

Praemium International Limited

Client Due Diligence (“CDD”) Guidelines

Why do we need to conduct CDD when taking on clients?

Praemium International Limited (PIL) is regulated by the Jersey Financial Services Commission (JFSC). As a regulated entity, we are required under Jersey’s Anti-Money Laundering (AML) and Counter Financing of Terrorism (CFT) Laws and Regulations to identify and verify all clients. This includes identifying their source of funds (SOF) and depending on several distinct risk factors, evidence of source of wealth (SOW), before we can do business. This is called Client Due Diligence (CDD).

This document is designed as a practical guide to assist your firm in obtaining the necessary CDD information and/or documentation from clients to support their application. Please note that all supporting documents must be in English or be translated into English if in a different language.

How to use this document

The CDD information required is determined by the type of client, and/or their risk rating which is determined by a number of different factors such as their place of residence or registration, the value of the investment, as well as any other client specific factors, for example if the client is a Politically Exposed Person (PEP). For ease of reference we have separated individual and corporate clients into two tables setting out the CDD requirements for each.

Please note that the receipt of accurate and correctly certified documentation at the outset, will assist us in providing a quicker service and take-on process for clients.

This practical guide is designed in six easy-to-follow steps:

CDD documentation steps	
Step 1	Verification of identity and address where <ul style="list-style-type: none"> » Client is an Individual; OR » Client is a Legal Entity Verification includes: photographic evidence and address verification
Step 2	Certifying documents
Step 3	Verifying Source of Funds and Source of Wealth
Step 4	Clients who are Nationals of Prohibited Countries
Step 5	FATCA and Common Reporting Standards (CRS)
Step 6	Send all required documentation to Praemium
Appendix	Country Risk Rating Tables

Step 1 – Verification of identity and address

In order to verify the identity of a client, we require photographic evidence as well as evidence of the residential address. The following table confirms the form(s) of identification and address verification that will be required to support an application based on the residency/nationality of the client(s). As we will not meet the majority of our clients face to face, certified copies of any documentation will be required.

Individual (Sole or joint account)

CERTIFIED IDENTIFICATION EVIDENCE (must be current)	<p>Any two of the following (please note that all identification documents must be in colour):</p> <ul style="list-style-type: none"> • Passport • Driving licence • National ID card <p>Please note that for Jersey, Guernsey and Isle of Man resident customers who have no high risk indicators, one form of identification evidence is acceptable.</p>
CERTIFIED RESIDENTIAL ADDRESS EVIDENCE (must be less than three months old)	<p>Any one of the following:</p> <ul style="list-style-type: none"> • A copy of a recent utility bill (e.g. water/electricity) • A bank statement • Rates/council tax statement • Government correspondence (e.g. National Insurance/ Social Security or income tax statement) • Letter from a suitable certifier (as defined in step 3) verifying residence of the client(s) • Residence visa plus copy of rental/lease agreement • Driving licence (valid and bearing residential address & only if not used as a form of identification) • Locator address – see notes on page 5

Client is a Legal Entity

LEGAL TYPE	LINKS TO RISK CATEGORY 1	LINKS TO RISK CATEGORY 2 or 3
COMPANY	<p>ALL of the information/documentation detailed below is required</p> <ul style="list-style-type: none"> • Certified copy of Certificate of Incorporation (unless this can be sourced from web-based registry) • Certified copy of regulatory licence or registration certificate (unless this can be sourced from the regulators website) confirming licence permissions and any conditions attached to the licensee (where applicable) • Names of all directors and persons holding a controlling ownership and/or interest in the company. • Details of Source of Funds and Source of Wealth <p>In the case of a privately-owned company:</p> <ul style="list-style-type: none"> » Certified copy of structure chart inclusive of all owners/controllers » Names of all persons with a controlling interest (see Client is an Individual section) » Certified copy of Authorised Signatory List <p>Where any of the parties noted above are not individuals, full details will be required for any beneficial owner or any controller with any form of controlling ownership/interest in the entity involved.</p>	<p>ALL of the information/documentation detailed below is required</p> <ul style="list-style-type: none"> • Certified copy of Certificate of Incorporation (unless this can be sourced from web-based registry) • Certified copy of regulatory licence or registration certificate (unless this can be sourced from the regulators website) confirming licence permissions and any conditions attached to the licensee (where applicable) • Certified copy of Memorandum & Articles of Incorporation • Names and CDD for all directors and persons holding a controlling ownership and/or interest in the company • Details and evidence to support source of funds and source of wealth • Certified copy of latest audited financial statements <p>In the case of a privately-owned company:</p> <ul style="list-style-type: none"> » Certified copy of structure chart inclusive of all owners/controllers » Names and CDD on all persons with a controlling interest (see Client is an Individual section) » Certified copy of Authorised Signatory List <p>Where any of the parties noted above are not individuals, full details and CDD will be required for any beneficial owner or controller with any form of controlling ownership/interest in the entity involved.</p>

