



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Administration de l'enregistrement,
des domaines et de la TVA

GUIDE

PROFESSIONAL OBLIGATIONS WITH REGARD TO THE FIGHT AGAINST MONEY LAUNDERING AND TERRORIST FINANCING

**- FOR THE PRODUCT RESERVED
ALTERNATIVE INVESTMENT FUND
(« RAIF ») -**

This guide is purely indicative

2022 edition

Preface	2
Acronyms	3
Introduction	6

PART 1: THE THREE MAIN PILLARS OF PROFESSIONAL AML/CFT OBLIGATIONS..... 8

1.	Customer due diligence (articles 3, 3-1, 3-2 and 3-3 of the 2004 AML/CFT Law)	10
1.1.	Identification of the customer/ representative (mandataire)	10
1.2.	Identification of the beneficial owner	15
1.3.	Obligations to verify and consult international financial sanctions lists	17
1.4.	Procedure for entering into a business relationship	19
1.4.1.	Assessment of a possible risk when entering into a business relationship.....	19
1.4.2.	Identification of the purpose and the nature of the transaction (business relationship entry form)	20
1.5.	Record-keeping and ongoing monitoring	22
1.6.	Types of due diligence	24
2.	Adequate internal management requirements (articles 4, 4-1 and article 2-2 of the 2004 AML/CFT Law)	25
2.1.	The implementation of an internal procedure by the RAIF	25
2.2.	The implementation of a risk assessment by the RAIF	30
3.	Cooperation requirements (article 5 of the 2004 AML/CFT Law)	37
3.1.	Cooperation requirements in matter of AML/CFT	37
3.1.1.	Cooperation requirements in with the FIU	39
3.1.2.	Cooperation requirements with the AED	41
3.2.	Cooperation requirements in matter of International financial sanctions.....	46

PART 2 : SANCTIONS AND REMEDIES 47

1.	Administrative sanction in the event of non-compliance with AML/CFT obligations	47
2.	Administrative remedies (right to appeal to the Administrative Tribunal)	48

PART 3 : GENERAL INFORMATION AND FORMS 49

DEFINITIONS	49
Check-list "Identification and entering into a business relationship" (minimas)	52
NON-EXHAUSTIVE LIST OF RISK FACTORS PROVIDED BY 2004 AML/CFT LAW	53
FAQ	56
RAIF RC-RR Identification Form Template	59
RAIF AML/CFT Questionnaire Template	62
Guide to the RAIF AML/CFT Questionnaire	70
Technical sheet regarding RAIF.....	75
EXAMPLES OF FORMS	80

Preface

In order to prevent and raise awareness among RAIFs subject to the AML/CFT Law of 12 November 2004 as amended (hereinafter “**AML/CFT Law**”), the AED, as the supervisory authority for **RAIFs**, has decided to provide them with a guide to help them comply with their AML/CFT obligations.

The guide is of an indicative nature, describing the minimum requirements to be complied with by RAIFs.

The purpose of this guide is, above all, to raise awareness among RAIFs about the risks of money laundering and terrorist financing in the above-mentioned product, but also to provide guidance to the concerned RAIFs to enable them to avoid transactions linked to a risk of money laundering and terrorist financing, which could engage their responsibility.

This risk can be avoided by respecting AML/CFT obligations and more particularly the **IDENTIFICATION OF THE CUSTOMER AND OF THE BENEFICIAL OWNER**.

As a supervisory authority, the AED carries out its missions at two levels:

- on a **preventive** level and,
- on a **repressive** level.

Through this guide, the AED wishes to strengthen its approach in its AML/CFT prevention and awareness-raising mission in order to rebalance the lack of information leading to the commission of money laundering and terrorist financing offences.

RAIFs can draw inspiration from this guide, but still have to adapt their internal AML/CFT procedures according to the size, the activity of the RAIF and the nature of its investors.

MAKING A COPY-PASTE OF THIS GUIDE WILL NOT BE ACCEPTED AS AN INTERNAL PROCEDURE OF THE RAIF.

For more information, it is recommended to consult the AED website (portail fiscalité indirect) under the heading “**Blanchiment**”¹ and the under heading “**Questionnaire véhicules financiers non régulés**”².

¹ <https://pfi.public.lu/fr/blanchiment.html>

² <https://pfi.public.lu/fr/blanchiment/questionnaire/vehicules-financiers-non-reglementes.html>

Acronyms

AED	Registration, Duties, Estates and VAT Authority Administration de l'Enregistrement, des Domaines et de la TVA
AIFM	Alternative Investment Fund Manager Gestionnaire de fonds d'investissement alternatif (GFIA)
AML/CFT³	Anti-Money Laundering and Counter Terrorist Financing Lutte contre le blanchiment et le financement du terrorisme (LBC/FT)
BO	Beneficial owner Bénéficiaire effectif
CAA	Insurance commissioner Commissariat aux assurances
CHIDA	Turnover/Sales revenue Chiffre d'affaires
CSSF	Luxembourg Financial Supervisory Authority Commission de Surveillance du Secteur Financier
FAQ	Frequently Asked Questions
FATF	Financial Action Task Force Groupe d'Action Financière (GAFI)
FIU	Financial Intelligence Unit Cellule de Renseignement Financier (CRF)

³ Law of 12 November 2004, as amended.

IFS⁴	International Financial Sanctions Sanctions financières internationales
KYC	Know Your Client
NRA	National risk assessment Evaluation nationale des risques
OECD	Organisation for Economic Co-operation and Development Organisation de coopération et développement économiques (OCDE)
OUN	Organisation of United Nations Organisation des Nations Unies (ONU)
PEP	Politically Exposed Person Personne politiquement exposée (PPE)
RAIF	Reserved Alternative Investment Fund Fonds d'investissement alternatif réservé (FIAR)
RAIF Law	Loi modifiée du 23 juillet 2016 relative aux fonds d'investissement alternatifs réservés Law of 23 July 2016 on reserved alternative investments fund, as amended
RC	AML/CFT compliance officer Responsable du contrôle du respect des obligations professionnelles en matière de LBC/FT
RCS	Trade and Companies Register Registre de Commerce et des Sociétés

⁴ Law of 19 December 2020, on the implementation of restrictive measures in financial matters.

RR	<p>Person responsible for compliance with the professional obligations as regards the fight against money laundering and financing terrorist</p> <p>Responsable du respect des obligations en matière de LBC/FT</p>
SCF	<p>Financial Crime Department</p> <p>Service Criminalité Financière</p>
STR	<p>Suspicious Transaction Report</p> <p>Déclaration d'opération suspecte (DOS)</p>
UBO	<p>Ultimate Beneficial Owner</p> <p>Bénéficiaire effectif ultime</p>
UFV	<p>Unregulated Financial Vehicle</p> <p>Véhicule financier non régulé</p>

Introduction

In accordance with article **2-1 (8) AML/CFT Law as amended**⁵, the AED is the supervisory authority of several categories of professionals including the **UFV**⁶.

The AED supervises the UFV in AML/CFT matters, who are members of professionals of the financial sector, new category of professionals under the supervision of the AED.

The **article 1 (3a) (e) AML/CFT Law, as amended**, defines the UFV. Indeed, «*Financial institution shall, in accordance with this law, mean: [...] e) any person other than those referred to in points (a) to (d), and in paragraph 3), which carries out, by way of its business, one or more of the activities listed in Annex I on behalf of or for a customer* ».

The **article 2 (1) (7) AML/CFT Law, as amended**, indicates that the **scope of application of the AML/CFT Law includes** «*the other financial institutions carrying out their activities in Luxembourg* », of which the UFV are part of.

Introduced by the RAIF Law in 2016, the product RAIF is included in the definition of UFV and is supervised by the AED in AML/CFT matters.

Each RAIF has to be managed by an **AIFM**⁷, which is **approved**⁸ by the **CSSF** as supervisory authority.

The respect of AML/CFT obligations by the AIFM never exempts the RAIF of the respect of its own AML/CFT obligations.

What is money laundering⁹ ?

Money laundering is the operation which consists in concealing, by any means, the origin of funds acquired illegally in criminal activities (*e.g.* sale of arms, prostitution, drug trafficking, corruption, extortion, etc.) in order to reinvest them in legal activities. In addition, it compromises the integrity of legitimate financial institutions and systems and provides organized crime with the funds necessary to undertake other criminal activities.

⁵ <http://data.legilux.public.lu/file/eli-etat-leg-loi-2021-02-25-a158-jo-fr-pdf.pdf>

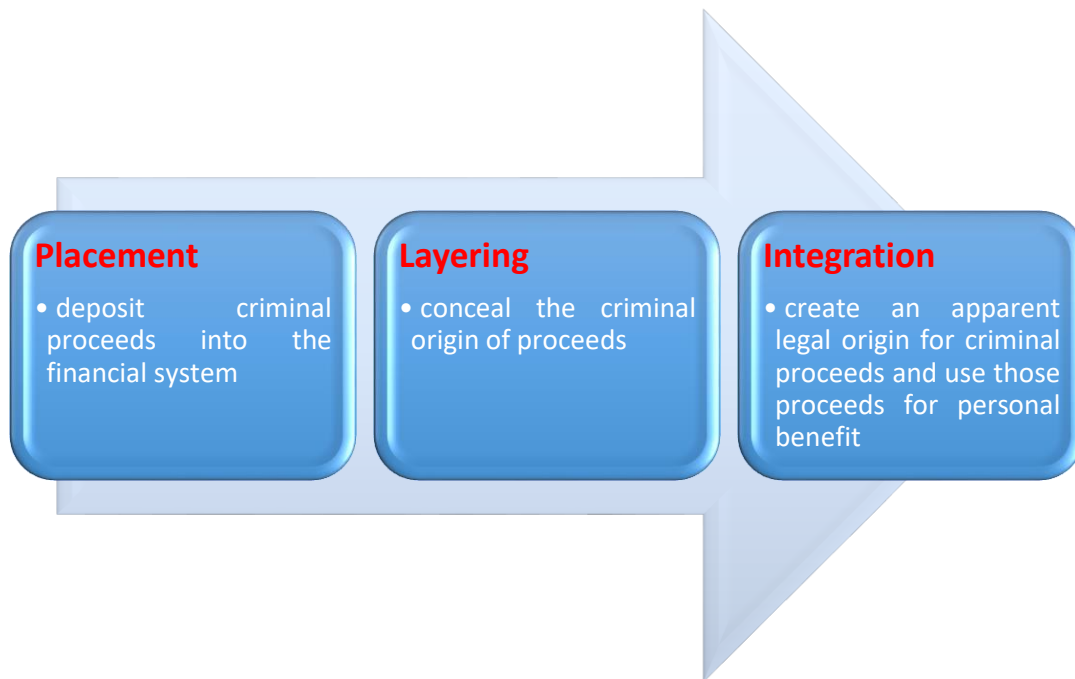
⁶ Unregulated financial vehicles.

⁷ Alternative Investment Fund Managers.

⁸ Agréé par la CSSF.

⁹ Article 1 (1) AML/CFT Law, as amended

Process:



What is terrorist financing¹⁰ ?

Terrorist financing is the deliberate and unlawful provision or collection by any means, directly or indirectly, unlawfully and intentionally, of funds, values or property of any kind for carrying out terrorist activities. This may involve the raising of funds from both legal sources, such as personal donations and profits from businesses or charities, and from criminal sources, such as drug trafficking, smuggling, fraud, etc.

¹⁰ See article 135-5 (1) et (3) (L. 26 December 2012) of the Penal Code.

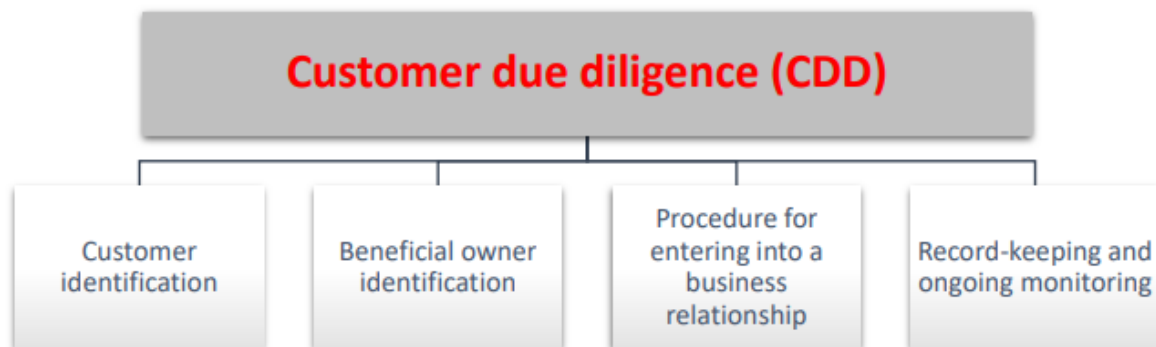
Part 1: The three main pillars of professional AML/CFT obligations

The inspection of money laundering revolves around **the 3 main pillars**:

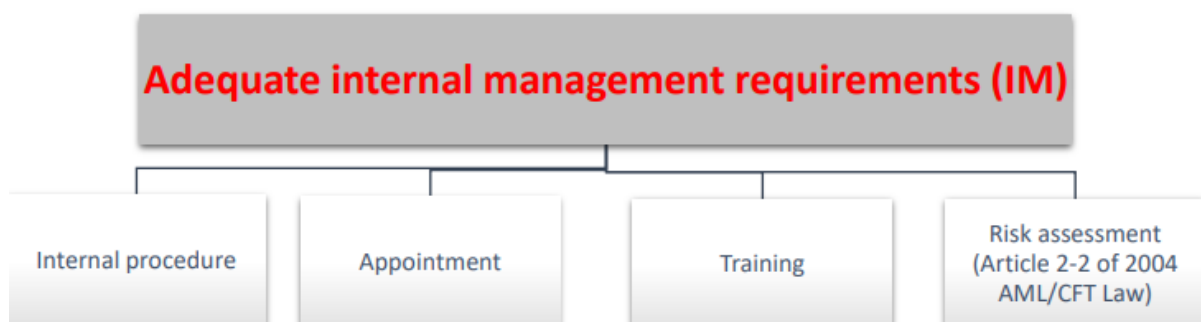
- **Customer due diligence** (articles 3, 3-1, 3-2, 3-3 AML/CFT Law as amended)
- **Adequate internal management requirements** (articles 4, 4-1 and article 2-2 AML/CFT Law as amended)
- **Cooperation requirements** (article 5 AML/CFT Law as amended)

These pillars **are subdivided** into several **sub-pillars** according to the diagrams below.

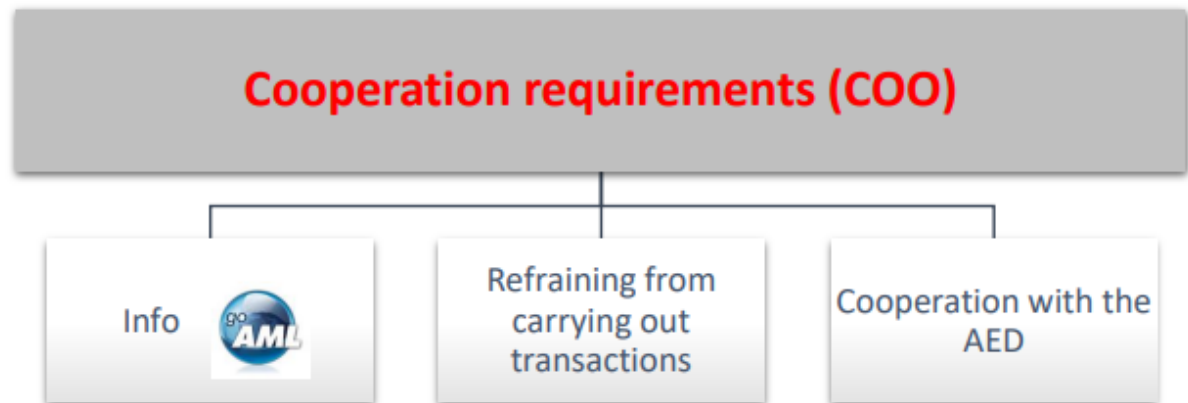
There are **4 sub-pillars** of the **customer due diligence**:



The **adequate internal management requirements** has **4 sub-pillars**:

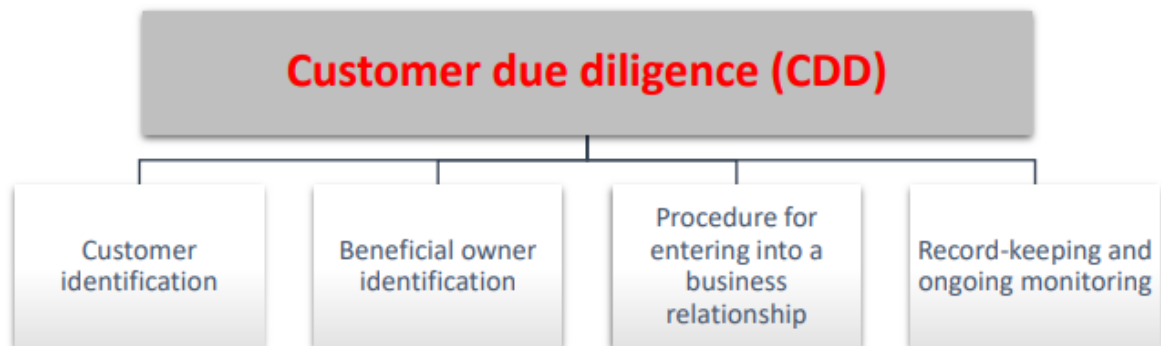


The **cooperation requirements** has **3 sub-pillars**:



AML/CFT inspection is based on the 3 main pillars: the customer due diligence, the adequate internal management requirements and the cooperation requirements **AND** their respective sub-pillars.

