



Anti-Financial Crime Booklet with Primary Law Sources

Table of Contents

A. Introduction	1
B. European Regulatory Approach	1
I. Directives	1
1. Proposal for 5 th Money Laundering Directive [2016/0208 (COD)]	1
2. 4 th Money Laundering Directive (Directive (EU) 2015/849)	2
3. 3 rd Money Laundering Directive (Directive 2005/60/EC).....	2
II. Regulations	3
1. 2 nd Transfer of Funds Regulation (Regulation (EU) 2015/847)	3
C. National Regulatory Approaches	4
I. United States of America	4
1. USA PATRIOT Act (2001).....	4
2. Bank Secrecy Act (1970).....	5
II. Germany	5
1. Proposal of an Anti Tax Avoidance Act (“StUmgBG”)	5
2. Proposal of an Implementation Act for the 4 th Money Laundering Directive (“UmsG 4. GwR”)	6
II. United Kingdom: Bribery Act (2010).....	7
D. Regulatory Approaches of International Organizations	7
I. Financial Action Task Force (FATF)	7
1. Recommendations	7
2. Guidance.....	8
a) Guidance for a Risk-Based Approach (RBA)	8
aa) The Banking Sector (2014).....	8
bb) Prepaid Cards, Mobile Payments and Internet-Based Payment Services (2013)	8
cc) Virtual Currencies (2015).....	8
dd) Money or Value Transfer Services (2016)	9

ee) High Level Principles and Procedures (2007)	9
b) Other Guidance	10
aa) Correspondent Banking Services (2016)	10
bb) Transparency and Beneficial Ownership (2014)	10
dd) Anti-Money Laundering and Terrorist Financing Measures and Financial Inclusion (2013)	10
ee) Detecting Terrorist Financing (2002)	11
III. Basel Committee on Banking Supervision (BCBS).....	11
1. Guidelines on Sound Management of Risks related to Money Laundering and Financing of Terrorism 2016)	11
2. Proposal of a Revised Annex on Correspondent Banking 2016)	11
3. Due Diligence and Transparency regarding Cover Payment Messages related to cross-border wire Transfers (2009) ..	12
III. Wolfsberg Group of International Financial Institutions (nongovernmental)	12
1. Wolfsberg Principles	12
a) Trade Finance Principles (2017)	12
b) Anti-Money Laundering Principles for Correspondent Banking (2014)	13
c) Anti-Money Laundering Principles for Private Banking (2012)	13
2. Wolfsberg Guidance	13
a) SWIFT Relationship Management Application Due Diligence (2016)	13
b) Mobile and Internet Payment Services (2014)	14
c) Prepaid and Stored Value Cards (2011)	14
d) Credit/Charge Card Issuing and Merchant Acquiring Activities (2009).....	14
e) Anti-Corruption Guidance (2011).....	15
3. Wolfsberg Statements	15
a) AML Screening, Monitoring and Searching (2009)	15
b) Guidance on a Risk Based Approach for Managing Money Laundering Risks (2006)	15
c) Anti-Money Laundering Guidance for Mutual Funds and Other Pooled Investment Vehicles (2006).....	16
d) Suppression of the Financing of Terrorism (2002)	16
4. AML Questionnaire	16
E. Links	17
I. US-Sanctions Lists (in particular OFAC)	17
II. Consolidated List of Sanctions (EU)	18
III. EU Anti-Money Laundering List of High-Risk Third Countries	18
IV. Proposal of an EU-List of non-cooperative Jurisdictions	18
V. FATF Blacklist	18

A. Introduction

For the purpose of giving you an overview of the legal controls installed to combat financial crime, this booklet summarizes the European regulatory regime¹, as well as national regulations², and regulatory approaches of international organizations (including FATF)³ respectively.

B. European Regulatory Approach

I. Directives

1. Proposal for 5th Money Laundering Directive [2016/0208 (COD)]

Title: Proposal for a Directive of the European Parliament and of the Council amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and amending Directive 2009/101/EC

Abstract: This Directive would amend the Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing and amending Directive 2009/101/EC shortly before (if this Directive was immediately adopted) or after its entry into force. In case there are no major changes to the EU legislative process, this Directive would lead to a considerable tightening of the EU regime to the prevention of money laundering and terrorist financing.

