ANTI-MONEY LAUNDERING/ COMBATING THE FINANCE OF TERRORISM AND SANCTIONS QUESTIONNAIRE

2024

Guidance for the completion and submission of the Anti-Money Laundering/ Combating the Finance of Terrorism and Sanctions Questionnaire to ICPAC

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THE INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS OF CYPRUS

Contents

Glossary – Definitions - Reference

“Arms Dealing” is the activity of the international trade in conventional arms comprise export, import, transit, trans-shipment and brokering.
Conventional arms comprise the following categories:

- Battle tanks;
- Armoured combat vehicles;
- Large-calibre artillery systems;
- Combat aircraft;
- Attack helicopters;
- Warships;
- Missiles and missile launchers; and
- Small arms and light weapons, including hunting weapons.

“Beneficial Owner” means any natural person(s) who ultimately owns or controls the customer and/or the natural person(s) on whose behalf a transaction or activity is being conducted and includes at least:

(a) in the case of corporate entities:

(i) the natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership of a sufficient percentage of the shares or voting rights or ownership interest in that entity, including through bearer shareholdings, or through control via other means, other than a company listed on a regulated market that is subject to disclosure requirements consistent with European Union law or subject to equivalent international standards which ensure adequate transparency of ownership information.

Provided that-

(a) A shareholding of 25 % plus one share or an ownership interest of more than 25 % in the customer held by a natural person shall be an indication of direct ownership; and

(b) A shareholding of 25 % plus one share or an ownership interest of more than 25 % in the customer held by a corporate entity, which is under the control of a natural person(s), or by multiple corporate entities, which are under the control of the same natural person(s), shall be an indication of indirect ownership.

Provided further that the control by other means can be verified, inter alia, based on the criteria provided for in section 142 (1) (b) and section 148 of the Companies Law;

(ii) if, after having exhausted all possible means and provided there are no grounds for suspicion, no person under sub paragraph (i) is identified, or if there is any doubt that the person(s) identified is the beneficial owner(s), the natural person(s) who hold the position of senior managing official(s):

Provided that the obliged entities shall keep record of the actions taken in order to identify the beneficial ownership under sub paragraphs (i) and (ii);

(b) In the case of trusts:

(i) the settlor;
(ii) the trustee(s);
(iii) the protector, if any;
(iv) the beneficiary, or where the individuals benefiting from the legal arrangement or entity have yet to be determined, the class of persons in whose main interest the legal arrangement or entity is set up or operates;
(v) any other natural person exercising ultimate control over the trust by means of direct or indirect ownership or by other means; and
(c) in the case of legal entities such as foundations, and legal arrangements similar to trusts, the natural person(s) holding equivalent or similar positions to those referred to in paragraph (b);

"Branch" is characterized as a local operating unit or establishment of a company that operates in a jurisdiction separate from its primary place of business. It functions under the control and authority of the parent company, typically incorporated in a different country or jurisdiction. It's important to note that the specific definition and legal obligations associated with a branch can differ depending on the jurisdiction and the applicable legal framework.

"**Client**" for AML purposes, means any person (legal or natural) who seeks to form a business relationship or to conduct a single one-off transaction with an obliged entity in or from the Republic of Cyprus. - article 2 of the L.188(I)2007.

Please note that, for the purpose of completing this questionnaire, the term "client" refers to all individuals or entities who have not been formally disengaged, regardless of whether a service was provided, or an invoice was issued during the reporting period. It is important to consider this definition when answering questions related to client information throughout the questionnaire.

"**Client Acceptance Policy ("CAP")**" is the policy in which the criteria for accepting and categorizing clients are outlined.

"Client accounts" bank accounts that are in the name of the firm and are used for holding client money.

"**Compliance Officer**" means a senior executive with skills, knowledge and expertise in compliance and general financial activities, responsible for handling of the AML/CFT Compliance Program of the firm - Prevention and Suppression of Money Laundering Activities - Directive of the Members of ICPAC paragraph 1.1.1.

"Complex structure" means any corporate structure where, for example three layers of legal persons and/or arrangements interject in the chain of ownership before the UBO. Complex structure may also include the use of multiple jurisdiction and various delivery channels.

"Complex or unusually large transactions" includes any transaction that deviates or is inconsistent with the understanding of client's normal operational management or utilizes different than normal means of payment or appears to be with no apparent economic or lawful purpose.