1. Customer due diligence (articles 3, 3-1, 3-2 and 3-3 of the 2004 AML/CFT Law)



1.1. Identification of the customer/ representative¹¹ (mandataire)

The identification and verification of the customer's identity is made on the basis of documents, data or information obtained from reliable and independent sources.

- **The identification** shall always take place **BEFORE** the business relationship is established and continue throughout its duration.

For the customers and beneficial owners - natural persons are to be provided :

Copy of a **valid** identity document :

- ✓ Identity card
- ✓ Passport
- ✓ Any other document from a reliable and independent source

¹¹ For all customers, the obligation to verify that any person purporting to act on behalf of or for the customer is so authorized, and to identify and verify the identity of that person; article 3 (2) (d) a) AML/CFT Law, as amended.

The RAIF must identify the customer by providing a **copy of a valid identity document**¹² that is **understandable, intelligible and readable** for the RAIF and the supervisory authorities, including the AED.

Accordingly, the **indications (surname(s), first name(s), gender, nationality, date of birth, identity card number, expiry date, issuing country)** on a foreign (non-Luxembourgish¹³) identity document shall **at least be in English language** together with the original language, in order to guarantee the understanding of the content of the identity document for the professional as well as for the supervisory authority, including the AED.

The purpose of the application of an **apostille** by the public authority that issued the identity document is to attest the authenticity of the document. However, this formality does not exempt the identity document from fulfilling the above mentioned language requirements.

For any identity document that does not meet these language requirements, a **translation of the identity document** must be provided, and a copy of which will have to be presented or even handed in during an AML/CFT check.

Only a translation from a **sworn translator is admitted**¹⁴, guaranteeing the veracity and authenticity of such a translation.

Electronic identification must comply with the provisions of Regulation (EU) 910/2014¹⁵.

➤ **The certification/verification of the identity by the RAIF:**

The **verification** of the identity of the customer and of the beneficial owner(s) shall take place **before** the establishment of a business relationship **or before** the carrying-out of a transaction.

The verification of the identity is done either by the **RC of the RAIF** (*in case of a face-to-face business relationship*) or by a **competent authority** (*in case of a non-face-to-face business relationship*).

The verification of the identity of the customer by the RAIF is made by means of a **copy of a valid identity card**, which must be **certified** by the RAIF itself and which must **indicate** :

¹² Identity card for European Union nationals, passport for non-European Union nationals, any other document from a reliable and independent source.

¹³ More specifically, this concerns identity cards, which are not in one of the Grand Duchy of Luxembourg's official languages.

¹⁴ The Ministry of Justice provides, by language, a list of translators sworn in the Grand Duchy of Luxembourg, available on the Ministry's website at the following link: <https://mj.gouvernement.lu/fr/professions-droit/expert-judiciaire/liste-experts-traducteurs.html>

¹⁵ <https://eur-lex.europa.eu/legal-content/FR/TXT/PDF/?uri=CELEX:32014R0910&from=hr>

- ✓ **The date of the meeting with the customer** (in principle the date of entering into the business relationship);
- ✓ **The name of the compliance officer or his or her delegate with signing authority on behalf of the RAIF.**

The **certification** of a valid identity document can be done by the **RAIF itself** (with signing authority) when he has met the person (his costumer/representative) and has verified his identity by obtaining a copy of the identity document.

Caution

The **certification** by the RAIF is to be understood as the **material** and **effective demonstration** of the verification of the customer's identity, carried out by the RAIF.

The **RAIF** must not only demonstrate that it has **properly identified** the customer, but must also demonstrate that it has **verified** the **customer's identity**.

The burden of proof lies with the RAIF !

The expression of certification by the RAIF is not to be confused with the term of authentication, which is made by a competent and independent authority.

➤ **The certification of identification by a competent authority:**

- ✓ **Competent and independent authority** : police, embassies, municipalities, notaries or any other public authority;
- ✓ The **date of issuance** of the certificate shall be **less than 3 months** from the date of entering into a business relationship.

In the case of a **non-face-to-face business relationship**, it is necessary to obtain a **certification** (from the police, embassies, municipalities or any certification authority) of the documents provided¹⁶ by the customer.

For **European Union** nationals, the verification shall be done by either by the certification of either a **valid identity card** or a **valid passport**.

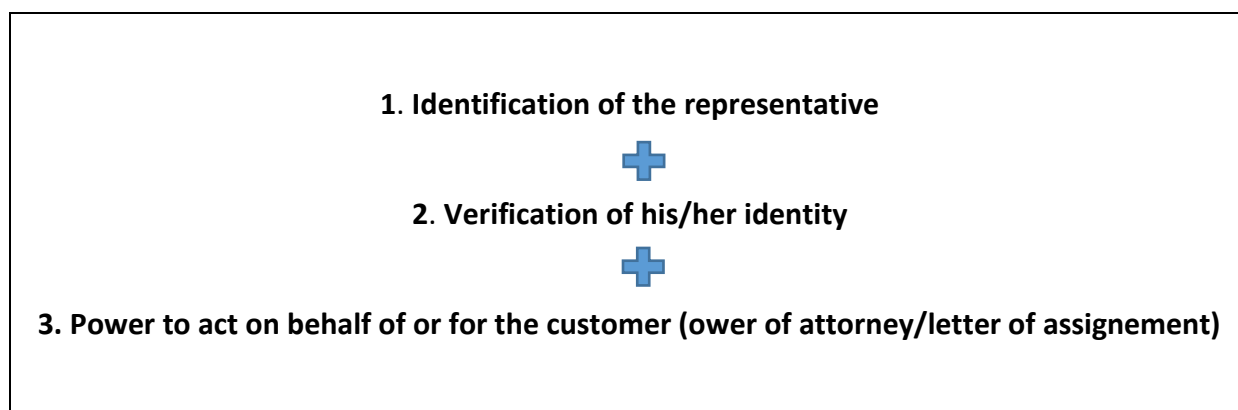
For **third country** nationals, the **verification** shall be done by the **certification of a valid passport**.

¹⁶ Provided documents: tax declaration, passport, driving license, social security card, birth certificate.

Customer representatives (person purporting to act on behalf of or for the customer)¹⁷

It is about identifying the customer in the broadest sense.

Indeed, in cases where one or more **representative(s) intervene(s) on behalf of or for the customer**, the professional must respect the following **cumulative conditions**:



Indeed, pursuant to Article 3 (2) paragraph 5 a) AML/CFT Law as amended, ***“the obligation of identification and verification includes for all customers, the obligation to verify that any person purporting to act on behalf of or for the customer is so authorized and to identify and verify the identity of that person”***.

Caution: Commitment of the RAIFs responsibility in case of lack of certification of the identification (see details under **point 1.1. Identification of the client**)

*For the customers and beneficial owners - legal persons or legal arrangements
are to be provided :*

In the case of clients that are legal persons or legal arrangements, the RAIF is required to identify the beneficial owner and to take reasonable measures to verify the identity of the beneficial owners (See details under **point 1.2 Beneficial owner**).

¹⁷ Représentation du client par un mandataire.

As for the legal entity, the following information must be verified and retained:

- ❖ Verify the legal status **of the legal person or legal arrangements (fiducies or trusts)**, in particular by obtaining :
 - a proof of incorporation deeds or a similar proof of establishment or existence;
 - information concerning the name of the customer;
 - the names of the administrators of fiducies (for fiducies);
 - the legal form;
 - the address;
 - board members/directors/managers (for legal entities);
 - the provisions governing the power to bind the legal person or legal arrangement (status);
 - RCS extracts.

The obligation to **identify** and **verify** the identity of legal persons or legal arrangements (fiducies or trusts) **includes the following obligations**:

- ❖ to understand the nature of their business and their ownership and control structure;
- ❖ to verify the name, the legal form and the actual existence of the legal person or legal arrangement (by a proof of incorporation or a similar proof of establishment or actual existence);
- ❖ the obligation to obtain information concerning:
 - the name of the customer ;
 - the names of the administrators of fiducies ;
 - the legal form ;
 - the address of the head office (and, if different, a principal place of business) ;
 - the names of the relevant persons having a senior management position in the legal person or legal arrangement ;
 - the provisions governing the power to bind the legal entity or legal arrangement.

If the identification of the customer (natural or legal person) **is impossible**, the RAIF **is in principle required to refuse the business relationship** or the **execution of the transaction** with his or her customer.

1.2. Identification of the beneficial owner

The obligation to identify the beneficial owner and to verify his or her identity includes the **obligation to take reasonable measures** to verify the identity of the beneficial owner by means of relevant information or data obtained from a reliable and independent source so that the RAIF has satisfactory knowledge of the identity of the beneficial owner.

Documents to support identification:

- ✓ Organisation chart;
- ✓ Register of partners/shareholders;
- ✓ Identifying the ultimate beneficial owner (a shareholding considering **voting rights/shares**);
- ✓ Attendance list of the last ordinary general meeting/ordinary shareholders meeting.

If the customer is a legal person, the obligation to verify the identity of the beneficial owners also includes¹⁸:

- ❖ any reasonable measure to determine which person(s) effectively exercise(s) control over that legal person (company);
- ❖ to verify that any person purporting to act on behalf of or for the customer is so authorised;
- ❖ to identify and verify the identity of any natural person who ultimately holds a controlling ownership interest in the legal person → this implies the identification of any natural person holding, directly or indirectly through a or multiple corporate entity/ies, **more than 25% of the voting rights/shares** or has an **ownership interest of more than 25% in the customer**.

However, if **no person is identifiable**:

- ❖ If there is any doubt that the person identified as holding a controlling ownership interest is the beneficial owner, it is necessary to identify:
 - any natural person exercising control of the legal person through other means .

¹⁸ Article 3 (2), first subparagraph, point b), paragraph 2 AML/CFT Law, as amended.

- ❖ If no natural person exercises control through a shareholding, it is necessary to identify:
 - any natural person exercising control of the legal person through other means.
- ❖ If no natural person could be identified, it is necessary to identify :
 - any relevant natural person who holds the position of senior managing official.

Concerning customers legal arrangements (fiducies or trusts), it is necessary to identify:

- Identify the settlor(s);
- Identify the fiduciary(ies) or trustee(s);
- Identify the protector(s), if any;
- Identify the class of persons in whose man interest the legal arrangement is set up or operates and any person exercising ultimate control over the said legal arrangement.

Concerning other legal arrangements similar to fiducies or trusts, it is necessary to identify:

- any person holding equivalent or similar positions to those referred to for fiducies or trusts.

RAIFs are required to conduct a **monitoring, an update and an ongoing due diligence** on customer and beneficial owner identification information.

In all circumstances, the professionals proceed with the identification of the customer and the beneficial owner as described above¹⁹.

Concerning information about beneficial owners, it is highly recommended to ask:

- for **legal persons**, an extract on the beneficiary(ies) from the [register of beneficial owners](#);
- for **legal arrangements**, an extract on the beneficiary(ies) from the [register of fiduciary contracts and trusts](#).

¹⁹ Article 3 (2a) AML/CFT Law as amended.

1.3. Obligations to verify and consult international financial sanctions lists

Within the framework of his **customer due diligence** and his **adequate internal management requirements**, the RAIF must put in place the appropriate internal control procedures and measures to carry out all the necessary due diligence for the purpose of **identifying** and **verifying** the identity of the customer/representative and/or beneficial owner(s) on the basis of documents, data or information from reliable and independent sources.

After collecting data on the customer/representative and/or beneficial owner(s), the RAIF must carry out a rigorous control in terms of international financial sanctions²⁰.

The monitoring of the **UNSC/EU international financial sanctions lists**²¹ is an essential process to identify the risks of the customers/representative and/or beneficial owner(s) as early as possible.

Indeed, **before** entering into any business relationship or **before** carrying out any transaction, the RAIF must check whether the customer/representative and/or beneficial owner(s) is/are subject to restrictive financial measures, i.e. the RAIF must **verify** the identity of the customer/their representative and/or beneficial owner(s) among the natural persons and entities (legal entities) **listed on international financial sanctions lists**.

Caution:

During an AML/CFT inspection, the RAIF must **materially demonstrate** that he has **researched and verified** the identity of the customer/representative and/or beneficial owner(s) on the international financial sanctions lists.

The burden of proof lies with the RAIF!!

The AED **recommends** that RAIFs keep track of the **checks performed** on international financial sanctions lists by printing the dated record of consultation and keeping it in the customer's electronic file or paper file/folder.

²⁰ Law of 19 December 2020 on the implementation of restrictive measures in financial matters hereinafter "*IFS Law*".

²¹ Article 3 (2) a) et b) AML/CFT Law as amended.

- **Where and how to search?**

The AED makes available to professionals:

- **research tools ;**
- **guidelines relating to the implementation of financial restrictive measures;**
- **a presentation on international financial sanctions ;**
- **the consolidated list of financial sanctions of the European Union under the following link : [Sanctions financières internationales - Blanchiment - Portail de la fiscalité indirecte - Luxembourg \(public.lu\)](#).**

An explanatory sheet on the European Union's consolidated list of financial sanctions can also be downloaded at the following link:

<https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/prevention-et-sensibilisation/sanctions-financieres-internationales/pour-en-savoir-plus/telechargement/Fiche-explicative-relative-a-la-liste-consolidee-des-sanctions-financieres-de-l-Union-europeenne.pdf>

- **What should the professional do if he detects a customer/beneficial owner on an international financial sanction list ?**

The professional has:

- **an obligation to notify the Ministry of Finance at the following address: sanctions@fi.etat.lu**
- **an obligation to apply enhanced customer due diligence in application of article 3-2 AML/CFT Law as amended;**
- **an obligation to refrain from executing any transaction** i.e. no transaction can be accepted. The professional must immediately **“freeze” the assets** of the customer/beneficial owner.

1.4. Procedure for entering into a business relationship

1.4.1. Assessment of a possible risk when entering into a business relationship

Under the law of 25 March 2020 amending the 2004 AML/CFT Law, **the customer due diligence** includes *"assessing and understanding the purpose and intended nature of the business relationship and, as appropriate, obtaining information on the purpose and intended nature of the business relationship"*²².

The RAIF shall avoid any business relationship with a customer who does not ensure transparency (wish for anonymity, failure to obtain requested information, etc.).

This type of behavior is considered as risky behavior → **business relationship to be avoided.**

The AED recommends that professionals define in the **"customer/representative and/or beneficial owners acceptance policy"** the basic principles that must be respected when entering into a business relationship and that they **integrate** the **IFS Law** into their anti-money laundering and terrorist financing policies and processes.

This implies in particular that a verification is carried out to ensure that the customer/their representative and/or beneficial owner(s) are not persons included in the international financial sanctions lists that are directly applicable in Luxembourg.

Indeed, the professional must **refrain** from entering into a business relationship with a person or entity designated in an international financial sanctions list.

When the professional detects that a customer and/or a beneficial owner is a person listed on an international financial sanctions list, he must **imperatively inform** the **Ministry of Finance** at the following address: sanctions@fi.etat.lu

²² Article 3 (2), point c) AML/CFT Law as amended.

1.4.2. Identification of the purpose²³ and the nature²⁴ of the transaction (business relationship entry form)

The RAIFs are required not only to identify the parties involved in financial transactions but also to identify the **purpose** and the **nature** of these transactions.

This implies, pursuant to article 3 (2), point c) AML/CFT Law, as amended, “*assessing and understanding the **purpose** and intended **nature** of the business relationship and, as appropriate, obtaining information on the **purpose** and intended **nature** of the business relationship*”.

The operations include :

- operations linked to subscriptions of shares of RAIF by investor customers;
- operations linked to redemptions of shares of RAIF by investor customers.

Regarding the transactions carried out in the course of the RAIF activity, the RAIF is required:

- to exercise **ongoing due diligence** of the business relationship, notably by examining the transactions carried out **throughout the duration of this business relationship**;
- to examine the **source of the funds** in order to **verify the consistency of the transactions in relation to the RAIF’s knowledge of its customer, its business activities and its risk profile**;
- to ensure that **particular attention is given to all unusual transactions**, of an abnormally high amount (i.e. check whether the transaction carried out is compatible with the customer’s profile);
- to ensure that **the documents, data or information** collected in exercising the customer due diligence **are up to date and relevant**, allowing the identification of the purpose and nature of the transaction;
- to examine **existing elements**, especially for higher risk customers. It concerns **international financial sanctions** and **financing methods** as the use of **virtual assets** ;
- to make a control concerning the indicators of **red flags** related to **financing methods** as the use of **virtual assets** : those linked to **transactions** (size and frequency of transactions), those linked to the **pattern of transaction** (irregular, unusual or not very usual patterns), those linked to **anonymity**,

²³ Purpose of the transaction: subscription and/or redemption of FIAR shares/units, etc.

²⁴ Nature of the transaction includes the contract subscription and/or redemption of FIAR shares/units.

to **shippers** or **recipients**, those linked to **source of wealth** and **source of funds** and those linked to **geographical risks**;

- to conduct data reviews of their customers/representative and/or beneficial owner(s) when new individuals or entities are placed on **international financial sanctions lists**.

1.5. Record-keeping and ongoing monitoring

The RAIF has to ensure **the retention** of documents, data or information collected for a period of **at least 5 years** after the **end of the business relationship** with the customer, in order:

- on the one hand, **to be able to adapt** the **customer due diligence** during the business relationship and;
- on the other hand, to be able to make **any useful AML/CFT information** available to the competent authorities in the context of their supervision.

Evidentiary documents, identification data and information related to the business relationship shall be kept in such a way that the business relationship is **traceable** and **verifiable** by the supervisory authorities as well as for the RAIF itself.

The RAIFs shall be able to **demonstrate** to the supervisory authorities, including the AED, that the **measures** they apply in accordance with the customer due diligence are **appropriate** in view of the risks of money laundering and terrorist financing²⁵.