Its proposed main modifications are:

- Strengthening transparency for e-money products by reducing thresholds for which identity is not required
- Inclusion of exchange platforms for virtual currency into scope of the Directive (EU) 2015/849
- Enhancing the powers of the Financial Intelligence Units (FIUs), supporting their cooperation and providing rapid access to FIUs for information on holders of bank and payment accounts through centralized registers and electronic data retrieval systems
- More transparency with regard to beneficial owners, reducing the threshold to 10%
- Increased due diligence in respect of high-risk countries

¹ See: B.

² See: C.

³ See: D.

Link: http://ec.europa.eu/justice/criminal/document/files/aml-directive_en.pdf

2. 4th Money Laundering Directive (Directive (EU) 2015/849)

Title: Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC

Abstract: The Directive (EU) 2015/849 aims to prevent the use of the Union's financial system for the purposes of money laundering and terrorist financing. It mandates a minimum harmonization (Art. 5) and contains provisions on customer due diligence (Chapter II) and reporting obligations (Chapter IV). The laws, regulations and administrative provisions necessary to comply with this Directive shall be brought into force by 26 June 2017 (Art. 67). Furthermore the Directives 2005/60/EC and 2006/70/EC are repealed with effect from 26 June 2017 (Art. 66).

Its main modifications are:

- Default classification of managing directors as UBO in absence of qualified ownership control
- Increased transparency through creation of beneficial owners' national central registers
- Customer due diligence waiver for certain e-money products
- Contains expanded definition of a politically exposed person (PEP), including “local” PEPs
- The cash payment threshold was lowered to €10,000
- Focus on risk assessment and corresponding risk based approach
- Tax crimes now prescribed as predicate offences
- Third country policy

Link: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015L0849&from=EN>

3. 3rd Money Laundering Directive (Directive 2005/60/EC)

Title: Directive 2005/60/EC of the European Parliament and of the Council of 26 October 2005 on

the prevention of the use of the financial system for the purpose of money laundering and terrorist financing

Abstract:

The Directive 2005/60/EC deals with the prevention of the use of the financial system for the purpose of money laundering and terrorist financing. It determines which regulations member states should bring into force with regard to customer due diligence (Chapter II), reporting obligations (Chapter III) and record keeping and statistical data (Chapter IV). This Directive repeals the Directive 91/308/EEC (Art. 44). Finally this Directive is repealed with effect from 26 June 2017 by the Directive (EU) 2015/849.

Its main modifications are:

- Risk based approach replaces “formalistic” view
- Obligation to monitor business relationship continually with each client and have evidence of their identity in place
- 5 year period for record keeping
- There must be systems in place that enable to respond fully and rapidly to enquiries from the FIU and other authorities

Link:

<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=OJ:L:2005:309:0015:0036:en:PDF>

II. Regulations

1. 2nd Transfer of Funds Regulation (Regulation (EU) 2015/847)

Title:

Regulation (EU) 2015/847 of the European Parliament and of the council of 20 May 2015 on information accompanying transfers of funds and repealing Regulation (EC) No 1781/2006

Abstract:

This Regulation is based on the repealed Regulation (EC) No 1781/2006 and lays down rules on the information on payers and payees, accompanying transfers of funds, in any currency, for the purposes of preventing, detecting and investigating money laundering and terrorist financing, where at least one of the payment service providers involved in the transfer of funds is established in the Union. In particular, it contains obligations on payment service providers (Chapter II).

Link: <http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32015R0847&from=DE>

C. National Regulatory Approaches

I. United States of America

1. USA PATRIOT Act (2001)

Title: An Act to deter and punish terrorist acts in the United States and around the world, to enhance law enforcement investigatory tools, and for other purposes (USA PATRIOT Act 2001)

Abstract: Following the terrorist activity of September 11, 2001, the Uniting and Strengthening by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT) Act was signed into law by President George W. Bush on October 26, 2001, amending the Bank Secrecy Act of 1970 (BSA). Title III of the USA PATRIOT Act, the International Money Laundering Abatement and Anti-Terrorist Financing Act of 2001, deals with money laundering and terrorist financing and significantly expands the term “financial institutions” so that the definition includes agencies or branches of foreign banks in the United States and therefore applies to the U.S. operations of foreign financial institutions (FFIs). As a practical matter, however, non-U.S. offices of FFIs are directly and indirectly affected by USA PATRIOT Act requirements in their efforts to support the anti-money laundering (AML)/combating the financing of terrorism (CFT) Compliance Programs of their U.S.-based operations, especially through correspondent banking relationships.

