

AERON

1 Purpose

These procedure details how Aeron Limited (the Firm) will perform individual account opening application risk assessment and required actions.

The Firm is authorised by the Mauritius Financial Services Commission (MFSC) and, as such, will act in accordance to the financial crime rules as defined by the MFSC, which will take precedence over the requirements of this policy.

2 Review of Procedures

These procedures will be reviewed regularly, at least once a year, and amended as considered necessary by the Firm's Management Body in the event of changing circumstances or regulations.

3 Assessing prospective client application

The Firm has carried out a financial crime risk assessment and established systems and controls that identify, assess, monitor, and manage fraud, bribery and corruption and money laundering risk. The risk assessment, systems and controls will be reviewed, at least annually, in conjunction with changes to the business and the management information provided to the Management Body. The Firm will establish clear plans to implement any improvements required that were identified in the reviews.

This process will cover the risk classification of new and existing clients to establish their overall risk profile for AML and Financial crime. The parameters that will be checked have already being described in the Financial crime risk assessment and policy documents. It will allocate a compound score, considering the various parameters that are attributed to a client profile for AML and FC

We will normally carry enhanced due diligence on all clients as they are non-face to face dealing. The Firm will ask the client for their initial documentation as mentioned below. In addition to sending the application form to the client, if the Firm is aware that the client falls into a high risk profile before receiving any account documentation, it will ask the client for the additional information that it wishes to obtain from the client at the start of the application.

Once the client has sent in his application form and any supporting ID and other documents the MLRO will enter or cause to enter all this information in the client sign off worksheet.

Because the company is a small company, it considers it appropriate that this process will be initially carried manually.

It will consult the FATF list of countries compliance status with current money laundry, terrorism finance and other financial assessment by the FATF and regional body criteria.

It will also screen the client with external Databases using World Check.

It will also check for adverse Media

AML Assessment – SCORING IS JUST A DRAFT NOT THE REAL WEIGHTS TO BE ASSIGNED

Criteria to assess AML Risks and their Risk weighting

- Country of Residence – where the client resides. 20

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- Nationality or Tax status - 10
- Employment Status 15
- Source of Funds 15
- Source of wealth 15
- PEP 20
- Sanction List 100
- Adverse Media 25
- Product category 10
- Client acquisition method 10

The Firm has assigned a Risk weighting to each of these criteria and the overall score will determine if the client falls within the high, medium, or low risk for KYC and monitoring requirements.

3.1.1 Country of residency and nationality

The use of the FTAF list will provide the Firm with a country of residency scoring as per the list below

Effectiveness			
Ratings that reflect the extent to which a country's measures are effective. The assessment is conducted on the basis of 11 immediate outcomes, which represent key goals that an effective AML/CFT system should achieve. See the FATF Methodology for more information.			
Rating code	rating description	Risk Level	Score Contribution
HE	High level of effectiveness - The Immediate Outcome is achieved to a very large extent. Minor improvements needed.	Low	0
SE	Substantial level of effectiveness - The Immediate Outcome is achieved to a large extent. Moderate improvements needed.	Medium	5
ME	Moderate level of effectiveness - The Immediate Outcome is achieved to some extent. Major improvements needed.	High	10
LE	Low level of effectiveness - The Immediate Outcome is not achieved or achieved to a negligible extent. Fundamental improvements needed.	High	20

- If a country rating scoring is composed of more than 5 measures rating, HE it will be classified as a low-risk country
- If a country rating scoring is composed mixture of SE and HE where there are more SE than HE measures it will be classified as a medium risk country
- If a country rating scoring is composed mixture of SE and LE where there are more LE than ME measures it will be classified as a high-risk country

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- If a country is not showing in the reports, either additional checks would be made or the country will be classified as high risk country

3.1.2 Employment Risk- Risk weight 15

- Employment Status
- Employed-5
- Self-employed-10
- Retired 15
- Unemployed-15
- UBO- investor-5

3.1.3 Source of Wealth Risk, Risk weight 20

- Employment income, savings or pensions - 5
- Investment income- as dividends, property trading
- Assets disposals - 15
- Inheritance-10
- Third party grant, gift, or loan-20

PEP Risk, weight 10

PEP Type

- Foreign PEP Client - 10
- Domestic PEP Client - 5
- Non-PEP Client - 0

3.1.4 Sanction List Risk, Risk weight 100

- Individual In sanction List -100
- In sanction List country -100
- Not in sanction list -0

3.1.5 Adverse Media, Risk weight 100

- Adverse media found and relevant or substantiated -100
- Adverse media found but not relevant - 0
- Adverse media not found -0

3.1.6 Product category - CFD, Risk weight 10

- CFD's are complex products – 0 (professional clients are supposed to have the necessary knowledge of the complex product.)