"**Control of client bank accounts**" represents cases where a member of the firm acts as Director or Signatory of a client in a way that allows control over bank accounts in the name of that client.

'Crowdfunding service' means the matching of business funding interests of investors and project owners through the use of a crowdfunding platform and which consists of any of the following activities:

(i) the facilitation of granting of loans;
(ii) the placing without a firm commitment basis, as referred to in point (7) of Section A of Annex I to Directive 2014/65/EU, of transferable securities and admitted instruments for crowdfunding purposes issued by project owners or a special purpose vehicle, and the reception and transmission of client orders, as referred to in point (1) of that Section, in relation to those transferable securities and admitted instruments for crowdfunding purposes;

"Crypto Asset" means a digital representation of value that is not issued or guaranteed by a central bank or a public authority, is not necessarily attached to a legally established currency and does not possess a legal status of currency or money, but is accepted by persons as a means of exchange or investment and which can be transferred, stored, and traded electronically, and it is not-

(a)fiat currency, or

(b)electronic money, or

(c)financial instruments, as these are specified in Part III of the First Appendix to the Investment Services and the Activities and Regulated Markets Law;

Cyber-surveillance items: means dual-use items specially designed to enable the covert surveillance of natural persons by monitoring, extracting, collecting or analysing data from information and telecommunication system. For more information about the cyber-surveillance items review Article 2(20) of Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items which can be found here.

"EU High-risk third countries" as identified by the European Union

"EU tax list countries" as identified by the European Union

"Group structure" means the group of companies comprising of the holding and subsidiary company or companies as defined in Article 2 of the Companies Law – CAP 113

“High-Net Worth Individuals” means individuals with a Net Worth of at least €3 millions or other thresholds as disclosed and explained in firm’s policy.

“High-risk and non-cooperative jurisdictions” as identified by the FATF

“Initial Coin Offering (ICO)” is the cryptocurrency space's rough equivalent to an IPO in the mainstream investment world. ICOs act as fundraisers of sorts where a company looking to create a new coin, app, or service launches an ICO and interested investors buy in to the offering, either with fiat currency or with pre-existing digital tokens. In exchange for their support, investors receive a new cryptocurrency token specific to the ICO (source: Investopedia).

“Mining” is an integral part of a cryptocurrency network that performs two important functions. First, it is used to generate and release new cryptocurrency tokens for circulation via the cryptocurrency network, and secondly, it is used to verify, authenticate and then add the ongoing network transactions to a public ledger (source: Investopedia).

“Non face-to-face clients” means the clients (or their legal representatives of those clients) who have not been physically present for identification purposes and the firm did not have a face-to-face contact. For such client, enhanced due diligence procedures are performed accordingly as per paragraph 5.7.4 of the ICPAC AML Directive.

“**Politically Exposed Persons (PEPs)**” means the natural persons who are or have been entrusted with prominent public functions in the Republic of Cyprus or in another country, and their immediate family members or persons known to be close associates of such persons - αs defined in article 2 of L.188(I)2007.

“**Principal**” means a member who is a partner, shareholder of a limited company or director, irrespective of the Member’s role as principal of the office – see ICPAC Members Handbook, section 4.100 paragraph 2.

“**Prohibited/intolerable risk”** for the purposes of this Questionnaire, means the risk that the Firm, based on its risk appetite, is unwilling to take and as such would result in termination of/decline of business relationships.

“**Reliance on Third Party**” means the reliance placed on a third party for the implementation of Customer Identification and Due Diligence Procedures. A “third party” could be a credit institution, a financial institution, an auditor, an external accountant, a tax advisor, a trust and company service provider or an independent legal professional from a country which is a member of the European Economic Area or a third country that applies procedures and measures for the prevention of money laundering and terrorist financing equivalent to the EU Directive. Conditions for the reliance are that the third party is subject to professional registration in accordance with the competent law of its country of incorporation and/or operation, as well as supervision for the purposes of compliance with prescribed measures for the prevention of money laundering and terrorist financing.

“Third countries” means any other country that it is not included in the other categories of the referred section.

“Top 10 clients” are the largest clients in terms of the **total annual fees invoiced** to each client and for whom the firm provides any of the services stated in article 4 of the ASP Law (N. 196(I)/2012).