Even though the specific requirements of the USA PATRIOT Act are not applicable to FFIs that operate exclusively outside of the United States, the USA PATRIOT Act, nonetheless, has a significant impact on financial institutions across the globe. In particular, Sections 311, 312, 313, 314, 319, 323, 326, 328, 330 and 352 of the USA PATRIOT Act can have significant effects on non-U.S. financial institutions.

Possible effects are:

- Additional information requests about the financial institution itself and its customers if their transactions are processed through a U.S. financial institution

- Seizures of a financial institution’s funds maintained in an account in the United States
- Sanctions against either the financial institution itself or the country from which it operates

Link: <https://www.gpo.gov/fdsys/pkg/BILLS-107hr3162enr/pdf/BILLS-107hr3162enr.pdf>

2. Bank Secrecy Act (1970)

Title: An Act to amend the Federal Deposit Insurance Act to require insured banks to maintain certain records, to require that certain transactions in U.S. currency be reported to the Department of the Treasury, and for other purposes (Bank Secrecy Act 1970)

Abstract: The Bank Secrecy Act of 1970 is the key U.S. AML/CFT legislative framework. It established regulatory reporting and recordkeeping requirements to help identify the source, volume and movement of currency and monetary instruments into or out of the United States or deposited in financial institutions. It was significantly amended by the USA PATRIOT Act of 2001 by expanding the term “financial institutions”. The BSA definition of “financial institution” largely parallels the FATF’s definitions of “financial institution” and “designated nonfinancial business and professions (DNFBPs)”. The requirements of the BSA apply to the U.S. operations of foreign financial institutions (FFIs) in the same manner as they apply to domestic financial services companies. As a practical matter, however, non-U.S. offices of FFIs are directly and indirectly affected by BSA requirements in their efforts to support the AML/CFT Compliance Programs of their U.S.-based affiliates.

Link: <https://www.gpo.gov/fdsys/pkg/STATUTE-84/pdf/STATUTE-84-Pg1114-2.pdf>

II. Germany

1. Proposal of an Anti Tax Avoidance Act (“StUmgBG”)

Title: Proposal of the Federal Ministry of Finance of an Act to counter tax avoidance and to amend additional tax-related legal provisions (“StUmgBG”)

Abstract: Following the publication of the “Panama Papers” in April 2016 the Federal Ministry of Finance of Germany has prepared a proposal of an Anti Tax Avoidance Act to improve the possibilities of the German financial authorities to determine whether “tax avoidance” occurs.

The main issue of the proposal is to establish transparency about the beneficial ownership of domestic taxpayers in view of private companies, corporations, legal entities or total assets based in or with executive management in countries or territories outside the European Union (EU) or the European Free Trade Association (EFTA).

Its proposed main modifications are:

- Elimination of the tax-related banking secrecy (§ 30a AO)
- Reporting obligation for “arranged/provided” business relationships with third countries
- Extended retention periods according to automatic account inquiries
- Expanded survey and record obligations to include tax identification numbers for all account-holders, signatories and beneficiaries (§ 154 Sec. 2a AO)

Link: <http://dipbt.bundestag.de/dip21/brd/2016/0816-16.pdf>

2. Proposal of an Implementation Act for the 4th Money Laundering Directive (“UmsG 4. GwR”)

Title: Proposal of the Federal Ministry of Finance of an Act to implement the 4th Money Laundering Directive of the European Union (EU), to execute the transfer of funds regulation of the EU and for the reorganization of the central authority for financial transaction analysis (“UmsG 4. GwR”)

Abstract: The Federal Ministry of Finance has prepared a proposal of an Implementation Act for the 4th Money Laundering Directive⁴ of the European Union (EU). For this purpose the proposal amends the Money Laundering Act and adapts other existing legislation. Thereby the proposal anticipates amendments of the proposal of the European Commission for a 5th Money Laundering Directive⁵ provided they are inseparable associated with amendments within the Money Laundering Act.

