



Lao People's Democratic Republic
Peace Independence Democracy Unity Prosperity

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**The National Committee for Anti-Money Laundering
and Counter-Financing of Terrorism**

No: 01/NCC

Vientiane Capital, dated: 15 January 2016

Agreement
On Know Your Customers and Customer Due Diligence

- Pursuant to the Law on Anti-Money Laundering and Financing of Terrorism no: 50/NA, dated 21 July 2014;
- Pursuant to the Prime Ministerial Decree on Actions of the National Committee for Anti-Money Laundering and Counter-Financing of Terrorism, no: 364/PM, dated 13 October 2014;
- Pursuant to the Request from the Anti-Money Laundering Intelligence Unit, No: /AMLU, dated 15 January 2016

**The Chairman of the National Committee for Anti-Money Laundering and
Counter-Financing of Terrorism Issues This Agreement:**

Section 1
General Provisions

Article 1 Objectives

The objectives of this agreement is to expand on Articles 20, 21 and 22 of the Law on Anti-Money Laundering and Counter-Financing of Terrorism (AMLCFT) in order to strictly implement the work of AMLCFT at the reporting unit level to be efficient and effective.

Article 2 Scope

This agreement is for use with reporting units as specified in Article 17 of the Law on AML/CFT throughout the country.

Article 3 Know Your Customers

Know Your Customers is the collection of information and evidence or documents

which **verifies the identity** of the customers by the reporting entities while providing service or establishing business relationships as specified in Article 7 of this agreement then record or copy the document sufficiently and correctly including keep the records as specified in Article 21 and 28 of the Law on AML/CFT.

Article 4 Customer Due Diligence

Customer Due Diligence is the proving of information and evidence or documents related to customers and transactions of customers that reporting units have collected in order to verify the facts about the customer and the transactions of the customer completely and clearly as specified in Article 11 of this agreement which is depend on the risk level of the customer as specified in Articles 20, 23, 24 and 28 of the Law on AML/CFT.

Article 5 Definition

Terms used in this agreement have meanings as follows:

- 1. Verification of identity means:** procedures that reporting units specify for their customers to show their identity every time by giving evidence or documents in order to verify their identity as legally correct before giving service or creating business relationships, which may be individuals, legal entities or organizations both domestic and foreign as specified in Article 7 of this agreement;
- 2. Transactions means:** transactions as specified in clause9 Article 8 of the Law on AML/CFT;
- 3. Credible information source means:** information that people or individuals, legal entities and organizations may access or disseminate generally which is information that a government agencies has created to help in research, , verifying, indentify or informing of information on a topic which may be paid for or not paid for in order to access or receive of such information;
- 4. Legal Arrangement or Legal Entity Arrangement means:** a legal agreement for individuals, legal person or organizations where one party has the right to control, possess, use, benefit, buy-sell or manage a fund or asset through any method for the benefit of an individual, legal person or organization of the other party or the beneficial ownership which has the power to control, supervise and make a decision related the activities of the legal arrangement or legal entity arrangement;
- 5. Beneficial owner means:** an individual as specified in Clause 11 Article 8 of the Law on AML/CFT;
- 6. Political exposed persons means:** individuals as specified in Clause 12, 13, 14 and 15 of Article 8 of the Law on AML/CFT;
- 7. Numbered account means:** an account opened by a customer in a commercial bank or financial institution but does not reveal the name of the account holder or the account owner and uses a numerical or alphabetical code instead, so that the account holder or account owner is not revealed so that deposits-withdrawals or other transactions can be made as normal;
- 8. Anonymous account means:** a deposit account as specified in Clause 24 of Article 8 of the Law on AML/CFT;

- 9. Fund means:** fund or property as specified in Clause 5 of Article 8 of the Law on AML/CFT;
- 10. Identification means:** information of customers, beneficial owner or beneficiary from the business relationship or customer's transactions such as: name, surname, age, occupation, date of birth, place of birth, current data on contacts and other necessary information.

Article 6 General Principles

To implement all measures in this agreement has to follow the principles:

1. Ensure the implement of measures in this agreement without tipping-offs customers and confidentiality of related staffs in reporting entities;
2. Ensure that its verifies the identity, identification and collect information related to the actual customers;
3. Ensure consistency in the implementation of this agreement and the internal regulations of reporting entities.