“Subsidiary” A subsidiary, as defined in Article 148 of the Cyprus Companies Law (Chapter 113), refers to a company that meets the criteria set forth in the mentioned article.

Introduction

ICPAC is the competent Supervisory Authority for the purposes of the Prevention and Suppression of Money Laundering Activities Law, for the professional activities of auditors, external accountants, tax advisors and providers of administrative services.

Based on the above, and in line with the Institute’s risk assessment process, each licensed firm is required under paragraph 6(4) of Regulation 4.602 of ICPAC’s Members Handbook, to submit information in relation to the nature of services provided, type of clients and policies and procedures followed to prevent money laundering and terrorist financing as requested in the Questionnaire.

Based on paragraph 3.2.1(j) of ICPAC’s AML/CFT Directive, this Questionnaire should be completed by the Compliance Officers of all firms that hold the below types of practising certificates from ICPAC for their provided services, i.e. General, Audit and Administration Services. The term ‘firm’ includes the following:

- Licensed Limited Liability Companies,
- Licensed Partnerships,
- Licensed sole practitioners (self-employed)

The requirement to complete and submit the Questionnaire relates to all licensed firms, irrespective of whether they were practising in their professional capacity or they were dormant in the effective year and irrespective of whether they belong in a group of companies, which is also required to submit the Questionnaire.

Purpose

This document aims at facilitating the Compliance Officers to complete and submit the Questionnaire, by providing basic guidelines for this purpose.

Questionnaire

All licensed firms are obligated to submit the Questionnaire to ICPAC on an annual basis.

The Questionnaire is part of the Institute’s risk-based assessment tool for off-site surveillance/ monitoring which is used to assess the risk of each licensed firm.

The results of the questionnaire are used to risk categorise the licensed firms, which is one of the criteria used to evaluate the frequency of the monitoring visits.

The Questionnaire is available on the ICPAC Data Portal. For guidance on accessing and using the portal, please refer to the Guide "ICPAC Data Portal – User Guide".

The questionnaire must be completed and submitted within the deadline. Failure to submit the Questionnaire on time will prevent ICPAC from meeting its compliance requirements and will therefore, inevitably give rise to enforcement actions against the firm.

The Questionnaire is available **only** in the English language **and only** in electronic format and covers the reporting period ending **31st December 2024**.

Sections applying only to ASP services

Sections 24-26 apply only to firms providing ASP services as stipulated in article 4 of the ASP Law (L. 196(I)/2012).

Firms holding an ASP License (as indicated in Question 2.3) or report values greater than "0" in Questions 6.2.6, 6.2.7 (ASP related Income), Sections 8.7, or 8.8 (number of clients the firm provides ASP services), then Sections 24, 25, and 26 will become visible and must be completed. For firms that don't hold an ASP License or do not report ASP income nor provide ASP services to clients, then these sections will remain hidden.

Content of the Questionnaire

Mandatory Completion of All Sections in the Questionnaire

All sections of the Questionnaire, including radio buttons, drop-down menus and text boxes need to be completed in full before you can proceed to the next section.

All number fields are mandatory. If there are fields a firm has no information to include, then the number '0' (zero) should be included.

Glossary/Definitions/ Reference section

Any clarification on the terminology can be found in the **Glossary/Definitions/ Reference** section.

Completing the Questionnaire

Section 1: Information

The section is pre-filled with personalised information specific to each firm. The section might take a few seconds to load the relevant information.

Section 2: Firm's ICPAC Practicing Certificate Numbers

The section is pre-filled with personalised information specific to each firm. The section might take a few seconds to load the relevant information.

Section 3: Status of Firm/Non-Practice Declaration

The field is mandatory.

Firms should select their status, i.e., active, dormant or holding.

If a firm selects **"Dormant"** or **"Holding"**, it will **not** be required to complete the remainder of the Questionnaire. However, there is still an obligation to submit a **Non-Practice Declaration**, depending on the type of license held. The appropriate declaration must be completed and submitted via email to **compliance@icpac.org.cy** by the **30 of October 2025**, as follows:

- Firms holding a **General License** must complete the declaration **here**.
- Firms holding an **Audit License** must complete the declaration **here**.
- Firms holding an **ASP License** must complete the declaration **here**.