Its proposed main modifications are:

- Reinforcement of the risk based approach
- Installation of an electronic transparency registry of economic beneficiaries
- Harmonization of fines for violations of anti-money laundering regulations

⁴ See: B. I. 2.

⁵ See: B. I. 1.

- Reorganization of the central authority for financial transaction analysis as responsible unit for reports based on anti-money laundering regulations

Link: http://www.bundesfinanzministerium.de/Content/DE/Downloads/Gesetze/2016-12-15-geldwaescherichtlinie.pdf?__blob=publicationFile&v=2

II. United Kingdom: Bribery Act (2010)

Title: An Act to make provision about offences relating to bribery; and for connected purposes

Abstract: The Bribery Act of 2010 covers the criminal law relating to bribery. It has a near-universal jurisdiction, allowing for the prosecution of an individual or company with links to the United Kingdom, regardless of where the crime occurred (Sec. 12).

Link: http://www.legislation.gov.uk/ukpga/2010/23/pdfs/ukpga_20100023_en.pdf

D. Regulatory Approaches of International Organizations

I. Financial Action Task Force (FATF)

1. Recommendations

Title: The FATF Recommendations: International Standards on Combating Money Laundering and the Financing of Terrorism & Proliferation

Abstract: The FATF Recommendations are the primary policy issued by the FATF. From 2012 on the Recommendations include the 40 Recommendations on Money Laundering and the IX Special Recommendations on Terrorism Financing. The “FATF 2012-Recommendations” were most recently updated in 2016 and set the international standard for AML measures and CFT. They set out the principles for action and allow countries a measure of flexibility in implementing these principles according to their particular circumstances and constitutional frameworks. The FATF Recommendations are intended to be implemented at the national level through legislation and other legally binding measures.

Link: http://www.fatf-gafi.org/media/fatf/documents/recommendations/pdfs/FATF_Recommendations.pdf

2. Guidance

a) Guidance for a Risk-Based Approach (RBA)

aa) The Banking Sector (2014)

Title: Guidance for a Risk-Based Approach: The Banking Sector

Abstract: The FATF has prepared this guidance to outline the principles involved in applying a risk-based approach to AML/CFT, to assist countries, competent authorities and banks in the design and implementation of a risk-based approach to AML/CFT by providing general guidelines and examples of current practice, to support the effective implementation and supervision of national AML/CFT measures by focusing on risks and on mitigation measures, and to support the development of a common understanding of what the risk-based approach to AML/CFT entails.

Link: <http://www.fatf-gafi.org/media/fatf/documents/reports/Risk-Based-Approach-Banking-Sector.pdf>

bb) Prepaid Cards, Mobile Payments and Internet-Based Payment Services (2013)

Title: Guidance for a Risk-Based Approach: Prepaid Cards, Mobile Payments and Internet-Based Payment Services

Abstract: The FATF has prepared this guidance on the risk-based approach to AML/CFT measures and regulation in relation to

new payment products and services (NPPS) of prepaid cards, mobile payments and Internet-based payment services, in line with the FATF Recommendations.

Link: <http://www.fatf-gafi.org/media/fatf/documents/recommendations/Guidance-RBA-NPPS.pdf>

cc) Virtual Currencies (2015)

Title: Guidance for a Risk-Based Approach: Virtual Currencies

Abstract: The FATF has prepared this guidance to explain the application of the risk-based approach to AML/CFT measures in the Virtual Currency context, to identify the entities involved in Virtual Currency payment products and services (VCPSPS), and to clarify the application of the relevant FATF Recommendations to convertible virtual currency exchangers. This guidance is also intended to help the private sector better understand the relevant AML/CFT obligations and how they can effectively comply with relevant requirements.