Section 2

Executing Know Your Customer

Article 7 Measures to Know Your Customer

Reporting entities must Know Your Customer by inform the customers to present their verification documents as specified in Article 21 of the Law on AMLCFT.

Each instance of Know Your Customer, the reporting entities must verify the identity of the customer and keep information and evidence or legal verification documents of the customer for each circumstance as specified in Article 8 through Article 11 of this agreement.

Article 8 Know Your Customer for Individuals

To Know Your Customer, in the event that it is an individual, the reporting entities must at least collect information and evidence or documents of the individual as specified in Clause 1 and Clause 2 of this Article.

1. For individuals who are Lao:

- Name and surname;
- Date of birth;
- ID Card;
- Age and occupation;
- Address as the house registration or census book and current address;
- Name and location of workplace;
- Contact information such as: telephone or residential address and email address;
- Handwriting along with signature;
- Other information necessary or as specified by the Anti-Money Laundering Information Office (AMLIO).

2. For individuals who are foreign or resident alien:

- Name and surname;
- Date of birth;
- Nationality, age and occupation;
- ID Card and passport issued by the government of the country of nationality along with copies;
- Resident alien card (if a resident alien in the Lao PDR);
- Address as the house registration or census book and current address both in the home country and in the Lao PDR;
- Name and location of workplace both in the home country and in the Lao PDR;
- Contact information such as: telephone or residential address and email address;
- Handwriting along with signature;
- Other information necessary or as specified by the Anti-Money Laundering Information Office (AMLIO).

Article 9 Know Your Customer for Legal Person

To Know Your Customer, in the event that it is a legal person, the reporting entities must at least collect information and evidence or documents of the legal person as following:

- Name of the legal person;
- Office address;
- Contact information, such as: telephone, fax and official email address;
- Enterprise registration number and copy of enterprise registration that is not yet expired and copies of these documents;
- Business operation license number and copy of the business operation license that is not yet expired and copies of these documents;
- Tax registration number and copy of the tax registration that is not yet expired and copies of these documents;
- A letter or document with handwriting or a signature along with name and company seal of both the grantor and receiver of authority to make transactions or create business relationships on their behalf;
- The receiver of authority to make transactions or create business relationships on behalf of the legal person must follow Article 8 of this agreement;
- Other information necessary or specified additionally by the AMLIO.

Article 10 Know Your Customer for Organizations and Non-Profit Organizations

To Know Your Customer, in the event that it is an organization or a non-profit organization (NPO), the reporting unit must at least collect information and evidence or documents of the organization or NPO as specified in Clauses 1 and 2 of this Article.

1. For organizations:

- Organization name;
- Location;
- Contact information, such as: telephone, fax and official email address;
- A letter or document regarding the objective of conduct transactions or creating business relationships each time;

- A letter appointing or granting authority in conduct transactions each time from the organization;
- A letter or document with handwriting or a signature along with name and company seal of both the grantor and receiver of authority to make transactions or create business relationships on the organization's behalf;
- Other information necessary or specified additionally by the AMLIO.

2. For NPOs:

- NPO's name;
- Location;
- Contact information, such as: telephone, fax and official email address;
- A letter or document regarding the objective of conducting transactions or creating business relationships each time and copies of each document;
- A copy or a document registration or certifying or licensing the operation of activities or business from a relevant agency of government;
- A letter or document with handwriting or a signature along with name and company seal of both the grantor and receiver of authority to make transactions or create business relationships on the NPO's behalf;
- The receiver of authority to make transactions or create business relationships on behalf of the NPO must follow Article 8 of this agreement;
- Other information necessary or specified additionally by the AMLIO.

Article 11 Know Your Customer for Legal Arrangement or Legal Entity Arrangement

Know Your Customer, in the event that it is a legal arrangement or legal entity arrangement, the reporting entities should at least gather information and evidence or documents such as:

- In the event that it is an legal arrangement, Article 8 of this agreement should be followed;
- In the event that it is a legal entity arrangement, Article 9 of this agreement should be followed;
- A letter or document regarding the registration of the legal arrangement or legal entity arrangement and copies of each document;
- Other information necessary or specified additionally by the AMLIO.