PARTNERSHIPS	<ul style="list-style-type: none"> • Certified copy of partnership agreement • Certified copy of Certificate of registration (unless this can be sourced from web-based registry) • Certified copy of regulatory licence or an extract from the website of the company's regulator confirming licence permissions and any conditions attached to the licensee (where applicable) • Names of all general and limited partners or anyone holding a controlling interest • Where any partner or controlling party is a corporate, it will be necessary to provide the names of all persons with a controlling interest in the corporate (see Client is an Individual section) • Certified copy of Authorised Signatory List • Details of Source of Funds and Source of Wealth 	<ul style="list-style-type: none"> • Certified copy of partnership agreement • Certified copy of Certificate of registration (unless this can be sourced from web-based registry) • Certified copy of regulatory licence or an extract from the website of the company's regulator confirming licence permissions and any conditions attached to the licensee (where applicable) • Names of all general and limited partners or anyone holding a controlling interest • Where any partner or controlling party is a corporate, it will be necessary to provide the names and full CDD on all persons with a controlling interest in the corporate (see Client is an Individual section) • Certified copy of Authorised Signatory List • Latest audited financial statements • Details and evidence to support source of funds and source of wealth
TRUSTS		
CORPORATE TRUSTEE	<ul style="list-style-type: none"> • Certified copy of regulatory licence or registration certificate or an extract from the regulator website (where applicable) • Certified copy of Certificate of Incorporation (unless this can be sourced from web-based registry) • Certified copy of the Trust deed • Certified copy of Deed of Appointment of Trustee • The names of all directors and all parties with a controlling ownership/interest or who exert control over the Trust (as per Individual Section) • Names of all Trustees (as per Individual Section) • Certified copy of Structure Chart • Certified copy of Authorised Signatory List of the Trustees • Confirmation on Source of Funds and Source of Wealth for Settlor or anyone who has settled capital into the Trust 	<ul style="list-style-type: none"> • Certified copy of regulatory license or registration certificate or an extract from the regulator website (where applicable) • Certified copy of the Certificate of Incorporation (unless this can be sourced from web-based registry) • Certified copy of the Trust Deed • Certified Copy of Deed of Appointment of Trustee • The names and CDD of all directors and all parties with a controlling ownership/interest or who exert control over the Trust (as per Individual Section) • Names and CDD on Trustees (as per Individual Section) • Certified copy of Structure Chart • Certified Copy of the Authorised Signatory List of the Trustees • Confirmation and evidence for Source of Funds and Source of Wealth for Settlor or anyone who has settled capital into the Trust • Certified copies of Financial statements and/or audited financial statements • Certified Copy of the Memorandum and Articles of Association
INDIVIDUAL TRUSTEE	<ul style="list-style-type: none"> • Certified copy of regulatory license or registration certificate or an extract from the regulator website (where applicable) • Certified copy of Trust Deed • Certified copy of the Deed of Appointment of Trustee(s) • Certified confirmation of Signatories of Trustee(s) • Names, addresses and DOB of Settlor, protector and anyone who has settled capital into the Trust or has a beneficial interest or is the object of power over the Trust • Confirmation on Source of Funds and Source of Wealth for Settlor or anyone who has settled capital into the Trust 	<ul style="list-style-type: none"> • Certified copy of regulatory license or registration certificate or an extract from the regulator website (where applicable) • Certified copy of Trust Deed • Certified copy of Deed of Appointment of Trustee(s) • Certified confirmation of Signatories of Trustee(s) • CDD for the Trustee/s and authorised signatories (see Client is an Individual section) • Evidence of Source of Funds and Source of Wealth for Settlor and anyone who has settled capital into the Trust

For Settlers and Beneficiaries with a vested interest* or an appointed Protector, beneficial owner or object of power please refer to "Client is An Individual" section.