If a firm holds **more than one license**, it is required to **submit a separate declaration for each license held.**

Section 4: Management

All fields are mandatory.

Notes:

Question 4.2: Firms should disclose the number of individuals appointed in their Board of Directors. If the firm has only 1 director or is a sole trader, you should enter "1" as your response.

Question 4.4: Firms should disclose the total number of individuals employed by the firm and provide directorship services to clients. Firms are reminded of their obligation to **notify ICPAC of the individuals providing ASP services** by completing and submitting the form provided below:

📎 **Notification to ICPAC of natural persons employed by an ASP**

Question 4.5: Firms should disclose the number of individuals employed by the firm and provide trustee services to clients. Firms are reminded of their obligation to **notify ICPAC regarding the provision of services to a trust**, in accordance with **Article 25A(3) of the** ASP Law**.** The relevant notification form can be found at the link below:

📎 **Notification to ICPAC for registration of a trust in the trust registry or for change of information**

Question 4.8: If you answered "yes" to this question, please provide the relevant link pertaining to adverse media or negative news in section 4.8.1.

Question 4.9: A Politically Exposed Person (PEP), as defined in Article 2 of the AML Law.

Question 4.10: this refers to Section 1.3.3 (ix) and 2.1.6 of ICPACs AML Directive.

Question 4.11: Number of subsidiaries. This relates to subsidiaries under the control of your firm. Subsidiaries are defined in Glossary/Definitions above. The number of international network firms, outside the Republic of Cyprus, should **not** be included in the field. In cases where data fall within more than one selection (for example a jurisdiction is included in both FATF and EU tax list), classification should be made in just one.

Question 4.13: Number of branches. This relates to branches under the control of your firm. Branches are defined in Glossary/Definitions above. The number of international network firms, outside the Republic of Cyprus, should **not** be included in the field. In cases where data fall within more than one selection (for example a jurisdiction is included in both FATF and EU tax list), classification should be made in just one.

Section 5: Compliance Department

All fields are mandatory.

Notes:

Question 5.1.1 & 5.1.2: Use this guide to check your firm's appointed Compliance Officer with ICPAC, along with the corresponding email address.

Question 5.3: The Law stipulates that the Compliance Officer must be a senior management official, with sufficient skills, experience and knowledge on AML/CFT and compliance matters and as such you are required to confirm compliance and state the position the Compliance Officer holds.

Section 6: Financial Information

All fields are mandatory. Amounts included must be reported in Euro (€). The **full amount** should be disclosed. No punctuation should be included for decimal or thousand separation.

Notes:

Question 6.1.1: This question applies only to legal entities (firms) which have submitted financial statements or to individuals who submitted an annual tax return form.

Question 6.2: Firms should report figures from the audited financial statements for the year ending 31 December 2024. If the audit has not yet been completed, unaudited figures should be disclosed instead (based on a trial balance, management accounts etc).

Question 6.3: Firms should report figures from the audited financial statements for the year ending 31 December 2023. If the audit has not yet been completed, unaudited figures should be disclosed instead (based on a trial balance, management accounts etc).

Questions 6.2.1 – 6.2.10 and 6.3.1 – 6.3.10: Amounts included must be reported in Euro (€). The full amount should be disclosed. **No punctuation** should be included for decimal or thousand separation.

Question 6.2.6, 6.2.7, 6.3.6 and 6.3.7: Income arising from the 'corporate secretarial and administration services' and 'management or administration of trusts', refers to the services stipulated in article 4 of the L. 196(I)/2012 (ASP Law).

Question 6.2.6.1 and 6.2.7.1: Income derived from the provision of services specified in Article 4 of Law 196(I)/2012 (the ASP Law), including the "management or administration of trusts" and "corporate secretarial and administration services" and applies to situations where these services are provided and invoiced by **fully owned subsidiaries** of the firm holding the ASP License.

Section 7: Other Professionals

Notes:

Question 7.1: This field is mandatory for firms that have appointed an Internal Auditor, in accordance with Section 2.1.4 of ICPACs AML Directive.

Section 8: Client Statistics and Information

All fields are mandatory.

