|  | **OLD****SECTION** | **NEW SECTION** | **COMMENTS /****FEEDBACK** | **CBTT****RESPONSE** |
| --- | --- | --- | --- | --- |
|  | **COVER PAGE** |  |  |
|  |  |  | Recommendation to utilize drop down options for Type of Business | This line was removed as it is captured under Type of Institution which has a drop down option.  |
|  |  |  | Confirm that AML Return for the financial year ending is specific to the completing entity’s year end. | Cover page amended to clarify that it is the institution’s financial year end. |
|  |  |  | Define what is meant by “employee” and confirm whether this includes brokers and agencies.  | The employees are the temporary and permanent persons hired by the institution and do not include brokers, independents agents or employees of independent agencies. The cover page has been amended to make the distinction between employees and agents/salesmen. |
|  |  |  | Is there a specific requirement or position for the person required to complete the form? For instance the Compliance Manager only or is any Senior Management authorized to complete and sign off form. | Depending on the size of the organization, there may be different persons assigned to completing the form. However, senior management must confirm that the information being submitted is accurate.  |
|  |  |  | Recommendation to insert submission deadline/time frame for the AML Return e.g. xx days after end of institution’s financial year end.Information provided for some questions may not necessarily change on a quarterly or annual basis and therefore it would be expected that information will be provided where a change occurs. | In the first instance, all institutions are required to complete and submit the questionnaire by December 31, 2020. The information will be used to baseline the ML/TF/PF risk of all institutions and thereafter, the frequency of submissions will be based on the assessed risk of the company. The financial information will be as at the last audited financials.  |
|  |  |  | **BUSINESS** |  |
|  | B.10 | **B.1** | With reference to the list of all business activities under B.1, is this question necessary as CBTT would already have this information? If it is necessary at least in the first instance, provisions should be made to subsequent Returns to modify or exclude such questions which would have insignificant changes each year.   | B.1, B.2 and B.10 have been consolidated to eliminate similar type questions. Information is being collected in the first instance as a baseline. Instructions will be modified for subsequent Returns.  |
|  | B.10 | **B.1** | For B.2 The drop down categories are unclear and limiting. Each row should list in the drop down a full set of products offered by Financial Institutions e.g. Savings, Chequing, Credit Card etc. It is recommended to consolidate B.2 & B.10 as they appear to capture similar info. | B.1, B.2 and B.10 have been consolidated to eliminate similar type questions.  |
|  | B.2 | **B.1** | With reference to the activities as a percentage of the total portfolio under B.2, does the term “total portfolio” refer to the total number of clients; the premium value; or the profit value for the year?  | The question has been amended to specify the activities as a percentage of total assets.  |
|  | B.2 | **B.1** | As at what date should the portfolio percentages be provided? End of reporting period or YTD?  | The form has been amended to state that the information is being requested for the reporting period.  |
|  | B.2 | **B.1** | For B.2 to B.2.3, the categories do not flow naturally into subcategories shown.  | B.1, B.2 and B.10 have been consolidated to eliminate similar type questions.  |
|  | B.2.1 | **B.1** | Clarification needed on what is considered Long Term Insurance Business. Is it “All policies issued by a Life Insurance Company” including Group Health and Group Life or is it “Life insurance and other investment related products”.  | The form has been amended to remove the term ‘Long Term Insurance Business’ and to request information specifically on the different classes of business in B.1  |
|  | B.2.1.4 | **B.1** | Does term life refer only to individual term life products as opposed to group life products which are considered term life products as well? | The form has been amended to distinguish between individual term and group life. |
|  | B.3 | **B.2** | Some of the information being requested is submitted under other reports to the Central Bank and would result in duplication. Consideration should be given to excluding the following requirements:* financial information requested under B3
 | The request for information on Net profit after tax and net premium income has been removed.  |
|  | B.3.1 | **B.2.1** | For B.3.1, is this the date the financials were signed off or the period covered? | Form amended to specify that date of financials refer to the period covered.  |
|  | B.3.4 | **B.2.3** | Define Premium Income  | Premium Income refers to the monies received from insurance premium payments. This question is applicable to the insurance sector.  |
|  | B.4 | **B.6** | This question (on ‘Other Services Offered’) is better positioned with B.2 or B.10 (or the recommended consolidation of both) | This question has been moved to the section on products, services and transactions.  |
|  | B.5 | **B.3** | Clarification is sought on whether a questionnaire is required to be completed per Group or per entity within a Group. | Each licensed or registered entity is required to complete the questionnaire.  |