* A vested interest is an entitled benefit, which can be conveyed to a separate party.

Pension Trustee

- Certified copy of regulatory license or registration certificate or an extract from the website of the company's regulator
 - Certified copy of Certificate of Incorporation (unless this can be sourced from web-based company registry) or an extract from the company registry website
 - Certified copy of the regulated pension or savings scheme Certificate.
 - Authorised Signatory List.
 - Certified copy of Deed of Appointment of Trustee (if applicable)
 - CDD for each Trustee (see client is a Natural Person section above).
 - Register of Directors
 - Shareholder register & CDD for all shareholders
- Additional requirements for higher risk relationships where applicable:
- Certified copies of Financial Statements and/or audited financial statements

Please note that we reserve the right to ask for additional information or verification documents as and when required. Legal entities may also be required to provide a detailed AML questionnaire.

PHOTOGRAPHIC EVIDENCE:

We will accept a **certified** copy of two of the following:

- » A current Passport
- » A current National Identity card;
- » A current Driving licence, where the licensing authority carries out a check on the holder's identity before issuing.

Please Note: the copy document MUST be in COLOUR and high resolution (a minimum of 300 dpi). Full page photocopies are preferred,

All documents must be certified and signed (with a "wet" signature) by a Suitable Certifier (as noted in Step 2 including the following wording and details:

"I hereby certify that this document is a true copy of the original and a true likeness of the individual"	
Print Name:	
Signed:	
Date:	
Company name:	Company address;
Telephone No:	Email address:

ADDRESS VERIFICATION:

There are different forms of address verification, such as a utility bill or bank statement as noted within the table above.

All documents must be certified and signed (with a "wet" signature by a Suitable Certifier (as noted in Step 2), including the following wording and details:

"I hereby certify that this document is a true copy of the original"	
Print Name:	
Signed:	
Date:	
Company name:	Company address;
Telephone No:	Email address:

Locator Address:

Where an individual has a valid reason for being unable to produce more usual evidence of their residential address, we can accept the following:

Home visit

We can accept written confirmation from an individual satisfying the criteria for a suitable certifier, that he or she has visited the individual at that address.

Locator address confirmation

If it is not possible to visit an individual's address to verify location, a "locator address" may be obtained. A "locator" address is an address at which it would normally be possible to physically meet or contact an individual (with or without prior arrangement), for example, an individual's place of work. This option should only be used in exceptional circumstances where all other options have been exhausted.

For a locator address confirmation to be acceptable we require a letter from the employer on company headed paper and signed by a duly authorised representative detailing:

- » The name of the employee,
- » Confirming the length of contract with the company (dates to/from)
- » Confirming that the employer has the means to locate and contact the individual on demand
- » Confirmation that the employee is located at their office (address).

Step 2 – Certifying documents

Suitable Certifiers

A suitable certifier must have met the person at the time the documents are being certified. The following individuals are permitted to certify documentation:

- » A Director, officer or manager of a regulated financial services business which is operating in a well-regulated country or territory or of a branch or subsidiary of a group headquartered in a well-regulated country or territory which applies group standards to subsidiaries and branches world-wide and tests the application of and compliance with such standards;
- » A member of the Judiciary, a senior civil servant or a serving police or customs officer;
- » An officer of an embassy, consulate or high commission of the country of issue of the document being used as evidence of Identity;
- » An individual who is a member of a professional body that sets and enforces ethical standards (e.g. Notary);
- » An individual that is qualified to conduct certification services under authority of the Certification and International Trade Committee (e.g. Chamber of Commerce).

Step 3 – Source of Funds and Source of Wealth

We are required to understand the Source of Funds and the Source of Wealth of our clients.

Source of Funds (SOF) – This is the activity which generates the funds associated with this investment (e.g. client's occupation/business activities or transferring a pension or existing investment product). If SOF is from earnings, please detail the job title in the Profession field within the application form. If retired, please state the last employment (e.g. CEO of XYZ Ltd).

Source of Wealth (SOW) – This is distinct from SOF and describes the activities which have generated the total net worth of the client, not just the funds associated with this particular investment. This could be in the form of an inheritance or other business activities. It may be the case that your client's SOF and SOW are the same and this should be noted within the application form.