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3.1.7 Client acquisition method, Risk weight 10

- Non-Face to Face Client 10 medium risk
- Face to Face Client 0 low risk

Following the client application initial assessment and the risk scoring, the MLRO will inform the Account Executive of any further due diligence requirements.

4 Client documentation list requirements to open an account.

Aeron Limited - Corporate Client (non-exhaustive) Due Diligence Requirements for on-boarding:

1. ALL documents provided in a language other than English must be translated into English by a Notary public or a legally certified translator from the originating country (details of certifying Notary Public or legally certified translator to also be provided).
2. All certified documents must be certified within the last 180 days by a practicing authorised Notary Public, Solicitor/Lawyer, Accountant, or a State Entity/Agency (e.g Police Station/Consulate)
3. Common documents, information and data required for all Corporate Client Applications ("**BASIC REQUIREMENTS**").
 - Certificate of Incorporation
 - Memorandum and Articles of Association (or equivalent)
 - Register of Members (certified <180 days old)
 - Register of Directors (certified <180 days old)
 - Certificate of Good Standing (<12 months old)
 - Registered office address
 - Business address (proof of occupancy: title deed/tenancy agreement/lease)
 - Corporate Resolution – Authorised signatories for account opening. Evidence that the nominated individuals have the appropriate authorisation to undertake binding corporate transactions on behalf of the entity (e.g: authorised signatory list) - this should be by way of a company Board Resolution or the initial Memorandum and Articles of Association (or equivalent). Unless there is one sole Director.
 - Corporate Resolution – Authorised Signatories for managing the trading account (as part of the application form)
 - LEI (Legal Entity Identifier)
 - Tax Reference Number
 - Source of Funds
 - Source of Wealth for UBOs
4. UBOs, Shareholders of >25%, Directors and Authorised Signatories ("**INDIVIDUAL REQUIREMENTS**")

Valid and current Government Issued Photo Identification (copied in colour)

- Preferably a passport

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- ID Card
- Driving License
- **Primary Proof of Residential Address (Utility bill - Electricity, Water, Gas, Landline (not mobile), Cable TV or ADSL, Tax return or certificate, Municipal Tax or equivalent)**
- **Secondary Proof of residential address when more than one is required for EDD - bank statement, certificate of insurance relating to the provision of cover for the property address**

- **All documents must be dated within 90 days of the application date**
- **N.B - where ID/PoA documents as specified above cannot be provided in certified form, please provide 2 separate forms of Photo ID and 2 separate Proof of Address documents**

In countries or cities where the Utility bills are sent to a P.O. Box as Primary Residential Address:

- **Proof of Residency confirming actual physical address (current Tenancy Agreement, current Lease, Mortgage, Tax certificate, Municipal Tax or property payment demand, or Legal Counsel/Notary certified statement confirming the address).**
or;
- **Second Proof of Address**
- **Completed residence form confirming actual physical address**

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Type of Entity	Corporate Documents / Data Requirements	Individuals CDD Requirements:	Additional Requirements	Other
Non-Regulated Overseas Private Company	<ul style="list-style-type: none"> • BASIC REQUIREMENTS as in #3. above 	Provide INDIVIDUAL REQUIREMENTS as in #4. above for each individual	When EDD is required then 2 documents of proof of residency are required for individuals.	Last officially submitted financial statements/accounts
Regulated onshore and offshore Private Company	<ul style="list-style-type: none"> • BASIC REQUIREMENTS as in #3. above • Additional requirements • Evidence of regulatory reference number, status and associated permissions from the official register of the Regulator or Competent Authority 	Provide INDIVIDUAL REQUIREMENTS as in #4. above for each individual	When EDD is required then 2 documents of proof of residency are required for individuals.	Last officially submitted financial statements/accounts
Regulated companies	<ul style="list-style-type: none"> • BASIC REQUIREMENTS as in #3. above • Additional requirements • Evidence of regulatory reference number, status and associated permissions from the official register of the Regulator or Competent Authority 		When EDD is required then 2 documents of proof of residency are required for individuals.	Last officially submitted financial statements/accounts
Public Company	<ul style="list-style-type: none"> • Web print of entity trading on a recognised Stock Exchange • Legal Entity Identifier (LEI) • Tax ID 	Colour Photo ID (Passport/Driving Licence/ Government National ID Card)	When EDD is required then 2 documents of proof of residency are required for individuals.	Company Resolution to demonstrate validity of authorised signatories list
Unincorporated Partnership	<ul style="list-style-type: none"> • Full name of Partnership • Business address (proof of occupation: title deed/tenancy agreement/lease) • Partnership Agreement or Deed • Register of Members (certified <180 days old) 	Provide INDIVIDUAL REQUIREMENTS as in #4. above for each individual	When EDD is required, then 2 documents of proof of residency are required for individuals.	Last set of financial statements/accounts, or management accounts no more than 90 days old.