Validation Note:

a. The totals of the questions below **MUST be equal between them**:
   i. Question 8.1 - number of clients according to their **legal form**
   ii. Question 8.2 - number of clients according to their **risk categorisation**
   iii. Question 8.3 - number of clients **based on country of origin of the Beneficial Owner (BO)**,
   iv. Question 8.4 – number of clients, **based on country of establishment**

b. Question 8.2: Completion of all fields is not mandatory; only those relevant to each firm need to be filled out. If a field is not applicable, please enter "0".

c. *Question 8.3*: The data should take into consideration the **country of origin of the BO (place of birth)**. For clients who obtained citizenship through an investment program, the client's country of origin should be taken into account. In cases where data fall within more than one classification (for example a jurisdiction is included in both FATF and EU tax list), selection should be made in just one.

d. *Question 8.4:* The data should take into consideration the **country of establishment of the legal entity**. In cases where data fall within more than one classification (for example a jurisdiction is included in both FATF and EU tax list), selection should be made in just one.

e. *Question 8.7 (ASP):* The question aims to collect information on all **ASP services** provided to each client of the firm and not the number of the total clients. As a result, if multiple services are provided to a single client, the firm should include each service in sub-questions 8.7.1-8.7.8.

f. *Question 8.7.5 (ASP)*: Number of clients that the firm provides the service of management or administration of trusts including, without limitation, the undertaking or provision of trustee, irrespective of where the trust is set up.

g. *Question 8.7.7 (ASP):* Number of clients that the firm provides safe keeping of financial instruments on behalf of clients, including acting as depositary, as defined in Annex III, Part II, paragraph 1 of the Investments Services and Activities and Regulated Markets Law, and other related services, unless this is provided as an ancillary service by an investment fund in the framework of the Investment Services and Activities and Regulated Markets Law. Holding of assets in the firm's capacity as trustee, should not be counted.

h. *Question 8.7.7.1:* Amounts included must be reported in Euro (€). The full amount should be disclosed. No punctuation should be included for decimal or thousand separation. Ensure that only numerical values are reported in this field, excluding any letters.

i. *Question 8.7.9:* Administrative services are specified in Article 4 of Law 196(I)/2012 (the ASP Law). You should only report clients for whom you provide this service exclusively through a fully owned subsidiary.

   Question 8.8 (ASP): The question aims to collect information on the **total number of clients** the firm provides any type of administrative services. As a result, the firm should count each individual client once despite the number of separate services provided to each client. The amount included in this field should **not** be the accumulation of sub-questions 8.7.1-8.7.8

Section 9: General Powers of Attorney

a. Question 9.1: It refers to the **number of clients** for whom general PoA has been issued, when providing directorship services.

Section 10: Client Accounts

All fields are mandatory.

If a field is not applicable, please enter "0".

Section 11: New products/services/technologies

All fields are mandatory.

a. *Question 11.1.3:* The question aims to collect information on the **total number of clients** providing virtual currency services. The amount included in this field does **not** need to be the accumulation of sub-questions 11.1.3.1-11.1.3.5.

b. *Question 11.1.3.1-11.1.3.5:* The sub-questions aim to collect information on the type of virtual currency services provided **by the clients** of the firm **as part of their own activities**. As a result, if a client provides more than one of these services, they will be included in the respective categories.

c. *Question 11.2.2.1-11.2.2.9:* The question aims to collect information on all services provided to each client of the firm involved in virtual currency activities and not the number of the total clients. As a result, if multiple services are provided to a single client, the firm should include the client in each service option provided.

Section 12: Other high-risk indicators

All fields are mandatory.

a. *Question 12.1.1:* Definition of PEP can be found in the "Glossary – Definitions – Reference" section of this Guide.

b. *Question 12.2:* Definition of High-Net-worth individual can be found in the "Glossary – Definitions – Reference" section of this Guide.

c. *Question 12.3.1:* Refers to the cases where the Beneficial Owner of a client (natural person) is mentioned by name in the EU Designated Persons Sanctions Lists.

d. *Question 12.3.2:* Refers to the cases where the client is a legal entity and is mentioned by name in the EU Designated Persons Sanctions. It also includes the cases of entities owned, directly or indirectly, by a designated person by more than 50% or where a legal entity is controlled by a designated person. Information in relation to the assessment of ownership and control can be found in the EU Best Practices for the effective implementation of restrictive measures.

