**The purpose of this questionnaire is to assess the level of compliance of domestic insurance licensees carrying on financial business[[1]](#footnote-1) in the Turks and Caicos Islands (TCI) (hereafter referred to as licensees), with the requirements of the Anti-Money Laundering and Prevention of Terrorist Financing Code 2011 (as amended) and the Anti-Money Laundering and Prevention of Terrorist Financing Regulations 2010 (as amended).**

*This questionnaire should be completed on an annual basis and should be submitted to the Commission with the licensee’s annual returns. Please answer the following questions as fully as possible and attach additional sheets, as necessary.*

|  |  |  |  |
| --- | --- | --- | --- |
| **Name of Licensee** |  | | |
| **Address of Head Office** |  | | |
| **Reporting Period** | **Year ending 31st December** |  | |
| **Name of MLRO** |  | **Email:** |  |
| **Name of MLCO** |  | **Email:** |  |

|  |  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
| 1. **AML/PTF RISK ASSESSMENT** | | | | | | | | | | |
| * 1. Has the licensee conducted an AML/PTF risk assessment[[2]](#footnote-2) during the reporting period?   *Please provide date of most recent AML/PTF risk assessment and attach a copy, if not previously submitted to the Commission*. | | | Yes |  | | No |  | | | |
| Date of most recent AML/PTF risk assessment: | | | |  | | | |
| Document attached | | | |  | | | |
| * 1. Is the AML/PTF risk assessment reviewed and updated at least annually, and in response to events that may have an impact on the licensee’s risk profile (e.g., new products, operational changes, legislative changes)?   *If ‘Yes’, please state frequency and trigger events.* | | | Yes |  | | No |  | | | |
| Frequency: | | | |  | | | |
| Trigger events: *Please indicate in the space provided below* | | | | | | | |
|  | | | | | | | |
| * 1. Is the AML/PTF risk assessment reviewed and approved by the Board of Directors?   *If ‘Yes’, please state date of last Board approval.* | | | Yes |  | | No |  | | | |
| Date of last Board approval | | | |  | | | |
| * 1. Has an overall AML/PTF risk assessment score been determined?   *If ‘Yes’, please indicate score:* | | | Yes |  | | No |  | | | |
| AML/PTF Score: | | | | | | | |
| * 1. Has the licensee categorized customers into **Low**, **Medium,** and **High** risk for money laundering and terrorist financing?   *If ‘Yes’ please attach a copy of rating methodology used, including criteria for each rating*. | | | Yes |  | | No |  | | | |
| Document attached | | | |  | | | |
| * 1. Please indicate the money laundering and terrorist financing (ML/TF) risk rating assigned to customers in the TCI: | | | **Risk rating** | | | | **# of customers** | | | |
| Low risk | | | |  | | | |
| Medium risk | | | |  | | | |
| High risk | | | |  | | | |
| Not rated | | | |  | | | |
| **Total # of customers on record** | | | |  | | | |
| * 1. Is Senior Management\* approval required to:   onboard high-risk customers?  change the risk ratings assigned to customers?  \**members of the licensee’s core management with responsibility for risk management*. | | |  | | | | | | | |
| Yes |  | | No |  | | | |
| Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Are customer risk assessments conducted before the customer is onboarded? | | | Yes |  | | No |  | | | |
| 1. **CORPORATE GOVERNANCE AND MANAGEMENT OVERSIGHT** | | | | | | | | | | |
| * 1. Is there an established AML Risk Appetite?   *If ‘Yes’, please attach a copy.* | | | Yes |  | | No |  | | | |
| Document attached | | | |  | | | |
| * 1. Does the Board receive a Compliance Report prepared by the MLRO/MLCO on the ML/TF risks affecting the licensee?   *If ‘Yes’, please state the frequency and attach copies of Compliance Reports for the period under review*.    *If “No”, please explain.* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| Frequency | | | |  | | | |
| Document attached | | | |  | | | |
|  | | | | | | | |
| * 1. Does the MLRO/MLCO fulfill any other role or job function?   *If ‘Yes’, please specify* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Does the Board monitor the effectiveness of the MLRO/MLCO on an ongoing basis?   *If ‘Yes’, please state frequency* | | | Yes |  | | No |  | | | |
| Frequency | | | |  | | | |
| * 1. Does the Board ensure the MLRO/MLCO receives appropriate training? | | | Yes |  | No | |  | | | |
| * 1. To whom does the MLRO/MLCO report? | | |  | | | | | | | |
| * 1. How is AML/PTF oversight of the licensee’s TCI operation performed?   *Please provide details.* | | | By the MLCO/MLRO within the TCI | | | |  | | | |
| By the MLCO/MLRO based outside of the TCI | | | |  | | | |
|  | | | | | | | |
