermined the ability of the FIAU to compare data. The FIAU included the reference to the Basel Index, together with other lists, to reduce this element of subjectivity.</p> <p>Subject persons should however note that reference to the Basel Index is only being made for the purposes of this exercise and should not to be considered to have any form of official endorsement by the FIAU. Subject persons are still required to make their own informed and autonomous decision as which jurisdictions represent a given level of risk. While they can make use of the Basel Index to inform their judgement, they are not to automatically rely thereon.</p> <p>Subject persons are expected to make use of the public version of the Basel Index.</p>
<p>In light of Brexit how should the UK be treated?</p>	<p>During the year under review (2019), the United Kingdom was still considered to be a member state of the European Union and therefore should be treated as such when completing the REQ.</p>
<p>Should all questions involving customers be taken to also include beneficial owners?</p>	<p>Unless the question makes specific reference to beneficial owners, reference to customers should only be taken to refer to the person or entity (excluding the BOs of the legal person) to whom the subject person provides the service.</p>
<p>Where a customer has both a holding and trading company should these be treated as one customer?</p>	<p>Should the service be offered to both the holding and the trading company, these should be regarded as two separate legal entities for which you are providing the service; therefore the total number of customers is two. If they form part of the same group but the Subject Person is offering the service to only one of the two, the customer in this case is one.</p>
<p>There are a number of references in the REQ which require definition. E.g. how is an institutional investor defined.</p>	<p>Terminology, unless specifically defined should be understood in terms of the Investment Services Act and The Markets in Financial Instruments Directive.</p>
<p>Where a question refers / relates to subsidiaries, should we include all entities with common ownership?</p>	<p>The definition of subsidiary shall be construed to have the same meaning as referred to in the entities Act. Only entities that have the same ownership and share a common parent should be included. Simply having common ownership does not make a company a subsidiary, a common parent company is required.</p> <p>Where the REQ makes reference to a subsidiary of the subject person, only those subsidiaries that undertake a relevant activity / relevant financial business, should be taken into consideration in the subject person's response to the question.</p>

<p>I am a sole practitioner / MLRO of a legal entity with no registered employees. How should I answer all employee-related questions in the REQ?</p>	<p>The term ‘employees’ should not only refer to individuals who have a contract of employment with the subject person but should be interpreted to also include individuals who are engaged by the subject person to carry out aspects of its business involving relevant activity or relevant financial business.</p> <p>Subject to the above, all questions related to employees should be marked as ‘Not Applicable’.</p>
<p>During the prior calendar year (2019), the subject person terminated all its customer relationships and is in the process of winding up its business activity. Should the BRA be marked as Not Applicable?</p>	<p>Subject persons had an obligation to have a BRA with effect from January 2018.</p> <p>Where the subject person has already provided a copy of its Business Risk Assessment with the 2019 REQ submission, has reviewed the said BRA and concluded that no changes thereto are required, the subject person is not required to upload another copy of the BRA. In this case the subject person will be required to upload a signed declaration stating that following the review of the BRA, no updates were required since the BRA still covered all the ML / FT risks to which the subject person is exposed to. The signed declaration may be an extract from the Board minutes certified by the company secretary or in the case of sole practitioners a signed declaration by the MLRO.</p>
<p>If an engaged agent met the client face-to-face, but not the management of the entity directly, would this be considered as face-to-face relationship?</p>	<p>Yes, this is considered as a face-to-face relationship</p>
<p>Should a subject person be aware of whether a BO of a customer benefited from IIP citizenship?</p>	<p>In line with the IP Section 3.2.1, subject persons are required to consider factors that can lead to the customer being considered as presenting a higher risk of ML / FT and this includes situations where the customer has applied for, or is benefitting from, residence rights.</p>
<p>How should an Investment Service Provider providing services solely to its subsidiary, which is a SICAV, complete questions relating to customers?</p>	<p>The Investment Service Provider should answer in respect of that one customer.</p>
<p>When screening for customers who have been convicted of a criminal offence that could have potentially generated proceeds, should directors be screened?</p>	<p>Sanction screening should be carried out on customers, BOs and agents.</p>
<p>To what extent can adverse media reports influence the classification of a client as high risk?</p>	<p>Not each and every adverse article found online should result in the increase of the subject person's risk classification. Adverse information should first be analysed before any changes to the risk classification is made.</p>
<p>Are investment advisors expected to implement a transaction monitoring process if they do not execute any transactions on behalf of clients?</p>	<p>Investment advisors are not expected to implement a transaction monitoring process, to the extent that the investment advisors do not get involved in the processing or execution of the investment transactions. Nonetheless, investment advisors are expected to ensure that the advise provided to a customer is in line with the information obtained on that customer, such as information on his source of income. Changes to the advise requested by the customer and in particular when the advise is not consistent with the available information on the customer should be questioned and a rationale obtained.</p>

<p>Is the internal audit function obligatory? If so, what is the expected frequency that audits are carried out and are there any firms authorised to provide these services?</p>	<p>Regulation 5(5)(d) of the PMLFTR provides that "every subject person shall implement, where appropriate with regard to the size and nature of the business, an independent audit function to test the internal measures, policies, controls and procedures". The Revised Implementing Procedures in Section 3.4 further provide that this need not result in the creation of an internal audit function, since it is possible for the subject person to engage an external consultant independent of the subject person to evaluate the adequacy of its internal controls, policies and procedures. This task may also be assigned internally to a person other than the MLRO or anyone else involved in the implementation or operation of the subject person's AML / CFT compliance programme.</p>
<p>Does a business risk assessment by an independent firm cover the internal audit requirement?</p>	<p>Internal audit or independent testing is necessary to test the effective implementation of one's policies, controls, and measures.</p> <p>Through the carrying out of a business risk assessment one obtains an understanding of the risks that affect operations and the measures to manage such risks. On the contrary the internal audit or independent testing, in the context of the requirements of the PMLFTR, assesses the adequacy of the measures (controls) the subject person put in place to manage its risk exposure to ML/FT risk.</p>
<p>In response to AML/CFT training of employees, which employees are required to undergo training. We have a complement of 10 Full Time Equivalents. If 2 of these are a courier and a cleaner should we include all of them in the calculation of this percentage?</p>	<p>Reference can be made to Chapter 7 of the Implementing Procedures, Part I which indicates that awareness and training shall be provided to employees whose duties include the handling of either relevant financial business or relevant activity. It is safe to assume that members of staff holding the position of courier/cleaner do not fall within the definition provided under Chapter 7 of the Implementing Procedures, Part I and can therefore be excluded for the purposes of calculating the required percentage.</p>
<p>For how long should documents be kept in order to comply with FIAU's implementing procedures and regulations?</p>	<p>As per Regulation 13(2) of the PMLFTR and Section 9.3 of the Revised Implementing Procedures, subject persons are to maintain records for a period of five years. The FIAU, relevant supervisory authorities or law enforcement agencies are entitled to demand that records, including personal data, is retained for longer periods, when this is considered to be necessary for the purposes of the prevention, detection, analysis and investigation of money laundering or financing of terrorism activities by the FIAU, relevant supervisory authorities or law enforcement agencies. The FIAU can extend the retention period for a period of up to 10 years in total.</p>
<p>Section - Products and Services - what is meant by Volume of Transactions and Value of Transactions?</p>	<p>Volume of transactions refers to the number of transactions executed by the subject person. Value of transactions refers to the monetary value of transactions executed, translated to Euro at the daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other reputable source) for the prior calendar year.</p>
<p>Section - Products and Services - we do not provide may of the products listed in Section. What response (volume and value) should we provide for those products which we do not provide?</p>	<p>Respondents are requested to select the "Not Applicable" option in response to those products which they did not provide in the prior calendar year.</p>