e. *Question 12.3.3:* Under section 5.2.5 of ICPACs Sanctions Directive firms should inform ICPAC of the existence of a true match on their client base in connection to financial sanctions and the actions taken by the firm in order to comply with the sanctions' requirements and their reporting obligations, without delay. **Template for reporting true matches** can be found by accessing CC_3/2022 here and should be submitted via email to compliance@icpac.org.cy .

f. *Question 12.4.1:* Refers to the cases where the Beneficial Owner of a client (natural person) is mentioned by name in the US Designated Persons Sanctions Lists.

g. *Question 12.4.2:* Refers to the cases where the client is a legal entity and is mentioned by name in the US Designated Persons Sanctions Lists or the client is a legal entity that could potentially be subject to sanctions due to specific ownership and/or control criteria established by the U.S. Department of the Treasury.

h. *Question 12.5.1:* Refers to the cases where the Beneficial Owner of a client (natural person) is mentioned by name in the UK Designated Persons Sanctions Lists.

i. *Question 12.5.2:* Refers to the cases where the client is a legal entity and is mentioned by name in the UK Designated Persons Sanctions Lists or the client is a legal entity that could potentially be subject to sanctions due to specific ownership and/or control criteria established by the HM Treasury.

j. *Question 12.8:* Refers to structures which use multiple jurisdiction and various delivery channels and where multiple layers of legal persons and/or arrangements interject in the chain of ownership before the BO. Firms should be capable of understanding the rationale behind a structure, however complex, demonstrating sufficient insight into why it may be excessively complex, and directing sufficient resources and capabilities to manage the associated risk exposure.

k. *Question 12.9:* Refers to any transaction that deviates or is inconsistent with the understanding of client's economic profile, lacks economic or business rationale and/or utilizes different than normal means of payment.

l. Question 12.10.1:

- **Cyber-surveillance items:** means dual-use items specially designed to enable the covert surveillance of natural persons by monitoring, extracting, collecting or analysing data from information and telecommunication system.
- **Shipping industry:** The term 'shipping industry' may refer to various sectors, including maritime transport, shipping companies that own and/or operate vessels, logistics and freight forwarding services, as well as shipbuilding and maintenance.
- **Real estate/property:** The term 'real estate' or 'property' may refer to a broad range of sectors and activities, including owning, investing in, or developing residential, commercial, and industrial real estate; property management; real estate brokerage and valuation; as well as related services such as leasing and facilities management.
- **e-gambling/e-gaming / e-casino industry:** E-gambling refers to all forms of online gambling that primarily involve **chance-based** outcomes. This includes activities such as online casino games, sports betting, lotteries, and bingo. E-gaming, on the other hand, involves digital games where real money is at stake, but the outcomes are often **skill-based**. Examples include fantasy sports, trivia games, and arcade-style competitions. E-casino is a specific subset of e-gambling that

focuses solely on traditional online casino games such as slots, roulette, blackjack, and similar games of chance.

Question 12.10.2: Refers only to activities of **entities in the group structure** of your client entity.

m. *Question 12.12.1:* Refers to the number of clients whose **beneficial owners (BOs) originate** from jurisdictions with a higher risk of terrorist financing. Jurisdictions bearing a Higher-risk for terrorist financing were identified using data from the Global Terrorism Index.

n. *Question 12.12.2:* Refers to the number of clients **conducting activities** in jurisdictions with a higher risk of terrorist financing.

o. *Question 12.13.1:* Refers to the number of clients whose **beneficial owners (BOs) originate** from jurisdictions with a higher risk of proliferation financing. Jurisdictions with a higher risk of proliferation financing were identified using data from the Proliferation Financing Index, available at the following link. For data from the Proliferation Financing Index, refer to Annex I for the full rankings and criteria scores. The ten lowest-ranked countries were selected based on this index.

p. *Question 12.13.2:* Refers to the number of clients **conducting activities** in jurisdictions with a higher risk of proliferation financing.

Section 13: Third Party Reliance

All fields are mandatory. For numeric fields, if not applicable, please enter '0'.

Third party reliance is described in section 5.10 of ICPAC AML Directive.

a. *Question 13.5.1:* The firm should indicate the number of clients that receive any of the services stipulated in article 4 of the ASP Law and whose CDD has been obtained through third party reliance.

b. *Question 13.6:* In cases where data fall within more than one selection (for example a jurisdiction is included in both FATF and EU tax list), classification should be made in just one.