Evidencing the SOF and SOW

Evidence of SOF and SOW will be required as part of our enhanced due diligence (EDD) requirements if the client is classed as a Politically Exposed Person (PEP) or where they are classified as higher risk. To assist you in understanding how we categorise risk in different countries, please see the [Country Risk Rating tables](#) included in the Appendix. Examples of where a client would be classed as high risk include (this list is not exhaustive):

- » the client is resident in a higher risk jurisdiction;
- » the Adviser is based in a higher risk jurisdiction;
- » SOF/SOW is from a higher risk industry (e.g. oil & gas, military/defence equipment, cryptocurrency, weapons supply/manufacture);
- » SOF/SOW is from a higher risk jurisdiction; or
- » the value of the intended investment is over £500k (or currency equivalent).

Documentary Evidence

The following table provides examples of what is acceptable as evidence of SOF/SOW and one of these documents is acceptable.

Please note that all submitted documents must be correctly certified. More information on the certification process can be found in Step 2 [Certifying Documents](#). Praemium reserves the right to request additional information and/or documentation as we deem necessary.

Retired individuals

Praemium understands that for retired individuals it may be difficult to obtain evidence of source of funds/wealth as retirement may have happened some time ago. In these circumstances, it is acceptable for a letter to be provided from a regulated firm or someone who would be considered as a suitable certifier, noted above, confirming how the wealth was accumulated.

Individuals not in employment

If an individual is not currently working, we need to understand how the funds being placed into an investment, have been accumulated prior to ceasing employment. It is also common for non-working spouses to establish accounts in their own name and for funds to be paid by the working spouse. In this circumstance, we need evidence of the SOF/SOW for the spouse as per the above guidance.

DESCRIPTION	DOCUMENTARY EVIDENCE (ONE OF THE BELOW)
COMPANY SALE	<ul style="list-style-type: none"> Copy of Share Sale Agreement Copy of letter/statement confirming the sale from either a solicitor/lawyer and/or accountant (regulated)
INHERITANCE	<ul style="list-style-type: none"> Grant of Probate which must include the value of the estate Signed letter from solicitor/lawyer
PROPERTY SALE	<ul style="list-style-type: none"> Copy of the Sale Contract/Agreement Copy of letter/statement confirming the sale from either a solicitor/lawyer and/or accountant (regulated)
INCOME FROM EMPLOYMENT	<ul style="list-style-type: none"> Latest 3 months' payslips Bonus statement (if payment is not included within payslips) Latest set of audited accounts (if self-employed) Bank statements clearly showing receipt of the most recent 3 months regular salary payments from named employer Employer letter confirming annual salary on headed paper and signed by an authorised signatory
SAVINGS	<ul style="list-style-type: none"> Copy of bank statements covering a 3-month period which shows total savings from accumulated wealth. If the statement does not evidence the accumulation, please supply one of the listed documents (e.g. if savings is from income, supply one of the required documents from the income section).
SHARE SALE	<ul style="list-style-type: none"> Copy of the sale document Copy of the Contract Note(s)
INVESTMENT	<ul style="list-style-type: none"> Investment Certificates, Contract Notes or Statement(s) Confirmation from relevant investment company Bank statement(s) showing receipt of payment by investment company name Signed letter from regulated accountant/solicitor or lawyer detailing the investment
PENSION TRANSFERS / SURRENDERED POLICIES	<ul style="list-style-type: none"> Letter from previous product provider regarding notification of proceeds of claim Closing statement from previous product provider
DISTRIBUTION (e.g. from a Trust, Company or Foundation)	<ul style="list-style-type: none"> Letter from the principals of the entity confirming that you are a beneficiary and in what capacity they are acting, together with a copy of the portfolio valuation or similar reflecting the sum distributed Certified copy of the Deed of Distribution
LOTTERY WIN	<ul style="list-style-type: none"> Letter from relevant organisation (lottery HQ, betting shop or casino) Bank statement(s) showing funds deposited by company name Copies of media coverage as supporting evidence (where applicable)
COMPENSATION SETTLEMENT	<ul style="list-style-type: none"> Letter/Court Order from compensating body confirming the amount awarded Signed Letter from solicitor/lawyer confirming the amount awarded to you in settlement