|  | B.5 / B.6 | **B.3 / B.4** | Insurers with local branches only vs those that are part of financial groups (i.e. insurers with subsidiaries and external branches) should not be comingled. Instead, the questions that are pertinent to all insurers should be separated from the ones for financial groups and directed to the relevant group specifically. | This comment is noted and will be considered in any future revisions to the Questionnaire.  |
|  | B.6 | **B.4** | Is a table required as a separate attachment or should the requested info be populated within the questionnaire document? | The information may be submitted as a separate attachment.  |
|  | B.6.5.2 | **B.4.5.2** | If specific measures should be identified, it is recommended that a preset drop down listing be utilized. | Responses would be unique to each institution and a drop-down option might prove too restrictive.  |
|  | B.7 | **A.8** | Recommendation to relocate question to AML section as it appears to be better positioned within that area. | Agreed.  |
|  | B.8 | **B.7** | What is this question intended to capture? Most financial products allow these characteristics to some degree. Various controls are implemented to mitigate risk and monitoring would detect unusual or suspicious activity. | Generally, the information being requested in this questionnaire will assist in understanding of the ML/TF/PF risk profile of the institution. |
|  | B.9.6 | **B.8.8** | Define “remittance company” and please clarify the distinction between Money & Value Transfer services and Remittance Service Providers. | Money or value transfer services (MVTS) refers to financial services that involve the acceptance of cash, cheques, other monetary instruments or other stores of value and the payment of a corresponding sum in cash or other form to a beneficiary by means of a communication, message, transfer, or through a clearing network to which the MVTS provider belongs. Remittance Service Providers are a subset of MVTS providers and are any natural or legal persons who generally provide money transfer services as a business, including through agents or a network, most commonly without the acceptance of deposits and other repayable funds from the public.   |
|  | B.10 | **B.1** | * This section does not include general insurance as an option to be selected, which means that general insurers will have to answer in the “Other” section. This is the section that should probably trigger the questions to be answered by the “exempt” insurers.
* B.10 seems out of sequence. Recommendation to consolidate these questions with questions under B.2
 | A simplified questionnaire has been developed for the exempt institutions and will be issued under separate cover. * B.1, B.2 and B.10 have been consolidated to eliminate similar type questions.
 |
|  |  |  | **AML** |  |
|  | A.2 | **A.2** | With reference to A.2 “Has the risk assessment been reviewed in the last year”, does this review relate to the Board review or does it refer to Internal or External Audit review? | This question has been removed and subsequent questions regarding reviews have been amended for clarity.  |
|  | A.2.3.3 | **A.2.3.3** | * Please confirm whether the intention is to include branches and subsidiaries only or whether the intent is to extend beyond this to broker and agency relationships selling insurance in another territory.
* Due to the physical size of TT and the overlapping of areas, it is difficult to risk rate clients based on whether they reside in hotspots.
 | * This should consider all counterparties including broker and agency relationships in other jurisdictions, in order to properly identify the institution’s ML/TF/PF risk exposure.
* Crime hotspots are an example of a factor that can be used to determine AML/CFT/CPF risk and these hotspots can be identified from publicly available information.
 |
|  | A.3.2 | **-**  | If no documented Board approved AML/CFT/CPF Compliance Programme is maintained, it is unclear how ‘the date of review of the most recent Board approved AML/CFT/CPF Compliance Programme’ can be provided. Also, there is a need to attach the most recently approved AML/CFT/CPF Program, but this may be difficult as an approved program may be in many parts and different policies and procedures. Clarification is sought on whether the main & overarching AML policy or all connected policies should be submitted. | Agreed. This question has been removed. The form has been amended to allow for submission of all AML policies.  |
|  | A.3.2 | **-**  | The field for A.3.2 should be a date/text field, not a drop down.  | Agreed. This question has been removed.  |
|  | A.3.4 | **-**  | This question appears to be a repeat of B.6.5 & B.6.5.1 | Agreed. This question has been removed.  |
|  | A.6.3.1 | **A.6.3.1** | Is the question requesting review frequency of the re-assessment of the customer or the frequency of the update of customer files or both? | Reference is made to the Central Bank’s AML Guideline Part II 5.4 which addresses the need to conduct ongoing monitoring and review of ML/TF risks. Where there is a review of the risk assessment, the customer files should be updated as necessary.  |
|  | A.9 | **A.10** | What is this question intended to capture? Number of customers residing outside of T&T may be difficult to assess accurately | This question was clarified to refer to the non-resident customer base. The response can be selected from the drop down box which offers ranges from less than 100 to more than 500,000.  |
|  | A.10 | **A.11** | * Excel would not contain enough space to adequately describe the process for assessing the ML/TF/PF risk of a customer and the process for assigning or revising the risk rating.

