

# Due Diligence and Sanctions Questionnaire

LuxCSD

Part 1:  
To be filled in by the Customer

**The questionnaire is required to be answered on a Legal Entity (LE) level per country. This means the Customer will answer the questionnaire either at head office level covering all branches in the same country as the head office or at the level of each foreign branch that is active in the securities business. This questionnaire should not cover more than one LE and should therefore also be completed by each subsidiary and affiliate that is active in securities business.**

## I. Company information

1. Registered company name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 City: \_\_\_\_\_  
 Post code: \_\_\_\_\_ Country: \_\_\_\_\_

2. Legal form: \_\_\_\_\_  
 Regulatory authority: \_\_\_\_\_  
 (if applicable)

3. Please provide us with the main business lines of your company with brief details.  
 \_\_\_\_\_  
 \_\_\_\_\_

4. Does your institution maintain a physical presence in the licensing country (operational status)?  Yes  No

5. Please indicate the name and country in which your ultimate parent has its headquarters:  
 Name: \_\_\_\_\_  
 Country: \_\_\_\_\_ Or  N/A  
 If the ultimate parent company is regulated, please indicate the name of the supervisory authority:  
 \_\_\_\_\_  
 Name of the regulator: \_\_\_\_\_

6. Is this questionnaire applicable to your branches and/or subsidiaries?  Yes  
 No  
 N/A

## II. Ownership and management information

### 1. Listed company, its subsidiary or controlled company

- The company is a listed company, listed on a recognised stock exchange.  
 The company is a subsidiary of a listed company.  
 The company is controlled by a listed company.

If any of the above options are selected, please provide details of the listed company.

Name of the listed company: \_\_\_\_\_

Stock exchange on which it is listed: \_\_\_\_\_

### 2. Details of the shareholder structure

- Shareholder(s) exercise control alone or together with other shareholders at least 10% in the capital or at least 10% of the voting rights in the company, including through any content, understanding, relationship or intermediary.

If the above option is selected, please provide a list of the major shareholders holding more than 10% of shares in your institution.

### 3. Details of beneficial owner(s) - individual(s)

- There are no natural person(s) who exercise control or ultimately have controlling ownership.  
 The following person(s) exercise(s) control or ultimately has/have a controlling ownership interest, i.e. having ownership/entitlement of more than 25% of capital/profits/property or controlling through voting rights, agreement, or similar arrangements.

Please provide details.

Are there any Politically Exposed Persons (PEPs) among your institution's ownership structure?

- No  
 Yes \_\_\_\_\_%

If yes, please provide details (role, name, nationality, date of birth):

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4. Have there been any significant changes in the ownership structure over the last year?

- No  
 Yes

If yes, please provide details below:

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5. Please provide the names of the institution's Board of Directors and Management Board (in the case of a two tier structure), and time served in this position:

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Are there any PEPs in the Executive Management?

No

Yes

If yes, please provide details (role, name, nationality, date of birth):

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6. Is the institution a U.S. Person or SEC Foreign Registered Broker (in the sense of the U.S. Exchange Act 1934):

Yes

No

### III. General AML Policies, Practices and Procedures

1. Is your country a member of the Financial Action Task Force (FATF)?

Yes

No

If no, please provide the name of comparable organisation to which your country belongs (for example, AGP):

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**The following questions (2-13) can be waived if the Wolfsberg Questionnaire is provided.**

2. Do you have a legal and regulatory compliance program that includes a designated officer that is responsible for coordinating and overseeing the AML framework?  Yes  
 No

3. Is the financial crime compliance program approved by your institution's board or a senior committee?  Yes  
 No

4. Has your institution developed written policies documenting the processes that you have in place to prevent, detect and report suspicious transactions?  Yes  
 No

5. In addition to inspections by the government supervisors/regulators, does your institution have an internal audit function or other independent third party that assesses AML and CTF policies and practices on a regular basis?  Yes  
 No

If yes, please specify the name of the external auditor:

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6. Does your institution have record retention procedures that comply with applicable law?  Yes  
 No