Link: <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-RBA-Virtual-Currencies.pdf>

dd) Money or Value Transfer Services (2016)

Title: Guidance for a Risk-Based Approach: Money or Value Transfer Services

Abstract: The FATF has prepared this guidance to support the development of a common understanding of what the risk-based approach to AML/CFT entails for money or value transfer service (MVTs) providers, banks and other financial institutions that maintain relationship with MVTs providers and competent authorities responsible for monitoring MVTs provider's compliance with their AML/CFT obligations, to outline the key elements involved in applying a RBA to AML/CFT associated to MVTs, and to assist countries, competent authorities and MVTs providers in the design and implementation of a RBA to AML/CFT by providing general guidelines and examples of current practice.

Link: <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-RBA-money-value-transfer-services.pdf>

ee) High Level Principles and Procedures (2007)

Title: FATF Guidance on the Risk-Based Approach to Combating Money Laundering and Terrorist Financing: High Level Principles and Procedures

Abstract: The FATF has prepared this guidance to support the development of a common understanding of what the risk-based approach involves, to outline high-level principles involved in applying the risk-based approach, and to indicate good public and private sector practice in the design and implementation of an effective risk-based approach.

Link: <http://www.fatf-gafi.org/media/fatf/documents/reports/High%20Level%20Principles%20and%20Procedures.pdf>

b) Other Guidance

aa) Correspondent Banking Services (2016)

Title: FATF Guidance: Correspondent Banking Services

Abstract: The FATF has prepared this guidance to address de-risking by clarifying the application of the FATF standards in the context of correspondent banking relationships and MVTS providers rendering similar services.

Link: <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-Correspondent-Banking-Services.pdf>

bb) Transparency and Beneficial Ownership (2014)

Title: FATF Guidance: Transparency and Beneficial Ownership

Abstract: The FATF has prepared this guidance to assist countries in their implementation of the FATF Recommendations on transparency and beneficial ownership. The guidance also explains the connection between CDD measures and specific transparency measures, and it may be useful to financial institutions in their implementation of AML/CFT preventive measures.

Link: <http://www.fatf-gafi.org/media/fatf/documents/reports/Guidance-transparency-beneficial-ownership.pdf>

dd) Anti-Money Laundering and Terrorist Financing Measures and Financial Inclusion (2013)

Title: FATF Guidance: Anti-Money Laundering and Terrorist Financing Measures and Financial Inclusion

Abstract: The FATF has prepared this guidance to provide a general framework to assist jurisdictions in implementing an AML/CFT system that is consistent with the goal of financial inclusion. It reflects the changes brought by the revised set of FATF Recommendations, adopted in 2012. The guidance paper examines the existing requirements that are the most relevant when discussing the linkage between AML/CFT policies and the financial inclusion objective.

Link: http://www.fatf-gafi.org/media/fatf/documents/reports/AML_CFT_Measures_and_Financial_Inclusion_2013.pdf

ee) Detecting Terrorist Financing (2002)

Title: Guidance for Financial Institutions in Detecting Terrorist Financing

Abstract: The FATF has prepared this guidance to ensure that financial institutions do not unwittingly hide or move terrorist funds. This document describes the general characteristics of terrorist financing, to help build awareness of how terrorists, their associates or those who support terrorism may use the financial system.

Link: <http://www.fatf-gafi.org/media/fatf/documents/Guidance%20for%20financial%20institutions%20in%20detecting%20terrorist%20financing.pdf>

III. Basel Committee on Banking Supervision (BCBS)

1. Guidelines on Sound Management of Risks related to Money Laundering and Financing of Terrorism 2016)

Title: Guidelines – Sound Management of risks related to money laundering and financing of terrorism

Abstract: The BCBS has revised its guidelines on the *Sound Management of risks related to money laundering and financing of terrorism* first issued in January 2014 to describe how banks should include money laundering and financing of terrorism risks within their overall risk management.

Link: <http://www.bis.org/bcbs/publ/d353.pdf>

2. Proposal of a Revised Annex on Correspondent Banking 2016)

Title: Consultative Document – Guidelines – Revised annex on correspondent banking

Abstract: The BCBS issued a consultative document on proposed revisions to Annexes 2

(“Correspondent banking”) and 4 (“General guide to account opening”) of the BCBS guidelines on the *Sound Management of risks related to money laundering and financing of terrorism* first issued in January 2014 and revised in February 2016. The purpose of the proposed revisions is to ensure that banks conduct correspondent banking business with the best possible understanding of the applicable requirements regarding anti-money laundering and countering the financing of terrorism.