The methodology will be contained within the Compliance program and related policies. Recommendation to submit policy document in lieu of separate responses to questions. | * The institution can include a reference to the relevant section in their Compliance Programme or AML Policy, which should also be attached.
* Agreed. However responses to the particular question must have references to the relevant section in the Compliance Programme, however the Compliance Programme and related policies should also be attached.
 |
|  | A.11 | **-**  | Internal systems may be limited in producing info on changes in customer risk ratings during a given period. | Agreed. This question has been removed.  |
|  | A.12 | **A.13** | Greater clarity is required for these questions to ensure standardization of responses. Is the expectation that the number of clients per subcategory be communicated in this section? E.g. PEP-20; Listed Business-40 etc. Recommendation to include drop down list. | The wording of the question has been amended for clarity. The institution is expected to provide the different categories of customers that it has classified into the various risk buckets and the number of customers in each category. Categories of high risk customers may include, for example, foreign PEPs, customers from high risk jurisdictions, casinos, VASPs etc. Drop down lists were deemed to be restrictive as the responses will vary for each institution.  |
|  | A.13 | **A.14** | Clarification is sought on supporting documents to be provided. | Any policy or procedure document concerning the on-boarding process. If contained in the Compliance Program, references to the specific sections should be provided.  |
|  | A.19.1 | **A.21.5** | The lists under A.19.1 are not owned or updated by companies. FI’s are not responsible for updating designated lists. | The question refers to the process for ensuring the use of the most recent list for the screening of customers. The question has been amended for clarity. Any policy or procedure applicable to the screening process should be provided to the Central Bank.  |
|  | A.20.1.2 | **A.19.4** | Kindly clarify the extent of detail to be provided as vendor arrangements may be deemed confidential. | The question has been amended for clarity. |
|  | A.21.3 | **A.22.3** | Question requires further clarification. Is the intended interpretation the time limit for a customer being flagged internally as PEP or time limit for a customer maintaining a specific risk rating? | Reference is made to Part II 7.1.1 of the AML Guideline. The question refers to the timeframe from when the person demits office and when the institution will revise his risk rating if necessary, based on a reassessment of his risk profile.  |
|  | A.21.3.1 | **~~A.21.3.1~~****A.22.3.1** | What is this question intended to capture? | Whether the institution maintains its PEP lists in-house using publically available information or whether a commercial list/vendor is utilized.   |
|  | A.22 | **A.23** | There is some repetition as follows:* questions A.22.1 and A.22.2 seem to ask the same thing as PEPs are deemed High Risk
* Some FIs have EDD requirements for all PEPs therefore a distinction between Domestic PEPs does not appear necessary; it is recommended that ‘High Risk Domestic PEP’ be defined.
 | With reference to Regulation 20 (3A) of the FOR and Part II 7.1 of the AML Guideline, all PEPs are not automatically deemed High Risk. If the institution has taken a decision to categorize all PEPs as high risk, this is not considered risk-based. The institution however has the opportunity to explain its process and rationale.  |
|  | A.6.9 A.18.4 | **A.6.9** **A.21.10** | There is no option to select N/A for:* A.6.9 regarding the sharing of data within a financial group
* A.18.4 regarding the freezing of assets of persons on sanctions lists
 | The responses to the questions have been amended to include a ‘not applicable’ option.  |
|  | A.3.3.1A.3.3.2A.7A.10.3A.20 | **A.3.3.1****A.3.3.2****A.7****A.11.2****A.19/A.21** | There is some repetition as follows:* A.3.3.1 is covered in A.4 – whether CP includes controls for identification and reporting of persons designated for TF/PF
* A.3.3.2 is covered in A. 6.10 – independent testing
* A.7 – other AML related policies would all form part of the CP
* A.10.3 – the process for approval of High Risk customers is the same as A.10
* A.20 screening process was covered in A.18
 | The questions have been reworded in some instances to provide clarity, however please note that:* A.4 specifically relates to identification and reporting for TF/PF in the Compliance Programme
* The duplicated question, originally at A.6.10, has been removed.