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Current Sanction List countries – from which we will not accept applications or business arrangements:

1	Balkans	2	Belarus
3	Cote D'Ivoire (Ivory Coast)	4	Cuba
5	Democratic Republic of Congo	6	Iran
7	Iraq	8	Liberia
9	Myanmar	10	North Korea
11	Sudan	12	Syria
13	Zimbabwe		

High Risk Countries – requires Enhanced Due Diligence (EDD)

https://en.wikipedia.org/wiki/FATF_blacklist

<https://www.gov.im/media/470621/jurisdictions-in-lists-a-b-and-c-concerning-aml-or-cft-risks-or-both-april-2017.pdf>

The following jurisdictions listed below have also been identified as those that may pose a **higher risk of money laundering (“ML”) or terrorist financing (“TF”) - this list is current as of April 2021.**

Jurisdiction	Risk Type	Jurisdiction	Risk Type
Afghanistan	ML & TF	Madagascar	TF
Angola	TF	Mali	ML & TF
Algeria	TF	Mozambique	ML
Bangladesh	TF	Myanmar??	ML
Bolivia	ML	Nepal	ML
Burkina Faso	ML & TF	Niger	TF
Burundi	TF	Nigeria	TF
Cambodia	ML	Pakistan	TF
Cameroon	TF	Palestinian Territory	TF
Central African Republic	TF	Panama	ML
Chad	TF	Paraguay	ML
Colombia	TF	Philippines	TF
Congo Democratic Republic	TF	Sao Tome and Principe	ML
Côte d'Ivoire	TF	Saudi Arabia	TF
Egypt	TF	Sierra Leone	ML
Eritrea	TF	Somalia	TF
Ethiopia	ML & TF	Sri Lanka	ML
Gambia	TF	Tajikistan	ML
Guinea	ML & TF	Tanzania	ML
Guinea Bissau	ML & TF	Tunisia	TF
Haiti	ML & TF	Turkey	TF
India	TF	Ukraine	TF
Indonesia	TF	Uganda	ML & TF
Israel	TF	Vanuatu	ML
Kenya	ML & TF		
Laos	ML		

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List C: Equivalent Jurisdiction List

Below is a list of countries which have been judged to have equivalent AML/CFT (Countering Financing of Terrorism) controls to the framework of the United Kingdom. Customers resident in, or carrying on business from, countries on this list may be subject to **simplified due diligence**.

Australia	Jersey
Austria	Liechtenstein
Belgium	Luxembourg
Bermuda	Malta
British Virgin Islands	Mauritius
Canada	Monaco
Cayman Islands	Netherlands
Cyprus	New Zealand
Denmark	Norway
Finland	Portugal
France	Singapore
Germany	South Africa
Gibraltar	Spain
Guernsey	Sweden
Hong Kong	Switzerland
Iceland	Taiwan
Ireland	United Kingdom
Italy	United States
Japan	

Notes:

1. PEP/Sanctions check will be undertaken and verified via an Identity/Credit Agency for the Directors and Shareholders of each new customer relationship.
2. **No Corporate Customer (or Corporate Customers' UBO) will be accepted from any country that is, or has in the preceding 36 months been, a Sanctioned Country as listed by United Kingdom HM Treasury's Office of Financial Sanctions <https://www.gov.uk/government/organisations/office-of-financial-sanctions-implementation>**
3. **Further Global Legal Entity Identifier (LEI) information and application can be found at: <https://www.gleif.org/en/about-lei/get-an-lei-find-lei-issuing-organizations>**
4. All Customer relationships will be subject to periodic reviews to ensure that there have been no material changes in circumstance, status or structure.