7. Does your institution have policies designed to reasonably ensure that it only operates with correspondent banks that possess licenses to operate in their country of origin?	<input type="checkbox"/> Yes <input type="checkbox"/> No
8. Does your institution adhere to the Wolfsberg Transparency Principles and the appropriate usage of the SWIFT MT202/202COV and MT205/205COV message formats? <sup>1</sup>	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Does your institution provide AML training to relevant employees that includes? <ul style="list-style-type: none"> <li>• Identification and reporting of transactions that must be reported to government authorities.</li> <li>• Examples of different forms of money laundering involving the FI's products and services.</li> <li>• Internal policies to prevent money laundering.</li> <li>• Compliance with applicable sanctions laws</li> </ul>	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Does your institution retain records of its training sessions including attendance records and relevant training materials used?	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. Does your institution communicate new financial crime compliance related laws or changes to existing AML related policies or practices to relevant employees?	<input type="checkbox"/> Yes <input type="checkbox"/> No
12. Does your institution employ agents to carry out any of its AML related functions?	<input type="checkbox"/> Yes <input type="checkbox"/> No
13. If yes, does your institution provide AML training to relevant agents?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<sup>1</sup> The four payments message standards to be observed are: i) financial institutions (FI) should not omit, delete, or alter any information in payment messages or orders for the purpose of avoiding detection of that information by any other FI in the payment process; ii) FIs should not use any particular payment message for the purpose of avoiding detection of information by any other FI in the payment process; iii) subject to applicable laws, FIs should cooperate as fully as practicable with other FIs in the payment process when requesting to provide information about the parties involved; and iv) FIs should strongly encourage their correspondent banks to observe these principles.

Source: [www.wolfsberg-principles.com](http://www.wolfsberg-principles.com)

## IV. Sanctions Certificate

Does your institution have:

- Any offices, transactions, investments, activities or planned activities in **sanctioned targets**<sup>2</sup>; or
- Any transactions, investments, activities or planned activities with (or in) any person or entity located in **sanctioned targets** or with (or in) any entity owned or controlled by any entity located in **sanctioned targets**?

Yes

No

If yes, please elaborate, including specific types of investments, transactions or activities and % of total revenues and/or assets that these instruments, transactions or activities represent for your institution in **sanctioned targets**:

### Sanctions certification

- 1) The customer provides the certifications below as required by the General Terms and Conditions governing the provision of services and products by LuxCSD with the express purpose of assuring LuxCSD that the customer's actions will not cause the customer, LuxCSD or LuxCSD's agents, depositories or correspondents to violate financial or international trade regulations.
- 2) The customer certifies that, regardless of whether it is subject to the jurisdiction of the EU and any EU member state, in all dealings with LuxCSD, it will comply with EU regulations regarding economic sanctions, anti-money laundering, anti-corruption as those regulations exist at the time of a transaction or service, provided that, for securities denominated in U.S. Dollars or issued or sub-deposited in the U.S.A., with a U.S. person outside the U.S.A. or having a U.S. person as agent (U.S.-linked securities) or cash transactions likely to be processed by a U.S. financial institution (U.S. cash transactions), the customer will comply additionally with U.S. regulations.
- 3) The customer further certifies that it will not knowingly or with reason to know, use or permit the use of any LuxCSD account, directly or indirectly, or enter into or sustain any client relation that would cause LuxCSD to violate EU regulations, or in the case of U.S.-linked securities or U.S. cash transactions, U.S. regulations, regarding economic sanctions, anti-money laundering or anti-corruption.

<sup>2</sup> A sanctions target means any party that is a target of U.S., EU, UK or UN sanctions or to your knowledge, any other sanctions authority relevant to your institution. Sanctions targets include any party identified on the OFAC list of SDN, OFAC Foreign Sanctions Evaders List, or OFAC Sectorial Sanctions Identifications Lists, and any party identified in, or in annex to, a resolution of the EU or the UN sanctions as a targeted party. U.S. sanctions targets also include any person or entity that is a citizen or resident of Iran (For guidance relating to the lifting of certain U.S. sanctions pursuant to the Joint Comprehensive Plan of Action, please refer to the following link: [https://www.treasury.gov/resourcecenter/sanctions/Programs/Documents/implement\\_guide\\_jcpoa.pdf](https://www.treasury.gov/resourcecenter/sanctions/Programs/Documents/implement_guide_jcpoa.pdf)), Cuba, Syria, Sudan and North Korea.