* the process for approval of high risk customers usually involves confirmation by senior management before beginning or continuing the relationship. This is different from the process for deriving the risk rating.
* The questions regarding the screening are different in that the first asks whether screening against the designated lists takes place and the second asks to identify the lists.
 |
|  | A.15A.22.2 | **A.16** | Some definitions are required for:* non-face-to-face under A.15 as there are different risks for broker-introduced vs online applications
* high risk PEPs under A22.2 or this is based on subjective criteria by individual companies
 | We note:* the question has been reworded to state that “non-face-to-face” is meant to identify potentially high risk situations such as account opening, submission of applications etc where there is no direct face to face communication with the customer.
* identification of high risk customers is part of the risk assessment process of each individual company. Further, identifying high risk domestic PEPs is considered as part of the companies risk-based approach.
 |
|  | A.29 | **A.30** | Kindly clarify the extent of detail to be provided. Parameters info should be treated as sensitive. | A listing of the rules that is typically provided for an on-site examination will suffice. |
|  | A.36 | **A.37** | Is the Integrity Commission included when interpreting ‘requests for info from law enforcement’? | No the Integrity Commission is not included.  |
|  | A.37 | **A.38** | What is this question intended to capture? Requests have widely varying deadlines set by LEAs; FIs also have the ability to request extensions. | The question is intended to identity whether there are undue delays in providing responses to the FIU or LEA and has been reworded for clarity.  |
|  |  |  | **GOVERNANCE** |  |
|  | G.1 | **G.1** | Some of the information being requested is submitted under other reports to the Central Bank and would result in duplication. Consideration should be given to excluding the following requirements:* list of shareholders and their respective shareholdings
* ownership structure and organization chart
 | Where the company already submits the information to the Central Bank under the Insurance Act or the Financial Institutions Act, 2008, it will not be necessary to re-submit the information for completion of this questionnaire.  |
|  | G.1 | **G.1** | In the cells of G.1.1 and G.1.2, recommendation to remove ‘here’ and line for text to allow for the requested info to be populated in the ‘Response’ column. | Agreed. The form has been amended. |
|  | G.2 | **G.2** | It is recommended that a threshold of shareholding be inserted e.g. > xx% as some entities are publicly traded with several shareholders | Agreed. The form has been amended.  |
|  | G.3 | **G.3** | * Define “independent Director”
* What is the purpose of identifying independent directors? What is the reason to provide this for AML/CFT/CPF purposes?
 | * Reference is made to section 4.4 of the Central Bank’s Corporate Governance Guideline.
* The Central Bank’s Corporate Governance Guideline requires the appointment of at least two independent directors to the Board. This information is not easily identified from the institutions’ website. Governance also forms part of AML oversight.
 |
|  | G.4G.20 | **-**  | There is some repetition as follows:* G.4 was already asked in A.3 regarding whether the Board approved the AML/CFT/CPF risk assessment and CP
* G.20 was already covered in G.5
 | Agreed. These questions have been removed.  |
|  | G.4 – G.25 | **G.6 – G.23** | For G.4 to G.25, Consideration needs to be given to which questions apply to “exempt” entities. These questions should then be grouped and addressed to all respondents while the others are directed to “non-exempt” entities. | A simplified questionnaire has been developed for the exempt institutions and will be issued under separate cover.  |
|  | G.9 | **G.7** | Define “Senior Management” | Please refer to POCA Section 55C (3).  |
|  | G.16.4G.17 | **G.14.4****G.15** | For G.16.4 and G.17, The questions relating to the internal and external audit are not yes or no questions. However the drop downs only give the options to answer yes or no. | Agreed. The form has been amended.  |
|  | G.17 | **G.15** | For G.17, is this the date the last external audit was completed/ submitted or the period covered.  | This refers to the period covered. The form was amended for clarification.  |
|  | G.20.3 | **G.18.3** | Regarding the summary topics covered in AML/CFT/CPF training, It would be more practical to provide a checklist of areas that should be covered in training so that companies can select as appropriate. This would also serve to inform insurers of areas that are not being covered but should be covered/ considered. | AML/CFT/CPF training can be on a wide range of topics and tailored by each institution for various categories e.g. new employees, existing employees, agents, directors, compliance officers etc. Therefore the drop-down may not be appropriate to cover all areas. |
|  |  |  | **GENERAL COMMENTS** |  |
|  |  |  | Please clarify whether “exempt institutions” would be required to complete the questionnaire. If the company indicates that it is only involved in general insurance business or exempt products under the Business Tab, the Questionnaire should hide or grey out the sections that do not apply. At a minimum, “not applicable” should be included as an option in the relevant response section. | A simplified questionnaire has been developed for the exempt institutions and will be issued under separate cover.  |
|  |  |  | Some of the questions are not applicable to bureau business however there are no options to select “Not Applicable”. More specifically, our relation with customers is not account-based i.e. we do not hold customer accounts (e.g. A.18, A.11-A..12.3, B11). | The form has been amended to include “Not applicable” as an option.  |
|  |  |  | Include a Glossary of terms for uniformity and to avoid misinterpretation or ambiguity of terms:* “Agents”: (e.g. G.18.5) - what we may define as agents may not be what is meant in this context?