| * 1. Is there an AML/PTF policy and procedures manual approved by the Board?   *If “No”, please explain.* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Were there any changes to the AML/PTF policy and procedures manual during the last 12 months?   *If ‘Yes’, please indicate changes made and attach a copy.* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Describe the structure of the AML Compliance function, including number of employees directly engaged and their qualifications. | | |  | | | | | | | |
| * 1. Does the AML Compliance function assess compliance with relevant AML legislation in the TCI? | | | Yes |  | | No |  | | | |
| * 1. Does the AML Compliance function examine the adequacy of customer due diligence policies, procedures, and processes, including the adequacy of policies and procedures for higher-risk customers? | | | Yes |  | | No |  | | | |
| * 1. Does the AML Compliance function review the process of reporting unusual or suspicious transactions? | | | Yes |  | | No |  | | |
| * 1. Does the Compliance function perform transaction testing? | | | Yes |  | | No |  | | | |
| * 1. Are controls in place to prevent breaches of the AML/PTF policy? | | | Yes |  | | No |  | | | |
| * 1. Are procedures in place for disciplinary action for breaches of the AML/PTF policy by employees?   *If ‘Yes’, please provide details.* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Was an independent review of the AML/PTF policies, procedures, and controls completed during the reporting period?   *If ‘Yes’, please indicate.* | | | Yes |  | | No |  | | | |
| Date of last independent review: | | | |  | | | |
| Name of the person who carried out the review: | | |  | | | | |
| * 1. Is the Board provided with a report highlighting deficiencies identified in the Compliance function?   *If ‘Yes’, please attach a copy of the most recent report*. | | | Yes |  | | No |  | | | |
| Document attached | | | |  | | | |
| * 1. Is there a system in place to ensure identified deficiencies in the Compliance function are tracked and remediated promptly?     *If ‘Yes’, please provide details.* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| 1. **CUSTOMER DUE DILIGENCE** | | |  |  | |  |  | | | |
| * 1. Does the licensee apply CDD measures before establishing a business relationship or transaction? | | | Yes |  | | No |  | | | |
| * 1. For identification of customers, does the licensee specify the types of information and documents to be collected?   *If ‘Yes’, please provide details*. | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Does the licensee provide services to politically exposed persons (PEPs) and other high-risk customers? | | | Yes |  | | No |  | | | |
| * 1. Is the process for identifying PEPs and other high-risk customers documented?   *If ‘Yes’, please attach a copy of documented procedures*. | | | Yes |  | | No |  | | | |
| Document attached | | | |  | | | |
| * 1. Does the licensee utilize any due diligence tools for screening high-risk individuals?   *If ‘Yes’, please state the due diligence tool(s) used.* | | | Yes |  | | No |  | | | |
|  | | | | | | | |
| * 1. Please indicate the categories of customers for which there are documented enhanced due diligence requirements. | | | *Select as applicable*: | | | | | | | |
| 1. PEPs | | | |  | | | |
| 1. Corporate vehicles | | | |  | | | |
| 1. Non-Profit organisations | | | |  | | | |
| 1. Trust customers | | | |  | | | |
| 1. Non face-to-face customers | | | |  | | | |
| 1. Business introducers/intermediaries | | | |  | | | |
| 1. Other: Please specify | | | |  | | | |
| * 1. Are published advisories and sanctions lists (including, but not limited to, Financial Action Task Force Statements, United Nations Security Council Resolutions, European Union, and United Kingdom Sanctions Lists) used in the screening of potential and existing customers? | | | Yes |  | | No |  | | | |
| If ‘Yes’, please state list(s) used: | | |  | | | | |
| Please state percentage of customers that reside in high-risk territories/sanction countries | | | |  | | | |
| * 1. Is there a process to re-evaluate the risk profile of customers? | | | Yes |  | No | |  | | | |
| * 1. Is there Senior Management oversight of high-risk customers?   *If ‘Yes’, please attach a copy of documented procedures.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Does the onboarding of customers include an assessment of the beneficiary of the policy? | | | Yes |  | No | |  | | | |
| * 1. Indicate the number of customers onboarded during the year under review and the medium used. | | | **Medium** | | **Number of customers onboarded** | | | | | |
| Face-to-face | |  | | | | | |
| Intermediary | |  | | | | | |
| Telephone | |  | | | | | |
| Internet | |  | | | | | |