DIVORCE SETTLEMENT	<ul style="list-style-type: none"> • Letter/Court Order from relevant body confirming the amount awarded • Signed Letter from solicitor/lawyer confirming the amount awarded to you in settlement
GIFT	<ul style="list-style-type: none"> • Identification of the Grantor i.e. person gifting the monies (even if this is coming from their account) • Letter from Grantor explaining the gift which clearly records that the monies are a gift • In respect of gifts of £10,000 and above, the person gifting the money to provide evidence as to how they acquired the funds • A copy of the Grantor's bank statement evidencing that the money was paid to the named person as gift. • A copy of the client's bank statement showing the gifted monies being paid into the bank account • If the gifted monies were paid into the client's account 3 or more months ago then we will also require a copy of a current bank statement • Documentary evidence as to the Grantor's source of wealth as detailed in this table and if applicable the client's source of wealth • If the gift is from a spouse and the husband and wife have different surnames, we will require a certified copy of their marriage certificate

Step 4 Clients who are Nationals of Prohibited Countries

As noted within the [Country Risk Tables](#), there are countries where Praemium will not do business with for clients who are resident in or have close links to these countries. However, for nationals of these countries who are living outside of their home country, we may be able to onboard. However, we would need a full understanding of the links the client has to their home country. Please include the following information in the form of a letter on headed paper when sending through the CDD documents:

- » What links the client has to their home country, such as do they visit often;
- » Whether any income is derived from that country;
- » When they left and information on their employment history;
- » Whether there is any intention to return to their home country in the near future

Step 5 FATCA and Common Reporting Standards (CRS)

A TIN or equivalent is required for FATCA and Common Reporting Standards.

This information must be included within the application form. If you have a US reporting requirement please include the relevant W8 or W9 form.

Jersey Residents:

For the purposes of reporting on Jersey residents, under the Inter-governmental Agreements (IGA), the taxpayer identification number (TIN) will be the taxpayer's Jersey social security number. Social security numbers begin with two letters, usually JY, followed by six digits, and a letter: A, B, C, or D. An example would be JY000000A. The TIN for a Jersey entity is the tax reference number, which takes the format of two letters and up to five digits.

Others:

Please find below some examples for what would be classified as a TIN:

- » In the UK, the TIN is the Unique Taxpayer Reference (UTR) or the National Insurance Number (NINO).
- » In Ireland, the TIN is the Personal Public Service Number (PPS No).
- » In the USA, the TIN is either a Social Security Number (SSN) or an Individual Taxpayer Identification Number (TIN).
- » In Hong Kong, the Hong Kong Identity Card (HKID) Number serves as a TIN for individuals;
- » In Singapore, the National Registration Identity Card (NRIC) number is used;

Please Note: Where a jurisdiction does not issue a TIN or other unique identifier, date of birth will be used for reporting purposes.

Step 6 – Send all documentation to Praemium

Once documentary evidence is gathered, please complete the following steps:

1. **Complete** application form identifying:

- » tax domicile;
- » country of residence;
- » Taxpayer identification number;
- » PEP status;
- » SOF & SOW

2. **Attach** required [identification documents](#), including verification of address, and [evidence of SOF/SOW](#) if required and if they are a [national of a prohibited country](#), the letter on headed paper confirming the links to their home country. Include the relevant IRS tax forms (e.g. W8 or certain W9 forms), as appropriate.

3. Submit all paperwork to:

Praemium International Limited
3rd Floor, Salisbury House

1-9 Union Street St Helier
Jersey
JE2 3RF

Alternatively, if based in **Middle East or Asia**, you can send the documents to:

Unit 4, Level 3
Gate Village 8,
PO Box 507343
DIFC, Dubai, UAE,

If you have any questions about the information contained in this document, please contact us as per below:

Phone: +44 (0)1534 765 450

Fax: +44(0)1534 765 459

Email: enquiries@praemiuminternational.com

Appendix - Country Risk Ratings

The following risk rating tables have been established based on evaluations conducted by international bodies such as Transparency International and the Financial Action Task Force (FATF). The ratings tables should be used to assess whether a client has links (such as nationality, residency, business links) to a higher risk jurisdiction (risk category 2 or 3) which could prompt the need for enhanced due diligence.

Please contact us regarding any countries that are not on the list to obtain guidance on acceptability.

