

Enhanced Measures

You have been approached to establish the following business relationships. In each case you must determine:

- who the customer is within the scenario;
- which, if any, of the four higher risk factors apply to the customer; and
- what enhanced measure(s) you could apply to mitigate those higher risk factors.

The scenarios herein are wholly fictional and are purely for the purposes of discussing the application of the Bailiwick's AML/CFT framework.

1. Your firm is a Trust and Corporate Service Provider and you have received an application to establish a trust and two underlying companies from a natural person based in Switzerland. £2.5m is to be settled into the trust.

Customer: _____

- Which Risk Factors Present?:
- Customer is not resident in the Bailiwick
 - Customer being provided with private banking services
 - Customer is used for personal asset holding purposes
 - Customer has nominee shareholders, or is owned by a legal person with nominee shareholders

Possible Enhanced Measure(s):

2. Your firm is a Private Bank and you have received an application from a GFSC licensed trustee to provide bespoke wealth management services to a Guernsey trust, the settlor and beneficiaries of which are all based in South America. You have assessed the proposed business relationship as being high risk.

Customer: _____

- Which Risk Factors Present?:
- Customer is not resident in the Bailiwick
 - Customer being provided with private banking services
 - Customer is used for personal asset holding purposes
 - Customer has nominee shareholders, or is owned by a legal person with nominee shareholders

Possible Enhanced Measure(s):

3. Your firm is the Designated Administrator to a closed-ended collective investment scheme and has been nominated as the firm responsible for ensuring that investors are subject to the Bailiwick's AML/CFT regime. You have established an intermediary relationship with an FSB based in Belgium which will be making an investment of £92.5m into the fund on behalf of its clients.

Customer: _____

- Which Risk Factors Present?:
- Customer is not resident in the Bailiwick
 - Customer being provided with private banking services
 - Customer is used for personal asset holding purposes
 - Customer has nominee shareholders, or is owned by a legal person with nominee shareholders

Possible Enhanced Measure(s):