<p>In the section 'Products and Services', what are 'contracts' and 'transactions' referring to in the context of Discretionary Investment Management Services?</p>	<p>"Contracts" are agreements held between the subject person and its customers that outline the business relationship/services that shall be provided.</p> <p>"Transactions" refers to the services provided by the subject person in relation to those contracts.</p>
<p>Some of the funds we offer are open-ended and therefore do not have a maturity date. Do we classify these products as a long term investments or a short term investment product?</p>	<p>Funds which are open-ended and do not have a maturity date should be classified as long-term investment products for the purposes of filling in the section associated with 'Maturity Duration'.</p>
<p>Section - Products and Services - while the requested information can be completed for discretionary mandates, with respect to Collective Investment Schemes, the MLRO of the fund administrator or sicav is best placed to complete this section. In view of this, is the Collective Investment Scheme required to complete this section ?</p>	<p>Investment Service Providers, Recognised Fund Administrators and the Collective Investment Schemes are all individually required to complete their respective REQs in full. We recognise that the CIS may need to liaise with the Fund Administrator to request specific data, however the Collective Investment Scheme MLRO is required to submit the REQ.</p>
<p>The REQ contains a section on 'Products and Services', whereby the subject person must declare total volume (#) and value (€) of each activity performed by the entity. Under which type of service would binary options fall?</p>	<p>Binary options are products that can be provided in the context of the provision of certain services, for instance, when managing a portfolio, institutional asset management or investment services amongst others. The entity must determine through which of these services it is providing the binary options and declare the volume and value of the binary options with this activity.</p>
<p>In the case of an AIFM acting strictly within a Fund Management remit, do the products and services information required for the REQ need to take into consideration the underlying investments of the AIF?</p>	<p>The customer of the fund manager is the CIS and not the underlying investors of the AIF. However, fund managers should understand the prospectus of the CIS and the investments it shall be making and the type of customers it is targeting. Fund managers should also monitor to ensure the CIS's operations are in line with the prospectus and to query circumstances that are not within the established profile.</p>

In case of a fund manager managing a master feeder structure, would both master and feeder both be counted when reporting the number of clients?	The fund manager has to consider to which of the funds within the structure it has a contractual relationship with. If it is providing its services to only one of the funds within the structure, than the customer is just that fund.
For a custodian, the customers are collective investment schemes. In this regard, are the beneficial owners the owners of management or funding shares?	Beneficial owners are all the investors of the fund that exceed 25%+1 of the total units / shares issued by the CIS and/or of the voting rights together with the founders of the CIS if they retained rights that allow control over the fund.
When providing the number of high risk clients, should the answer take into consideration the inherent risk or the residual risk following controls?	When providing the number of high risk clients, the subject person should only take into consideration the inherent risk.
A Maltese local client operates a cash-intensive supermarket with an annual turnover of €100,000 and a residual profit of €20,000. Should this be considered as high risk business?	The fact that a customer is operating a cash intensive business should only be one of the factors which are considered when carrying out of the customer risk assessment. Other risk factors should also be taken into consideration, such as, the geographical risk and the interface risk.
What does "funding methods used to facilitate investment activity" mean?	Funding method in this context refers to the method with which your customer transferred funds to your entity for the purpose of investment activity.  For example, if a customer transferred an amount of €10k for investment purposes to your entity via a bank transfer, then "bank transfer" is deemed to be the funding method used to facilitate the investment activity.
The subject person's client is a corporate client, having one of its director classified as a PEP. Should be this corporate client be considered as a PEP for REQ purposes?	For the purposes of filling in the REQ, if one of the corporate client's director is a PEP, then the corporate client is not to be considered as a PEP as the customer in this case is the corporate customer. The concept of a PEP can only be applied to natural persons. In the event that the director in question acted as an agent during the application process, such risk exposure should be taken into consideration during the carrying out of the customer risk assessment.
If one PEP has multiple entities and the subject persons services these entities, what is the correct number of PEPs in this case?	A PEP is always a natural person and therefore the number to be entered in this case should be one.

Which Government, Parastatal entities, Local Council office holders or employees fall under definition of a PEP?	<p>Regulation 2(1) of the PMLFTR defines a PEP as a natural person who is or has been entrusted with a prominent public function, other than middle ranking or more junior officials. The PMLFTR does not define what constitutes a "prominent public function" since they may vary depending on a number of factors, such as the type, size, budget, powers and responsibilities associated with a particular public function and the organisational framework of the government or international organisation concerned, as the specific jurisdiction concerned. The PMLFTR do provide a non-exhaustive list of public functions that are considered to be prominent public functions and would therefore render the holder thereof a PEP. This list is not exhaustive and subject persons are required to assess on a case by case basis whether a particular public function presents characteristics that would fall to be considered as a prominent public function in terms of the PMLFTR and the Implementing Procedures.</p> <p>The prominent public functions which would render the holder a PEP include the following:</p> <ul style="list-style-type: none"> <li>- Heads of state, heads of government, ministers, deputy or assistant ministers, and parliamentary secretaries</li> <li>- Members of the Parliament or similar legislative bodies including the Speakers and all members of the House of Representatives</li> <li>- Members of the governing bodies of political parties which are those parties represented in the House of Representatives. However, this definition does not include regional or town representatives.</li> </ul>
When does a person cease to be classified as a PEP?	The Revised Implementing Procedures issued in 2019 provide that the application of EDD to PEPs, their family members and close associates is mandatory as long as a PEP remains entrusted with a prominent public function, and for at least, a subsequent 12-month period from when he/she ceases to be so entrusted.
Basel index: there are various country risk databases of equal reliability. Is there a reason reference is only made to the Basel Index in the REQ?	The Basel Index was deemed to be the most frequently used. Whereas other indexes are also considered as reputable, the BASEL index was chosen purely for consistency patterns across the REQ.
Under the Geography section of the REQ, there is a part relating to the residence of beneficial owners. How should one report cases where beneficial owners of "legal persons" are from more than one jurisdiction?	<p>If you / your entity has for example 50 customers that are legal entities, each having 2 UBOs, you / your entity will have a total of 100 UBOs. So percentages should reflect the total number of UBOs and not the total number of customers, irrespective of whether they are UBO of the same entity or otherwise.</p> <p>Therefore if for example out of the 100 UBOs, 50 are resident in Malta, 20 resident in an EU/EEA jurisdiction, 30 are resident in a non-EU/non-EEA. The following questions should be answered as follows:</p> <ul style="list-style-type: none"> <li>&gt; What percentage of customer BOs are resident in Malta ? - 50%</li> <li>&gt; What percentage of customer BOs are foreign and are resident in an EU or EEA jurisdiction outside Malta? - 20%</li> <li>&gt; What percentage of customer BOs are foreign and are resident in a non-EU or non-EEA jurisdiction outside Malta? - 30%</li> </ul>

Section - Geography - What type of transactions / payments are being referred in this section?	<p>Transactions / payments refer to the transfer of funds in respect of investment activity to and from customers. Subject persons are required to report transactions in terms of both volume and value in accordance to the geographic location of the customer.</p> <p>If subject persons are not provided with the required information from some of the credit / financial institutions, they should make use of information that they were provided with by the customer.</p>
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## Defintions

Basel Index	<p>Reference made to the Basel Index is only included for the purpose of this exercise and should not be taken or construed as being an exhaustive list of jurisdictions considered as non reputable or high risk in line with their obligations under the relevant AML / CFT obligations. Subject persons are obliged to carry out the necessary jurisdiction risk assessments to understand the risk posed by such jurisdictions.</p> <p>The jurisdictions in the Basel Index can be found through the following link:</p> <p><a href="https://www.baselgovernance.org/sites/default/files/2019-08/Basel%20AML%20Index%202019.pdf">https://www.baselgovernance.org/sites/default/files/2019-08/Basel%20AML%20Index%202019.pdf</a></p>
Beneficial owner / ultimate beneficial owner	<p>The interpretation of Beneficial Owners should be applied in accordance with the PMLFTR and the guidance in the IPs.</p> <p>Regulation 2(1) of the PMLFTR defines a beneficial owner as:</p> <p>a) any natural person or persons who ultimately owns or controls the customer; and / or b) the natural person or persons on whose behalf a transaction or activity is being conducted.</p> <p>With respect to trusts reference to beneficial owner should extend to settlor / protector / trustee / beneficiaries / any other natural person actually exercising effective control over the trust.</p>
Correspondent Relationship / Correspondent Activity	<p>Correspondent relationship means:</p> <p>(a) the provision of banking services by one bank as the correspondent to another bank as the respondent, including providing a current or other liability account and related services, such as cash management, international funds transfers, cheque clearing, payable-through accounts and foreign exchange services;</p> <p>(b) the relationship between and among entities carrying out relevant financial business and activities equivalent thereto, including where similar services to those under paragraph (a) are provided by a correspondent entity to a respondent entity, and including relationships established for securities transactions or funds transfers.</p>
Customers	<p>Customer is defined as natural person or a legal person / entity with whom the subject person has a business relationship or for whom the subject person carried out an occasional transaction. In this context, customers refers to active customers as at the end of the prior calendar year.</p> <p>Where reference is made to customer, this should be construed to refer to the direct customer of the subject person. It should not be deemed to refer to or include the customers of and / or services provided by the subject person's customers or service providers.</p>