Risk Category 1				
Americas		Asia Pacific	Europe and Africa	
Canada		Australia	Austria	Gibraltar
United States		Hong Kong	Belgium	Ireland
		Japan	Channel Islands (Jersey, Guernsey & Alderney)	Isle of Man
		New Zealand	Denmark	Italy
		Singapore	Finland	Luxembourg
			France	Netherlands*
			Germany	Norway
				UAE
				* excluding Aruba, Bonaire, Saga, St Eustatius & St Maarten

Risk Category 2							
Americas		Asia Pacific		Middle East & North Africa	Sub-Saharan Africa	Eastern Europe & Central Asia	
Bermuda	St Lucia	Fiji	Solomon Islands	Bahrain	Cape Verde	Bulgaria	Liechtenstein
Brazil	St Vincent	Korea (South)	Sri Lanka	Jordan	Ghana	Croatia	Lithuania
British Virgin Islands	Suriname	Marshall Islands	Thailand	Kuwait	Namibia	Czech Republic	Macedonia
Dominica	Turks & Caicos	Micronesia	Vanuatu	Oman	Sao Tome & Principe	Cyprus	Monaco
Guyana	Uruguay	Mongolia	Vietnam	Qatar	Seychelles	Estonia	Poland
Puerto Rico		Nauru				Georgia	Slovakia
						Iceland	Slovenia
						Kazakhstan	Tunisia
						Latvia	

Risk Category 3

Americas		Asia Pacific		Middle East & North Africa	Sub-Saharan Africa		Eastern Europe & Central Asia
Argentina	El Salvador	Bangladesh	Maldives	Algeria	Angola	Lesotho	Azerbaijan
Bahamas	Grenada	Bhutan	Nepal	Chad	Benin	Liberia	Greece
Belize	Honduras	Brunei	Papua New Guinea	Egypt	Cameroon	Madagascar	Hungary
Bolivia	Mexico	China	Taiwan	Israel	Comoros	Malawi	Kosovo
Chile	Paraguay	India	Tajikistan	Saudi Arabia	Congo Republic	Mozambique	Moldova
Columbia	Peru	Indonesia	Timor Leste	West Bank / Gaza	Cote d'Ivoire	Niger	Romania
Costa Rica	Sint Maarten	Kyrgyz Republic	Turkmenistan		Djibouti	Nigeria	Turkey
Curacao	St Kitts & Nevis	Malaysia			Equatorial Guinea	Rwanda	Uzbekistan
Dominican Republic	Trinidad & Tobago				Eswatini (Swaziland)	Sierra Leone	
Ecuador					Ethiopia	Tanzania	
					Gabon	Togo	
					Gambia	Tunisia	
					Kenya	Zambia	

At the time of publication of these guidelines, Praemium International Limited will not do business (either directly or through intermediaries) with persons in sanctioned countries and jurisdictions with strategic ML/TF deficiencies.

For clients who are nationals of these countries, please see the guidance in Step 4.

Americas	Asia	Middle East & Africa			Europe and Central Asia
Barbados	Cambodia	Afghanistan	Guinea-Bissau	Senegal	Albania
Cayman Islands	Korea (North)	Botswana	Iran	Somalia	Belarus
Cuba (US dollar only)	Lao PDR (Laos)	Burkina Faso	Iraq	South Sudan	Bosnia & Herzegovina
Guatemala	Myanmar (Burma)	Burundi	Lebanon	Sudan	Malta
Haiti	Pakistan	Central African Republic	Libya	Syria	Montenegro & Serbia
Jamaica	Philippines	Democratic Republic of Congo	Mali	Uganda	Russia
Nicaragua			Mauritius	Yemen	Ukraine
Panama		Eritrea	Mauritania	Zimbabwe	
Venezuela		Guinea	Morocco		

Please note: For existing clients - for any new countries that move onto the FATF 'black' or 'grey' list and would become prohibited under our policy, Praemium will not accept any new monies and clients will be classed as high risk with enhanced due diligence being required.

Praemium International Limited is authorised and regulated by the Jersey Financial Services Commission. Registered in Jersey under company No. 107624 with a registered office address of 3rd Floor East, Salisbury House, 1-9 Union Street, St Helier, Jersey, JE2 3RF. Praemium International Limited is part of the Praemium Group.