## Part 2:

**To be filled in by Customers holding client assets for the purpose of providing securities settlement, custody, funds distribution or similar services. Please note that accounts segregated to one legal owner may pool or commingle the entitlements of many investors or owners when that legal owner is itself offering omnibus accounts to its clients, "Pooled Accounts"**

<p>1. Has your institution adopted policies and procedures, supported by appropriate compliance controls, to ensure that it meets your financial crime compliance obligations and the <a href="#">ISSA Financial Crime Compliance Principles</a>?<sup>3</sup></p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>2. Does your institution subject its custody clients to appropriate due diligence at onboarding and periodically in order to assess the level of financial crime risk arising from the provision of custody and fund distribution services?</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No
<p>3. Does your institution accept clients that are themselves sub-depositing assets on behalf of third party clients?</p> <p>If so;</p> <p>Do your AML policies and procedures require that clients sub-depositing assets on behalf of third party clients are AML regulated?</p> <p>Does your due diligence program include an assessment of the effectiveness of the application of global AML and CTF standards in the jurisdictions of your clients (where these are AML regulated)?</p> <p>Does your institution make an AML / CTF assessment of its customers and their transactions?</p> <p>Do you permit clients sub-depositing assets on behalf of third party clients to do so on a commingled basis (in "pooled" or omnibus" account(s)</p>	<input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No
<p>4. Does your institution screen customers and transactions against lists of persons and entities sanctioned by competent authorities and against countries/regions subject to comprehensive jurisdiction-based sanctions administered by government/competent authorities of G7 members countries?</p> <p>If so, please give details of the authorities:</p> <p>_____</p>	<input type="checkbox"/> Domestic authorities <input type="checkbox"/> US Treasury (OFAC) <input type="checkbox"/> EU Council <input type="checkbox"/> UN <input type="checkbox"/> Other (please comment)  <p>_____</p>

<sup>3</sup> The question related to ISSA principles is for information purpose only. A negative answer will not trigger any further requirement.

5. Where your institution opens accounts with LuxCSD for the purpose of segregating assets of a single owner, does it declare to LuxCSD the owner of the assets deposited?	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Does your institution prohibit the opening of anonymous or numbered accounts by clients?	<input type="checkbox"/> Yes <input type="checkbox"/> No
7. Which financial products and services does your institution offer to its securities custody and funds distribution clients?	<input type="checkbox"/> Depository / Settlement services <input type="checkbox"/> Standalone Custody / Securities Services Division <input type="checkbox"/> Investment Bank / Brokerage <input type="checkbox"/> Wealth Management / Private Banking <input type="checkbox"/> Transaction banking <input type="checkbox"/> Corporate Trust <input type="checkbox"/> Other (please comment)
8. Does your institution systematically collect information regarding its customers' business activities?	<input type="checkbox"/> Yes <input type="checkbox"/> No
9. Does your institution make an AML / CTF risk assessment of your customers and their transactions?	<input type="checkbox"/> Yes <input type="checkbox"/> No
10. Does your institution have a monitoring program for unusual and potentially suspicious activity that covers securities and funds services?	<input type="checkbox"/> Yes <input type="checkbox"/> No
11. Does your institution have policies and procedures in place to exclude or to block securities interests it suspects may be ultimately owned by targets of sanctions?	<input type="checkbox"/> Yes <input type="checkbox"/> No



Comments and additional information:

Part 3:	
<b>To be filled in by Customers holding third party assets commingled on an omnibus account. Please note that accounts segregated to one legal owner may pool or commingle the entitlements of many investors or owners when that legal owner is itself offering omnibus accounts to its clients.</b>	
1. Does your institution intermediate third party securities or funds in the ordinary course of its business?	<input type="checkbox"/> Yes <input type="checkbox"/> No
2. Does your institution have policies reasonably designed to ensure that it opens omnibus accounts only for custodians that possess licenses to operate in their countries of origin (or to validate the asset protection arrangements of custodians in jurisdictions where safekeeping is not regulated)?	<input type="checkbox"/> Yes <input type="checkbox"/> No
3. Does your institution take steps that are reasonably designed to determine that the ultimate ownership of assets deposited in omnibus form has been identified by yourself or by your own customers in compliance with the ISSA FCC Principles?	<input type="checkbox"/> Yes <input type="checkbox"/> No
4. Does your institution have a program in place to identify and to record the ultimate ownership of any assets deposited by your non-AML regulated clients?	<input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A
5. Does your institution have customers who are persons and entities sanctioned by competent authorities as well as against countries/regions subject to comprehensive jurisdiction-based sanctions administered by government/competent authorities of G7 member countries identified in question 4 Part 2)	<input type="checkbox"/> Yes <input type="checkbox"/> No
6. Does your institution deposit assets with LuxCSD on behalf of persons and entities sanctioned by competent authorities as well as against countries/regions subject to comprehensive jurisdiction-based sanctions administered by government/competent authorities of G7 member countries identified in question 4 Part 2)  If so, are those assets blocked?	<input type="checkbox"/> Yes <input type="checkbox"/> No  <input type="checkbox"/> Yes <input type="checkbox"/> No
7. Does your institution have policies and procedures in place to exclude and to block, or to ensure that your customers can block, securities interests deposited with LuxCSD that are ultimately owned by persons and entities sanctioned by competent authorities as well as against countries/regions subject to comprehensive jurisdiction-based sanctions administered by government/competent authorities of G7 member countries?	<input type="checkbox"/> Yes <input type="checkbox"/> No