| Other | |  | | | | | |
| **Total** | |  | | | | | |
| * 1. Are there controls around non-face-to-face transactions?   *If ‘Yes’, please attach a copy of documented controls*. | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Is there a process in place for review of customer due diligence conducted by intermediaries?   *If ‘Yes’, please provide details.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Is the licensee privy to compliance reports and AML Risk Assessment Reports produced by the intermediary? | | | Yes |  | No | |  | | | |
| * 1. Is a second level of due diligence carried out on customers after being onboarded by the intermediary? | | | Yes |  | No | |  | | | |
| * 1. Are controls in place to verify the identity of beneficiaries before claims are settled?   I*f ‘Yes’, please attach a copy of documented controls.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Is ongoing monitoring of business relationships conducted? | | | Yes |  | No | |  | | | |
| * 1. Were any business relationships terminated for AML/PTF reasons during the period?   *If ‘Yes’, please provide details.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| 1. **INTERNAL CONTROLS** | | | | | | | | | | |
| * 1. Are documented procedures in place to identify high-risk areas (services, geographic locations) for ML/TF activities?   *If ‘Yes’, please attach a copy of documented procedures* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Are documented procedures in place to provide for dual controls and segregation of duties?   *If ‘Yes’, please attach a copy of documented procedures*. | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Describe the process in place for timely detection and reporting of suspicious and unusual activity? | | |  | | | | | | | |
| * 1. Is there a centralized risk management system that can aggregate customer activity across the head office and all branches?   *If ‘Yes’, please provide details.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Indicate the mechanism used and controls in place over collection of premiums.   *Please provide details or attach a copy of documented controls.* | | | **Mechanism for collection of Premiums** | | | | **Yes** | | **No** | |
| Cash | | | |  | |  | |
| Cheques | | | |  | |  | |
| Credit cards | | | |  | |  | |
| Direct transfers | | | |  | |  | |
| Other (specify) | | | |  | |  | |
| Provide details below: | | | | | | | |
|  | | | | | | | |
| Document attached | | | |  | | | |
| * 1. Indicate the mechanism used and the controls in place over the payment of claims.   *Please provide details or attach a copy of documented controls.* | | | **Mechanism for collection of Premiums** | | | | **Yes** | **No** | | |
| Cash | | | |  |  | | |
| Cheques | | | |  |  | | |
| Credit cards | | | |  |  | | |
| Direct transfers | | | |  |  | | |
| Other (specify) | | | |  |  | | |
| Provide details below: | | | | | | | |
|  | | | | | | | |
| Document attached | | | |  | | | |
| * 1. Is AML risk identified and analysed when designing new products?   *If yes, please provide details or attach document.* | | | Yes |  | No | |  | | | |
| Provide details below: | | | | | | | |
|  | | | | | | | |
| Document attached: | | | |  | | | |
| * 1. Is the AML risk of a new product identified before the product is launched?   *If yes, please provide details or attach document*. | | | Yes |  | No | |  | | | |
| Provide details below: | | | | | | | |
|  | | | | | | | |
| Document attached: | | | |  | | | |
| 1. **EMPLOYEES, EDUCATION AND TRAINING** | | | | | | | | | | |
| 5.1 Does the licensee conduct due diligence on the integrity of potential recruits before hiring? | | | Yes |  | No | |  | | | |
| 5.2 Is there a policy in place that requires employees to declare gifts received from customers or prohibits the acceptance of gifts above a specified value? | | | Yes |  | No | |  | | | |
| 5.3 Does the licensee provide AML/PTF training to new employees? | | | Yes |  | No | |  | | | |
| 5.4 Is there an ongoing AML/PTF training programme for employees?  *If ‘Yes’, please indicate source and attach details of AML/PTF training programme.* | | | Yes |  | No | |  | | | |
| External training | | | |  | | | |
| Internal training | | | |  | | | |
| Both external and internal training | | | |  | | | |
| Document attached | | | |  | | | |
| 5.5 What mechanism is employed by the licensee to ensure that employees are aware of the procedure for reporting unusual or suspicious transactions? | | |  | | | | | | | |
| 5.6 Does the licensee have measures in place for the protection of staff with responsibility for investigating and reporting suspicious transactions to the relevant competent Authority? | | | Yes |  | No | |  | | | |