Section 14: Internal Controls, Policies and Procedures

All fields are mandatory. For numeric fields, if not applicable, please enter '0'.

a. Question 14.1: The question aims to collect information of the areas covered in the firms **AML/CFT Manual**.

b. *Questions 14.1.1 – 14.1.14:* For these questions, you are required to indicate whether the specified policies and procedures exist in your firm's AML/CFT Manual. If your response is "Yes," you must also assess the effectiveness of these policies and procedures and state whether any improvements are needed.

c. *Question 14.2:* The question aims to collect information of the areas covered in the firms **Sanctions Manual**.

d. *Questions 14.2.1 – 14.2.11:* For these questions, you are required to indicate whether the specified policies and procedures exist in your firm's Sactions Manual. If your response is "Yes," you must also assess the effectiveness of these policies and procedures and state whether any improvements are needed.

e. *Question 14.7:* The question provides an opportunity to the firm to demonstrate the actions taken in relation to tis Compliance Program. This information should also be included in the Annual Compliance Officers Report submitted to the Board of Directors according to paragraph 3.2.1(k) of ICPACs AML/CFT Directive.

f. *Question 14.8:* The question requires the firm to document and report any departures from the Laws and Regulations and any weaknesses identified in the reporting year. This information should also be included in the Annual Compliance Officers Report submitted to the Board of Directors according to paragraph 3.2.1(k) of ICPACs AML/CFT Directive.

g. *Question 14.9:* For more information about the cyber-surveillance items review Article 2(20) of Regulation (EU) 2021/821 of the European Parliament and of the Council of 20 May 2021 setting up a Union regime for the control of exports, brokering, technical assistance, transit and transfer of dual-use items which can be found here.

Section 15: Client Acceptance Policy

All fields are mandatory.
The section aims at collecting information of the areas covered in the Firms Client Acceptance Policy.

Section 16: Risk management systems – Internal Audit

All fields are mandatory.

a. *Question 16.1:* The question refers to any inspections performed by the MLCO for the evaluation of the implementation and effectiveness of the systems and controls of the firm.

b. *Question 16.2:* The internal audit for AML purposes can be performed by an external advisor or internal staff who are independent from the design and implementation of firms AML/CFT policies and procedures. It refers to internal audits performed with the purpose of evaluating the completeness, adequacy, appropriateness, effectiveness and proportionality of the firm's internal policies, procedures, systems and controls. ICPACs AML Monitoring visit should **not** be considered as an internal audit for the purposes of this Questionnaire.

Section 17: Risk management systems - Screening procedures

All fields are mandatory with a multi-selection option available.

Question 17: The question relates to whether a policy exists that outlines how and when background screenings are conducted, the methods used (e.g., specialist electronic databases, web searches), how the results are documented, and the rationale for disregarding specific findings. Additional guidance on this topic can be found in the ICPAC-issued Guide "Background Screening Insights: Methods, Risks, and Common Weaknesses"

Section 18: Risk management systems – Client Risk Assessment

All fields are mandatory. Section aims to obtain understanding on the risk assessment factors taken into consideration by the firms.

a. *Questions 18.1-18.3:* Refers to the firm's **Client** Risk Assessment. Additional guidance on this topic can be found in the ICPAC issued Guidance Paper on the Client Risk Based Approach (Client-RBA).

b. *Question 18.4*: This question refers to the obligation a firm has to conduct a **firm-wide** risk assessment (FWRA). By FWRA, we mean that firms should identify and assess the risks related to money laundering (ML), terrorist financing (TF), proliferation financing (PF), and sanctions. These risks may arise from the services firms provided, the jurisdictions in which they operate, the clients they attract, and the transaction or delivery channels they use to serve those clients. It is important to note that the FWRA is distinct from the client risk assessment. Additional guidance on this topic can be found in the ICPAC-issued Guide "ICPAC Guidance paper on the Firm-Wide Risk Based Approach".

c. *Question 18.4.4:* provides for a multi-selection option.

Section 19: KYC-CDD

All fields are mandatory. This Section aims to obtain information on the measures applied in the performance of Client Due Diligence.

Question 19.2 – 19.5: Multi-selection option available.

Section 20: Ongoing monitoring & review

All fields are mandatory.

a. *Question 20.1*: Multi-selection option available.