Employees / relevant staff	<p>"Relevant staff" refers to employees and other company officials whose duties include the handling of either relevant financial business or relevant activity (as defined in the PMLFTR), irrespective of their level of seniority. This includes but is not limited to:</p> <ul style="list-style-type: none"> <li>(a) directors;</li> <li>(b) senior management;</li> <li>(c) the MLRO and designated employee(s);</li> <li>(d) compliance staff; and</li> <li>(e) all members of staff involved in the activities of the subject person that fall within the definition of 'relevant financial business' and 'relevant activity'.</li> </ul> <p>The term 'employees' should not only refer to individuals who have a contract of employment with the subject person but should be interpreted to also include individuals who are engaged by the subject person to carry out aspects of its business involving relevant activity or relevant financial business (such as temporary or contract staff).</p>
EU List identifying high risk 3rd countries with strategic deficiencies	<p>The jurisdictions in the EU list identifying high risk 3rd countries with strategic deficiencies can be found through the following link:</p> <p><a href="https://ec.europa.eu/info/policies/justice-and-fundamental-rights/criminal-justice/anti-money-laundering-and-counter-terrorist-financing/eu-policy-high-risk-third-countries_en#evolutionoftheeulistonhighriskthirdcountries">https://ec.europa.eu/info/policies/justice-and-fundamental-rights/criminal-justice/anti-money-laundering-and-counter-terrorist-financing/eu-policy-high-risk-third-countries_en#evolutionoftheeulistonhighriskthirdcountries</a></p>
EU List of Non-Cooperative Jurisdictions for Tax Purposes	<p>The EU list of Non-Cooperative Jurisdictions is a list that includes non-EU countries or territories that failed make sufficient commitments in response to EU concerns in terms of tax good governance. The list can be found in the following link:</p> <p><a href="https://cfr.gov.mt/en/inlandrevenue/tcu/Pages/EU-List-of-non-cooperative-jurisdictions.aspx">https://cfr.gov.mt/en/inlandrevenue/tcu/Pages/EU-List-of-non-cooperative-jurisdictions.aspx</a></p>
Face-to-face	<p>Face-to-face basis refers to the cases when the customer is physically present for verification purposes. Where a subject person makes use of video conferencing tools to onboard customers in accordance with the guidance provided in the IPs to onboard customers, these should be considered to have been onboarded on a face-to-face basis.</p>
FATF Lists	<p>The Financial Action Task Force (FATF) identifies jurisdictions with strategic deficiencies in their frameworks to combat money laundering and the financing of terrorism and proliferation. It periodically publishes lists with high risk jurisdictions subject (black list) to a call for action and jurisdictions with strategic deficiencies (grey list).</p> <p>The jurisdictions in the FATF lists can be found through the following link:</p> <p><a href="https://fiumalta.org/FATF">https://fiumalta.org/FATF</a></p>
High risk industries	<p>Subject persons are required to define their own list of high risk industries and products. For the purpose of responding to this question, subject persons should consider high risk industries to include: productions / trade in war related weapons, productions / trade in radioactive materials, mining, oil and gas, chemical and pharmaceutical industries, and adult entertainment.</p>
Dual use products	<p>In accordance with SL 365.12, dual-use items refers to any used or unused items, including software and technology, which can be used for both civil and military purposes, and including all goods which can be used for both non-explosive uses and for assisting in any way in the manufacture of nuclear weapons or other nuclear explosive devices.</p>

Inherent risk	Inherent risk is the risk a subject person is exposed to prior to adopting and applying any mitigating measures, policies, controls and procedures. Likelihood and impact will lead to the determination of the level of inherent risk a subject person is exposed to.
Non-face-to-face	Non-face-to-face refers to the cases when the customer (or its agent) was not physically present for verification purposes. It excludes those customers that were onboarded by the subject person through the use of video conferencing tools in accordance with the guidance provided in the IPs.
Occasional transaction	<p>The PMLFTR defines an occasional transaction as any transaction or service carried out or provided by a subject person for his / her customer, other than a transaction or service carried out or provided within a business relationship, and includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> <li>a) a transaction amounting to €15,000 or more carried out in a single operation or in several operations that appear to be linked;</li> <li>b) a transfer of funds, as defined under Regulation (EU) 2015/847 of the European Parliament and of the Council of 20 May 2015 which exceeds €1,000 in a single operation or in several operations that appears to be linked;</li> <li>c) a transaction in cash amounting to €10,000 or more, carried out by a natural person or legal person trading in goods in a single operation or in several operations that appear to be linked;</li> <li>d) a transaction amounting to €2,000 or more, carried out by gaming or casino licensees in a single operation or in several operations that appear to be linked;</li> <li>e) the provision of tax advice; and</li> <li>f) the formation of a company, trust, foundation or a similar structure.</li> </ul> <p>[some of the above may also be carried out in the context of a business relationship]</p>
Offshore	<p>The term offshore refers to jurisdictions that have distinctive characteristics such as low or zero taxation, tax secrecy and possibly lack of transparency. You are kindly requested to refer to the EU list of Non-Cooperative Jurisdictions for Tax Purposes. The list can be found in the following link:</p> <p><a href="https://cfr.gov.mt/en/inlandrevenue/tcu/Pages/EU-List-of-non-cooperative-jurisdictions.aspx">https://cfr.gov.mt/en/inlandrevenue/tcu/Pages/EU-List-of-non-cooperative-jurisdictions.aspx</a></p>
Onboarding	"Onboarding" refers to the process through which a business relationship is established or an occasional transaction is carried out.
Outsourcing	<p>Outsourcing refers to outsourced activities directly relating to the entity's relevant activity / relevant financial business and in the connection with its AML/CFT obligations. Chapter 6 - Outsourcing of the IP provides guidance to subject persons on what activities constitute outsourcing, the extent of outsourcing allowed and the conditions to which outsourcing should be subject.</p> <p>Subject persons whose AML / CFT obligations are, in whole or in part, undertaken by an entity forming part of its group should, irrespective of the legal and commercial arrangements consider this to be an outsourced operation.</p>
PEP measures	<p>Regulation 11 (5) of the PMLFTR states that:</p> <p>Subject persons shall ensure that the risk management procedures maintained in accordance with Regulation 5(5)(a) are conducive to determine whether a customer or a beneficial owner is a politically exposed person, and when undertaking occasional transactions for, or establishing or continuing business relationships with politically exposed persons shall:</p> <ul style="list-style-type: none"> <li>(a) require the approval of senior management;</li> <li>(b) take adequate measures to establish the source of wealth and source of funds; and</li> <li>(c) conduct enhanced ongoing monitoring of such business relationships.</li> </ul>