<p>8. Does your institution have policies and procedure in place to notify LuxCSD of securities interests sub-deposited by persons and/or entities sanctioned by competent authorities as well as against countries/regions subject to comprehensive jurisdiction-based sanctions administered by government/competent authorities of G7 member countries?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>9. Does your institution have policies to ensure that its customers will not conduct transactions with or on behalf of shell banks through any of accounts with or operated by LuxCSD?</p>	<p><input type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>10. Please identify the types of clients that your institution services from its account(s) at LuxCSD in which assets of more than one third party are commingled (such as omnibus accounts). Please check all that apply.</p>	<p><input type="checkbox"/> Broker dealers <input type="checkbox"/> Investment banks <input type="checkbox"/> Custodians <input type="checkbox"/> CSDs <input type="checkbox"/> Retail / Savings banks <input type="checkbox"/> Non-bank asset managers <input type="checkbox"/> Central banks <input type="checkbox"/> Sovereign wealth funds <input type="checkbox"/> Supra-nationals <input type="checkbox"/> Pension / Insurance funds <input type="checkbox"/> Mutual funds <input type="checkbox"/> Corporates <input type="checkbox"/> Private clients (High net worth) <input type="checkbox"/> Private Clients (Retail) <input type="checkbox"/> Offshore companies / SPVs <input type="checkbox"/> Others (please comment):</p> <hr/>
<p>11. Where are your institution's clients located? Please comment on any significant sources of cross-border business that exceed 25% of the assets deposited with LuxCSD.</p>	<p>List of countries:</p> <hr/> <p><input type="checkbox"/> Domestic clients only <input type="checkbox"/> Domestic and cross border clients <input type="checkbox"/> Cross border clients only</p>

<p>12. Will your institution deposit assets with LuxCSD on behalf of clients resident in any of the following?</p>	<p><input type="checkbox"/> a. Countries designated by FATF or its regional affiliates as having strategic AML and CTF deficiencies</p> <p><input type="checkbox"/> b. Countries that are the target of UN sanctions or sanctions potentially affecting the Custodian or its sub-custodians.</p> <p>If so, are those assets blocked?</p> <p><input type="checkbox"/> Yes</p> <p><input type="checkbox"/> No</p> <p>Please describe the process for ensuring LuxCSD is not instructed to process transactions for any clients to which b applies:</p> <hr/>
<p>13. Please identify the products that your institution supports with the omnibus account(s) held with LuxCSD:</p>	<p><input type="checkbox"/> Securities services / Custody</p> <p><input type="checkbox"/> Securities lending / collateral management</p> <p><input type="checkbox"/> Fund administration / Distribution</p> <p><input type="checkbox"/> Retail banking</p> <p><input type="checkbox"/> Wealth management</p> <p><input type="checkbox"/> Investment banking</p> <p><input type="checkbox"/> Prime brokerage</p> <p><input type="checkbox"/> Investment / fund management</p> <p><input type="checkbox"/> Corporate banking</p> <p><input type="checkbox"/> Corporate trust</p> <p><input type="checkbox"/> Other (please specify):</p> <hr/>

<p>14. Does your institution have a process to identify the following types of security before they are deposited with LuxCSD?</p>	<p><input type="checkbox"/> No</p> <p><input type="checkbox"/> Yes</p> <p>If Yes, which types of security:</p> <p><input type="checkbox"/> Low priced equities (with a market value of less than USD 1)</p> <p><input type="checkbox"/> Private placements</p> <p><input type="checkbox"/> Alternative funds and other closed end collective investment schemes</p>
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**Questionnaire completed by:**

First name: \_\_\_\_\_

Last name: \_\_\_\_\_

Job role at the institution detailed above: \_\_\_\_\_

Email address: \_\_\_\_\_

Telephone: \_\_\_\_\_

The undersigned, based on his/her best knowledge and belief, certifies the above referenced questions were answered considering the existing internal controls of the subject financial institutions, and further present an accurate representation of the existing state of the institution's anti-money laundering and anti-terrorist financing controls and financial services activities.

**Authorised signature(s):**

  
  
  

**Date:** \_\_\_\_\_

**Completed Due Diligence Questionnaire may be sent via email to your Relationship Manager**

**For internal use only:**

Form validated by (Name of RM): \_\_\_\_\_

Date: \_\_\_\_\_