**Section 3
Risk Management**

Article 12 Risk Management

Reporting entities must comply the principles of assessing and managing risk of money laundering and financing of terrorism as specified in Article 20 in the Law on AMLCFT and should improve their own policies, principles, procedures or regulations per the standard conditions specified by the AMLIO periodically.

Reporting entities must assess and manage risk on the basis of at least identifying, valuing, monitoring and mitigating the risk of money laundering and financing

of terrorism which may arise in themselves, for instance existing or new products, existing or new methods for conducting business, methods or procedures in servicing or conducting business, the use of new technology in servicing or conducting business. If risks are found, there must be appropriate measures in order to mitigate the risk of money laundering and financing of terrorism before servicing, conducting business and creating business relationships with new and old customers.

Reporting entities must consider the intensity of measures for customer due diligence for all of their customers in accordance with the risk of money laundering and financing of terrorism of the customer. If the customer has a high level of risk, deep measures must be implemented for customer due diligence. If the customer has a low level of risk, simply measures must be implemented for customer due diligence which must be counted as part of policy, procedures, principles or regulations in assessing and managing their risk. For information and evidence or identity verification documents of various customers which are considered in the management of risk of money laundering and financing of terrorism, which are stored, the information must be verify and update information regularly until cessation of relationship with the customer.

Reporting entities must comply policies, procedures, principles or regulations in assessing and managing their risk as specified in Paragraphs 2 to 3 of this Article while serving, processing transactions and creating business relationships or while ceasing the service, the processing of transactions and the creation of business relationships.

Article 13 Risk Management for Low Risk Customers

The reporting entities must conduct the risk management as defined in Article 12 of this agreement and consider the risks on money laundering and financing terrorism as the risk factors as follows:

1. Risk factors from customer must consider at least following:

- ☐ customers who conduct transactions or business relationship on behalf of organization or state enterprise as defined in no 1 of article 10 in this agreement as clearly;
- ☐ customer who is organizations or state enterprises as defined in no 1 of article 10 in this agreement as clearly;
- ☐ customer who was legal person which is the public company, registered in the stock market and enough transparency;
- ☐ customer who was legal person which is establish business relationships with a good performance on anti-money laundering and financing terrorism;
- ☐ other factors that determined by AMLIO.

2. Risk factors on products and services, conducting transactions or channel of service must consider at least the following:

- ☐ the project on pension, retirement or fund of retirement or similar project for benefits of retirement of employees by cut the part of salary's staffs, wages and not allow members to transfer benefits to another person;
- ☐ products or financial services are appropriate service and within the limits specific types of customer can access that services;
- ☐ other factors that determined by AMLIO.

3. Risk factors from areas or countries must consider at least the following:

- ☐ areas or countries has been trust by assessment on money laundering and financing of terrorism are effective from international organizations;
- ☐ areas or countries that have been assessed by international organizations that corruption or other crime are in low levels;
- ☐ areas or countries was assessed or determined by AMLIO that the country has a good effective on money laundering and financing of terrorism;
- ☐ other natures that determined by AMLIO.

Reporting entities must consider that its customers have low risk on money laundering and financing of terrorism for the purposes of verify data or evidence to identify its customers, but they have to take measures on customers due diligence and on-going monitoring the movement of the transactions.

Article 14 Managing Risk for High Risk Customers

The reporting entities must implement the risk management as specified in article 12 of this agreement and to consider the risks of money laundering and financing of terrorism as risk factors as follows:

1. Risk factors that caused from customers to consider at least as following:

1.1. In case of the identification of the customer or the beneficial owner indicates that the customers or the beneficial owner has any features as follows:

- ☐ the structure of stakeholder is complex or unusual when compared with the nature of business;
- ☐ the political exposed person;
- ☐ conducting business or a profession with high risk;
- ☐ conducting business or active transactions of customers using the cash which does not consistent to business customers;
- ☐ no Lao nationality or not lives in Lao PDR;
- ☐ legal person or legal arrangement has settled other's funds.
- ☐ legal person who was hold of shareholders or shares issued in the form of anonymous holder;
- ☐ considered that evidence of customers is a high risk customers;
- ☐ other factors that determined by AMLIO.