| 5.7 Does the AML/PTF training programme include, at a minimum, coverage of the following? | | | **Select as applicable:** | | | | | | | |
| 1. Internal policies, procedures, and processes to prevent and detect ML/TF. | | | | | |  | |
| 1. Transactions that must be reported to government authorities. | | | | | |  | |
| 1. FATF Recommendations and guidance. | | | | | |  | |
| 1. Examples of different forms of money laundering and terrorism financing schemes. | | | | | |  | |
| 1. Examples of specific risks the licensee is exposed to. | | | | | |  | |
| 1. Employees’ potential personal liability (criminal, regulatory, and disciplinary) for breaches of the statutory provisions. | | | | | |  | |
| * 1. Are attendance records of AML/PTF training maintained?   *If ‘Yes’ please attach copies along with the agenda, and training materials for training held during the review period*. | | | Yes |  | No | |  | | | |
| Documents attached | | | |  | | | |
| * 1. Does the training program ensure that all employees benefit from AML/PTF awareness, including the Board of Directors and Senior Management?   *If ‘Yes’, please attach a copy of AML/PTF training plan.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Is employees’ awareness of AML/PTF policies and procedures periodically tested? | | | Yes |  | No | |  | | | |
| 5.11 Does the licensee conduct AML/PTF training for its intermediaries in the TCI (i.e., agents, brokers, and salespersons?  *If ‘Yes’ attach details, including names and date of last AML/PTF training*. | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| 5.12 Are ML risks of insurance products being offered discussed during training sessions with intermediaries? | | | Yes |  | No | |  | | | |
| 1. **REPORTING** | | | | | | | | | | |
| * 1. Is the process for reporting suspicious transactions documented?   *If ‘Yes’, please attach a copy of documented procedures.* | | | Yes |  | No | |  | | | |
| Document attached | | | |  | | | |
| * 1. Does the licensee require intermediaries to have measures in place for identifying, investigating, and reporting suspicious or unusual transactions relating to potential and existing TCI policyholders? | | | Yes |  | No | |  | | | |
| * 1. What is the established timeframe for reporting:  1. Suspicious activity to the MLRO? 2. Suspicious transactions to the Financial Intelligence Agency (FIA)? | | | Reporting to the MLRO | | | |  | | | |
| Reporting to the FIA | | | |  | | | |
| * 1. During the last 12 months, how many suspicious transactions in the TCI were reported to the:  1. MLRO? 2. FIA? | | | Number reported to the MLRO | | | |  | | | |
| Number reported to the FIA | | | |  | | | |
| * 1. What was the nature of the suspicious transactions reported? | | |  | | | | | | | |
| **7. RECORD KEEPING** | | | | | | | | | | |
| 7.1 Does the licensee maintain AML/PTF records in the TCI?    *If ‘No’, indicate where maintained.* | | | Yes |  | No | |  | | | |
|  | | | | | | | |
| 7.2 How long does the licensee retain records after the end of a business relationship or transaction? | | |  | | | | | | | |
| **8. OUTSOURCING** | | |  | | | | | | | |
| 8.1. Has the licensee outsourced any of its AML/PTF compliance functions?  *If ‘Yes’, indicate to whom outsourced and the functions outsourced.* | | | |  |  |  |  |  |  | | --- | --- | --- | --- | --- | --- | | Yes |  | No |  | No |  | | | | | | | | |
| **COMMENTS** | | | | | | | | | | |
| *If you wish to state any relevant fact or clarify any matter regarding any of your answers to this questionnaire, please do so below:* | | | | | | | | | | |
|  | | | | | | | | | | |
|  | | | | | | | | | | |
|  | | | | | | | | | | |
|  | **I CONFIRM THAT THE INFORMATION PROVIDED IN THIS QUESTIONNAIRE IS COMPLETE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.** | | | | | | | |  | |
|  | Name: |  | | | | | | |  | |
|  | Signature: |  | | | | | | |  | |
|  | Title |  | | | | | | |  | |
|  | Date Completed |  | | | | | | |  | |

**END OF QUESTIONNAIRE**

***The Commission may require additional documentation or information after review of the questionnaire.***

1. Financial business has the meaning specified in Schedule 2 of the AML/PTF Regulations 2010. [↑](#footnote-ref-1)
2. Section 4 of the AML/PTF Code stipulates that a financial business shall carry out and document a risk assessment for the purpose of:

   1. Assessing the money laundering and terrorist financing risks faced by the business and its customers,
   2. Determining how best to manage and mitigate those risks, and
   3. Designing, establishing, maintaining and implementing AML/PTF policies, systems and controls that comply with the requirements of AML/PTF Regulations and Code and that are appropriate.

   [↑](#footnote-ref-2)