Politically Exposed Person	<p>The definition of a PEP should be construed in accordance with the PMLFTR and the guidance in the IPs</p> <p>Regulation 2(1) of the PMLFTR defines a PEP as a natural person who is or has been entrusted with a prominent public function, other than middle ranking or more junior officials. The PMLFTR provide a non-exhaustive list of public functions that are considered to be prominent public functions and would therefore render the holder thereof a PEP.</p> <p>Regulation 11(8) of the PMLFTR defines the term "family members" as including:  (i) the spouse, or a person considered to be equivalent to a spouse;  (ii) the children and their spouses, or persons considered to be equivalent to a spouse;  and  (iii) the parents.</p> <p>The list of "family members" is not an exhaustive list and therefore subject persons should consider whether other family relationships in specific circumstances may be considered to be similar to those under the indicative list in the PMLFTR.</p> <p>Regulation 11(8) also defines the term "close associates" as:  (i) a natural person known to have joint beneficial ownership of a body corporate or any other form of legal arrangement, or any other close business relations, with that politically exposed person;  (ii) a natural person who has sole beneficial ownership of a body corporate or any other form of legal arrangement that is known to have been established for the benefit of that politically exposed person.</p>
Relevant activity / Relevant financial business	Relevant activity and relevant financial business carry the same meaning as defined in Regulation 2 (1) of the PMLFTR .
Reliance on other subject persons	<p>The PMLFTR permit subject persons to rely on the CDD measures carried out by other subject persons or by certain other third parties. A reliance arrangement can be set up between entities when those entities are servicing the same customer, or when that same customer is in contact with multiple entities to a transaction, with each entity being under a legal obligation to carry out CDD measures on the customer. Subject persons should take adequate steps to ensure that, on request, the entity relied on immediately forwards relevant copies of the identification and verification documents on the CDD measures undertaken. In this regard, subject persons should have a written formal agreement with the entity, signed by both parties, that would regulate the procedures and conditions on these requests to ensure that the data is made available immediately.</p>
Residence	<p>"Residence" refers to the customer's principal country of residence or for a legal entity the jurisdiction where it is incorporated or has its principal place of business. With respect to trusts and similar legal arrangement the country of residence should be the jurisdiction of the laws governing the trusts and / or similar legal arrangement.</p>
Residual risk	<p>Residual risk is the level of risk left after applying the mitigating measures, policies, controls and procedures to the level of inherent risk identified.</p> <p>Level of inherent Risk – Mitigating Measures = Level of Residual Risk</p>

<p>Senior management</p>	<p>The definition of “senior management” will depend on the type of body corporate or organisation setup of the entity. It intends to capture those individual(s):</p> <ul style="list-style-type: none"> <li>(a) who are responsible for taking strategic decisions that fundamentally effect the business operations or general direction of that entity; and</li> <li>(b) who exercise executive control over the daily or regular affairs of the entity through a senior management position.</li> </ul> <p>Paragraph (b) includes individuals at C-level who have executive functions or are otherwise responsible for the management of the entity, such as executive directors, chief executive officers (CEOs) and chief financial officers (CFOs), and who require the approval, prior to appointment, of the MFSA or MGA, respectively.</p>
<p>Subsidiary entity</p>	<p>The definition of subsidiary shall be construed to mean the same as explained in the Companies Act. Companies that have the same ownership and share a common parent should be included within the definition of a subsidiary. On the other hand, entities simply having common ownership do not constitute a subsidiary, since there is no common parent entity.</p>

### Specific Guidance

No.	Question	Guidance
1.05	If your entity is a subsidiary of a foreign traded company or a subsidiary of a privately held foreign company, is the parent company located in EU / EEA jurisdictions or non-EU / EEA jurisdictions?	<p>This question applies only to subsidiaries, branches, affiliates that carry out services equivalent to relevant activity or relevant financial business.</p> <p>A subsidiary entity is an entity that is controlled by another entity (known as the parent). Control refers to the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. By way of example, an entity for whom more than 50% of its voting shares are owned by another entity is a subsidiary of the latter entity.</p> <p>In the case of a Collective Investment Scheme, the 'parent' company refers to the holders of the founder shares of the Collective Investment Scheme.</p> <p>If the entity is directly controlled by a natural person (ultimate beneficial owner) then the "Not Applicable" option should be selected.</p>
1.06	Please indicate total annual turnover according to the latest available audited financial statements and / or tax declaration.	<p>Respondents are required to indicate turnover on the basis of the latest available financial statements or submitted tax return. Where the latest available audited financial statements or submitted tax return does not correspond to the prior calendar year, subject persons are required to provide the required information from the latest available financial statement or submitted tax return available.</p> <p>In those instances where the subject person's financial statements are not reported in Euro, the reported turnover in foreign currency amount should be translated into Euro at the average annual exchange rate for the given accounting reference period as published by the European Central Bank. Furthermore, where the 2019 financial statements have not yet been audited or the 2019 tax declaration has not yet been submitted, subject persons are expected to use the latest available audited financial statements or tax declaration.</p> <p>Annual average exchange rates may be accessed through the following link: <a href="https://www.centralbankmalta.org/average-exchange-rates">https://www.centralbankmalta.org/average-exchange-rates</a></p>

No.	Question	Guidance
1.08	Please indicate the total number of employees (including partners, executive directors, associates and staff), expressed in full time equivalents ("FTEs"), working for you / your entity as at the end of the prior calendar year.	<p>Employment in full-time equivalent ("FTE") is a conversion method used to measure the number of employees according to the number of hours worked. When using FTE, a full-time employee working a 40 hour week is equivalent to 1, whereas a person who works 20 hours per week is equivalent to 0.5. Self employed should be included in the FTEs calculation. How is this different from the below?</p> <p>Employees should include persons who are directly employed by subject persons including directors and employees employed within the same group but working directly for the SP or who are self-employed persons but working for the SP.</p>
1.09	How many years experience in this industry do you / does the principal(s) and / or partners and / or director(s) and / or senior management of your entity have?	The persons to be taken into consideration for the purpose of this question, must have either an employment relationship with the entity or are serving on the governing body of the entity (through employment), independently of whether they have an executive or non-executive role.
1.11	Does your entity have any subsidiaries, branches, affiliates, representative offices and agencies in other EU / EEA countries?	<p>This question applies only to subsidiaries, branches, affiliates that carry out services equivalent to relevant activity or relevant financial business.</p> <p>If you entity is part of a Group, the other subsidiaries / branches / affiliates / representative offices / agencies forming part of and directly owned / controlled by other entities within the Group, should not be considered as your entity's subsidiary, branch, affiliate, representative office or agency.</p>
1.12	Does your entity have any subsidiaries, branches, affiliates, representative offices and agencies in non-EU / EEA countries?	<p>This question applies only to subsidiaries, branches, affiliates that carry out services equivalent to relevant activity or relevant financial business.</p> <p>If you entity is part of a Group, the other subsidiaries / branches / affiliates / representative offices / agencies forming part of and directly owned / controlled by other entities within the Group, should not be considered as your entity's subsidiary, branch, affiliate, representative office or agency.</p>

No.	Question	Guidance
1.14	Does your entity have any subsidiaries, branches, affiliates, representative offices and agencies in jurisdictions listed in the FATF lists and / or the EU list identifying high risk 3rd countries with strategic deficiencies and / or jurisdictions featuring in the top 20 countries of the Basel Index?	<p>This question applies only to subsidiaries, branches, affiliates that carry out services equivalent to relevant activity or relevant financial business.</p> <p>If your entity is part of a Group, the other subsidiaries / branches / affiliates / representative offices / agencies forming part of and directly owned / controlled by other entities within the Group, should not be considered as your entity's subsidiary, branch, affiliate, representative office or agency.</p>
1.16	Please list all persons (name and surname) who are considered as your entity's beneficial owners as defined in the PMLFTR.	<p>Subject persons are only required to provide the requested information for customers that are natural persons or legal arrangements.</p> <p>Regulation 2(1) of the PMLFTR defines a beneficial owner as: (a) any natural person or persons who ultimately owns or controls the customer; and/or (b) the natural person or persons on whose behalf a transaction or activity is being conducted. A body corporate, body of persons, trust or other legal arrangement can never qualify as a beneficial owner. The beneficial owner, when there is one, must always be a natural person.</p> <p>In case of a publicly listed entity, please specify the name of the stock exchange where the company is listed e.g.: Malta Stock Exchange.</p>
1.18	Does your entity have nominee shareholders in its ownership structure?	<p>Nominee shareholding refers to those instances where the shares of an entity are held by a person for the benefit of another person (beneficial owner). A nominee shareholder may be an individual or a body corporate.</p> <p>In replying to this question, subject persons are required to consider their whole ownership structure irrespective of country of incorporation or jurisdiction.</p>
1.20	Has your entity undergone changes in its ownership structure during the prior calendar year?	<p>In the case of a Collective Investment Scheme, the changes being referred to relate to changes in the beneficial owners of the Collective Investment Scheme as opposed to changes in the investors (unit holders) of the Collective Investment Scheme.</p>