How is this done?

For example: scanned or saved copies in the electronic customer file or copies/prints in the customer's paper record/record file.

The RAIF shall be able to explain its storage procedures provided in the internal formalised procedure/internal policies.

For any purpose or nature of the transaction, the RAIFs shall **identify any person involved in the transaction.**

²⁵ Article 3 (2a), 3rd subparagraph AML/CFT Law, as amended.

For any operation carried out under the professional activity, the required information to be provided for entering into a business relationship is as follows:

➤ **For any type of customer and beneficial owner :**

- Last name ;
- First name ;
- Address ;
- Date and place of birth ;
- Marital status ;
- Correspondence ;
- Registration number ;
- Profession ;
- Certified copy (true copy) of identity card or passport for non-European Union nationals²⁶.

➤ **For the operation :**

- Description of the purpose of the operation (e.g. the subscription or redemption of shares of RAIF by investor customers or other persons);
- Description of the nature of the operation: the subscription or redemption agreement indicating the purpose of the operation and identifying details;
- Information on the means of payment used by the customer (cash, transfer, check, bitcoin, others).

Each **operation** based on a contract needs to be **kept** by the RAIF and be **available** to the **inspectors of the SCF** at their request.

Information concerning the beneficial owners shall also be retained in the same way as those concerning the customers for **a period of 5 years** after the end of the business relationship.

The above-mentioned **list** of requested information is **not exhaustive**.

²⁶ <https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/cirulaire/circulaire-ID-PP-traduction.html>

1.6. Types of due diligence

In any case, the RAIF is required to have a **customer due diligence** when entering into a business relationship.

When the RAIF identifies a lower risk of money laundering and terrorist financing, it may apply **simplified customer due diligence**.

In certain circumstances, the RAIF shall exercise **enhanced customer due diligence**, in particular when:

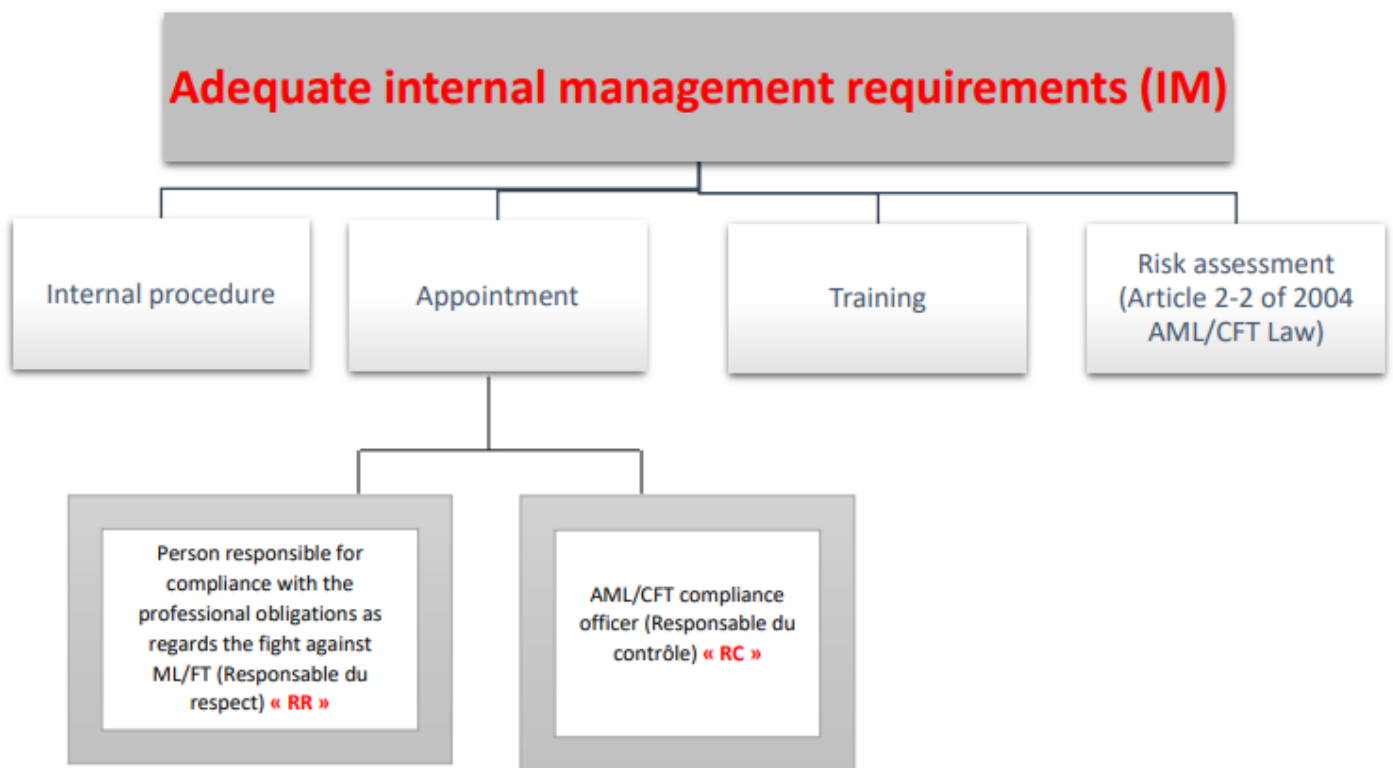
- the customer (natural person) is not physically present for identification;
- it appears that the customer resides abroad;
- the business relationship or transaction involves a high-risk country or is conducted in an unusual pattern;
- the customer is a PEP;
- the customer is a legal person or any other legal arrangement whose beneficial owner could be a PEP, as it could be the case for patrimonial companies, trusts, or family businesses that belong directly or indirectly to a PEP;
- the customer is listed on international financial sanctions lists.

Simultaneously with the type of due diligence, the RAIF is required to exercise **ongoing due diligence**.

Indeed, depending on the risk profile of its customer, the RAIF is required to **regularly update** the documents, data or information related to the business relationship, concerning the customer/representative, the beneficial owner, the source and origin of the funds. This is an **ongoing process**.

The type of due diligence exercised by the RAIF must be **consistent with the internal procedure formalising the risk assessment and determining the risk profile of the customer.**

2. Adequate internal management requirements (articles 4, 4-1 and article 2-2 of the 2004 AML/CFT Law)



Considering the updated information, the risk assessment and the internal procedure must be **readapted**.

2.1. The implementation of an internal procedure²⁷ by the RAIF

The RAIF is required to set up an adequate internal management that is **adequate** and **proportionate** to the size of its business in the context of its professional activity²⁸.

This requirement implies the implementation of an **internal procedure manual regardless of the size of the company and its activity** (instructions for use) which details the procedure put in place to prevent the risks of money laundering and terrorist financing.

The purpose of this document is:

²⁷ The AED provides a technical sheet on the implementation of an internal procedure that can be downloaded at the following link: <https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/prevention-et-sensibilisation/guides/telechargement/fiche-technique-relative-a-la-mise-en-place-dune-procedure-interne.pdf>

²⁸ See Part 3: Technical sheet "RAIF".

- the description of the internal procedure in place to prevent the risks of money laundering and terrorist financing;
- the conditions of appointment of the “RR” and “RC”;
- the organisation and/or participation in AML/CFT training programs for employees;
- the description of the risk assessment adapted to the activity of the RAIF and taking into account the results of the NRA and the SNRA.

The internal procedure manual shall be available to all employees.

- In order to prevent the risks of money laundering and terrorist financing, the employees are required to participate in one or more/several AML/CFT **training sessions**.

The training of employees of RAIF includes *“the members of the management bodies and the effective direction”*²⁹.

This training can be organised either **internally** by the RAIF itself or **externally**, for example by a professional chamber.

The purpose of participating in such training is to keep employees informed about new legal developments, new techniques, methods and trends regarding AML/CFT obligations.

As a reminder, AML/CFT training must take into account the legal developments of the 2004 AML/CFT Law, as amended.

- The adequate internal management requirements imply the appointment of a **person responsible for compliance regarding AML/CFT obligations (“RC”)**, also known as **“compliance officer”**, who is an **independent person** at an appropriate hierarchical level (e.g. at the level of the governing body).

He is adequately resourced to monitor compliance, must act independently and held accountable to the management, without going through his line manager, or at the board of directors³⁰.

The **compliance officer (“RC”)** is usually the **contact person** for the authorities qualified in AML/CFT matters.

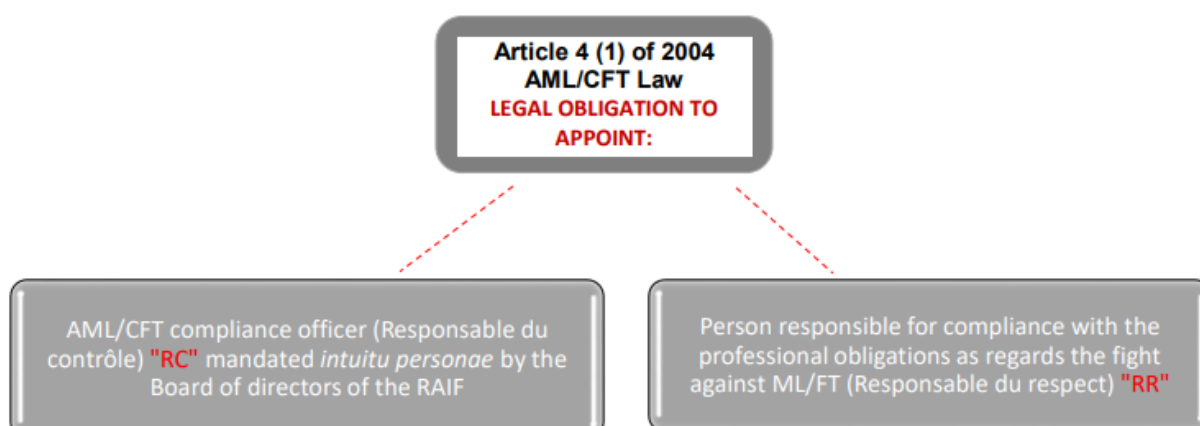
²⁹ Article 4 (2) AML/CFT Law, as amended.

³⁰ Article 4 (1), last paragraph AML/CFT Law, as amended.

Concerning **RAIFs**, the article 4 (1) AML/CFT Law, as amended, requires professionals to appoint:

1. a person among the members of their management bodies, **responsible for compliance with the professional obligations** as regards the fight against money laundering and terrorist financing (the original French version of the law refers to a “**responsable du respect des obligations professionnelles en matière LBC/FT**” and thus, the acronym “**RR**” will be used hereafter), **and**
2. if the size and nature of the activity so require, a **compliance officer** at appropriate hierarchical level (the original French version of the law refers to a “**responsable du contrôle du respect des obligations au niveau hiérarchique approprié**” and thus, the acronym “**RC**” will be used hereafter).

The AED would like to recall that every RAIF subject to its AML/CFT supervision, is **legally required to appoint, both a “RR” and “RC”**.



For this reason, the AED provides in the “**FAQ – Persons involved in AML/CFT for a Luxembourg Reserved Alternative Investment Fund (“RAIF”) supervised by the AED for AML/CFT purposes**”³¹, clarification on the **obligations** under article 4 (1) AML/CFT Law, as amended, and the **qualifications** required by the “**RR**” and “**RC**”.

Indeed, considering the similarities of RAIFs with regulated funds of the collective investment sector and taking into account its money laundering and terrorist financing risk exposure

³¹ See Part 3: “FAQ”.

identified by the NRA, the “**FAQ RR-RC**” indicates that the following **guidelines** should be considered when **appointing the RR and the RC** :

- the “**RR**” can be the **board of directors** (or other governing body depending on the legal structure of the RAIF) acting as a **collegial body** (“*Board collegially*”). Alternatively, the **board of directors** may appoint **one of its members as RR** (“*Signal natural person*”). The **RR** must be **reachable** for any contact by the Luxembourg AML/CFT competent authorities.
- the “**RC**” shall be mandated *intuitu personae* by the **board of directors** (or other governing body) of the RAIF. It can be:
 - a **member of the board of directors** with **appropriate experience** meeting the conditions explained below; **OR**
 - a **third party**, if its provided that a **contract relationship** between the RAIF and the RC exists either personally, or, where the contract is concluded with the employer of the RC, **(i)** the contract must name the RC, **(ii)** any replacement of the RC must be subject to the RAIF’s approval and **(iii)** the RC must acknowledge its appointment by writing; **OR**
 - an **employee of the designated AIFM of the RAIF**.

Caution : In principle, the **RC must be available in Luxembourg** for the accomplishment of his/her tasks. However, on an exceptional basis, and under the conditions defined below, it is **acceptable** that the RC que le RC is located **outside of Luxembourg**, if the **AIFM** and the employees acting as **RC** are not domiciled in Luxembourg.

Caution : If the **board of directors** (or any governing body depending on the legal structure of the RAIF) acts as the governing body (“*Board collegially*”) is the **RR** then **one of the members of the board of directors** may be appointed as the **RC**.

Caution : If the **board of directors** (or any governing body depending on the legal structure of the RAIF) appoints only **one of its member** as **RR** (« *Single natural person* »), that same person **cannot** also be appointed as **RC**.

Regarding the **RR**, the AED requires that he/she:

- has **sufficient AML/CFT knowledge with regard to the applicable Luxembourg legislation and regulation and can demonstrate this upon request** (e.g. trainings);
- has **knowledge about the investments and distribution strategies of the RAIF** and;
- is **available without delay upon contact by the Luxembourg AML/CFT competent authorities** (if the RR is a collegial body, **at least one of its members** must fulfil this requirement).

Regarding the **RC**, the AED requires that he/she:

- has **sufficient AML/CFT knowledge with regard to the applicable Luxembourg legislation and regulation and can demonstrate this upon request** (e.g. trainings);
- has **knowledge about the investments and distribution strategies of the RAIF**;
- is **available without delay upon contact by the Luxembourg AML/CFT competent authorities**;
- has **access to all internal documents and systems** required necessary for performing its tasks. This condition is particularly relevant where the RC is not present in Luxembourg on an on-going basis; and
- is the **main contact person** of the RAIF for the AED.

The **RC** implements the AML/CFT policies and procedures of the RAIF and has the power to propose, on its own initiate, to the board of directors (or other governing body depending on the legal structure of the RAIF) any measure useful for this purpose. He must furthermore ensure the quality of the AML/CFT controls performed with regards to his professional obligations.

2.2. The implementation of a risk assessment³² by the RAIF

- **RAIFs** are required to take appropriate measures to **identify, assess and understand** the risks of money laundering and terrorist financing.



The FIAR is required to **SET UP A RISK-BASED APPROACH** (risk assessment)

The progress of a risk-based approach:



However, there is **no “single methodology”³³ for assigning a given level of money laundering and terrorist financing risk to a customer**. Each RAIF has to provide in its internal management the risk **qualification, management and mitigation** mechanisms specific to each customer.

Each RAIF must determine his customer’s risk level based on his risk assessment.

Caution: the determination of the customer's risk level is based on the risk assessment formalised in the internal procedure.

³² The AED provides a technical sheet on the implementation of an risk assessment that can be downloaded at the following link: <https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/prevention-et-sensibilisation/guides/telechargement/fiche-technique-relative-a-la-mise-en-place-dune-analyse-risque.pdf>

³³ Obligation to adapt the risk assessment according to the professional activity, the size of the company, the type of customers, etc.

Before classifying a customer into a risk category, the RAIF must consider **all relevant risk factors**³⁴.

Each customer will be classified as a customer according to its risk profile:

- Either **low-risk** ;
- Either **medium-risk** ;
- Either **high-risk**.

Circumstances that lead to a high-risk profile shall be **identified and documented in the internal procedure**.

This process of determining the level of risk is an **ongoing process throughout the existence of the business relationship and will take place, in particular, at the following points in time:**

- a) when **accepting the customer** ;
- b) whenever an **event justifies a review**, e.g. change in ownership, change of business activities, relocation of head office, designation of persons or entities on international financial sanctions lists etc. ;
- c) on a **regular basis**, depending on the risk ranking → for a low-risk customer, this review will take place less frequently (e.g. all 2 years) than for high-risk customers (e.g. all 6 months).

❖ **The classification of the customer may be based on:**

- a) **Risk criteria related to the country of residence** (customer's head office and operational headquarter(s) **of the customer**, general headquarters or parent company);

Indeed, the customer may come from :

- Third countries;
- Countries blacklisted by international organisations with competence in the field (FATF, UN, OECD) ;
- Countries subject to financial sanctions, embargos or similar measures issued for example by the UN or by the UE;

³⁴ The AED provides a fact sheet on risk factor that can be downloaded at the following link:
<https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/prevention-et-sensibilisation/guides/telechargement/fiche-technique-relative-aux-facteurs-de-risques.pdf>

- Countries identified by reliable sources (FATF, OECD, UN, UE) as not having adopted legislation, regulation or other anti-money laundering and counter terrorist financing measures ;
- Countries identified by reliable sources as having known high levels of corruption or of any other criminal activity.

The AED website under the heading "**Blanchiment**" sub-heading "[Prévention et sensibilisation](#)" provides professionals with [circular letters](#) on FATF public disclosures concerning **non or uncooperative countries** in the field of money laundering and terrorist financing.

It is therefore recommended to consult them regularly, particularly when they are updated during the months of February, June and October, in order to keep up to date with the latest information. These lists must imperatively be taken into account when carrying out the risk assessment and determining the customer's risk level.

b) **Customer risk criteria ;**

Indeed, the risk may be related to:

- the reduced transparency/voluntary anonymity of the customer;
- the customer's industry/activity sector;
- the source and origin of the customer's funds³⁵ ;
- the type of transaction chosen by the customer (cash³⁶, bank transfer, check, bitcoin, etc.)

c) **The risk criteria related to the service/product or good, requested or used by the customer ;**

Indeed, the risk may be related to the type of service (subscription or redemption of shares of the FIAR, etc.) chosen by the customer.