Link: <https://www.bis.org/bcbs/publ/d389.pdf>

3. Due Diligence and Transparency regarding Cover Payment Messages related to cross-border wire Transfers (2009)

Title: Due diligence and transparency regarding cover payment messages related to cross-border wire transfers

Abstract: The BCBS has prepared this document to clarify supervisory expectations about which information must be made available to cover intermediary banks that process cover payments after the adoption of the new messaging standards allowing enhanced transparency because the issue of cover payments is not directly dealt with in the FATF standards.

Link: <https://www.bis.org/publ/bcbs154.pdf>

III. Wolfsberg Group of International Financial Institutions (nongovernmental)

1. Wolfsberg Principles

a) Trade Finance Principles (2017)

Title: The Wolfsberg Group, ICC and BAFT – Trade Finance Principles

Abstract: The Wolfsberg Group, ICC and BAFT have prepared standards for the control of financial crime risks associated with Trade Finance activities. It outlines the role of Financial Institutions in the management of processes to address the risks of financial crime associated with Trade Finance activities, and to aid compliance with national and regional sanctions and embargoes and with the Non-Proliferation of Weapons of Mass Destruction requirements of the United Nations.

Link: <http://www.wolfsberg-principles.com/pdf/standards/Trade-Finance-Principles->

[Wolfsberg-Group-ICC-and-the-BAFT-2017.pdf](#)

b) Anti-Money Laundering Principles for Correspondent Banking (2014)

Title: Wolfsberg Anti-Money Laundering Principles for Correspondent Banking

Abstract: The Wolfberg Group has prepared principles that constitute global guidance on the establishment and maintenance of Foreign Correspondent Banking relationships to further effective risk management and enable institutions to exercise sound business judgment with respect to their clients.

Link: <http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg-Correspondent-Banking-Principles-2014.pdf>

c) Anti-Money Laundering Principles for Private Banking (2012)

Title: Wolfsberg Anti-Money Laundering Principles for Private Banking

Abstract: The Wolfberg Group has prepared this document on AML principles to deal with certain perceived risks associated with private banking.

Link: <http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg-Private-Banking-Principles-May-2012.pdf>

2. Wolfsberg Guidance

a) SWIFT Relationship Management Application Due Diligence (2016)

Title: Wolfsberg Guidance on SWIFT Relationship Management Application (RMA) Due Diligence'

Abstract: The Wolfberg Group has prepared this guidance on SWIFT Relationship Management Application (RMA) to supplement the Wolfsberg Correspondent Banking Principles issued in 2014. It is intended to provide broader guidance for managing non-customer RMAs beyond the correspondent banking arena.

Link: <http://www.wolfsberg-principles.com/pdf/standards/SWIFT-RMA-Due-Diligence.pdf>

b) Mobile and Internet Payment Services (2014)

Title: Wolfsberg Guidance on Mobile and Internet Payment Services (MIPS)

Abstract: The Wolfberg Group has prepared this guidance on the money laundering risks of Mobile and Internet Payment Services (MIPS).

Link: <http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg-Group-MIPS-Paper-2014.pdf>

c) Prepaid and Stored Value Cards (2011)

Title: Wolfsberg Guidance on Prepaid and Stored Value Cards

Abstract: The Wolfberg Group has prepared this guidance on the money laundering risks of physical Prepaid and Stored Value Card Issuing and Merchant Acquiring Activities.

Link: http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Guidance_on_Prepaid_and_Stored_Value_Cards_Oct_14,_2011.pdf

d) Credit/Charge Card Issuing and Merchant Acquiring Activities (2009)

Title: Wollfsberg AML Guidance on Credit/Charge Card Issuing and Merchant Acquiring Activities

Abstract: The Wolfberg Group has prepared this guidance on Credit/Charge Card Issuing and Merchant Acquiring Activities to consider the threats to, and vulnerabilities of, credit/charge card issuing activities in relation to money laundering, and to provide guidance on managing these risks as a part of a comprehensive approach to AML compliance management. It also addresses merchant acquiring – the underwriting, provision and maintenance of Point of Sale relationships.