1.2. In the event of the result of verify was found that the transactions or business relationships of customer has conducted in a unusual manner.

2. Risk factors on products and services, conducting transactions or channel of service must consider at least the following:

2.1. Establishing the business relationships or transactions with legal person who has no enterprise registration or license on conducting business, or illegal;

2.2. Establishing the business relationships or transactions that are not revealed real name;

- 2.3. Establishing the relationships business or transactions with non-face to face operation;
 - 2.3. Receive money transfer from unknown people or not relevant third party;
 - 2.4. other factors that determined by AMLIO.
3. Factors as risks from high risk areas or countries such as the customer is temporary or permanent, occupation, source of income or active transactions in high risk areas or countries on money laundering and financing of terrorism as defined by AMLIO and relevant agencies in each period.

The reporting entities must take the risk factors as defined in paragraph 1 of this article to consider the risk of customer as strictly in the case of reporting entities was assessed on risk factors with other information of customers, if it is as defined in the paragraph 1 of this article, the reporting entities must define a customer as a high risk customer and must take a deep measures on customer due. The reporting entities may consider other factors such as channel providers, type of transaction, type of financial products and information of the customer's lists from other source to be factors to determine high risk with the risk factors as set in paragraph 1 of this article.

Section 4

Customer Due Diligence

Article 15 Measures for Customer Due Diligence

Reporting entities must perform a measures for customer due diligence as specified in Paragraph 2 of this Article by referring to assessing and managing risk as specified in Article 12 of this agreement in order to known or verify the customer as specified in Article 7 of this agreement, ensure that the use of information and evidence or documents are correct or legal which are the customer's own and not someone else's including the beneficial owner of the transaction or the business relationships that the customer is building or carrying out that are unrelated, unconnected, unlinked to money laundering or financing of terrorism or other predicate offence .

Reporting units must perform a measure for customer due diligence for their own customer as follows:

1. Identification of customers and checks to verify information and evidence or documents that the customer uses to verify themselves from reliable sources;
2. Identification of the beneficial owner of customer and perform the appropriate measures to check and verify the identity of beneficial owner for legal arrangement and legal entities arrangement including the ownership structures and the control of customer of the legal arrangement and legal entities arrangement ;
3. Perform the necessary measures in appropriate situations in order to request information on the objectives and type of business relationship;
4. Verify in order to know the facts regarding business relationships of customer continuously and verifying the conducting of transactions during the entire

period of building their relationship in order to be able to know that the transaction made by the customer is in accordance with existing information provided by the customer;

5. In necessary circumstances, there should be a measure in order to know the source of funds or revenue of the customer.

In addition, the reporting entities must implement Clauses 1 through 5 of Paragraph 2 of this Article, reporting entities must verify information of customer and beneficial owner of the costumer with information related to lists of individuals, legal person or organizations as follows:

1. Individuals, legal person or organizations which are specified on lists of individuals, legal person or organizations in resolutions of the Security Council of the United Nations regarding terrorism or financing of terrorism;
2. Individuals, legal person or organizations which are specified on internal lists of the Lao PDR.

Reporting units must perform measures for customer due diligence for the new customers or the existing customers with special care through the use of these measures so that the customer does not realize or know that they are facing measures for customer due diligence. In the event that it is found that their measures for customer due diligence are a warning to customers that they are facing such measures, reporting entities may consider the ending of such measures for customer due diligence and report the suspicious transaction report of money laundering or financing of terrorism to the AMLIO.

Article 16 The perform of Measures for Customer Due Diligence During Service or Creating Business Relationships with the Customers

Reporting entities must perform measures for customer due diligence during service or creating business relationships with their customers in each situation as specified in Paragraph 1 of Article 22 of the Law on AML/CFT.

In addition, reporting entities must carry out Paragraph 1 of this Article but also perform the measures for customer due diligence in circumstances as follows:

1. When creating business relationships with their customer;
2. Customer occasionally make transactions which have value of 100,000,000 kip (one hundred million kip) or more or equivalent;
3. Customer occasionally transfer funds which have a value of 8,000,000 kip (8 million kip) or more or equivalent;
4. There is information or suspicious that conduct a transaction or creating business relationships of the customer is the money laundering and financial of terrorism.