³⁵ When entering into a business relationship, as well as during all its duration, the FIAR will be required to have information about the origin of the funds (e.g. from which account the funds come) used to finance the service, as well as information concerning the origin of the funds which provides information on the customer's assets.

³⁶ **A lower cash payment threshold for persons dealing in goods.**

d) The risk criteria specific to RAIF;

Indeed, the risk may be related to:

- the geographic location of RAIF's investors;
- the geographic location of invested funds by investors into the RAI ;
- the geographic location of investments done by the RAIF;
- the possibility to invest in any type of assets (e.g. tangible assets as art, luxury products, wines) ;
- the lack of approval of the RAIF by the CSSF at incorporation.

❖ The risk assessment shall be adapted:

- to the RAIF's activity and remain proportionate to the nature and size of its business;
- to the customer's profile and the importance of the transaction;
- to the type of investment, especially for tangible assets as luxury products, a private jet, a yacht, in real estate, etc. ...

The above presented criteria are non-exhaustive and not fixed.

Indeed, other criteria than those presented may be taken into account.

These criteria may change according to:

- the customer profile;
- the importance of the transaction;
- the purpose of the transaction;
- the nature of the transaction.

The RAIF must ensure that it incorporates into its risk assessment all risk information identified and communication by:

- the national (NRA) and supranational (SNRA) risk assessment; **AND**
- the national AML/CFT authorities; **AND**
- the international authorities in matter of financial sanctions.

The risk assessment shall enable the RAIF to adapt its level of due diligence in light of the identified risks. In order to guide RAIFs in their assessment, the AML/CFT Law, as amended, includes **three annexes**³⁷ that list risk factors inherent to the customer, respectively risk factors indicative of a potentially lower or higher risk of money laundering or terrorist financing.

Based on these examples of situations and transactions which are likely to influence the risk degree, RAIFs must target, on the basis of an **individual assessment**, the **appropriate** level of **due diligence** to be implemented with regard to their customers.

It is up to RAIFs to assess the risk of transactions, identify those presenting a low risk and apply the appropriate level of due diligence.

For this purpose, RAIFs shall operate based on **the risk criteria** set out in **the annexes** to the AML/CFT Law, as amended. Indeed, when they assess the money laundering and terrorist financing risks to:

- a certain types of customers;
- a certain geographical areas;
- a certain types of products or services;
- ascertain transactions;
- a certain specific distribution channels.

RAIFs shall take into account, at a minimum, the risk factors set out in the annexes to the AML/CFT Law, as amended.

Article 3-2 of the AML/CFT Law, as amended, identifies a certain number of **higher risk situations** in which RAIFs shall in any event implement **enhanced due diligence measures**.

These include situations in which RAIFs :

- maintain business relationships or carry out transactions implying countries identified as high-risk ;
- maintain business relationships with customers or beneficial owner(s) that have been placed on an international financial sanction list;
- in cross-border banking and financial relationships and other similar relationships ;
- as well in the event of a business relationship or transactions with PEP, including nationals.

³⁷ See part 3: Risk factors.

Beyond these situations expressly set out in the AML/CFT Law, as amended, RAIFs are required to **assess the risk** of all their transactions and apply **enhanced due diligence measures**, when they identify a situation presenting a higher risk of money laundering and terrorist financing.

Specific risk factors exist concerning types of investments of **RAIF**, in particular:

- **“Hedge Funds”**: this type of investment consists of a fund not linked to stock exchange, there are equity funds intended to finance high return projects. These funds look for investing in companies and using leverage.
- **“Private Debt”**: this type of investment refers to loans to companies which are not granted by banks or public markets, but by private investors and private markets.
- **“Private Equity”**: this category refers to an investment in capitals not listed in a public exchange.
- **“Real Estate”**: this type of investments refers to direct or indirect investment in real estate.
- **“Tangible assets”** (except “Real Estate”): a tangible asset is an asset having finite monetary value and usually a physical form.
- **“Fund of Funds”**: this type of investment refers to a fund investing in other types of funds.
- **“Cryptocurrency”**: any form of currency existing digitally or virtually and using cryptography to secure transactions.

❖ **Conduct of the risk-based approach :**

In the presence of a high-risk customer, particular attention shall be paid to the following operations :

- Significant banking operations with foreign countries that do not correspond to the knowledge of the customer’s activities ;
- Customer, supplier, bank or other third party accounts that are unpaid or without movement for a long period.

❖ **International financial sanctions:**

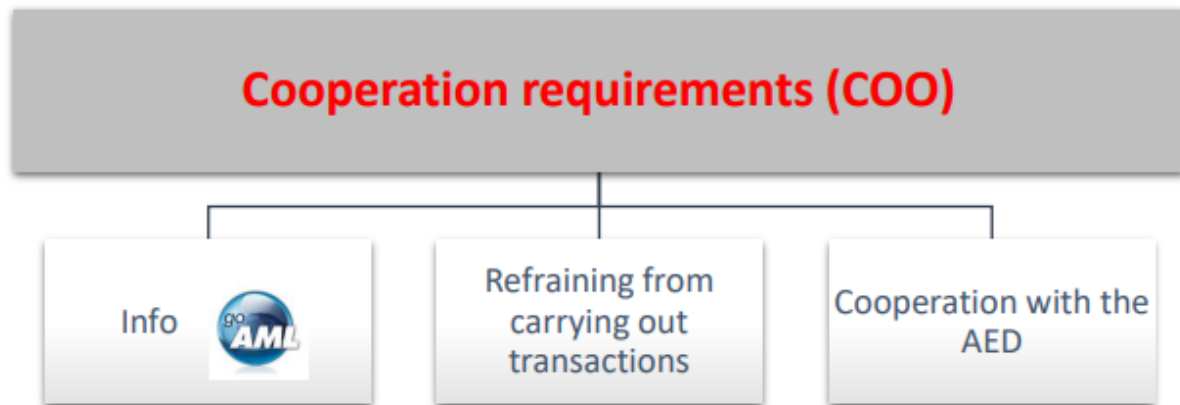
When a professional notes that a customer, representative, and/or beneficial owner(s) has been placed on an international financial sanctions list, he/she must consider that this information affects the risk profile of the client.

Therefore, the professional must update the assessment of the risks associated to this customer and **re-examine** all the operations he has performed → **enhanced customer due diligence**.

The professional is also required to notify the Ministry of Finances **without delay** at the following address: sanctions@fi.etat.lu

3. Cooperation requirements (article 5 of the 2004 AML/CFT Law)

3.1. Cooperation requirements in matter of AML/CFT



The 2004 AML/CFT Law, as amended, requires that special attention must be paid to **any operation or any fact considered as particularly susceptible to be linked to money laundering and/or terrorist financing**, due to:

- the nature or unusual character of the operation/fact in relation to the customer's activities;
- the circumstances surrounding the operation;
- the quality of the persons involved in the operation.

What is an unusual operation (transaction/activity)?

When entering into a business relationship with a customer, certain signals lead to the fact that the operation or the event may be considered as particularly likely to be linked to money laundering and/or terrorist financing.

These **signals** may consist, for example, of:

- the provision of a service that has no connection with the customer or his or her professional activity;
- the economic purpose does not appear from the transaction and is therefore not definable;
- the presented invoices are not based on any provided services;

- the intervention of a professional or a customer from a third country appearing on a black list (lists defined by the competent international organisations, notably the FATF, UN, OECD);
- the contribution in kind;
- the acquisition of important fixed assets;
- unusual sales or operations by their nature or amount;
- very high margin operations that may lead to the payment of commissions or compensation;
- large and unusual compensation payments, commission or fees;
- the immediate withdrawal of capitals from accounts;
- the use of complex investment structures interposed between the fund and the final target investment situated in different jurisdictions;
- transactions without any economic justification apparent in a specific context ;
- frequent transactions bringing losses for which professionals or the counterparty do not seem to worry;
- the intervention of a professional or a costumer/beneficial owner listed up on an international financial sanctions list (see point 3.2.);
-

Which procedure should be followed when one of the above signals is detected ?

- 1) Inform the RC of RAIF;
- 2) Obtain more information on the motivation of the operation and the origin of the funds and assets involved in the operation;
- 3) Document all information obtained;
- 4) Provide a description of the research conduct;
- 5) Write a report/summary that:
 - traces the history of the research carried out;
 - provides the RAIF's analysis of the operation or fact susceptible to be linked to money laundering and/or terrorist financing;
 - describes the procedure initiated by the RAIF.

3.1.1. Cooperation requirements in with the FIU³⁸

When the RAIF knows, suspects, or has reasonable grounds to suspect that the **operation** is linked to a money laundering and/or terrorist financing offence, it is required to:

TRANSMIT A STR TO THE FIU (CRF)

The RAIF is **required to inform** **without delay**³⁹, **on its own initiative, the FIU** of any fact or operation that could be indicative of money laundering and/or terrorist financing.

All suspicious transactions, including **attempted** suspicious transactions, shall be reported⁴⁰.

Caution : the RAIF itself, its RC and RR must be registered on the goAML portal in order to be able to transmit a STR to the FIU in the name and on behalf of the RAIF, if necessary.

A simple suspicion is enough !



The RAIF is required to make a STR !

➤ Who is required to make a STR ?

In principle, the person responsible for the implementation of the AML/CFT Law, as amended, namely the **RC**, within the RAIF is required to make a STR.

If this person is not available, it will be the **RR** who will be required to do so.

³⁸ CRF.

³⁹ Requires prior registration by the RAIF in the goAML portal.

⁴⁰ Article 5 (1), a) AML/CFT Law, as amended.

The FIAR which has continued to execute a transaction suspected of money laundering and/or terrorist financing shall be **held responsible** for AML/CFT matters.

The only way to avoid such responsibility and consequently to avoid a sanction is to make a **suspicious transaction report** to the FIU on the **goAML portal**⁴¹.

In order to use goAML, registration with a **LuxTrust certificate** is required.

Confidentiality of the STR: any RAIF which may have the knowledge of a STR is not authorised to disclose this information to the customer or to any other person.

The customer who is the subject of a STR shall be assigned a **high risk level** of money laundering and/or terrorist financing which requires **enhanced due diligence**.

- **At the request of the FIU**, the RAIF is required to provide **without delay** any required information.
- The RAIF is in principle⁴² required **to refrain from executing the transaction** that it knows or suspects to be linked to money laundering or terrorist financing before informing the FIU.

Where refraining from carrying out transactions is impossible or is likely to frustrate efforts to pursue the beneficiaries of a suspected operation, the concerned RAIFs shall inform the FIU immediately afterwards (immediately after the transaction).

⁴¹ <https://justice.public.lu/fr/organisation-justice/crf.html>

⁴² Article 5 (3) of 2004 AML/CFT Law, as amended.

3.1.2. Cooperation requirements with the AED

The RAIF is **obliged to cooperate fully with the Luxembourg authorities, including the AED, responsible for the fight against money laundering and terrorist financing.**

Indeed the RAIF is required:

- **for desk-based inspections:** to communicate the information requested by the AED ;
- **for on-site-inspections:** to provide the requested documents⁴³ and to cooperate in such a way as not to hinder the proper conduct of the inspection by the Financial Crime Department.

Regarding the **supervision of RAIFs**, the AED requests the communication of **four documents** for each RAIF:

- the **RAIF RC-RR Identification Form**;
- the **RAIF AML/CFT Questionnaire**;
- the **legal documentation related to the RAIF RC-RR Identification Form**; and
- the **RC report on AML/CFT purposes**.

The AED has issued several **“FAQs”** to help RAIFs to fill in and transmit the first two documents:

- a FAQ related to the **general questions related to a Luxembourg RAIF supervised by the AED for AML/CFT purposes** ;
- a FAQ related to **RAIF RC RR Identification Form** ; and
- a FAQ related to **RAIF AML/CFT Questionnaire**.

These 3 “FAQs” can be found in **Part 3** of this guide.

A) The RAIF RC-RR Identification Form :

As described under the part of adequate internal management requirements, the AED requires that each RAIF appoints a **RC** and a **RR**.

Considering these appointments, the RAIF shall provide the AED with the completed **“RAIF RC-RR Identification Form”** indicating the contact and appointment details of the RC and RR.

⁴³ See Check-list in Part 3.

The RAIF shall transmit this form to the AED on the following situations:

- upon the **first appointment** of a RC and RR by the RAIF ; and
- upon **change** of any information included on the first transmitted form.

In fact, when there is a change of the RC, RR and/or the information concerning them, the RAIF must notify these changes to the AED **in due course**.

Following the constitution and registration of each RAIF on the RAIF list held by the RCS, the RAIF shall provide the AED with the completed RAIF RC-RR Identification Form **without delay**.

The RAIF RC-RR Identification Form template as well as **useful information** to complete and provide it are available under the following link:

<https://pfi.public.lu/fr/blanchiment/questionnaire/vehicules-financiers-non-reglementes/fiar/rr-rc-identification.html>

The form shall be **transmitted by email** to the following AED email address related to UFVs: AED.finvehicles@en.etat.lu.

It shall be transmitted under its **original pdf format** (file size **2 MB**) and **without any signatures**.

Any other transmission format, **e.g. a pdf scan** of the printed form will **not be accepted**.

The RAIF RC-RR Identification Form template is under **Part 3**.

B) The RAIF AML/CFT Questionnaire :

In order to set up its own supervision of risk assessment, the conception of an **AML/CFT questionnaire for RAIFs** was necessary.

The following information should be provided:

- the identification of the RAIF ;
- identified and understood AML/CFT risks ; and
- mitigation measures for the identified risks.

The informations to be included are the one available by the investment vehicle as of 31 December of each year and to be transmitted to the AED **annually**.

The questionnaire must be transmitted by the **RR** of the **RAIF**. However, the RR can **mandate** the **RC** to transmit the questionnaire.

The questionnaire must be transmitted by email to the following AED email address related to UFVs: AED.finvehicles@en.etat.lu, under its **original Excel format⁴⁴** and **without any signatures**.

The AML/CFT questionnaire template is under Part 3.

C) The legal documentation related to the RAIF RC-RR Identification Form :

In addition to the request of the **“RAIF RC-RR Identification Form”**, the RAIF must also transmit to the AED **without delay**, the **legal documentation** signed by the governing body of the RAIF, acting in the name and on behalf of the RAIF, related to the initial appointment of the RC and/or RR and/or any change of RC and/or RR of the RAIF.

The legal documentation can have the following forms:

- Minutes of board meeting of the governing body of the RAIF;
- Circular, resolutions of the same body.

D) The RC report on AML/CFT purposes:

The AED, as the supervisory authority of the other financial institutions (*autres établissements financiers*) according to **articles 1 (3a) e) 2 (1) 7 and 2-1 (8)** AML/CFT Law, as amended and according to the requirements of **article 4(1)** AML/CFT Law, as amended, RAIFs must transmit **the RC report of the RAIF** on the activity of the RAIF for the financial year ending in 2021⁴⁵.

The RC report is a **synthesis report** on his activity and operation in AML/CFT purposes concerning the RAIF (**“RC report”**).

The **“RC report”** must cover at least the **following points**:

- the results regarding the identification, the assessment of the AML/CFT risks and the measures taken to mitigate them, as well as the tolerance level of the AML/CFT risk of the RAIF;
- the results of due diligence measures performed on clients, initiators of the RAIF, portfolio managers to whom the management has been delegated, investment advisors, including the ongoing due diligence;

⁴⁴ It is prohibited to cancel the Excel file protection, the change of the file as such is also not authorised.

⁴⁵ On 1st February 2022, the AED has launched an invitation campaign towards the RC of all RAIFs in order to communicate the RC report of the RAIF on the activity of the RAIF for the financial year ending in 2021. The deadline to submit the RC report was 31 May 2022.

- the results of enhanced due diligence measures performed on intermediaries acting on behalf of their clients, including the ongoing due diligence;
- the results of enhanced due diligence measures on identified individuals as PEPs under the provisions of article 3-2 (4) (d) AML/CFT Law, as amended;
- the results of due diligence measures performed on the assets of the RAIF, including the ongoing due diligence;
- the monitoring of blocked positions for AML/CFT purposes at the level of the registers of bearer shares of the RAIF and/or the intermediaries acting on the marketing of the RAIF;
- the periodic review of any business relationship according to its risk level;
- in case of delegation of tasks concerning professional obligations to third parties, the results of controls performed on the compliance of services made by these third parties, not only with the legal and regulatory provisions, but also with the contractual provisions, if appropriate, the reasons for which the RAIF has chosen new third parties during the year;
- the statistical background of identified suspicious transactions, including the number of reports of suspicious transactions made by the RAIF to the FIU, as well as the amount of related funds;
- the statistical background of reported transactions within the framework of financial sanctions regarding the terrorist financing as well as those linked to the implementation of the resolutions of the UN Security Council and the acts adopted by the European Union, as well as the amount of related funds; and
- the number of noticed breaches of professional obligations on AML/CFT purposes. If this number is equal to 0, it must be specified explicitly.

The **“RR Report”** signed in pdf format should be returned to the AED to the following email address: AED.finvehicles@en.etat.lu.

Any other transmission format, e.g. a **pdf scan** of the printed report **will not be accepted.**

In the context of the cooperation requirements, **THE RAIF WILL BE SUBJECT TO AN INJUNCTION** inviting it to transmit all the documents useful for the inspection and/or inviting it to cease any behavior contrary to his professional obligations.

In accordance with **article 8-2 (1) e) AML/CFT Law, as amended**, the AED, as supervisory authority, has the means to enjoin the RAIF to cease any practice contrary to its professional AML/CFT obligations or to their implementation measures and to refrain from repeating that practice, within the time limit set by the AED.