Link: [http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Credit_Cards_AML_Guidance_\(2009\).pdf](http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Credit_Cards_AML_Guidance_(2009).pdf)

e) Anti-Corruption Guidance (2011)

Title: Wolfsberg Anti-Corruption Guidance

Abstract: The Wolfsberg Group has prepared this guidance to describe the role of the Wolfsberg Group, and financial institutions more generally, in support of international efforts to combat corruption, to identify some of the measures financial institutions may consider in order to prevent bribery in their own operations and protect themselves against the misuse of their operations in relation to corruption, and to set out guidance for an internal framework against corruption appropriate for a global financial institution.

Link: [http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg%20Anti%20Corruption%20Guidance%20Paper%20August%202018-2011%20\(Published\).pdf](http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg%20Anti%20Corruption%20Guidance%20Paper%20August%202018-2011%20(Published).pdf)

3. Wolfsberg Statements**a) AML Screening, Monitoring and Searching (2009)**

Title: Wolfsberg Statement on AML Screening, Monitoring and Searching

Abstract: The Wolfsberg Group has prepared this statement on AML screening, monitoring and searching to examine how financial institutions could develop suitable screening, monitoring and searching processes and procedures. It provides guidance on the design, implementation and on-going maintenance of transaction monitoring frameworks for real-time screening, transaction monitoring and retroactive searches.

Link: [http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Monitoring_Screening_Searching_Paper_\(2009\).pdf](http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Monitoring_Screening_Searching_Paper_(2009).pdf)

b) Guidance on a Risk Based Approach for Managing Money Laundering Risks (2006)

Title: Wolfsberg Statement – Guidance on a Risk Based Approach for Managing Money Laundering Risks

Abstract: The Wolfsberg Group has prepared this statement on a guidance on a risk based approach for managing money laundering risks to assist institutions in managing money laundering risks and further the goal of Wolfsberg Group members to endeavor to prevent the use of their institutions for criminal purposes.

Link: [http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_RBA_Guidance_\(2006\).pdf](http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_RBA_Guidance_(2006).pdf)

c) Anti-Money Laundering Guidance for Mutual Funds and Other Pooled Investment Vehicles (2006)

Title: Wolfsberg Statement – Anti-Money Laundering Guidance for Mutual Funds and Other Pooled Investment Vehicles

Abstract: The Wolfsberg Group has prepared this statement on an AML guidance to assist mutual funds and other pooled investment vehicles to manage their money laundering risk.

Link: [http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_PV_Guidance_\(2006\).pdf](http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_PV_Guidance_(2006).pdf)

d) Suppression of the Financing of Terrorism (2002)

Title: Wolfsberg Statement of the Suppression of the Financing of Terrorism

Abstract: The Wolfsberg Group has prepared this statement on the suppression of the financing of terrorism to describe the role of financial institutions in preventing the flow of terrorist funds through the world's financial system.

Link: [http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Statement_on_the_Suppression_of_the_Financing_of_Terrorism_\(2002\).pdf](http://www.wolfsberg-principles.com/pdf/standards/Wolfsberg_Statement_on_the_Suppression_of_the_Financing_of_Terrorism_(2002).pdf)

4. AML Questionnaire

The Wolfsberg Group has designed an Anti-Money Laundering Questionnaire to provide an overview of a financial institution's anti-money laundering policies and practices. There are no correct or incorrect responses. The Questionnaire requires an explanation when a "No" response is chosen (this does not imply that a "No" response is incorrect) and allows for an

explanation when a "Yes" response is chosen.

It is available at:

<http://www.wolfsberg-principles.com/pdf/diligence/Wolfsberg-Anti-Money-Laundering-Questionnaire.pdf>

E. Links

I. US–Sanctions Lists (in particular OFAC)

As part of its enforcement efforts, OFAC publishes a list of individuals and companies owned or controlled by, or acting for or on behalf of, targeted countries. It also lists individuals, groups, and entities, such as terrorists and narcotics traffickers designated under programs that are not country-specific. Collectively, such individuals and companies are called "Specially Designated Nationals" or "SDNs." Their assets are blocked and U.S. persons are generally prohibited from dealing with them.