Article 17 Deep Measures for Customer Due Diligence

After the reporting entities had conducting the risk management as specified in article 14 of this agreement, if the customer has high risk in money laundering or financing of terrorism the reporting entities must take deep measure for customer due diligence as least following:

1. Determine more procedure or request more information from the customers such as the information or evidence in operation or activities of business, sources of capital or income and information about the purpose of conducting transactions or business relationship. To determine this procedure, should consider the business relationship with the reporting entities that reliable in anti-money laundering and financing of terrorism as a reason to request more information.
2. Determine the senior manager to approval in conducting transactions or establish a business relationships with high risk customers and approve the procedure to verify the information through the customer due diligence in case of customers have high risk, which may cause to make reporting entities to be the tools or source of money laundering and financing of terrorism. Reporting entities must deny or cease the relationships in transactions or business relationships with the customers and report the suspicious transactions report of money laundering or the financing of terrorism to the AMLIO.
3. Determine the procedures to detect the financial movement of high risk customers as strictly by considering increasing frequency, step or track the business relationship and transactions, and also more frequently check the identity and those beneficial owner of customer and reporting entities must conducting these procedure as regularly.

Article 18 Simply Measures for Customer Due Diligence

After the reporting entities has conducted the risk management as defined in Article 13 of this agreement, if the customer has low risk in money laundering or the financing of terrorism, the reporting entities should consider the level strictly monitoring information and take a simply measures customer due diligence as least the following:

1. Downgraded the strictly to request information and evidence or document to verify the customers by considering the type of customer, transaction, product of financial, value of transactions, financial activities and business relationship business;
2. Downgraded the strictly in verify the information of financial activities and business relationship of customer;
3. Downgraded the strictly in verify the information as current of the customers.

In the event of consideration that customers has low risk with active transactions or activities in a manner that involved or related to money laundering or financing of terrorism, the reporting entities must improve the risk of customers to be a high risk customers and conduct the deep measures customer due diligence immediately.

Article 19 Measures for Customer Due Diligence for those who conduct Transactions on Behalf of Customers (third party)

The reporting entities must take a measure of customer due diligence as specified in Article 15 of the Agreement to a third party ,and must be able to verify that the person is assigned by the customer including identified and verify those persons.

Article 20 Measures for Customer Due Diligence for Politically Exposed Persons

In the case of the customers of reporting entities are politically exposed

persons, beside of the follow the second paragraph of Article 25 of AML/CFT Law, it also need the following:

1. Identify the customer as a high risk customers including take the deep measures of customer due diligence;
2. Identify the customer is which politically exposed persons as defined in Article 13, 14 and 15 of AML/CFT Law;
3. consider to report a suspicious transaction report of money laundering or financing of terrorism to AMLIO immediately;
4. to take the measures to on-going monitory as defined in Article 26 of this Agreement to the customer.

Article 21 Measures for Customer Due Diligence for Legal Arrangement and Legal Entities Arrangement.

Reporting entities must identity, verify and understand the nature of business customers as legal arrangement and legal entities arrangement including the structure of ownership and authority to control the business at least following:

1. determine the customers to identify to verify the information and evidence of legal arrangement and legal entities arrangement by document or evidence as consider as following:
 - 1.1 the document or evidence that can confirm the true identity, name, other form that created by law as follows:
 - ☐ certificate established enterprises;
 - ☐ certificate as financial enterprises;
 - ☐ documents confirmed on partnership;
 - ☐ documents or evidence from another source that can be trusted that can prove name, type and prove that the customer really exists as legal arrangement and legal entities arrangement.
 - 1.2 the power for control and binding legal arrangement and legal entities arrangement including – name-surname of the person whose has a position as executive senior such as the memorandum of understanding, rules, regulations;
 - 1.3 address or location of the office as a registered document from the government. If it had different, they can use the information of current address or location that operating the business.
2. determine the customer must identify the beneficial owner and establish appropriate measure to verify the information and evidence of those customers by consider the following:
 - 2.1 for the legal entities arrangement must following:
 - 2.1.1 requesting the evidence of identity's beneficial owner and power in controlling that legal person such as the person holds more than 25% (twenty five percent) in that legal person.
 - 2.1.2 If there suspected as specified in no.2.1.1 of this article that individual has a power for controlling was a beneficial owner or if there are not the identification as specified in no. 2.1.1 of this article, the reporting entities must identify whose have a power to control of that legal person by other method;

2.1.3 In case the reporting entities cannot identify as specified in no. 2.1.1 and 2.1.2 of this article, the reporting entities must identify and using appropriate measure to verify information and document of customer who has the high position in that legal person.