The injunction is provided in the following legal provisions:

- **Article 8-2 (1) e) :** use to put an end to the violation of one or more of the three main pillar/s ;

- **Article 8-2 (2)** : provides the possibility to impose a coercive fine. The amount of this coercive fine, on the grounds of an observed failure to perform, may not be greater than EUR 1.250 per day, with the understanding that the total amount imposed due to an observed failure to perform may not exceed EUR 25.000;
- **Article 8-4 (4)** : possibility of an administrative sanction if the RAIF:
 - is obstructing the exercise of the supervisory and investigatory powers of the supervisory authorities (AED, CAA, CSSF);
 - fails to act in response to injunctions issued in accordance with **article 8-2 (1) e**;
 - purposefully provides documents or information that are incomplete, incorrect or false following a request based on **article 8-2 (1)**;
 - does not comply with the protective provisions for persons having reported a suspicion of money laundering or terrorist financing to the FIU (**article 5 (4) subparagraph 3**) and for persons who have internally reported a suspected money laundering and terrorist financing (whistleblower) to the AED (**article 8-3 (3) subparagraph 1**).

For ease of understanding, **article 8-2 (1) e** and **article 8-2 (2) AML/CFT Law as amended**, we will speak of ***injunction-means***.

On the other hand, for **article 8-4 (4) AML/CFT Law as amended**, we will speak of ***injunction-sanction***.

The AED will pronounce the injunction only in the event of non-compliance with the cooperation requirements in accordance with **article 5 of the 2004 AML/CFT Law, as amended**.

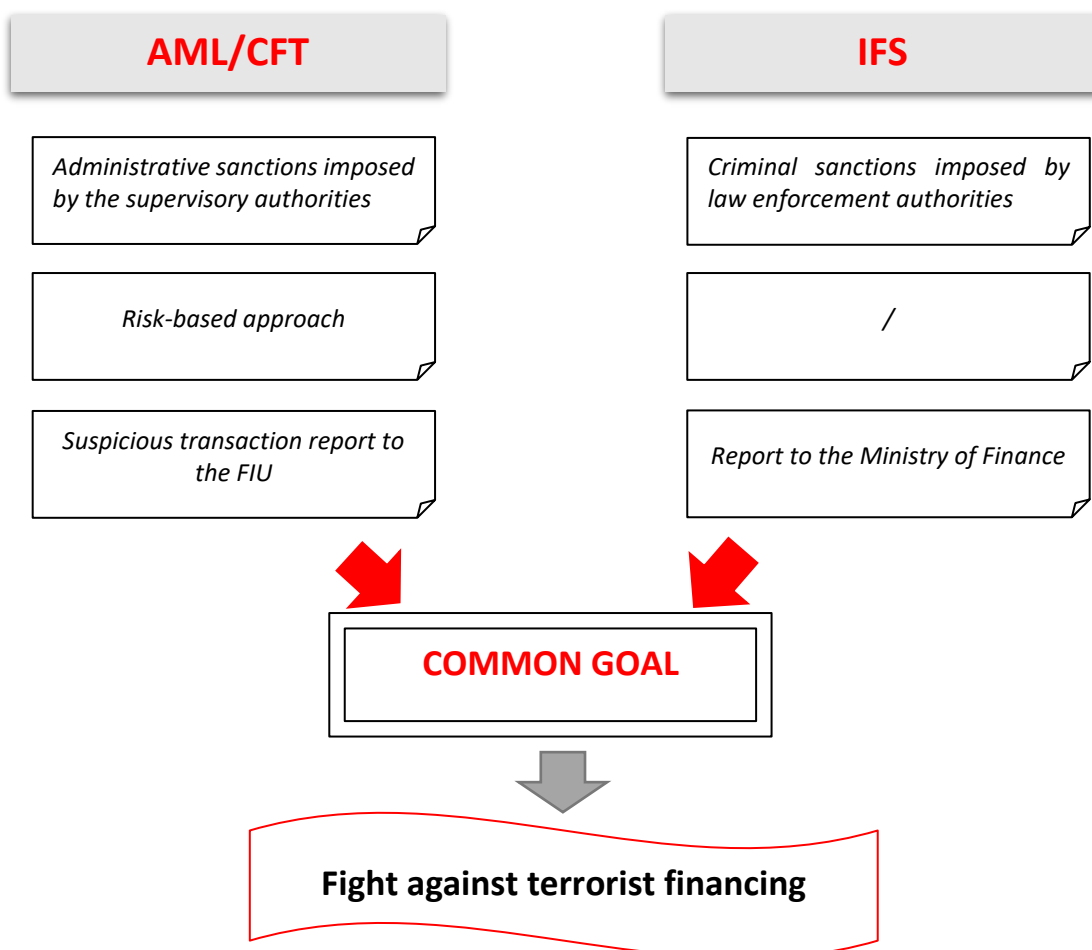
3.2. Cooperation requirements in matter of International financial sanctions

In matters of international financial sanctions, the professional is required to **cooperate** with the **Ministry of Finance**.

Indeed, under article 6 of the IFS Law, the Ministry of Finance is competent:

- to deal with all matters relating to IFS;
- to issue authorisations derogating from the prohibitions and restrictive measures imposed ;
- to deal with challenges to the enforcement of prohibitions and restrictive measures.

Caution to not be confused:



Part 2 : Sanctions and remedies

1. Administrative sanction in the event of non-compliance with AML/CFT obligations

In accordance with **article 8-4 AML/CFT Law, as amended**, sanctions may be imposed for failure to comply with AML/CFT obligations.

As a supervisory authority, the AED has the power to impose the following **administrative sanctions** on RAIFs failing under its scope :

- a warning
- a reprimand
- administrative fines of up to EUR 1,000,000 at the most
- a public statement.

In order to comply with the proportionality principle of the sanctions, these will be imposed in a gradual manner, with the warning being the least severe sanction and the fine being, according to its amount, the most severe sanction.

When imposing the sanction, the AED will also take into account the recidivist behavior of the RAIF, which will result in a heavier sanction (which can **double** the initial penalty).

Indeed, in order to guarantee the respect of the proportionality principle, article 8-5 of 2004 AML/CFT Law provides for criteria to be taken into account regarding the administrative sanctions pronounced, including :

- the gravity and the duration of the breach ;
- the turnover ;
- the level of cooperation ;
- the existence of previous breaches ;
- the benefit derived from the breach ;
-

2. Administrative remedies (right to appeal to the Administrative Tribunal)

In accordance with **article 8-7 of 2004 AML/CFT Law**, the RAIF has a right to appeal to the **Administrative Tribunal** against administrative decisions of the AED imposing a sanction in AML/CFT matters.

Indeed, the article provides that "*The Administrative Tribunal can undertake a full review of the merits of the decision taken by the supervisory authorities in connection with this chapter. The case must be filed within **one month** from the date of notification of the contested decision, or otherwise shall be time-barred*".

Part 3 : General information and forms

DEFINITIONS

- **Reasonable measures**

The following is an **indicative** and **non-exhaustive** list of what might be considered as being reasonable measures :

- Residency certificate ;
- Criminal record ;
- Invoices showing the customer's address ;
- Documented Internet researches (Google, Bing, Yahoo, Facebook, Twitter, etc.);
- BIC (Bank Identifier Code) ;
- Description of the customer's business activity ;
- In case of a corporate group/affiliated company, presentation of the organisation chart ;
- Extracts from the RCS (even foreign) ;
- Identification by KYC software (CDDS, Worldcheck, Dow Jones, others).

The implementation of reasonable measures by the RAIF shall be **demonstrable**. It is advisable to provide the drafting of an inventory of the research and information collected by the RAIF.

- **Outsourcing factors**

When the RAIF delegates the implementation of his AML/CFT procedure to a third party, this refers to an **outsourcing**.

The RAIF must ensure that the outsourcing contract is established with his supplier, defining **a clear and precise execution of the tasks** in accordance with the internal AML/CFT procedure.

Article 3-3 AML/CFT Law, as amended, provides for the performance of customer due diligence by third parties :

- ✚ Article 3-3 (2) engages the **sole responsibility of the RAIF**;
- ✚ Article 3-3 (5) provides for a **shared responsibility** of the RAIF and the third party committed by the RAIF to handle KYC matters.

The inspectors of the Financial Crime Department shall have access to the outsourcing contracts concluded by the RAIF.

- **PEP**

In accordance with article 3-2 (4) AML/CFT Law, as amended, PEPs are subject to **enhanced due diligence measures** and the notion of **PEP** is defined more broadly: this notion includes *“any natural persons who are or have been entrusted with prominent public functions and family members or persons known to be close associates of such persons, regardless of whether these prominent functions are performed or have been performed abroad or on national territory”*.

- **Customer profile**

The customer can be defined according to several criteria :

- Customer from a third country;
 - Customer from a State on a black list established by the international organizations with competencies in the matter (FATF, UN, OECD);
 - Professional customer of a SME or large company (capital and turnover/sales revenue);
 - PEP customer;
 - Unusual, punctual or regular customer;
 - Professional activity or sector of activity of the customer;
 - **TURNOVER/SALES REVENUE (CHIDA).**
- **The turnover/sales revenue (CHIDA) of the RAIFs** shall inform:
 - on the one hand, about the services provided by the RAIF (subscription or redemption of shares of RAIF, others....) **and;**
 - on the other hand, about the number of transactions according to the provided services.

This list is purely **indicative** and **non-exhaustive**.

- **Non-face-to-face business relationship**

In this case, the customer is a natural person who **is not physically present** at the time of the identification.

- **Specificity of RAIF**

The RAIF is an UFV being part of the category of professionals of financial sector.

The AED is the AML/CFT supervisory authority of Luxembourg RAIFs and cooperates with the other authorities during its supervisory mission.

The AED has following missions:

- to **identify RAIFs** (and more specifically their governing body, RR, RC and UBOs),
- their **incurred risks in AML/CFT matters** (regarding their service providers, counsels, distributors, international financial sanctions, customers, cooperation with authorities, internal assessment of AML/CFT risks and main investment strategy); and
- their **mitigation measures** regarding incurred risks (AML/CFT procedures, risk-based approach, training, AML/CFT due diligence on assets, name screening, customers, report in AML/CFT matters, AML/CFT supervision of service providers and internal assessment of mitigation measures).

Check-list "Identification and entering into a business relationship" (minimas)

- ☐ Customer identification (valid)
- ☐ Identification of the beneficial owner and take reasonable measures to verify his or her identity
- ☐ Enhanced due diligence for politically exposed persons
- ☐ Copy of the identity document certified by the professional :
 - ✓ Certify that you have seen the customer
 - ✓ Responsibility of the professional if no certification of the customer
- ☐ The business relationship entry and its purpose (identify the nature and the purpose of the business relationship)
- ☐ Identification of the customer company
- ☐ Statutes of the legal person/company statutes
- ☐ Extract from the RCS
- ☐ Organisational chart of the company
- ☐ Identification of the representative/mandatary engaging the customer company
- ☐ Signing authority on behalf of the customer company
- ☐ Record-keeping for a minimum of 5 years
- ☐ Origin of the funds (the origin of the future customer's assets and the origin of the funds used to finance the purpose of the business relationship, e.g. which account?)
- ☐ Cash payment from EUR 10,000 upwards
- ☐ Existence of fractioned payments
- ☐ Financing statement
- ☐ Consulting CSNU/EU lists of international financial sanctions
- ☐ ...non-exhaustive list

NON-EXHAUSTIVE LIST OF RISK FACTORS PROVIDED BY 2004 AML/CFT LAW

ANNEX II

The following is a non-exhaustive list of risk variables that the professionals shall consider when determining to what extent to apply customer due diligence measures in accordance with **article 3 (2a)**:

- (i) The purpose of an account or relationship ;
- (ii) The level of assets to be deposited by a customer or the size of transactions undertaken ;
- (iii) The regularity or duration of the business relationship.

ANNEX III

The following is a non-exhaustive list of factors and types of evidence of potentially lower risk referred to in the second subparagraph of article 3-1 (2) :

1) Customer risk factors:

- (a) Public companies listed on a stock exchange and subject to disclosure requirements (either by stock exchange rules or through law or enforceable means), which impose requirements to ensure adequate transparency of beneficial ownership ;
- (b) Public administrations or enterprises from countries or territories having a low level of corruption ;
- (c) Customers that are resident in geographical areas of lower risk as set out in point (3).

2) Product, service, transaction or delivery channel risk factors:

- (a) Life insurance policies for which the premium is low ;
- (b) Insurance policies for pension schemes if there is no early surrender option and the policy cannot be used as collateral ;
- (c) A pension, superannuation or similar scheme that provides retirement benefits to employees, where contributions are made by way of deduction from wages, and the scheme rules do not permit the assignment of a member's interest under the scheme ;

- (d) Financial products or services that provide appropriately defined and limited services to certain types of customers, so to increase access for financial inclusion purposes ;
- (e) Products where the risks of money laundering and terrorist financing are managed by other factors such as purse limits or transparency of ownership (particularly, certain types of electronic money).

3) Geographical risk factors registration, establishment, residence in:

- (a) Member States ;
- (b) Third countries having effective anti-money laundering and counter terrorist financing systems ;
- (c) Third countries identified by credible sources as having a low level of corruption or other criminal activity ;
- (d) Third countries which, on the basis of credible sources such as mutual evaluations, detailed assessment reports or published follow-up reports, have requirements to combat money laundering and terrorist financing consistent with the revised FATF Recommendations and effectively implement those requirements.

ANNEX IV

The following is a non-exhaustive list of factors and types of evidence of potentially higher risk referred to in **the second subparagraph of article 3-2(1)**:

1) Customer risk factors:

- (a) The business relationship is conducted in unusual circumstances ;
- (b) Customers that are resident in geographical areas of higher risk as set out in point (3) ;
- (c) Legal persons or arrangements that are personal asset-holding vehicles ;
- (d) Companies that have nominee shareholders or shares in bearer form ;
- (e) Businesses that are cash-intensive ;
- (f) The ownership structure of the company appears unusual or excessively complex given the nature of the company's business ;
- (g) Customer is a third-country national who applies for residence rights or citizenship in exchange of capital transfers, purchase of property or government bonds, or investment in corporate entities.

2) Product, service, transaction or delivery channel risk factors:

- (a) Private banking ;
- (b) Products or transactions that might favor anonymity ;
- (c) Non-face-to-face business relationships or transactions, without certain safeguards, such as electronic identification means, relevant trust services as defined in Regulation (EU) No 910/2014 or any other secure, remote or electronic, identification process regulated, recognized, approved or accepted by the relevant national authorities ;
- (d) Payment received from unknown or unassociated third parties ;
- (e) New products and new business practices, including new delivery mechanism, and the use of new or developing technologies for both new and pre-existing products ;
- (f) Transactions related to oil, arms, precious metals, tobacco products, cultural artefacts and other items of archaeological, historical, cultural and religious importance, or of rare scientific value, as well as ivory and protected species.

3) Geographical risk factors:

- (a) Without prejudice to **article 3-2(2)**, countries identified by credible sources, such as mutual evaluations, detailed assessment reports or published follow-up reports, as not having effective anti-money laundering and counter terrorist financing systems ;
- (b) Countries identified by credible sources as having significant levels of corruption or other criminal activity ;
- (c) Countries subject to sanctions, embargos or similar measures issued by, for example, the European Union or the United Nations ;
- (d) Countries providing funding or support for terrorist activities, or that have designated terrorist organizations operating within their country.



FAQ - Persons involved in AML/CFT for a Luxembourg Reserved Alternative Investment Fund ("RAIF") supervised by the AED for AML/CFT purposes

Question 1: How do the requirements of Article 4(1) of the Law of 12 November 2004 as amended ("the Law") that call for the appointment of two different persons in charge of AML/CFT need to be implemented by a Luxembourg RAIF supervised for AML/CFT purposes by the AED?

Article 4 (1) (fourth paragraph and second paragraph, sub-paragraph a) of the Law requires professionals to appoint:

1. a person among the members of their management bodies, responsible for compliance with the professional obligations as regards the fight against money laundering and terrorist financing (the original French version of the law refers to a "responsable du respect des obligations" and thus, the acronym "RR" will be used hereafter), and
2. if the size and nature of the activity so require, a compliance officer at appropriate hierarchical level (the original French version of the law refers to a "responsable du contrôle du respect des obligations" and thus, the acronym "RC" will be used hereafter).

Considering the similarities of RAIFs with regulated funds of the collective investment sector and taking into account its ML/FT risk exposure identified by the National Risk Assessment the AED would like to recall that every RAIF subject to its AML/CFT supervision, is legally required to appoint, both an RR and an RC. The following guidelines should be considered when appointing the RR and the RC:

- The RR can be the Board of directors ("BoD") (or other governing body depending on the legal structure of the RAIF) acting as a collegial body. Alternatively, the BoD may appoint one of its members as RR. The RR must be reachable for any contact by the Luxembourg AML/CFT competent authorities.
- The RC shall be mandated *intuitu personae* by the BoD (or other governing body) of the RAIF.



- The RC may be a member of the BoD with appropriate experience meeting the conditions set forth in the answer to Question 2 below.
- Or, where the RAIF appoints a third party RC, it must enter into a contractual relationship with the RC personally or, where the contract is concluded with the employer of the RC, (i) the contract must name the RC, (ii) any replacement of the RC must be subject to the RAIF's approval and (iii) the RC must acknowledge its appointment in writing.
- Said appointee can for example be chosen among the staff of the designated Alternative Investment Fund Manager (AIFM) of the RAIF.
- As a principle, the RC must be available in Luxembourg for the accomplishment of his/her tasks. However, on an exceptional basis, and under the conditions set forth in the answer to Question 2 below, it is acceptable that the RC is located outside of Luxembourg, if the AIFM and its relevant staff member acting as RC are not domiciled in Luxembourg.