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EU Sanctions Map

Last update 11.08.2021

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THEMATIC RESTRICTIONS

Search...

Country or Category

Specification (Type)

Adopted by

Restrictive measures

List

Legal acts

Guidelines

Afghanistan

Restrictive measures imposed with respect to the Taliban

UN

Belarus

Restrictive measures against Belarus

EU

Bosnia & Herzegovina

Restrictive measures in view of the situation in Bosnia and Herzegovina

EU

Burundi

Restrictive measures in view of the situation in Burundi

EU

Central African Republic

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Restrictive measures against the Central African Republic

UN

Chemical weapons

Restrictive measures against the proliferation and use of chemical weapons

EU

China

Specific restrictive measures in relation to the events at the Tiananmen Square protests of 1989

EU

Cyber-attacks

Restrictive measures against cyber-attacks threatening the Union or its Member States

EU

Democratic Republic of the Congo

Restrictive measures against the Democratic Republic of the Congo

UN and EU

Egypt

Misappropriation of state funds of Egypt (MSF)

EU

Guinea

Restrictive measures against the Republic of Guinea

EU

Guinea-Bissau

Restrictive measures against those threatening the peace, security or stability of the Republic of Guinea-Bissau

UN and EU

Haiti

Prohibiting the satisfying of certain claims by the Haitian authorities

EU

Iran

Restrictive measures in relation to serious human rights violations in Iran (HR)

EU

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Iran

Restrictive measures in relation to the non-proliferation of weapons of mass destruction (WMD)

UN and EU

Iraq

Restrictive measures on Iraq

UN

Lebanon

Restrictive measures in relation to the UN Security Council Resolution 1701 (2006) on Lebanon

UN

Lebanon

Restrictive measures in relation to the 14 February 2005 terrorist bombing in Beirut, Lebanon

UN

Libya

Restrictive measures in view of the situation in Libya

UN and EU

Libya

Prohibiting the satisfying of certain claims in relation to transactions that have been prohibited by the UN Security Council Resolution 883 (1993) and related resolutions

EU

Mali

Restrictive measures in view of the situation in Mali

UN

Moldova

Restrictive measures in relation to the campaign against Latin script schools in the Transnistrian region

EU

Montenegro

Prohibiting the satisfying of certain claims in relation to transactions that have been prohibited by the UN Security Council Resolution 757(1992) and related resolutions

UN and EU

Myanmar (Burma)

Restrictive measures against Myanmar/Burma

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EU

Nicaragua

Restrictive measures in view of the situation in the Republic of Nicaragua

EU

North Korea

Restrictive measures in relation to the non-proliferation of the weapons of mass destruction (WMD)

UN and EU

Russia

Restrictive measures in view of Russia's actions destabilising the situation in Ukraine (sectoral restrictive measures)

EU

Serbia

Prohibiting the satisfying of certain claims in relation to transactions that have been prohibited by the UN Security Council Resolution 757(1992) and related resolutions

UN and EU

Somalia

Restrictive measures against Somalia

UN

South Sudan

Restrictive measures in view of the situation in South Sudan

UN and EU

Sudan

Restrictive measures in view of the situation in Sudan

UN and EU

Syria

Restrictive measures in relation to the 14 February 2005 terrorist bombing in Beirut, Lebanon

UN

Syria

Restrictive measures against Syria

EU

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Terrorism

Restrictive measures with respect to ISIL (Da'esh) and Al-Qaida (ISIL/Daesh & Al-Qaida)

UN and EU

Terrorism

Specific measures to combat terrorism

EU

Tunisia

Misappropriation of state funds of Tunisia (MSF)

EU

Turkey

Restrictive measures in view of Turkey's unauthorised drilling activities in the Eastern Mediterranean

EU

Ukraine

Restrictive measures in response to the illegal annexation of Crimea and Sevastopol (Crimea)

EU

Ukraine

Restrictive measures in respect of actions undermining or threatening the territorial integrity, sovereignty, and independence of Ukraine (Territorial integrity)

EU

Ukraine

Misappropriation of state funds of Ukraine (MSF)

EU

United States

Measures protecting against the effects of the extra-territorial application of certain legislation adopted by the US

EU

Venezuela

Restrictive measures in view of the situation in Venezuela

EU

AERON

[Yemen](#)

[Restrictive measures in view of the situation in Yemen](#)

[UN](#)

[Zimbabwe](#)

[Restrictive measures in respect of Zimbabwe](#)

[EU](#)

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[FEEDBACK](#)

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