No.	Question	Guidance
1.21	Has your entity undergone significant changes in its management and control structure during the prior calendar year?	<p>"Management and control structure" refers to those bodies or individuals within the entity that either set the general direction of the entity in the pursuance of its activities (e.g. Board of Directors, Partners' Committee etc.) or that manage the entity's activities on a day-to-day basis (C-level e.g. Chief Executive Officer, Chief Financial Officer, Managing Partners etc.) and who require the approval, prior to appointment, of the MFSA or MGA, respectively. Control structures refer to the entity's governance structures and their related setup and should exclude control structures established for the day-to-day operations of the entity.</p> <p>"Significant changes in its management and control structure" means any change to the governing body or to the management of the entity. For licensed subject persons (including CSP and Trustees) change to governing body or management refers to those positions that require prior approval and / or notification of the Malta Financial Services Authority or the Malta Gaming Authority respectively.</p>
2.06	How many staff members, expressed as FTEs, are part of the AML / CFT team (if one exists)?	<p>"AML / CFT team" refers to individual/s who are part of an organised setup within the entity whose responsibilities include the assistance / execution, in part or in whole, of the entity's obligations arising from the PMLFTR and IPs and the entity's policies and procedures.</p> <p>Employment in full-time equivalent is a conversion method used to measure the number of employees according to the number of hours worked. When using FTE a full-time employee working a 40 hour week is equivalent to 1, whereas a person who works 20 hours per week is equivalent to 0.5. Self employed should be included in the FTEs calculation. The reported number should exclude the MLRO.</p>
2.07	Is any of the AML / CFT team staff responsible for other roles and responsibilities not attributable to AML / CFT (e.g. front office, back office, etc.)?	<p>"AML / CFT team" refers to the staff members other than the MLRO.</p> <p>"Roles and responsibilities" relate to those responsibilities which are part of the first line of defence in the three lines of defence model. This may include front office, back office responsibilities but excludes compliance and risk management roles.</p>

No.	Question	Guidance
2.13	Have you made use of any of the exceptions provided in Section 5.1.2 of the Implementing Procedures - Part I providing for the Money Laundering Reporting Officer to be carried out by someone other than one of your officers?	The subject person is expected to complete this question where the individual appointed as Money Laundering Reporting Officer is an employee of a third party undertaking (including Group- wide MLROs).
3.05	Did the Business Risk Assessment conducted take into account the results of the SNRA and NRA?	"NRA" refers to National Risk Assessment "SNRA" refer to Supranational Risk Assessment
4.03	Please indicate, for all your customers where a business relationship is formed or, depending on the risk, only for a specific part of your customers, whether you / your entity collects the following: a) Identification and verification information (for both natural and legal persons and BOs of legal persons) including: name, nationality/ country of incorporation or registration, country of residence, registered office or main place of business b) Information on the overall wealth of the customer (nature of activities conducted and corresponding level of income or turnover, other income streams)	The PMLFTR state that for a business relationship to exist it must satisfy 3 important cumulative elements: a) the relationship must be of a business, professional or commercial nature between 2 or more persons; b) at least one of the persons involved in the relationship must be a subject person; and c) the relationship has, or is expected to have at the time when the contact is established, an element of duration.  "Main place of business" refers to the place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made.  The definition of a PEP should be construed in accordance with the PMLFTR and the guidance in the IPs.  The Not Applicable option should be selected in case where the subject persons provide only occasional transactions.

No.	Question	Guidance
	<p>c) Information on the expected source and origin of the funds and / or assets transacted by the customer / on behalf of the customer</p> <p>d) Information on the PEP status of the customer and, where applicable of the beneficial owner</p>	
4.04	<p>Please indicate, for all your customers where a business relationship is formed or, depending on the risk, only for a specific part of your customers, whether you / your entity collects information on actual or expected activity (including cash flows) with respect to size, frequency and geographical distribution.</p>	<p>This question refers to information that may be collected, on a risk basis, by a subject person in order to understand the customer's business and strengthen its customer risk assessment.</p> <p>Geographical distribution refers to the jurisdictions where or through which the customer carries out its operations (customers, suppliers, place of management) and undertakes its financial activity (money flows).</p>
4.06	<p>Do policies and procedures specify hierarchical authorisation levels within your entity to, on a risk basis, accept a customer or approve a transaction?</p>	<p>The application of hierarchical authorisation levels refer to both customers accepted at on-boarding stage and resulting from changes in customer risk assessment throughout the business relationship.</p>
4.07	<p>Are the following verification measures used during the onboarding of non-face-to-face customers?</p> <p>a) Verification on the basis of documents</p> <p>b) Use of video conferencing tools</p> <p>c) Use of identity verification software</p> <p>d) Verification through the use of commercial electronic data providers</p> <p>e) Use of e-IDs</p> <p>f) Verification of Identity Platforms</p>	<p>Respondents should only select the "Not Applicable" option in their reply, when, in accordance with the subject's persons policies and procedures, it is not permitted to onboard customers on a non-face-to-face basis.</p>

No.	Question	Guidance
4.12	Where customer due diligence cannot be completed at the onboarding stage, do the policies and procedures require you / your entity to consider whether there is a need to file a STR with the FIAU and only proceed with the cancellation / termination of the business relationship once it is determined that there is no suspicion justifying the filing of a STR?	The IPs require subject persons to consider terminating the business relationship / the carrying out of an occasional transaction when CDD cannot be completed only after taking into consideration whether an STR needs to be filed. Section 4.7 of the IPs provides further guidance on subject persons' obligations on this matter.
4.15	Is your monitoring system able to detect the expiry of due diligence documentation and any conflicting information in relation to customer data?	For subject persons who only carry out occasional transactions, this question shall be answered to the extent that the information or documentation obtained prior to the carrying out of such transactions is conflicting with the information provided during the carrying out of the transaction. For example, the information provided by the customer indicates that he / she lives in Malta while the documentation made available states otherwise.
4.17	In the event that there are changes to your customer's business model, ownership structure or service offering, do you / does your entity review the existing customer risk assessment and, if necessary, update the said risk assessment?	Respondents who solely undertake occasional transactions should mark their reply to this question as 'Not Applicable'.
4.20	Do policies and procedures require your entity to obtain an understanding of high value / high risk transactions, as well as obtain related supporting documentation and revise the CRA, if required?	"CRA" refers to the Customer Risk Assessment.  "High value" and "high risk" transactions should be defined by the entity and appropriately documented in the entity's policies and procedures.

No.	Question	Guidance
5.01	Is your entity's process / system for monitoring transactions fully automated, partially automated or manual?	<p>"Fully Automated" refers to relying on automated systems that require little or no human intervention. "Partially Automated" refers to relying on automated systems requiring human intervention regularly, whilst "Manual" refers to relying on control system data, manual / scheduled reports and intensive employee intervention.</p> <p>This question should be marked as 'not applicable' by those entities who solely undertake occasional transactions.</p>
5.02	Does your monitoring system utilise any of these techniques to monitor customer activity?	<p>"Rule-based criteria" refers to a set of pre-established rules that are applied in a system. The monitoring system will take a pre-defined action (flag, block etc.) on any transaction / activity that meets the criteria within the rule/s.</p> <p>"Profiling" refers to the process of construction and application of user profiles generated through the analysis of data. This typically relates to the use of algorithms or other mathematic techniques that allow for the discovery of patterns or correlation in large quantities of data. When these patterns or correlations are used to identify or represent persons they are referred to as profiles.</p> <p>The Not Applicable option should be only selected by subject persons who do not have business relationships but only occasional transactions.</p>
5.03	How often are the criteria and rules utilised by the monitoring system reviewed and updated?	Respondents who solely undertake occasional transactions should mark their reply to this question as 'Not Applicable'.
5.05	Are there customer transactions that are not screened by the monitoring system?	Subject persons who only have occasional transactions and who do not have business relationships, should select the "Not Applicable" option in the response.