Question 2: What are the conditions applicable to the persons in charge of AML/CFT pursuant to Article 4(1) of the Law?

With respect to the RR, the AED requests notably that the RR:

- has sufficient AML/CFT knowledge with regard to the applicable Luxembourg legislation and regulation and can demonstrate (e.g. trainings) this upon request,
- is knowledgeable about the investments and distribution strategies of the RAIF,
- will be available without delay upon contact by the Luxembourg AML/CFT competent authorities (if the RR is a collegial body, at least one of its members must fulfil this requirement).

With respect to the RC, the AED requests notably that the RC:

- has sufficient AML/CFT knowledge and expertise with regard to the applicable Luxembourg legislation and regulation and can demonstrate (e.g. trainings, work experience, etc.) this upon request,



- is knowledgeable about the investments and distribution strategies of the RAIF,
- will be available without delay upon request by the Luxembourg AML/CFT competent authorities, and
- has access to all internal documents and systems required necessary for performing its tasks. This condition is particularly relevant where the RC is not present in Luxembourg on an on-going basis.

The RC implements the AML/CFT policies and procedures of the RAIF and has the power to propose, on its own initiate, to the BoD (or other governing body depending on the legal structure of the RAIF) any measure useful for this purpose. He must furthermore ensure the quality of the AML/CFT controls performed with regards to his professional obligations.

The RC is the primary contact person of the RAIF for the AED.

Link to “FAQ-Persons involved in AML/CFT for a Luxembourg Reserved Alternative Investment Fund (“RAIF”) supervised by the AED for AML/CFT purposes”:

<https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/questionnaire-et-formulaires/questionnaire-vehicules-financiers-non-reglementes/rr-rc-identification-form/FAQ-RR-RC-AED-Version-EN.pdf>

RAIF RC-RR Identification Form Template



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Administration de l'enregistrement,
des domaines et de la TVA

RAIF RC-RR Identification Form

Identification form for the AML/CFT compliance officer ("Responsable du contrôle" or "RC") of a RAIF which is supervised by the AED

Raif Name (The "RAIF")

N°RCS

I, undersigned

Name

Surname

hereby declare and certify that I act as AML/CFT compliance officer (Responsable du contrôle or RC) of the RAIF with regards to compliance with all AML/CFT obligations in accordance with article 4 of the Law of 12 November 2004 on the fight against money laundering and terrorist financing as amended.

My appointment to the above mentioned function has been approved by the Board of Directors (or other governing body depending on the legal structure of the RAIF) of the RAIF.

By checking the box,

- ☐ I confirm that I have sufficient AML/CFT knowledge and expertise with regard to the applicable Luxembourg laws, regulations and circulars and can demonstrate this (e.g. evidence of training courses, work experience, etc.) upon request;
- ☐ I confirm that I am knowledgeable about the investments and distribution strategies of the RAIF;
- ☐ I confirm that I will be available without delay upon request by the Luxembourg AML/CFT competent authorities;
- ☐ I confirm that I have access to all internal documents and systems required necessary for performing my tasks.

Contact details of the RC

Name :	<input type="text"/>
Surname :	<input type="text"/>
e-mail Address :	<input type="text"/>
Phone Number :	<input type="text"/>
Address :	<input type="text"/>
Effective appointment date :	<input type="text"/>

I declare that the information provided in the present document is true, accurate and complete.

I also declare that, in case the provided information should change, I will notify the AED in due time.

Signed in

, on

Signature



Identification form for the person responsible for compliance with the professional obligations as regards the fight against money laundering and terrorist financing ("Responsible du respect or "RR") of a RAIF which is supervised for AML/CFT purposes by the AED

Raif Name (The "RAIF")

I/We, the undersigned (Name, Surname or « members of the Board of Directors / Managers / GP jointly »)

Name	Surname

hereby declare and certify that I am/we are responsible for ensuring the compliance of the RAIF with all AML/CFT obligations (Responsible du respect or RR) in accordance with article 4 of the Law of 12 November 2004 on the fight against money laundering and terrorist financing as amended.

By checking the box,

- ☐ I/We confirm that I/we have sufficient AML/CFT knowledge with regard to the applicable Luxembourg laws, regulations and circulars can demonstrate this (e.g. evidence of training courses) upon request;
- ☐ I/We confirm that I am/we are knowledgeable about the investments and distribution strategies of the RAIF;
- ☐ I confirm that I will be available without delay upon contact by the Luxembourg AML/CFT competent authorities (in the case of joint responsibility of the members of the Board of Directors / Managers, at least one of board members must fulfil this requirement).

Contact details of the RR

Name :		Name :	
Surname :		Surname :	
e-mail Address :		e-mail Address :	
Phone Number :		Phone Number :	
Address :		Address :	
Effective appointment date :	<input type="text"/>	Effective appointment date :	<input type="text"/>

Name :		Name :	
Surname :		Surname :	
e-mail Address :		e-mail Address :	
Phone Number :		Phone Number :	
Address :		Address :	
Effective appointment date :	<input type="text"/>	Effective appointment date :	<input type="text"/>

Name :		Name :	
Surname :		Surname :	
e-mail Address :		e-mail Address :	
Phone Number :		Phone Number :	
Address :		Address :	
Effective appointment date :		Effective appointment date :	

I/We declare that the information provided in the present document is true, accurate and complete.

I/We also declare that, in case the provided information should change, I/We will notify the AED in due time.

Signed in ,on

Signature(s): (in the case of joint responsibility of the members of the Board of Directors / Managers, all board members must sign the present document. Alternatively, a resolution of the Board, validly adopted and signed, may be submitted.)

Signature:		Signature:	
Name		Name	
Surname		Surname	

Signature:		Signature:	
Name		Name	
Surname		Surname	

Signature:		Signature:	
Name		Name	
Surname		Surname	

Final approval of the "RAIF RC-RR Identification form" by the AML/CFT compliance officer ("Responsable du contrôle" or "RC") of a RAIF which is supervised by the AED

Signature

Important Notice

The completed Identification form should be returned to the AED by E-mail using the following E-mail address:

AED.finvehicles@en.etat.lu

Link to "RAIF RC RR Identification Form":

<https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/questionnaire-et-formulaires/questionnaire-vehicules-financiers-non-reglementes/rr-rc-identification-form/RAIF-RC-RR-IDENTIFICATION-FORM1.pdf>

RAIF AML/CFT Questionnaire Template

RAIF AML/CFT Questionnaire template

Section 1 – Identification

Question	
1	General Information on the RAIF
1.1	Name of the RAIF
1.2	Address - Street & N°
1.3	Address - Postcode & City
1.4	Address - Country
1.5	Inception date

2	Information regarding the Governing Body of the RAIF
2.1	Name of Governing Body 1
2.2	Email of Governing Body 1
2.3	Phone of Governing Body 1
2.4	Country of residence of Governing Body 1
2.5	Name of Governing Body 2
2.6	Email of Governing Body 2
2.7	Phone of Governing Body 2
2.8	Country of residence of Governing Body 2
2.9	Name of Governing Body 3
2.1	Email of Governing Body 3
2.11	Phone of Governing Body 3
2.12	Country of residence of Governing Body 3
2.13	Name of Governing Body 4
2.14	Email of Governing Body 4
2.15	Phone of Governing Body 4
2.16	Country of residence of Governing Body 4
2.17	Name of Governing Body 5
2.18	Email of Governing Body 5
2.19	Phone of Governing Body 5
2.2	Country of residence of Governing Body 5

2.21	Name of Governing Body 6
2.22	Email of Governing Body 6
2.23	Phone of Governing Body 6
2.24	Country of residence of Governing Body 6

3	Information regarding the "Responsable du Respect" in AML/CFT matters
<p>The "Responsable du Respect" (also the "RR") is a person responsible for compliance with the professional obligations as regards the fight against money laundering and terrorist financing. The RR may be the Board of directors or another governing body depending on the legal structure of the RAIF)</p>	
3.1	Who is the "Responsable du Respect" in AML/CFT matters?
3.2	First name of the RR
3.3	Last name of the RR
3.4	Phone number of the RR
3.5	Email address of the RR
3.6	Country of residence of the RR
3.7	Does the RR have sufficient AML/CFT knowledge with regard to the applicable Luxembourg legislation and regulation and can he/she demonstrate this upon request (e.g. via training certificates)?
3.8	Is the RR knowledgeable about the investments and distribution strategies of the RAIF?
3.9	Is the RR available without delay upon contact by the Luxembourg AML/CFT competent authorities?

4	Information regarding the "Responsable du Contrôle" in AML/CFT matters
<p>The "Responsable du Contrôle" (also the "RC") is a compliance officer at appropriate hierarchical level, who shall be contractually appointed intuitu personae by the Board of directors or another governing body depending on the legal structure of the RAIF)</p>	
4.1	First name of the RC
4.2	Last name of the RC
4.3	Phone number of the RC
4.4	Email address of the RC
4.5	Country of residence of the RC
4.6	Does the RC have sufficient AML/CFT knowledge and expertise with regard to the applicable Luxembourg legislation and regulation and can he/she demonstrate this upon request (e.g. via training certificates, work experience, etc.)?

4.7	Is the RC knowledgeable about the investments and distribution strategies of the RAIF?
4.8	Is the RC available without delay upon contact by the Luxembourg AML/CFT competent authorities?
4.9	Does the RC have access to all internal documents and systems required necessary for performing his / her tasks?

5	Information regarding the Ultimate Beneficial Owners (UBO)
Beneficial Owner is defined in accordance with Art.1 (7) of the AML/CFT Law of 12 November 2004.	
Please note that there must at least be one UBO, who needs to be a natural person.	
Please indicate at least one UBO (must be a natural person).	
5.1	First name of UBO
5.2	Last name of UBO
5.3	Country of residence of UBO
5.4	Nationality of UBO
5.5	Date of birth of UBO
5.6	Place of birth of UBO

6	goAML
6.1	Are you registered on the goAML web platform to file suspicions with the Financial Intelligence Unit (Cellule de Renseignement Financier)?

Section 2 – MLTF risks

Question	
1	Service Providers
1.1	Name of appointed AIFM
1.2	Country of incorporation of AIFM
1.3	CSSF code of AIFM, if applicable
1.4	Name of entity entrusted with portfolio management function
1.5	Country of incorporation of entity entrusted with portfolio management function
1.6	Name of your Central Administration
1.7	Is the Central Administration supervised for AML/CFT purposes ?
1.8	CSSF code of Central Administration
1.9	Name of your Transfer Agent
1.1	Is the Transfer Agent supervised for AML/CFT purposes ?
1.11	CSSF code of Transfer Agent, if applicable
1.12	Name of your Depositary
1.13	Is the Depositary supervised for AML/CFT purposes ?
1.14	CSSF code of Depositary

2	Advisors ML/TF risks
2.1	Do you use advisors domiciled in Luxembourg?
2.2	Do you use advisors domiciled outside of Luxembourg?
2.3	Are all the advisors you use supervised for AML/CFT purposes?

3	Distributors ML/TF risks
3.1	How many distributors do you work with ?
3.2	How many of those distributors are supervised for AML/CFT purposes ?
3.3	How many distributors you work with do you consider as High Risk (as per your internal risk assessment)?
3.4	How many distributors you work with are domiciled in Higher Risk countries as per your internal risk assessment ?
3.5	How many Distributors are domiciled in jurisdictions designated by the EU list of Higher Risk Third countries?
3.6	If any, where ? (country(ies) separated by ;)

4	Targeted Financial Sanctions
4.1	Do you service funds, including their related parties (ie. Advisors, portfolio managers) which are impacted by Targeted Financial Sanctions?
4.2	Do you service funds , including their related parties (ie. Advisors, portfolio managers) which are impacted by adverse media (ie. Allegation of predicate offence of money laundering, terrorist financing ...)?

5	Customers
5.1	Have you identified trusts, foundations, or similar legal arrangements in the Fund's register?
5.3	Number of trusts, foundation or similar
5.4	AuM as of 31/12/2021 (EUR)
5.5	Have you identified NPOs in the Fund's register?
5.7	Number of NPOs
5.8	AuM as of 31/12/2021 (EUR)
5.9	Have you identified PEPs in the Fund's register?
5.11	Number of PEPs

6	Cooperation with authorities
6.1	How many, if any, Suspicious Transactions Reports have you filed with the Financial Intelligence Unit or the Ministry of Finance in 2021 ?

7	Internal ML/TF risk assessment
7.1	What is your own assessment of your ML/TF risk ?

8	Predominant Investment Strategy
8.1	What is the total AuM you manage as of 31/12/2021 (in EUR)?
8.2	What is your predominant investment strategy?
8.3	Plain Vanilla related investment strategies?
8.4	Private Debt related investment strategies?
8.5	Hedge Funds related investment strategies?
8.6	Private Equity related investment strategies?
8.7	Real Estate related investment strategies?
8.8	Tangible Assets (excluding real estate) related investment strategies?
8.9	Fund of Funds related investment strategies?
8.1	Cryptocurrency related investment strategies?

8.11	Other investment strategies?
8.12	In case your predominant investment strategy is "other", please specify
8.13	Do you invest in dual-use items?
8.14	If Yes, are controls in place to ensure that export controls on these dual-use items are respected?

Section 3 – Mitigation

Question	
1	AML/CFT Procedures
1.1	Do you have AML/CFT or associated procedures in line with current AML laws and Regulations?
1.2	Do you have controls in place to ensure that you do not have business relationships whatsoever with shell banks?

2	Risk-based Approach
2.1	Have you defined a Risk Based Approach for AML/CFT purposes?
2.2	Has the AML/CFT Risk appetite been defined by the Board of Directors (or another governing body depending on the legal structure of the RAIF)?

3	Training
3.1	Have all relevant staff members been trained in 2021 on AML/CFT-related matters? (Art.4 (2) of the AML/CFT Law)?
3.2	Did the training cover typologies of ML/TF cases adapted to the Fund industry
3.3	Did the training cover the following topics?
3.4	Risk-based Approach
3.5	Targeted Financial Sanctions
3.6	Internal AML/CFT procedures

4	AML/CFT Due diligence on assets
4.1	Do you ensure that AML/CFT due diligence on your investments is performed?

5	Name Screening
5.1	At which frequency is name screening performed against sanctions lists on the investments and related parties (ie. Buyer, Buyer's Beneficial Owner, Seller, Seller's Beneficial Owner) (please choose the closest that applies)
5.2	At which frequency is name screening performed against sanctions lists on the related parties (ie. Advisors, portfolio managers, Board of Directors ...)? (please choose the closest that applies)
5.3	At which frequency is name screening performed against PEP lists on the related parties (ie. Advisors, portfolio managers, Board of Directors ...)? (please choose the closest that applies)

5.4	At which frequency is name screening performed against PEP lists on the investments and related parties (ie. Buyer, Buyer's Beneficial Owner, Seller, Seller's Beneficial Owner)? (please choose the closest that applies)
5.5	What is the frequency of the update of the PEP lists? (please choose the closest that applies)
5.6	What is the frequency of the update of the TFS lists? (please choose the closest that applies)

6	Customers
6.1	Do you have blocked positions due to outstanding or incomplete KYC documentation?
6.2	Number of blocked positions
6.3	Total value of assets concerned (EUR)

7	AML/CFT reporting
7.1	Do you receive AML/CFT reporting from the Transfer Agent?
7.2	Do you receive AML/CFT reporting from the Depositary?

8	AML/CFT oversight on service providers
8.1	Is an AML/CFT oversight performed on the Transfer Agent?
8.2	Is an AML/CFT oversight performed on the Depositary?

9	Internal Assessment of the Mitigation measures
9.1	What is your own assessment of the quality of your AML/CFT organisation for the year 2021?

Link to "RAIF AML/CFT Questionnaire":

<https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/questionnaire-et-formulaires/questionnaire-vehicules-financiers-non-reglementes/amlcft-questionnaire/FIAR-AML-CFT-QUESTIONNAIRE-2021.xlsx>

Guide to the RAIF AML/CFT Questionnaire



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Administration de l'enregistrement,
des domaines et de la TVA

Guide to the RAIF AML/CFT Questionnaire

The scope of this guide prepared by the AED is to help the RAIFs to answer properly the questions included on this AML/CFT Questionnaire.

Chapter 1: Section 1 - Identification

This section includes information to identify the RAIF and its AML/CFT information (identification of its RR, RC, UBO and GoAML registration).