The full SDN-List is available at:

<https://www.treasury.gov/ofac/downloads/sdnlist.pdf>

In addition to the above linked SDN–List there are several more sanctions lists provided from OFAC. The full lists are directly linked in the following bullet points:

- [Consolidated Sanctions List](#)
- [Sectoral Sanctions Identifications List](#)
- [Foreign Sanctions Evaders List](#)
- [Non-SDN Palestinian Legislative Council List](#)
- [Non-SDN Iranian Sanctions List](#)
- [The List of Foreign Financial Institutions Subject to Part 561 \(the "Part 561 List"\)](#)
- [List of Persons Identified as Blocked Solely Pursuant to Executive Order 13599 \(the 13599 List\)](#)

An overview of the lists can be found at:

<https://www.treasury.gov/resource-center/sanctions/SDN-List/Pages/Other-OFAC-Sanctions-Lists.aspx>

II. Consolidated List of Sanctions (EU)

Article 215 of the Treaty on the Functioning of the European Union (TFEU) provides a legal basis for the interruption or reduction, in part or completely, of the Union's economic and financial relations with one or more third countries, where such restrictive measures are necessary to achieve the objectives of the Common Foreign and Security Policy (CFSP). The list presents the European Union's restrictive measures in force on the date mentioned on the cover page.

The full consolidated list of sanctions is available at:

https://eeas.europa.eu/headquarters/headquarters-homepage/8442/consolidated-list-sanctions_en

III. EU Anti-Money Laundering List of High-Risk Third Countries

The Commission released a Delegated Regulation (EU) 2016/1675 of 14 July 2016 supplementing Directive (EU) 2015/849 of the European Parliament and of the Council by identifying high-risk third countries with strategic deficiencies.

It is available at:

<http://eur-lex.europa.eu/legal-content/EN/TXT/PDF/?uri=CELEX:32016R1675&qid=1489580278175&from=en>

IV. Proposal of an EU-List of non-cooperative Jurisdictions

In the External Strategy for Effective Taxation, the Commission set out a new EU listing process to identify and address third country jurisdictions that fail to comply with tax good governance standards.

For an overview of the listing process see:

https://ec.europa.eu/taxation_customs/tax-common-eu-list_de

V. FATF Blacklist

The FATF identifies jurisdictions with weak measures to combat money laundering and terrorist financing (AML/CFT) in two FATF public documents that are issued three times a

year. The FATF's process to publicly list countries with weak AML/CFT regimes has proved effective. As of October 2016, the FATF has reviewed over 80 countries and publicly identified 60 of them. Of these 60, 49 have since made the necessary reforms to address their AML/CFT weaknesses and have been removed from the process.

For an overview of the jurisdictions currently identified in this process and recent publications on high-risk and non-cooperative jurisdictions see:

[http://www.fatf-gafi.org/publications/high-riskandnon-cooperativejurisdictions/?hf=10&b=0&s=desc\(fatf_releasedate\)](http://www.fatf-gafi.org/publications/high-riskandnon-cooperativejurisdictions/?hf=10&b=0&s=desc(fatf_releasedate))



For our financial services division

Dr. Oliver v. Schweinitz

Partner

Rechtsanwalt / Fachanwalt für Steuerrecht / Steuerberater

Att.-at-law (NY), LL.M. (Duke NC)

Tel. +49 40 369633-56

Mobile +49 170 2723544

Fax +49 69 97961-100

schweinitz@gg-v.de

www.gg-v.com

GGV Grützmaker Gravert Viegner Partnership mbB

60486 Frankfurt am Main Westendgate
Hamburger Allee 2 – 4,
Tel. + 49 69 97961-0
Fax + 49 69 97961-100
frankfurt@gg-v.de

20459 Hamburg
Herrengaben 3
Tel. + 49 40 369633-0
Fax + 49 40 369633-33
hamburg@gg-v.de

member of

TAglaw® A worldwide Alliance of Independent law Firms www.taglaw.com and

TIAg® A worldwide Alliance of Independent Accounting Firms www.tiagnet.com