No.	Question	Guidance
5.07	Does your entity have an expected transaction profile for every customer?	<p>An expected transaction profile is created on the basis of information obtained at customer onboarding stage and throughout the business relationship in order to establish a profile of the expected activity for a particular customer.</p> <p>An example of the application of an expected transaction profile is an Investment and Borrowing Restriction Matrix designed to ensure that the Investment Manager abides by the restrictions and parameters in the Offering Document and regular monitoring of customer activity against this matrix.</p> <p>The Not Applicable option should be only selected by subject persons who do not have business relationships but only undertake occasional transactions.</p>
5.09	<p>Is the monitoring system based on:</p> <p>a) The characteristics of the products and services offered</p> <p>b) The characteristics of the customers</p> <p>c) The characteristics of the relevant countries and geographical areas</p> <p>d) The characteristics of the distribution channels used</p> <p>e) The payment method used by the customer</p> <p>f) Other factors</p>	<p>Respondents who solely undertake occasional transactions should mark their reply to this question as 'Not Applicable'.</p>
5.11	How many alerts were generated by the monitoring system during the prior calendar year?	<p>The number should reflect the total number of alerts that were raised by the system and resulted in an analysis / investigation by the subject person to be able to determine whether these should be cleared or whether they should be escalated further through the filing of an internal report.</p> <p>The Not Applicable option should be only selected by subject persons who do not have business relationships but only undertake occasional transactions.</p>

No.	Question	Guidance
5.17	<p>Does your monitoring system:</p> <ul style="list-style-type: none"> <li>a) Establish the source of funds and destination of capital gains / location of settlement, ensuring that the investment profile and settlement location are in-line with the customer profile</li> <li>b) Identify occurrences of customers transferring funds in excess of those required for the investment</li> <li>c) Identify occurrences of the customer asking to repurchase or redeem a long-term investment within a short period after the initial investment or before the pay-out date, without a clear rationale, in particular where this results in financial loss or payment of high transaction fees</li> <li>d) Identify occurrences of the customer requesting the repeated purchase and sale of shares within a short period of time without an obvious strategy or economic rationale</li> <li>e) monitor for investment funds originating from or capital gains being paid out to an unidentified third party</li> <li>g) monitor for transactions which appear to be undertaken in a manner to avoid applicable transaction monitoring / reporting thresholds</li> </ul>	<p>The Not Applicable option should be only selected by subject persons who do not have business relationships but only occasional transactions. When answering the individual questions, the following must be taken into consideration:</p> <ul style="list-style-type: none"> <li>a) Respondents should consider whether the entity is able to determine if funds to be invested and dividends / gains / redemption proceeds are to be remitted to locations that tally with what is known about the customer and the source i.e. the activity that generated the funds to be invested.</li> <li>e) "Unidentified third parties" refer to individuals / entities with whom your entity has no apparent business relationship. "Capital gains" shall be construed to mean dividends / gains / redemption proceeds.</li> <li>f) Respondents should consider whether the entity is able to determine the total holdings of a customer within the collective investment scheme, including any sub-funds.</li> </ul>

No.	Question	Guidance
6.16	Do your entity's policies and procedures require the approval of senior management before setting up a correspondent relationship?	<p>Correspondent relationship refers to the relationship between the securities provider (correspondent) and an intermediary (respondent), which is regulated and supervised by a supervisory authority, for securities transactions. By way of example, this would include situations where a foreign investment service provider makes use of the accounts held with the subject person to execute securities transactions in Malta on behalf of its customers.</p> <p>Respondents that are custodians should select "Not Applicable".</p>
7.01	Have you / your entity, given the size and nature of its business, appointed an officer at management level to monitor the day to day implementation of its AML / CFT measures, policies, controls and procedures?	<p>Where the subject person is a sole practitioner and the appointed officer is themselves, they may choose to select the option "No, MLRO has taken this role".</p>
7.03	Have you / your entity, given the size and nature of its business, appointed an independent audit function to test its AML / CFT measures, policies, controls and procedures?	<p>The PMLFTR requires subject persons to consider whether, given the size and nature of their business, the conduct of ongoing monitoring on one's own measures, policies, controls and procedures needs to be strengthened through:</p> <p>(a) the appointment of an officer at management level whose duties are to include monitoring of the day-to-day implementation of the measures, policies, controls and procedures adopted by the subject person; and</p> <p>(b) the implementation of an independent audit function to test the said internal measures, policies, controls and procedures from time to time.</p> <p>The latter need not necessarily result in the creation of an internal audit function, since it is possible for the subject person to engage an external consultant independent of the subject person to evaluate the adequacy of its internal controls, policies and procedures. Alternatively, the subject person may assign this task internally to a person other than the MLRO or anyone else involved in the implementation or operation of the subject person's AML / CFT compliance programme.</p>

No.	Question	Guidance
8.03	From the internal reports raised in the prior calendar year, how many cases are still open?	<p>An internal report is considered as still open where the MLRO has not yet made a determination as to whether an STR is to be filed with the FIAU or otherwise.</p> <p>The 'Not Applicable' answer is only to be used where the subject person replied '0' to the question: "How many internal suspicious reports were raised during the prior calendar year?"</p>
8.05	Were records of all "internal reports" raised during the prior calendar year and the analysis conducted thereon maintained by you / your entity?	<p>The internal reporting procedures of a subject person should set out the steps to be followed when one of its employees knows or suspects that a person or a transaction is connected to ML / FT. The procedures should clearly state that when an employee has any such information, he / she is to report the matter to the MLRO without delay.</p> <p>Internal reports should be submitted in writing, preferably using a standard template, together with all relevant information and documentation available to the employee so as to assist the MLRO to determine how best to proceed.</p> <p>Following the receipt of an internal STR, the MLRO may conclude, for justifiable reasons that the report does not give rise to knowledge or suspicion of money laundering. In such cases, the MLRO should keep a copy of the internal STR together with the rationale of why the report did not warrant a submission to the FIAU. It is the MLRO's responsibility to consider internal reports of money laundering and decide if there is sufficient grounds for suspicion to file a suspicion transaction report ("STR").</p>
8.07	How many requests for information from the Maltese authorities did you / your entity receive about any of your customers during the prior calendar year?	<p>The term "Maltese authorities" refers to: Financial Intelligence Analysis Unit (FIAU), Malta Financial Services Authority (MFSA), Malta Gaming Authority (MGA), The Malta Police Force, Sanctions Monitoring Board and the Asset Recovery Bureau.</p> <p>Reference to customers is made with respect to current clients (active or inactive), customers who no longer have a business relationship with the entity and those for whom an occasional transaction was carried out.</p>
9.04	Please provide the % of staff outside the AML / CFT unit that completed AML / CFT training throughout the prior calendar year.	Staff outside the ML / CFT unit refers to employees of the entity who undertake relevant activity / relevant financial business. Self-employed persons who principally work for the entity should all be included in your response.

No.	Question	Guidance
9.07	<p>Where AML operational tasks are outsourced (within or outside the Group), have the outsourced provider's staff directly servicing your entity, received training during the prior calendar year in relation to:</p> <p>a) specific Maltese AML / CFT regulations (PLMA, PLMFTR, IPs)</p> <p>b) your / your entity's AML / CFT policies and procedures</p>	<p>The question refers to the training of the outsourced provider's relevant staff and should not be construed to refer to the provision of training to the entity's staff by an outsourced service provider.</p>
9.08	<p>Where tasks relating to AML / CFT compliance are outsourced (within or outside the Group), what % of the provider's staff directly servicing you / your entity, received training on AML / CFT throughout the prior year?</p>	<p>The term "group" refers to a parent undertaking and all its subsidiary undertakings.</p> <p>Subject persons whose AML / CFT obligations are, in whole or in part, undertaken by an entity forming part of its group should, irrespective of the legal and commercial arrangements in place, also respond to this question.</p>

