

COMPIAS TIMES

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If you have any suggestions, feedback and/or topics you would like us to cover, please drop us a note at compliance@pias.asia

We look forward to hearing from you!

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Refresher On Anti-Money Laundering/ Countering the Financing of Terrorism (AML/CFT)

Definitions of ML/FT

- Money Laundering (ML) : The process intended to mask the benefits derived from criminal conduct so that they appear to have originated from a legitimate source.
- Financing Terrorism (FT) : The wilful provision or collection, by means, directly or indirectly, of funds with the intention that the funds should be used, or in knowledge that they are to be used, to carry out terrorist acts.

Money Laundering

- There are 3 stages of Money Laundering – Placement, Layering and Integration.
- The United Nations Office on Drugs and Crime (UNODC) conducted a study to determine the magnitude of illicit funds generated by drug trafficking and organised crimes and to investigate to what extent these funds are laundered. The report estimates that in 2009, criminal proceeds amounted to 3.6% of global GDP, with 2.7% (or USD 1.6 trillion) being laundered.



Source: http://www.gopacnetwork.org/Docs/GOPAC_AML_ActionGuide_EN.pdf

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Refresher On Anti-Money Laundering/ Countering the Financing of Terrorism (AML/CFT)

Financing Terrorism (FT)

- Terrorism seeks to influence or compel governments into a particular course of action or seeks to intimidate the public through the use or threat of violence, causing serious damages to health or safety of the population or disruption of key public services or infrastructure etc.
- Financing terrorism is the act of providing funds to terrorists to carry out terrorism.
- Sources of funds may be illegitimate or legitimate:
 - Illegitimate source derived from criminal activities such as kidnapping, extortion, fraud or drug trafficking etc.
 - Legitimate source derived from membership dues, donations, legitimate business operations etc.
- The funds involved may not necessarily be large or complex, thus it may difficult to detect and we should remain vigilant.



Source: <https://www.rand.org/topics/terrorism-financing.html>

How is AML/CFT performed in PIAS?

- We have put in place robust controls to detect and deter the flow of illicit funds through PIAS. Such controls include:
 - Financial Planner to identify and know our customers,
 - Daily screenings of all customers including existing and new clients,
 - Enhanced due diligence on Politically Exposed Persons (PEPs), High Risk Clients such as those from Very High Risk countries or clients that committed some crimes etc.
 - Transaction monitoring is conducted frequently,
 - Liaise with the representative(s) to request for more information on customers when required
 - Assess and report any suspicious transactions

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Differing Client Signature For iFAST Trade Submission

Discrepancy In Signature of Client

Signature Discrepancy is flagged by iFAST if there is a difference in signature of Client in the iFast Application form when compared to the Client’s previous Application with iFast.



Sample Email Received From iFAST

Subject: Rejected trade submission due to signature discrepancy

Hi all,

We are unable to process the following submission as the client's signature differs from the one on the account opening form:

Account	Client Name	FA Rep	Submission Mode	Transaction Type
XXX	XXX	XXX	Transaction form	Buy, Switch, RSP

We require you to reply to this email within 3 working days with one of the following:

- 1) We should process the submission. You confirm the submission's authenticity and that the verification was done by an independent person i.e. non-sales staff. Please provide us with the client's contact number as we may call him/her for verification on a sample basis; any discrepancy found will be reported accordingly.
- 2) We should not process the submission. Please provide us with the reason for the differing signature. We will then close the case and treat the submission as null and void.

Notes:

If we do not receive a reply from you within 3 working days, we will treat the submission as null and void. You are still required to provide us for the reason for the differing signature.

If your confirmation comes >3 working days after the signed date on the form, you are also confirming that the client still intends to proceed with the CPF trades (if any).

We will not update the signature in our records. This means that future submissions with the same signature may also be rejected. To update the signature, please advise the client to visit our office with his/her ID document.

For further enquiries, please feel free to contact iFAST FA Helpdesk at 6557 2000, or email us at ifastadmin@ifastfinancial.com

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Differing Client Signature For iFAST Trade Submission

Email To Representative

Upon receipt of signature discrepancy alert from iFAST, RM&C Department will request for the below information from the affected Representative:

- Email confirmation on authenticity of the above Client’s transaction;
- Plausible reason(s) for the differing signature of Client; and
- Client’s latest contact number for verification purposes.

Timeline	Rationale
A PIAS Representative is expected to revert with the above information within 3 working days	If iFAST does not receive a reply from PIAS within 3 working days, iFAST will treat the trade submission as null and void.

Point To Note:

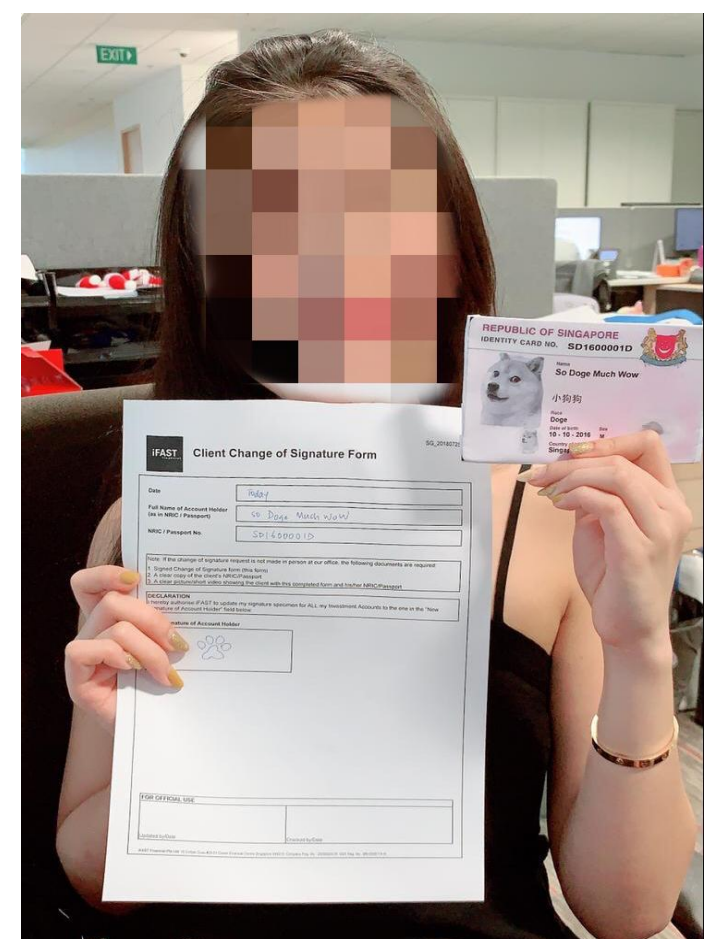
Based on the email confirmation above, iFAST will not consider the differing signature to be the Client’s signature in their records. This means that future submissions with the same signature may also be rejected. A Client is still required to update his/her signature with iFAST (Refer to below for rectification details).

Rectification Of Differing Signature of Client

A PIAS Rep or the Client will submit an iFAST Change of Signature Form to iFAST in addition to the following :

1. A clear copy of Client's NRIC/Passport
2. A clear picture/short video showing the Client with this completed form and his/her NRIC/Passport

Sample



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