2.2 for the legal arrangement must following:

2.2.1 identify its founders, managers, supervisors, beneficial owners as agreements or contracts in which to later beneficial owners and the person with the power to control or ownership of funds or property which the legal arrangement that having power management, control, use the results and conducting on buy - sell or administration;

2.2.2 in case the customer or controller has been an enterprise that registered in security exchange, which transparency and disclosure by relevant laws to identify by considering relevant information with the organization of government who has the duty on registered or registered enterprises in security exchange or other sources of information that can be trusted.

Article 22 Measures for Customer Due Diligence for Beneficiaries of Insurance Contracts

In the event of the reporting entities was establish the relationship business or transactions about life insurance or other contract of insurance beside of using the measure on customer due diligence as specified in article 15 of this agreement, the reporting entities also must perform the following:

1. identify the name of individual, legal person, organizations and legal arrangement and legal entities arrangement who was beneficiary from contact of insurance or in the case of the beneficiary has more than one must comply all name as clearly.
2. determine beneficiary from contact of insurance by relevant information with the beneficiary as enough that can identify the beneficiary when required or other benefits stipulated in the contract of insurance as follows:
 - ☐ in the event to determine by special nature or status when they start to make an insurance contracts such as husband, wife, children, siblings, relatives or cousins;
 - ☐ in the event to determine by other nature when make an insurance contracts such as bequests or any conditions that not clear.

The reporting entities must determine in consider the information about beneficiary from insurance contracts to be a factor in managing risks as following:

1. if the beneficiary from insurance contracts as defined in paragraph 1 of this article is a legal arrangement or legal entities arrangement has the risk on money laundering and financing terrorism, the reporting entities must take a deep measures on customer due diligence and conducting a measure to identify and verify the beneficial owner of legal arrangement or legal entities arrangement when required the payment or other benefits as specified in the contract of insurance;
2. if the beneficiary from insurance contracts as defined in paragraph 1 of this article is Politically exposed persons, the reporting entities must verify the information about the relationship between insurance contract owner with beneficiary from insurance contracts that is Politically exposed persons strictly

then inform to the senior manager and approved the payment of insurance contracts;

3. if they had a suspicious when in conducting on no 1 and 2 of this paragraph, the reporting entities have to consider and make a suspicious transactions report on money laundering or financing of terrorism to AMLIO.

In the event that cannot implement on paragraph 1 and 2 of this article, the reporting entities must deny to establish the relationship, refuse to conduct a transaction or stop the business relationship with customer and consider to make a suspicious transactions report on money laundering or financing of terrorism to AMLIO.

The reporting entities must consider to define the customer as a ML/FT low risk customers, when the customer conduct a transactions as below:

1. The life insurance with low premiums such as premiums annually is lower or equivalent 8,000,000 Kip (eight million kip) or pay premiums in once time is lower or equivalent 20,000,000 Kip (twenty million kip);
2. The insurance for pension or retirement that did not withdraw prematurely and contract insurance cannot be the stock guarantee;
3. The life insurance of customer or beneficiary have the right to get payment or other benefits as insurance contracts upon the death, disability or paralysis permanently only without the collect money or dividends or interest with insurance life.
4. Define other conditions on the risk basic approach for lower customer as specified in article 14 of this agreement.

Article 23 Measures for Customer Due Diligence for occasional transaction

In the event of the reporting entities had the business relationship business or transactions with individuals, legal person, organizations and legal arrangement, which did not used to take measures on customer due diligence to this customer both on an occasional or many time continued,, when combined an amount with a high number or equivalent 100,000,000 kip (one hundred million kip) the reporting entities must following:

1. Using the measures on customer due diligence as specified in Article 15 of this Agreement;
2. Verify the business relationship or transaction while servicing or when the end of the service and when there had suspected to be money laundering or financing of terrorism must report to AMLIO immediately.