No.	Question	Guidance
10.01	Do you / your entity have policies and procedures in place providing for compliance with the record keeping obligations arising from the PMLFTR?	<p>Chapter 9 – Recordkeeping Procedures of the IPs states that subject persons must have procedures in place and apply the same, so as to ensure that the following records are maintained:</p> <ul style="list-style-type: none"> <li>a) records of the actions taken to adopt and implement the risk-based approach;</li> <li>b) the CDD information and documents obtained for identification and verification of identity purposes;</li> <li>c) records containing details relating to the business relationship that is formed and all transactions carried out in the course of a business relationship or an occasional transaction;</li> </ul> <p>Subject persons should also retain the following records required as evidence of compliance with the PMLFTR and for statistical purposes:</p> <ul style="list-style-type: none"> <li>a) internal reports made to the MLRO;</li> <li>b) a record of any written determinations made by the MLRO and the designated employee, including the reasons for not filing an STR with the FIAU;</li> <li>c) STRs made by the subject person to the FIAU and any follow-up submissions made in connection thereto;</li> <li>d) a record of AML / CFT training attended by sole practitioners / provided to employees;</li> <li>e) records of conduct certificates or other documentation obtained in carrying out employee screening;</li> <li>f) records of any outsourcing agreements entered into and other documentation that provides evidence of the subject person’s adherence to its obligations under Chapter 6 of these Implementing Procedures, Part I;</li> <li>g) records of any reliance agreements entered into and of any related assessments undertaken on the other subject person or third party in terms; and</li> <li>h) other important records, including: any reports by the MLRO, records of consideration of those reports made to senior management and of any action taken as a consequence thereof, records of any internal audit reports or assessments dealing with AML / CFT issues, and any other records that are necessary to demonstrate compliance with the obligations under the PMLA, the PMLFTR and any Implementing Procedures.</li> </ul> <p>Subject persons are required to maintain records for a period of 5 years, however in specific cases subject persons may be requested to retain their records for longer periods. The 5 year retention period commences from the date on which the business relationship is terminated or the occasional transaction is carried out.</p>

No.	Question	Guidance
10.02	<p>Upon request by the FIAU, are you / your entity in a position to retrieve the requested customer records / or investigative records within the established deadlines?</p> <p>*If you / your entity received reminders or requested extensions for deadlines imposed by the FIAU, do not mark as [yes, always].</p>	<p>When requests for information are made by the FIAU, subject persons should ensure that they are able to reply in a timely manner but not later than 5 working days, provided that subject persons are able to reply in a shorter period of time where the FIAU deems it necessary, depending on the request</p>
11.01	<p>Please indicate the value of 'Portfolios under management' as at the beginning of the prior calendar year.</p>	<p>"Portfolios under management" refers to portfolios which are managed in accordance with mandates given by customers on a discretionary basis, where such portfolios include one or more financial instruments.</p> <p>The value of portfolio under management should include only the value of discretionary portfolios managed by the Investment Service Provider.</p> <p>Value of assets are, where applicable, to be converted to Euro at the applicable rate of exchange as per ECB rate (or other reputable source) as the beginning of the prior calendar year.</p>
11.02	<p>Please indicate the value of 'Portfolios under management' as at the end of the prior calendar year.</p>	<p>"Portfolios under management" refers to portfolios which are managed in accordance with mandates given by customers on a discretionary basis, where such portfolios include one or more financial instruments.</p> <p>Value of assets are, where applicable, to be converted to Euro at the applicable rate of exchange as per ECB rate (or other reputable source) as the end of the prior calendar year.</p>

No.	Question	Guidance
11.03	Reception and transmission of orders in relation to one or more instruments: a) Volume of transactions (#) b) Value of transactions (€)	<p>Reception and transmission of order refers to the reception from a person of an order to buy, sell or subscribe for instruments and the transmission of that order to a third party for execution.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.04	Execution of orders on behalf of clients: a) Volume of transactions (#) b) Value of transactions (€)	<p>Execution of orders refers to a situation whereby the entity is acting to conclude agreements to buy or sell one or more instruments on behalf of clients and includes the conclusion of agreements to sell instruments issued by an investment services licence holder or a credit institution at the moment of their issuance.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.05	Dealing on own account: a) Volume of transactions (#) b) Value of transactions (€)	<p>Dealing on own account refers to instances whereby the entity is trading against proprietary capital resulting in conclusion of transactions in one or more instruments.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.06	Trustee services: Value of assets held at the beginning of the prior calendar year	<p>Trustee services refers to instances whereby the entity holds and administers property or assets for the benefit of a third party.</p> <p>Value of assets are, where applicable, to be converted to Euro at the applicable rate of exchange as per ECB rate (or other reputable source) as the end of the prior calendar year.</p>

No.	Question	Guidance
11.08	Custodian services: Value of assets held at the beginning of the prior calendar year	<p>Custodian services refers to instances whereby the entity holds customers' securities for safekeeping in order to minimize the risk of their theft or loss.</p> <p>Value of assets are, where applicable, to be converted to Euro at the applicable rate of exchange as per ECB rate (or other reputable source) as the end of the prior calendar year.</p>
11.10	Nominee services: Value of assets held at the beginning of the prior calendar year	<p>Nominee services refers to instances whereby the entity is holding an instrument or the assets represented by or otherwise connected with an instrument as nominee, where the person acting as nominee is so doing on behalf of another person who is providing any investment service, or on behalf of a client of such person, and such nominee holding is carried out in relation to such investment service.</p> <p>Value of assets are, where applicable, to be converted to Euro at the applicable rate of exchange as per ECB rate (or other reputable source) as the end of the prior calendar year.</p>
11.13	<p>Underwriting of instruments and, or placing of instruments on a firm commitment basis:</p> <p>a) Volume of transactions (#)</p> <p>b) Value of transactions (€)</p>	<p>Underwriting of instruments / placing of instruments on a firm commitment basis refers to the underwriting or placing of instruments such that the person providing the service assumes the risk of bringing a new securities issue to the market by buying the issue from the issuer thereby guaranteeing the sale of a certain number of shares to investors.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>

No.	Question	Guidance
11.14	Placing of instruments without a firm commitment basis: a) Volume of transactions (#) b) Value of transactions (€)	<p>Placing of instruments without a firm commitment basis refers to marketing of newly-issued securities or of securities which are already in issue but not listed, to specified persons and which does not involve an offer to the public or to existing holders of the issuer's securities - without assuming the risk of guaranteeing the sale of a certain number of shares by buying the relative securities from the issuer.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.15	Operation of a Multilateral Trading Facility: a) Volume of transactions (#) b) Value of transactions (€)	<p>A Multilateral Trading Facility refers to the operation of a multilateral system which brings together multiple third party buying and selling interests in instruments - in the system and in accordance with non-discretionary requirements - in a way that results in a contract.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.16	The reception, transmission and submission of a bid relating to emission allowances: a) Volume of transactions (#) b) Value of transactions (€)	<p>In this context reference to emission allowances is made to the reception, transmission, and submission of a bid by a person on any auction platform which auctions emission allowances within the meaning of Commission Regulation (EU) No 1031/2010 of 12 November 2010 on the timing, administration and other aspects of auctioning of greenhouse gas emission allowances pursuant to Directive 2003/87/EC of the European Parliament and of the Council establishing a scheme for greenhouse gas emissions allowances trading within the Community, as may be amended from time to time.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>

No.	Question	Guidance
11.17	<p>Operation of an Organised Trading Facility:</p> <p>a) Volume of transactions (#)</p> <p>b) Value of transactions (€)</p>	<p>"Operation of an Organised Trading Facility" (OTF) refers to the operation of an OTF whereby multiple third-party buying and selling interests in bonds, structured finance products, emission allowances or derivatives are able to interact in the system in a way that results in a contract.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.18	<p>Long-term investment products:</p> <p>a) Volume of transactions (#)</p> <p>b) Value of transactions (€)</p>	<p>Long-term investment products include investments which the customer intends to hold for more than one year and open-ended funds (that do not have a maturity date) offered by asset management firms.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.19	<p>Short-term investment products:</p> <p>a) Volume of transactions (#)</p> <p>b) Value of transactions (€)</p>	<p>Short-term investments, also known as marketable securities or temporary investments, are investments that can easily be converted to cash and are typically held for one year or less.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>