Question		Answer - Explanation
1.1	Name of the RAIF	Insert the precise legal name indicated on the Luxembourg Trade Register (R.C.S.).
1.4	Address - Country	Use the CountryCombo
1.5	Inception date	Insert date of incorporation/creation of the RAIF and no the date of registration within the Luxembourg Trade Register (R.C.S.)
2	Information regarding the Governing Body of the RAIF	"Governing Body" refers to the body managing the RAIF, being for instance the board of directors/managers of the general partner of the RAIF. Insert precise information of the legal representative(s) of the RAIF (manager/director) indicated on the Luxembourg Trade Register (R.C.S.) up to 6 members.
2.4, 2.8, 2.12, 2.16, 2.20 and 2.24		Use the CountryCombo
3.1	Who is the "Responsable du Respect" in AML/CFT matters?	Use the WhoRR-Combo
3.2	First name of the RR	Insert the name of the governing body (Board of Managers/Directors) or the physical person designated as RR. If the governing body (board of Managers/Directors) is the RR, insert information regarding one of its members available in case of contact by the AED.
3.3	Last name of the RR	
3.4	Phone number of the RR	
3.5	Email address of the RR	
3.6	Country of residence of the RR	Use the CountryCombo
3.7 to 3.9		Use the YesNo combo



Question		Answer - Explanation
4.5	Country of residence of the RC	Use the CountryCombo
4.6 to 4.9		Use the YesNo combo
5	Information regarding the Ultimate Beneficial Owners (UBO)	<p>Article 1 (7) (a) (i) of the Luxembourg law dated 12 November 2004 on the fight against money laundering and terrorist financing as amended ("AML/CFT Law") states that the beneficial owner is any natural person who ultimately owns or controls a legal entity through direct or indirect ownership of more than 25% of the shares or voting rights of the legal entity.</p> <p>Moreover, article 1 (7) (a) (ii) of the AML/CFT Law states that if there is no identification of any beneficial owner as described above, <i>"any natural person who holds the position of senior managing official"</i> should be identified as beneficial owner.</p> <p>At least one beneficial owner must be indicated (must be a natural person). For instance, one of the members of the board of directors/managers of the general partner of the RAIF would be indicated as beneficial owner.</p>
5.3 and 5.4		Use the CountryCombo
6.1	Are you registered on the goAML web platform to file suspicions with the Financial Intelligence Unit (Cellule de Renseignement Financier)?	<p>Use the YesNo combo</p> <p>Every RAIF has to register itself on the goAML platform to file suspicions with the Luxembourg Financial Intelligence Unit (<i>Cellule de Renseignement Financier</i>) (CRF). Nevertheless, a registration done by the RC of the alternative investment fund manager (AIFM) managing the RAIF can only be accepted if:</p> <ul style="list-style-type: none">- (i) the RC of the AIFM is also appointed as RC of the RAIF managed by the AIFM; and- (ii) this RC registers himself on the goAML web platform as stating proxy (<i>"déclarant mandataire"</i>) and after agreement received by the CRF, he can register the RAIF as principal entity (<i>"entité mandante"</i>). <p>Then, the RC of the AIFM/RAIF will be able to file suspicions with the CRF in the name and on behalf of the RAIF. Please refer to the following link of the CRF website: https://faq.goaml.lu/manuels-dutilisation/menu-administration/decl-actifs-delegations/delegations-fonds-dinvestissement/</p>



Chapter 2: Section 2 - MLTF risks

This section includes information to identify the money laundering and terrorist financing risks faced by the RAIF related to its related parties, AML actions (cooperation with authorities/internal ML/TF risk assessment) and investment strategy.

Question		Answer - Explanation
1.2 and 1.5		Use the CountryCombo
1.7, 1.10 and 1.13		Use the YesNo combo
2	Advisors ML/TF risks	"Advisors" term refers to investment advisors or "conseillers en investissement" (this excludes legal or tax advisors ...)
2.1 to 2.3		Use the YesNo combo
4.1 and 4.2		Use the YesNo combo "Do you service funds, [...]" refers to the investments done by the RAIF
5.1, 5.5 and 5.9		Use the YesNo combo
5.4 and 5.8		AuM figures are required in EURO without decimals and without commas or dots (i.e., 1 million = 1000000). The "AuM as of 31/12/2021 (EUR)" refers to the NAV of the RAIF as of 31/12/2021 in EURO.
7.1	What is your own assessment of your ML/TF risk ?	Use the MLTFRisk-Combo The "internal ML/TF risk assessment" refers to the inherent risk (i.e., before mitigating measures) of the RAIF.
8.1	What is the total AuM you manage as of 31/12/2021 (in EUR)?	AuM figures are required in EURO without decimals and without commas or dots (i.e., 1 million = 1000000).
8.2	What is your predominant investment strategy?	Insert one of the investment strategies indicated from point 8.3 to point 8.12 included.
8.3 to 8.11 and 8.13 to 8.14		Use the YesNo combo



Chapter 3: Section 3 - Mitigations

This section includes information related to mitigation measures put in place by the RAIF in order to fight against the MLTF risks described in above-mentioned Section 2.

Question		Answer - Explanation
1.1 and 1.2		Use the YesNo combo
2.1 and 2.2		Use the YesNo combo
3.1	Have all relevant staff members been trained in 2021 on AML/CFT-related matters? (Art.4 (2) of the AML/CFT Law)?	Article 4 (2) of the AML/CFT Law states that the term "employees" includes "the members of the management bodies and the effective direction". Consequently, the term "relevant staff members" refers to employees of the RAIF and the members of the management bodies and the effective direction of the RAIF, being for instance the members of the board of managers/directors of the general partner of the RAIF.
3.1., 3.2. and 3.4 to 3.6		Use the YesNo combo
4.1	Do you ensure that AML/CFT due diligence on your investments is performed?	Use the YesNo combo
5.1 to 5.6		Use the Frequency-Combo
5.6	What is the frequency of the update of the TFS lists? (please choose the closest that applies)	"TFS" stands for targeted financial sanctions.
6.1	Do you have blocked positions due to outstanding or incomplete KYC documentation?	Use the YesNo combo
6.3	Total value of assets concerned (EUR)	AuM figures are required in EURO without decimals and without commas or dots (i.e., 1 million = 1000000).
7.1 and 7.2		Use the YesNo combo
8.1 and 8.2		Use the YesNo combo
9.1	What is your own assessment of the quality of your AML/CFT organisation for the year 2021?	Use the MLTFRisk-Combo



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Administration de l'enregistrement,
des domaines et de la TVA

Conclusion:

Each RAIF AML/CFT Questionnaire with data not respecting the recommendations of this guide, especially regarding the Combo Boxes and/or AuM figures, will not be accepted by the AED and be sent back to the sender.

Link to “Guide to the RAIF AML/CFT Questionnaire”:

<https://pfi.public.lu/content/dam/pfi/pdf/blanchiment/prevention-et-sensibilisation/guides/guides/Guide-RAIF-AML-CFT-QUESTIONNAIRE-Version-05042022.pdf>

Technical sheet regarding RAIF



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Direction de l'enregistrement,
des domaines et de la TVA
Service Criminalité financière

TECHNICAL SHEET REGARDING RESERVED ALTERNATIVE INVESTMENT FUNDS ("RAIF")

This document is intended for informing the reserved alternative investment funds (hereinafter "RAIF") of their professional obligations arising from the Luxembourg Law of 12 November 2004 on the fight against money laundering and financing of terrorism, as amended (hereinafter the "2004 AML/CFT Law").

1. RAIFs targeted by the 2004 AML/CFT Law

Pursuant to a combination of articles:

- **1 (3a) (e) of the 2004 AML/CFT Law** « any person other than those referred to in points (a) to (d), and in paragraph 3, which carries out, by way of its business, one or more of the activities listed in Annex I on behalf of or for a customer » ;

and
- **2 (1) (7) of the 2004 AML/CFT Law** « the other financial institutions carrying out their activities in Luxembourg » ;

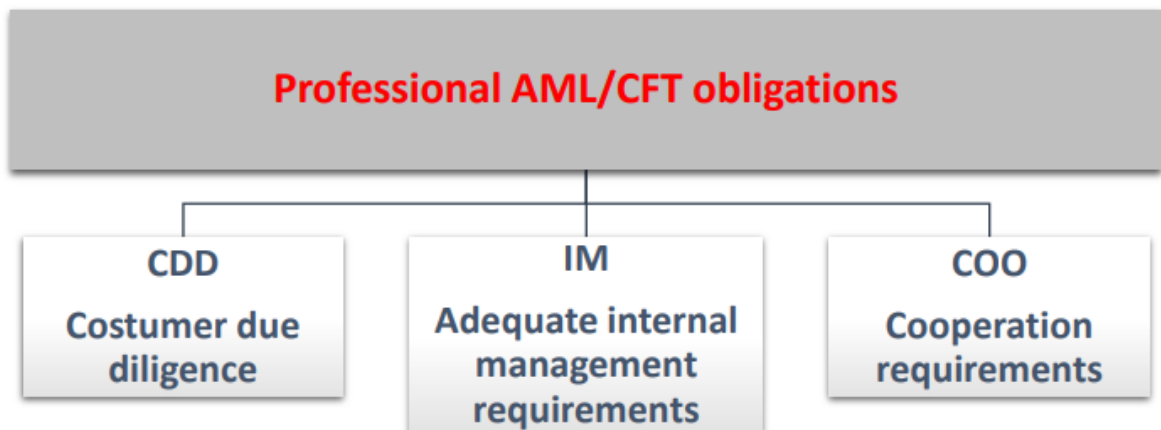
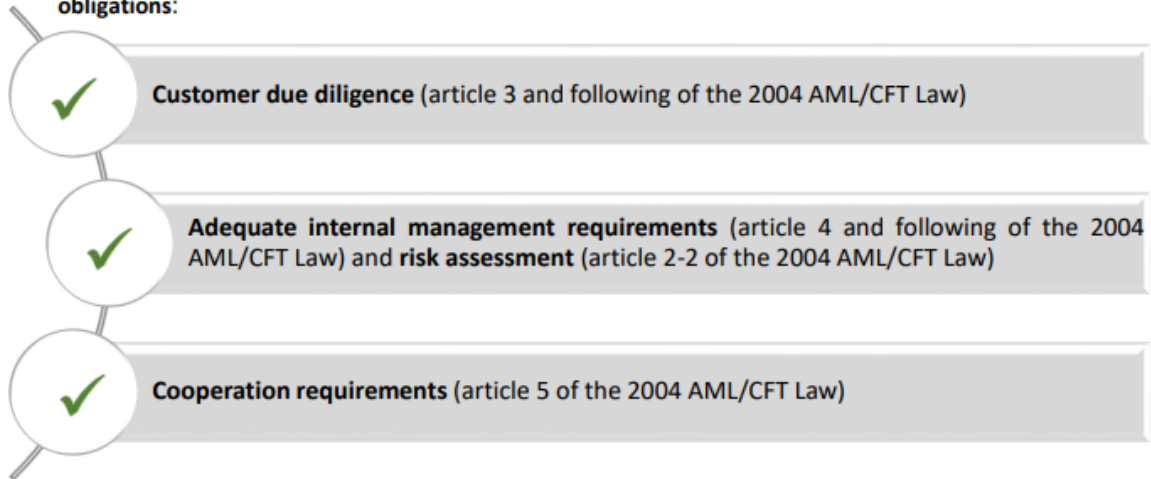
that the unregulated financial vehicles by the CSSF fall under the scope of application of the 2004 AML/CFT Law.

The Registration Duty, Estate and VAT Authority (AED) is appointed as **supervisory authority** to ensure compliance with the 2004 AML/CFT Law of the unregulated financial vehicles by the CSSF including **RAIFs**.

Indeed, the article 2-1 (8) provides that « the AED, is the supervisory authority in charge of ensuring compliance by the professionals not referred to in paragraphs 1 to 7 with their professional obligations as regards the fight against money laundering and terrorist financing provided for in Articles 2-2 to 5 and their implementing measures ».

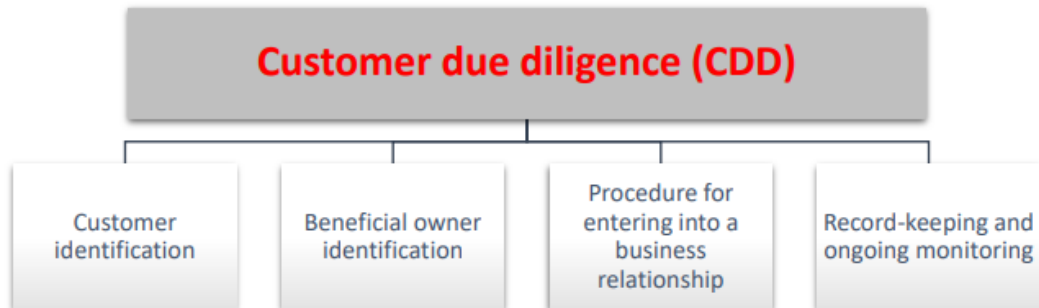
2. The three pillars of professional AML/CFT obligations

Pursuant to the 2004 AML/CFT Law, the RAIFs have to respect the following **professional AML/CFT obligations**:



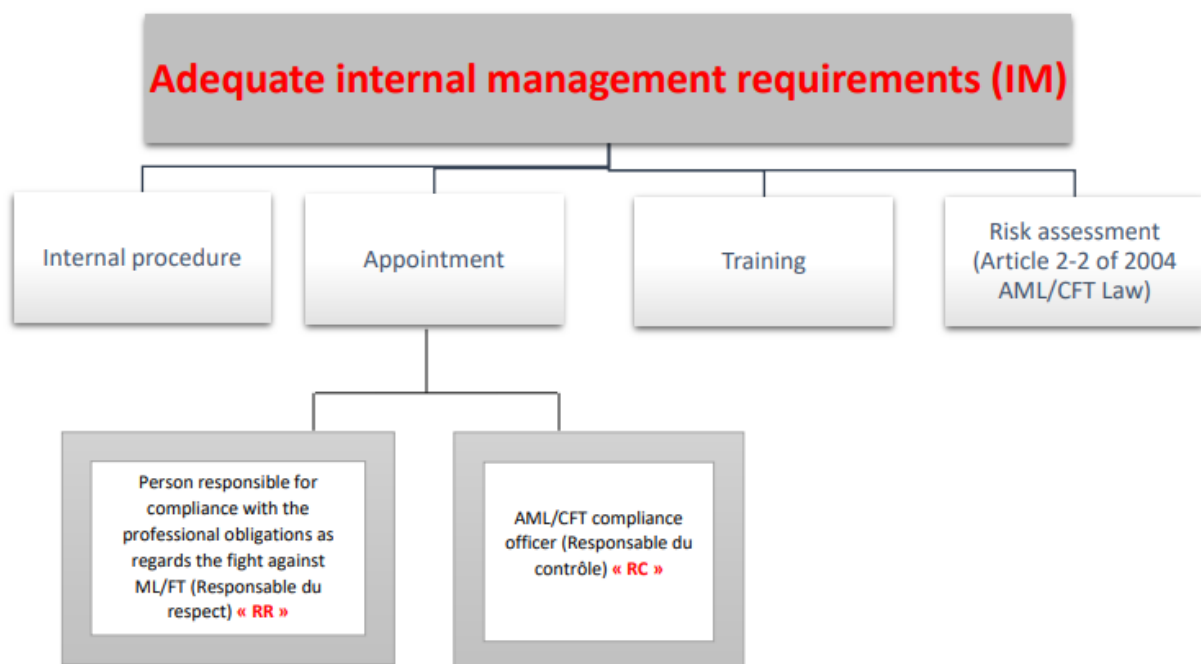
A) Customer due diligence (article 3 and following of the 2004 AML/CFT Law)

- What are the sub-pillars of the customer due diligence?



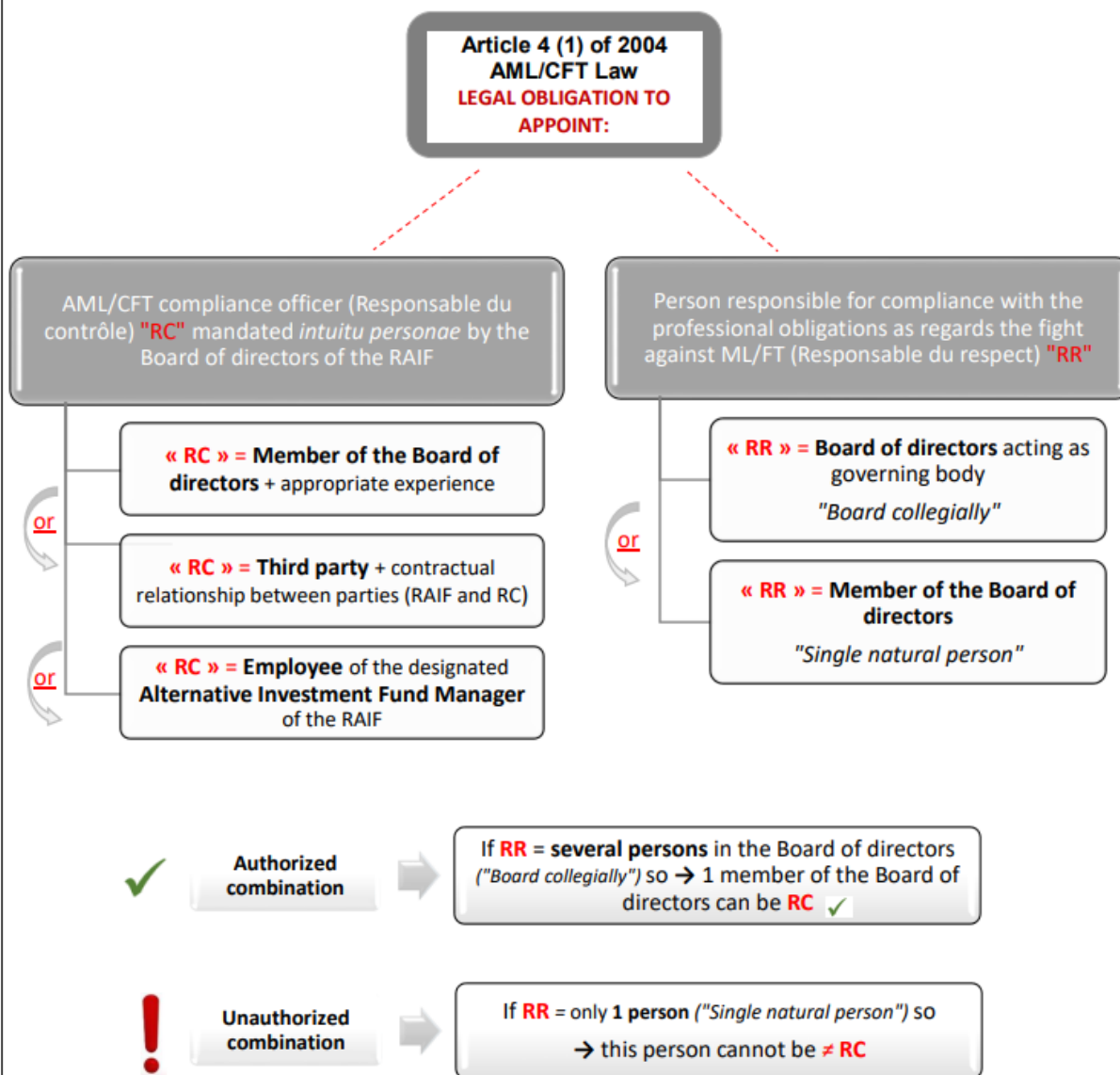
B) Adequate internal management requirements (article 4 and following of the 2004 AML/CFT Law)