Article 24 Measures for Customer Due Diligence for Existing Clients

The reporting entities must consider to take the measure on customer due diligence as specified in article 15 of this agreement to existing customer in appropriate time on the basic of the significant and the level of customer's risk, and also consider when the reporting entities should take the measure on customer due diligence for exiting customer and ensure that the receiving information is enough.

Section 5 On-Going Monitoring

Article 25 On-going Monitoring

The reporting entities must review information and evidence of identity's customer in currently including lower and higher risk customer on ML/FT, ensure that the information, document or any news must comply the measure on customer due diligence as specified in article 15 of this agreement and it will keeping as specified in article 28 of AML/CFT Law correctly of each customer in each period.

Article 26 Measures for Continuous Monitoring

The reporting entities must establish the procedure to on-going monitoring with the movement of transactions both low and high risk customers on ML/FT and customer that used to report to AMLIO by using the measure on customer due diligence as defined in Article 15 of the agreement, when the customer conduct transactions again and make a suspicious transaction report on ML/FT to AMLIO.

Section 6 Prohibitions

Article 27 Prohibited Products

It is forbidden for reporting entities to serve, conduct transactions or create business relationships with customers who hide their real name, use false names or aliases or with unclear histories. It is forbidden for reporting entities open a numbered accounts and anonymous accounts for their customer.

Article 28 Tipping-of

It is forbidden for employees, managers, supervisors, directors, board of directors, management assembly and those related to AMLCFT or the use of various measures as specified in this agreement of reporting entities to reveal information or have behavior or actions or through other methods which will make the customer aware that he/she is facing measures of customer due diligence or reporting on suspicious transactions of money laundering or financing of terrorism or any reporting of information on the customer to the AMLIO.

Section 7 Specific Measures

Article 29 Stalling the Transaction

Beside of the postpone transactions as defined in article 29 of AML/CFT law, the reporting entities may consider establish appropriate measures and consistency to its business also in the doing or before establishing the relationship business or service for stalling the transaction that have suspected is ML/FT and in the case of they got the notification as defined in article 30 of this agreement as following:

- ☐ introduction to using service with branches or head quarter office;
- ☐ requirement more the relate and necessary documents;
- ☐ using the specific form for that customer;
- ☐ other methods as appropriate.

When or after conducting the measures under the paragraph 1 of this article the reporting entities must report to AMLIO as immediately.

Using measure any paragraph of this article the reporting entities must ensure that will not make customers aware as defined in Article 28 of this agreement.

Article 30 Implementing Rules of Withholding, Freezing or Seizure of Funds

After the reporting entities has been informed about who is the active, who are involved in or related to money laundering or the financing of terrorism and the list that related to terrorist or financing of terrorism from AMLIO. after that reporting entities must review the customers list immediately and regularly. if detected that clients has a name in lists of the notice. the reporting entities must terminate relationships in business or transactions and withholding funds or assets at the same time they must make a report urgently to ministry of public security and AMLIO to order seized or freezing fund as immediately.

Article 31 Freezing the account's customers

Reporting entities must conducting to withholding and freezing money or fund to its customer who has deposit accounts as immediately without prior notice on the notice as specified in Article 30 of the agreement or get information from the AMLIO and stakeholders.

Section 8 Final Provisions

Article 32 Protection

Employees and related officials will receive protection as specified in Article 11 of the Law on AMLCFT or related laws.

Article 33 Violations for Offenders

Reporting units who do not carry out their duties in reporting as specified in this agreement will face warning and fines as specified in Article 64 and 65 of the Law on AMLCFT.

Article 34 Implementation

It is granted to the reporting units to implement this agreement strictly.

It is granted to the AMLIO to be the owner and coordinate with relevant sectors in the monitoring and inspection of reporting units in the strict implementation of this agreement.

In situations where improvement to the contents is necessary to be periodically adapted to fit the actual circumstances, the AMLIO may issue instructions, directions, notices or regulations in order to improve, expand or remedy such issues.

Article 35 Effectiveness

These instructions are effective from the date of signature onward.

**Chairman of the National Coordination Committee on
Anti-Money Laundering and Counter-Financing of Terrorism**

[Seal and signature]

Dr. Bounpone BOUTTANAVONG