No.	Question	Guidance
11.20	<p>Correspondent activity services (for instance, for securities transactions):</p> <p>a) Volume of transactions (#)</p> <p>b) Value of transactions (€)</p>	<p>The term correspondent refers to those relationships which present characteristics similar to correspondent banking relationships. These would include a relationship between two investment service providers for the carrying out of securities transactions where one of the said investment service providers is acting as an intermediary and carrying out transactions on behalf of its own customers. In these cases, the customer of the intermediary (equivalent to a respondent in a correspondent banking relationship) would not be deemed to be the customers of the executing investment service provider (equivalent to a correspondent in a correspondent banking relationship). By way of example this would include situations such as when a foreign investment service provider makes use of its accounts with the subject person to execute securities transactions in Malta on behalf of its customers.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
11.21	Does your entity offer internet-based securities trading accounts?	Discretionary Portfolio Managers and respondents that are custodians should select "Not Applicable"
11.22	Did your entity provide foreign exchange services in the prior calendar year?	Discretionary Portfolio Managers and respondents that are custodians should select "Not Applicable"
11.23	Did your entity provide binary options in the prior calendar year?	<p>Binary Options are cash settled derivatives in which the payment of a fixed monetary amount depends on whether one or more specified events in relation to the price, level or value of the underlying occurs at, or prior to, the derivative's expiry (for example the underlying has reached a specified price (the 'strike price') at expiry). In addition, Binary Options also include contracts in which payment is contingent on multiple events occurring.</p> <p>In the case of Collective Investment Schemes, this would entail investing in binary options, as opposed to trading in the same.</p> <p>Discretionary Portfolio Managers and respondents that are custodians should select "Not Applicable".</p>

No.	Question	Guidance
11.24	Did your entity's investment services include the trade of bearer securities in the prior calendar year?	Discretionary Portfolio Managers and respondents that are custodians should select "Not Applicable".
11.25	Did your entity's investment services include the trade of derivatives in the prior calendar year?	Discretionary Portfolio Managers and respondents that are custodians should select "Not Applicable"
11.27	Does your entity offer pooled accounts and subaccounts (for financial intermediaries / custodian services)?	<p>Pooled funds are funds in a portfolio from many individual investors that are aggregated for the purposes of investment.</p> <p>A sub account is a segregated account nested under a larger account or relationship.</p>
12.04	<p>For each instance noted below, please state the total expressed as a % of the total customers as at the end of the prior calendar year:</p> <p>a) Natural persons</p> <p>b) Legal persons</p> <p>c) Customers with an ownership structure that includes offshore vehicles, trusts, or other legal arrangements including bearer shares and nominee shareholding</p> <p>d) Customers with an ownership structure that includes foundations, charities or other not-for-profit entities</p>	<p>This question is applicable to Investment Service Providers that provide fund management services.</p> <p>Customers reported under this category should also be included under "Legal persons" above.</p>
12.05	Please list the number of customers (natural persons) and / or BOs that have benefited from residence or citizenship by investment schemes, or are applicants / prospective applicants for such schemes.	Investor citizenship schemes are often referred to as CIPs ('citizenship investment programmes'), 'citizenships for sale' or 'golden passports'. They allow foreigners to be naturalised as a citizen of a country in return for an investment, provided certain criteria are fulfilled. Investor citizenship schemes differ from investor residence ('golden visa') schemes, which aim to attract investment in exchange for residence rights in the country concerned.

No.	Question	Guidance
12.08	<p>Of the total number of customers, please specify:</p> <p>a) % of customers scored / rated as "High Risk"</p> <p>b) % of customers scored / rated as "Medium High Risk"</p> <p>c) % of customers scored / rated as "Medium Risk"</p> <p>d) % of customers scored / rated as "Low Medium Risk"</p> <p>e) % of customers scored / rates as "Low Risk"</p>	<p>Kindly provide the risk rating of your customers as at the end of the prior calendar period. The risk rating should reflect the result of the latest customer risk assessment as carried out in line with your / your entity's policies and procedures.</p>
12.13	<p>Do you / your entity have customers that act as holding companies with subsidiaries or investments in non-EU / EEA jurisdictions?</p>	<p>Holding companies are typically entities that hold investments principally related to equity shares in other entities. Holding companies may also own other assets such as immovable property, intellectual property and other financial assets. Holding companies do not actively participate in the running of the day-to-day operations of the entities it holds an investment in.</p>
12.29	<p>What is the total volume and value of customers where the customer is a Maltese government agency / body?:</p> <p>a) Volume (#)</p> <p>b) Value (€)</p>	<p>"Government agency / body" refers to:</p> <p>a) Government agencies which are listed in the fourth schedule of 'Chapter 595 Public Administration Act' found in the following link: <a href="http://justiceservices.gov.mt/DownloadDocument.aspx?app=lom&amp;itemid=12967&amp;l=1">http://justiceservices.gov.mt/DownloadDocument.aspx?app=lom&amp;itemid=12967&amp;l=1</a></p> <p>b) 'Chapter 595 Public Administration Act' which defines a government entity as an organisation, not being a government department, specialised unit, a government agency or a commercial partnership, in which Government has a controlling interest, whether or not such organisation is established by law.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>

No.	Question	Guidance
12.33	What is the total volume and value of contracts / transactions where the customer is another collective investment scheme or similar vehicle?	<p>Investment vehicles are used by investors to gain positive returns on their money. A Collective Investment Scheme is a type of investment vehicle used by investment managers to pool investors' money to enable them to access investments which they might not otherwise be able to access in their individual capacities.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
12.38	Please list the number of customers who operate cash intensive businesses.	Cash intensive businesses are businesses which through their operations receive or depend largely on cash-based transactions. Examples of cash intensive business include restaurants, petrol stations, retail stores and parking garages.
12.46	<p>Internet-based, or mobile-application based, payment systems or other e-money / e-wallet services (as defined by FATF):</p> <p>a) Volume (#)</p> <p>b) Value (€)</p>	<p>Internet-based or mobile-application based payment systems include systems such as PayPal, Alipay, ApplePay, Venmo and Google Checkout.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
13.01	What percentage of total customers are resident or otherwise incorporated or their principal place of business is in Malta?	"Principal place of business" refers to the place where key management and commercial decisions that are necessary for the conduct of the business of an entity as a whole are, in substance, made.
13.06	What percentage of your customer's BOs are resident in Malta?	The % response should be calculated on the basis of the total number of BOs and not on the total number of customers held by you / your entity.
13.07	What percentage of your customer's BOs are foreign and resident in an EU or EEA jurisdiction outside Malta?	The % response should be calculated on the basis of the total number of BOs and not on the total number of customers held by you / your entity.
13.08	Please list the % of your customer's BOs who are foreign and are resident in a non-EU / EEA member state jurisdiction.	The % response should be calculated on the basis of the total number of BOs and not on the total number of customers held by you / your entity.

No.	Question	Guidance
13.11	What was the total volume and value of investments linked to client domestically-held investment accounts?	<p>"Client-held investment accounts" refers to bank or other accounts from which the customer remitted funds for subscriptions or to which dividends / pay-outs / redemption proceeds are remitted.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
13.15	<p>What was the total volume and value of investments made through multiple client held accounts in multiple jurisdictions?:</p> <p>a) Volume (#)</p> <p>b) Value (€)</p>	<p>"Client held accounts" refers to bank or other accounts from which the customer remitted funds for subscriptions or to which dividends / pay-outs / redemption proceeds are remitted.</p> <p>"Multiple" should refer to 4 or more client held accounts. The respondent should specify the total number and value of investments which were made through 4 or more accounts held by the same client and which were located in 4 or more different jurisdictions.</p> <p>Total amount is to be presented in €. Where applicable, amounts are to be converted to € at the official daily exchange rate or in the absence thereof, at the average monthly / annual ECB exchange rate (or other official source) for the prior calendar year.</p>
14.08	What percentage of customers were onboarded via digitally enabled broker tools?	Digitally enabled broker tools provide a customised and ready-to-use front end which captures the customer's static data and identification documents. These tools are typically able to perform AML / CFT background checks and ensure advanced technology to enhance user experience.
14.09	Of those onboarded on a non-face-to-face basis, what percentage of customers' investment accounts are handled via sub-distributor?	"Distributor" refers to a firm that offers, recommends or sells an investment product and service to a client. "Sub-distributors" refer to agents of distributors.