* “the current reporting period”: Is it Jan-Dec or whatever the entity’s financial reporting period is?
* “Money and Value Transfer Services “
* “Remittance Service Providers”
* “Wire/funds transfer”
 | The terms used in the questionnaire are the terms used in AML legislation and guidelines and therefore these should be referred to for clarity. Further, * Agents in this context refer to insurance agents. The question has been reworded.
* the current reporting period is the institutions’ financial reporting period
* Money or value transfer services (MVTS) refers to financial services that involve the acceptance of cash, cheques, other monetary instruments or other stores of value and the payment of a corresponding sum in cash or other form to a beneficiary by means of a communication, message, transfer, or through a clearing network to which the MVTS provider belongs. An example of this would be SWIFT. A Remittance Service Provider generally includes any business that transmits money or provides foreign currency exchange such as [Bureaux de change](https://en.wikipedia.org/wiki/Bureaux_de_change), or cashes cheques or other money related instruments.
* a wire transfer is a transfer of funds done electronically across a network either locally or internationally.
 |
|  |  |  | There should also be a N/A option included with the Yes/No fields so this can be selected if it does not apply to the FI. | The form has been amended to include “Not applicable” as an option. |
|  |  |  | Given an External Audit is completed annually, the form appears to be onerous and many of the answers/responses can be found in such audit.  However, we recognize that there are details which may be not be included.  As such, we would recommend that the Auditors may be tasked with collecting the information for greater ease of collation.   | This comment is noted and will be considered in any future revisions to the Questionnaire.  |
|  |  |  | The document is extensive and beyond the initial assessment and it would be onerous to request this level of detail on subsequent periodic reviews. Hence a more targeted questionnaire can be used for follow up evaluations.  | This comment is noted and will be considered in any future revisions to the Questionnaire.  |
|  |  |  | Is the intention to include completion by mutual funds or only the corporate entity registered with the Central Bank under the FIA e.g. Guardian Group Trust Ltd is the company registered under the FIA but it owns a number of mutual funds. Clarity is needed as to the extent to which the company is required to complete the questionnaire.  | The questionnaire will be applicable to each institution licensed and registered under the Central Bank.  |
|  |  |  | Can this document also be used to meet the requirements of a national risk assessment? That may be helpful in achieving both a self-assessment of the bank and a national risk assessment which the banks need. | This comment is noted and will be considered for feasibility.  |
|  |  |  | This document does not consider emerging AML/CFT/CPF risks for banks, which it should e.g. refugee accounts, TF etc. It should ask questions on that. | The form has been amended to include a question on migrant/refugee accounts.  |
|  |  |  | This document does not consider sanctions or country high risk monitoring that we are required to do by law. It touches upon sanctions screening, but not monitoring against high risk countries or sanctioned ones. This document does not sufficiently consider compliance with TF reporting e.g. reporting immediately and quarterly. | The form has been amended to include questions specifically addressing economic sanctions.  |
|  |  |  | Will the spreadsheet be open for manipulation, for example extending the size of the columns and placing attachments? | The institution may expand the size of the columns but may not amend the questions or the format of the spreadsheet.  |
|  |  |  | Separate questions into two categories – Individual and Company  | All questions apply to a licensed or registered financial institution.  |