   Question 20.2: All fields are mandatory. In cases where, based on the firm's risk assessment policy, **a specific risk category is not applicable**, then the number "0" should be inserted and where a range of years apply, then you can include the range by using "-" in between numbers e.g. 2-4.

Section 21: Training

All fields are mandatory.

Question 21.1.1: Requirements on Compliance Officer Training are specified in paragraph 4(9) of section 2.700 of Members Handbook

Section 22: Suspicion reporting

All fields are mandatory.

a. *Question 22.3- 22.4:* Multi-selection option available.

Section 23: Reporting to Competent Authorities

All fields are mandatory.

Question 23.1: Multi-selection option available.

Sections 24-26 apply only to firms providing ASP services as stipulated in article 4 of the ASP Law (L. 196(I)/2012)

Important Note: Sections 24–26 will not be visible if you do not hold an ASP license (as indicated in Question 2.3), do not report any income in Questions 6.2.6 or 6.2.7, or do not report any clients in Sections 8.7 or 8.8.

Section 24: Top 10 Client Information

All fields are mandatory.

The section relates **only** to the clients to whom the firm provides any of the services provided in article 4 of the ASP Law (L. 196(I)/2012).

Question 24.1: If your firm serves fewer than 10 ASP clients, select "Yes" and complete the details for all ASP clients in Table 24.2. If your firm serves more than 10 ASP clients, select "No" and complete all 10 rows of Table 24.2 by listing the clients that generate the **highest total annual fees** from ASP services, based on the ***invoices issued to each client***.

Notes:

a) For the definition of the Beneficial Owner, please refer to the glossary above.
b) You may navigate through the cells using the tab key.
c) If the client is a Public Interest Entity (PIE), and in the case that a UBO holding more than 25% of the shares cannot be identified, then the person(s) who hold the position of senior managing official(s), as per article 2 of the L. 188(I)/2007, should be included.

Question 24.2: Refer to the guidelines below for instructions on how to complete Table 24.2.

24: Top 10 client information - ASP Only

Client classification is based on the total annual fees generated from ASP services, invoiced to each client

24.1 Does the firm have fewer than 10 ASP clients? *

Yes

24.2 Please add the ASP clients to the below grid *

	Client name or client code as presented in the records of the firm	Number of UBOs	UBO country of Residence	Country of incorporation	Country of main activity	Main Activities
1	Type name of client i.e ABC LIMITED	Type No. of UBOs i.e 2	Type the first country, then separate each additional country with a comma in case of more than 1 UBOs (e.g., Cyprus, Greece).	Type Country of Incorporation	Type Country of main activity	Type main activities
2						
3						
4						
5						
6						
7						
8						
9						
10						

If 'NO' to Q24.1, complete all fields through row 10. If 'YES', enter the number of ASP clients (must be fewer than 10)

Section 25: Beneficial Owner information

All fields are mandatory.

The section relates **only** to the clients to whom the firm offers any of the services provided in article 4 of the ASP Law (L. 196(I)/2012).

Notes:

a) Classification should be made regarding all people that fall within the definition of BO provided in article 2 of the AML/CFT Law (N. 188(I)/2007).
b) In cases where data fall within more than one selection (for example a jurisdiction is included in both FATF and EU tax list), classification should be made in just one.

Section 26: Cash transactions

All fields are mandatory.

The section relates **only** to the clients to whom the firm offers any of the services provided in article 4 of the ASP Law (L. 196(I)/2012).

Notes

a) The amounts requested relate to cash deposits/withdrawals and **not** bank transfers or check deposits.

b) Amounts included must be reported in Euro (€) and the full amount must be disclosed.

If more than one accounts in different currencies exist, then amounts should be converted in Euro (€).

Section 27: Contact Details

All fields are mandatory.

Reaching this section indicates that all previous sections have been completed. You may now click the Print button to save your responses as a PDF, and then proceed to submit your questionnaire.

Upon submission, you will automatically receive a confirmation email with a PDF copy of your completed questionnaire attached.

Contact Information for AMLQ24 Questionnaire Assistance

If you have any questions regarding the completion of the AMLQ24 Questionnaire, please feel free to contact us **via an email** titled 'AMLQ24 Query' at compliance@icpac.org.cy .