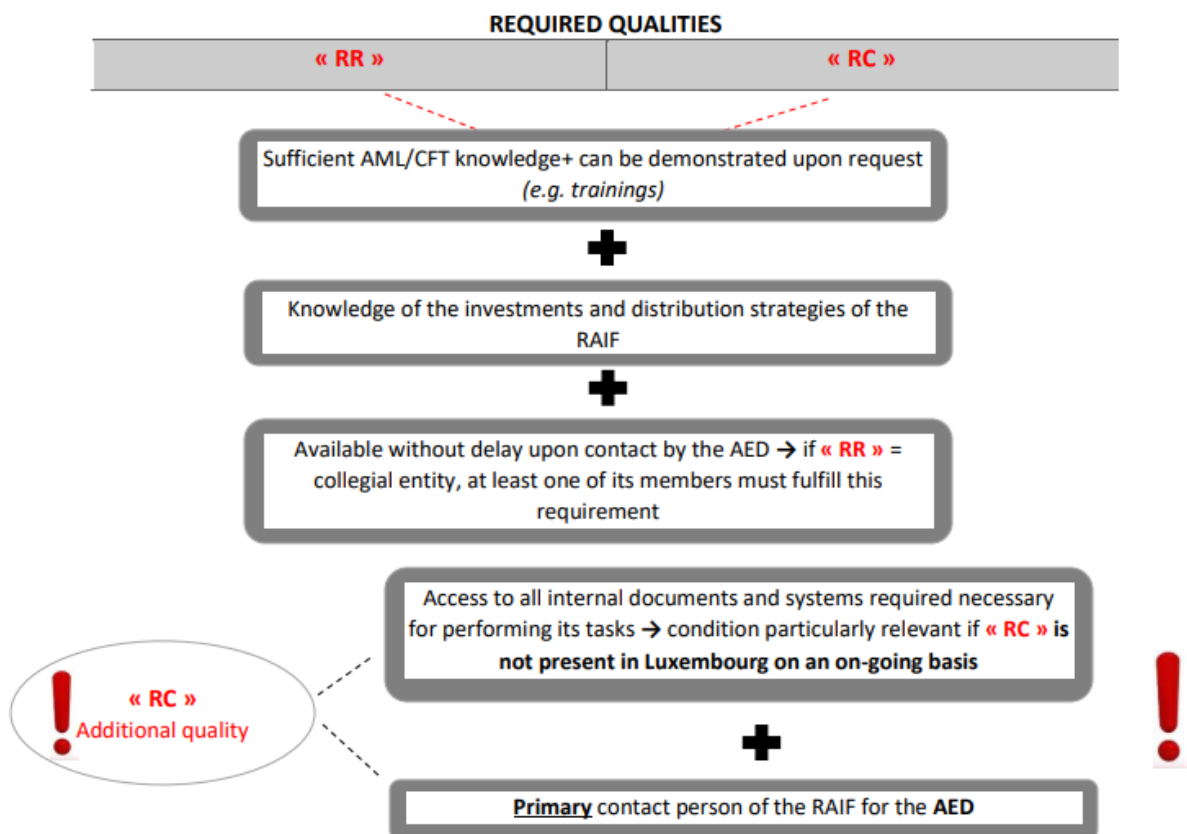
- What are the sub-pillars of the adequate internal management requirements?



Legal obligation to appoint a « RR » and « RC »

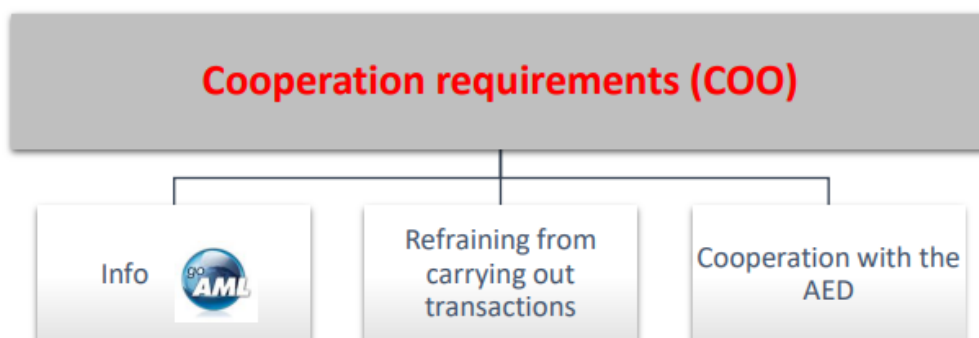
- Through the "FAQ – Persons involved in AML/CFT for a Luxembourg Reserved Alternative Investment Fund ("RAIF") supervised by the AED for AML/CFT purposes", the AED has clarified the obligations arising from the article 4 (1) of the 2004 AML/CFT Law and the required qualities for the « RR » and the « RC »





C) Cooperation requirements (article 5 of the 2004 AML/CFT Law)

- What are the sub-pillars of the cooperation requirements ?



5

Link to « Technical sheet RAIF »

<https://pfi.public.lu/fr/blanchiment/questionnaire/vehicules-financiers-non-reglementes/fiar/rr-rc-identification.html>

EXAMPLES OF FORMS

IDENTIFICATION FORM – NATURAL PERSON – CUSTOMER

Customer due diligence (article 3 and seq. of the Law of 12 November 2004, as amended)

Reference/Folder No.	
Name of the customer	
Person in charge of the file	

1. Estimating the risk of money laundering

Purpose and nature of the mission/operation/business relationship⁴⁶:

Assessment of the risk of money laundering⁴⁷ : ☐ YES ☐ NO

If YES, level of risk assessed :

- ☐ Low
☐ Medium
☐ High

Justification of the level of risk⁴⁸ :

2. Personal data

First name		Last name			
Place of birth		Date of birth			
Street					No.
Postal code		City			
Tel		Mobile No.		E-mail	

⁴⁶ Brief description of the purpose and nature of the mission/operation/business relationship.

⁴⁷ Provisional estimate of the risks of money laundering (low/medium/high).

⁴⁸ List the elements justifying the level of risk.

3. Verification of the personal data⁴⁹			
<input type="checkbox"/> “Face to Face”, the customer is physically present			
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.	
Passport ⁵⁰	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.	
Validity date			
<input type="checkbox"/> “Non-face-to-face business relationship”, the customer is not physically present			
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.	
Passport ⁵¹	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.	
Certification	<input type="checkbox"/> Yes <input type="checkbox"/> No	Issued by ⁵²	
Date of certification			

4. Control	
Is the individual a “PEP ⁵³ ”	<input type="checkbox"/> Yes ⁵⁴ <input type="checkbox"/> No
Is the individual identified on an international financial sanctions list?	<input type="checkbox"/> Yes ⁵⁵ <input type="checkbox"/> No

5. Nature and purpose of the business relationship
Description of the nature of the mission/operation/business relationship :

6. Identification of the beneficial owners (BO)⁵⁶	
Are the BOs identified?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Is the BO's declaration completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No
Established in	Signature
Last name and first name of the professional, responsible for the application of the 2004 AML/CFT Law ⁵⁷	

Mission for the customer completed at the date of	
Data compilation / verification on	
First name, last name and signature of the professional	

⁴⁹ Take a copy (paper or electronic) of the document on the basis of which the identity was verified.

⁵⁰ Mandatory for all natural persons residing outside the European Union.

⁵¹ Mandatory for all natural persons residing outside the European Union.

⁵² Inform the public authority that issued the certification.

⁵³ **PEP**: Politically Exposed Person or **PPE**: personne politiquement exposée.

⁵⁴ If so, enhanced due diligence shall be applied!

⁵⁵ If so, enhanced due diligence shall be applied!

⁵⁶ BO: Beneficial owner, please use the BO declaration form.

⁵⁷ Law of 12 November 2004, as amended.

IDENTIFICATION FORM – NATURAL PERSON – REPRESENTATIVE

Customer due diligence (article 3 and seq. of the Law of 12 November 2004, as amended)

Reference/Folder No.	
Name of the customer	
Person in charge of the file	

1. Estimating the risk of money laundering

Purpose and nature of the mission/operation/business relationship⁵⁸:

Assessment of the risk of money laundering⁵⁹ : ☐ YES ☐ NO

If YES, level of risk assessed :

- ☐ Low
☐ Medium
☐ High

Justification of the level of risk⁶⁰ :

2. Personal data

First name		Last name	
Place of birth		Date of birth	
Street		No.	
Postal code		City	
Tel		Mobile No.	
		E-mail	

⁵⁸ Brief description of the purpose and nature of the mission/operation/business relationship.

⁵⁹ Provisional estimate of the risks of money laundering (low/medium/high).

⁶⁰ List the elements justifying the level of risk.

3. Verification of the personal data⁶¹			
<input type="checkbox"/> “Face to Face”, the representative is physically present			
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.	
Passport ⁶²	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.	
Validity date			
<input type="checkbox"/> “Non-face-to-face-business relationship”, the representative is not physically present			
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.	
Passport ⁶³	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.	
Certification	<input type="checkbox"/> Yes <input type="checkbox"/> No	Issued by ⁶⁴	
Date of certification			

4. Control	
Is the individual a “PEP” ⁶⁵ ?	<input type="checkbox"/> Yes ⁶⁶ <input type="checkbox"/> No
Is the individual identified on an international financial sanctions list?	<input type="checkbox"/> Yes ⁶⁷ <input type="checkbox"/> No

5. Powers of representation
Description and documentation of the power of representation (mandate or other evidentiary and relevant documents)

Established in		Signature
Last name and first name of the professional, responsible for the application of the 2004 AML/CFT Law ⁶⁸		

Mission for the customer/representative completed by/at the date of	
Data compilation/verification on	
First name, last name and signature of the professional	

⁶¹ Take a copy (paper or electronic) of the document on the basis of which the identity was verified.

⁶² Mandatory for all natural persons residing outside the European Union.

⁶³ Mandatory for all natural persons residing outside the European Union.

⁶⁴ Inform the public authority that issued the certification.

⁶⁵ **PEP**: Politically Exposed Person or **PPE**: personne politiquement exposée.

⁶⁶ If so, enhanced due diligence shall be applied!

⁶⁷ If so, enhanced due diligence shall be applied!

⁶⁸ Law of 12 November 2004, as amended.

IDENTIFICATION FORM – LEGAL PERSON – LEGAL STRUCTURE – CUSTOMER

Customer due diligence (article 3 and seq. of the Law of 12 November 2004, as amended)

Reference/Folder No.	
Name of the customer	
Person in charge of the file	

1. Estimating the risk of money laundering

Purpose and nature of the mission/operation/business relationship⁶⁹:

Assessment of the risk of money laundering⁷⁰ : ☐ YES ☐ NO

If YES, level of risk assessed :

- ☐ Low
☐ Medium
☐ High

Justification of the level of risk⁷¹ :

2. Is the legal person?⁷²

A credit or financial institution in Luxembourg or in the EU? ☐ Yes ☐ No

A company listed on the stock exchange in Luxembourg or in the EU? ☐ Yes ☐ No

A BO of grouped accounts kept by notaries or members of another independent legal profession? ☐ Yes ☐ No

A Luxembourg public authority ? ☐ Yes ☐ No

⁶⁹ Brief description of the purpose and nature of the mission/operation/business relationship.

⁷⁰ Provisional estimate of the risks of money laundering (low/medium/high).

⁷¹ List the elements justifying the level of risk.

⁷² If the legal person does not fall into one of these categories, continue the questionnaire. If yes, the following items are optional, unless there is a different acceptance procedure (internal procedure specific to the professional).

6. Identification of the beneficial owners (BO)⁷⁸

Are the BOs identified ?

☐ Yes ☐ No

Is the BO's declaration completed?

☐ Yes ☐ No**7. Control**

Is the individual identified on an international financial sanctions list?

☐ Yes⁷⁹ ☐ No**Established in**Last name and first name of the professional, responsible for the application of the 2004 AML/CFT Law ⁸⁰**Signature****Mission for the customer completed at the date of****Data compilation / verification on****First name, last name and signature of the professional**

⁷⁸ BO: beneficial owner, Please use the BO declaration form.

⁷⁹ If so, enhanced due diligence shall be applied!

⁸⁰ Law of 12 November 2004, as amended.

IDENTIFICATION FORM – LEGAL PERSON – LEGAL STRUCTURE – REPRESENTATIVE

Customer due diligence (article 3 and seq. of the Law of 12 November 2004, as amended)

Reference/Folder No.	
Name of the customer	
Person in charge of the file	

1. Estimating the risk of money laundering

Purpose and nature of the mission/operation/business relationship⁸¹:

Assessment of the risk of money laundering⁸² : ☐ YES ☐ NO

If YES, level of risk assessed :

- ☐ Low
☐ Medium
☐ High

Justification of the level of risk⁸³ :

2. Is the authorised legal person?⁸⁴

A credit or financial institution in Luxembourg or in the EU?	<input type="checkbox"/> Yes <input type="checkbox"/> No
A company listed on the stock exchange in Luxembourg or in the EU?	<input type="checkbox"/> Yes <input type="checkbox"/> No
A BO of grouped accounts kept by notaries or members of another independent legal profession?	<input type="checkbox"/> Yes <input type="checkbox"/> No
A Luxembourg public authority ?	<input type="checkbox"/> Yes <input type="checkbox"/> No

⁸¹ Brief description of the purpose and nature of the mission/operation/business relationship.

⁸² Provisional estimate of the risks of money laundering (low/medium/high).

⁸³ List the elements justifying the level of risk.

⁸⁴ If the legal person does not fall into one of these categories, continue the questionnaire. If yes, the following items are optional, unless there is a different acceptance procedure (internal procedure specific to the professional).

7. Control

Is the individual identified on an international financial sanctions list?

☐ Yes⁹⁰ ☐ No

Established in

Last name and first name of the professional, responsible for the application of the 2004 AML/CFT Law⁹¹

Signature

Mission for the customer/representative completed at the date of

Data compilation / verification on

First name, last name and signature of the professional

⁹⁰ If so, enhanced due diligence shall be applied!

⁹¹ Law of 12 November 2004, as amended.

DECLARATION OF BENEFICIAL OWNER(S) FORM

Reference/Folder No.	
Name of the customer	
Person in charge of the file	

☐ The customer declares that on the date of __/__/____, the following natural persons are its beneficial owners and attaches the documents (e.g. a copy of the identity card or passport) on the basis of which the identity of the persons concerned is established.

☐ Mr. / Mrs., declares to be the beneficial owner of the company..... up to% of shareholding.

Data of the beneficial owner 1							
First name		Last name					
Place of birth		Date of birth					
Street						No.	
Postal code		City					
Tel		Mobile No.		E-mail			
Verification of the identity documents of the beneficial owner 1 ⁹²							
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.					
Passport ⁹³	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.					
Validity date							
Certification	<input type="checkbox"/> Yes <input type="checkbox"/> No	Issued by ⁹⁴					
Date of certification							

⁹² Collect or take a copy (paper or electronic) of the document on the basis of which the identity was verified.

⁹³ Mandatory for all natural persons residing outside the European Union.

⁹⁴ Inform the public authority that issued the certification.

☐ Mr. / Mrs., declares to be the beneficial owner of the company up to% of shareholding.

Data of the beneficial owner 2					
First name		Last name			
Place of birth		Date of birth			
Street					No.
Postal code		City			
Tel		Mobile No.		E-mail	
Verification of the identity documents of the beneficial owner 2					
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.			
Passport ⁹⁵	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.			
Validity date					
Certification	<input type="checkbox"/> Yes <input type="checkbox"/> No	Issued by ⁹⁶			
Date of certification					

☐ Mr. / Mrs., declares to be the beneficial owner of the company up to% of shareholding.

Data of the beneficial owner 3					
First name		Last name			
Place of birth		Date of birth			
Street					No.
Postal code		City			
Tel		Mobile No.		E-mail	
Verification of the identity documents of the beneficial owner 3					
ID Card	<input type="checkbox"/> Yes <input type="checkbox"/> No	ID Card No.			
Passport ⁹⁷	<input type="checkbox"/> Yes <input type="checkbox"/> No	Passport No.			
Validity date					
Certification	<input type="checkbox"/> Yes <input type="checkbox"/> No	Issued by ⁹⁸			
Date of certification					

⁹⁵ Mandatory for all natural persons residing outside the European Union.

⁹⁶ Inform the public authority that issued the certification.

⁹⁷ Mandatory for all natural persons residing outside the European Union.

⁹⁸ Inform the public authority that issued the certification.

The professional reserves the right to terminate his or her relationship with the customer if it appears that the information provided is inaccurate or incomplete. The data will be treated confidentially.

I/we declare on my/our honor that the data given/provides in this declaration is true and correct and make the commitment to notify any changes as soon as possible.

Established at	
Last name(s) and first name(s) and signature(s) of the manager(s), director(s), beneficial owner(s) or other authorized representative(s) who drew up this declaration	
	Signature



LE GOUVERNEMENT
DU GRAND-DUCHÉ DE LUXEMBOURG
Administration de l'enregistrement,
des domaines et de la TVA