

## Customer Due Diligence (“CDD”) Guidance Note

Fiduchi Limited (“Fiduchi”) is required to hold appropriate and up to date Customer Due Diligence (“CDD”) documentation throughout the duration of the business relationship, which identifies and verifies who our clients are as a matter of local law. This means that we are required to identify and verify the ultimate beneficial ownership behind a company, partnership (e.g. Limited Liability Partnership), Trust or other legal body and to get a good understanding of their business and anticipated relationship with Fiduchi. The following is a summary of the requirements taking account of applicable Jersey AML / CFT legislation.

### SECTION 1: IDENTIFICATION

For this purpose, we consider the beneficial owner to be our client. The beneficial owner is defined as any person owning or controlling, directly or indirectly, equal to or more than 25% of the shares or voting rights of any company administered. The ultimate beneficial owner(s) should be a natural person. Where there are high risk factors then the beneficial owner is defined as any person owning or controlling, directly or indirectly, equal to or more than 10% of the shares or voting rights of any company administered. We are also required to identify those who may be a “controller”, where that person may own less than the stated thresholds however remain able to exert control through other means.

The law also requires us to verify the identity of other connected individuals, such as:

- When the owner is a company
- When the structure is owned by a listed company
- Private Companies
- Listed Companies
- Trusts, etc.

### SECTION 2: VERIFICATION

We are required to verify the information we receive from a client, together with information that we have gathered. The most convenient means of verification is to meet a client in person to receive their respective photographic identity, address evidence and any other documentation that may be required (subject to the services provided and the individuals involved in the structure). When this is not possible, documents that are certified by a Suitable Certifier, see Section 5, may be acceptable.

#### a) Natural person

1. Full legal name
2. Date of Birth (DOB)
3. Permanent Residential Address

Taking a copy of an original passport in person or the provision of a certified copy will suffice. Where a passport is not available, a national identity card or other government-issued document that contains a photograph may be sufficient if it discloses:

- Nationality
- Document identification number
- Date of birth
- Place of birth
- Country of issue
- Date of issue
- Signature

Please note that the copy of the photograph must be certified in accordance with section 5(b) below.

We will also require a copy of **ONE** of the following original documents (statements printed off the internet are not acceptable) showing the permanent residential address of each individual:

- A bank / credit card statement or utility bill (not more than three months old)
- Correspondence from an independent source such as a central or local government department
- Tax advice if the structure rationale is tax driven

Please note that non-bank cards such as store cards, mobile telephone statements or addresses that feature only a **PO Box number** or “**care of**” are **not acceptable** as confirmation of a residential address.

Where a natural person is identified as a Politically Exposed Person (PEP), we will undertake more enhanced due diligence, see Section 4 for more details.

#### b) Corporate bodies

Where the structure involves a private or listed company, we will look to receive certified copies of documents that verify the following non-exhaustive list, unless such documents are available to us on a public registry:

- Full name of company
- Registered and trading addresses
- Names, addresses and DOB of directors and main shareholders - see a) for requirements
- % of shares held by each
- Annual accounts / Annual return
- Details of trading or current operations
- Tax registration details
- Certificate of Incorporation
- Memorandum and Articles of Association
- Board Resolution approving the relationship
- Board confirmation of level of authority held by individuals Fiduchi deal with (i.e. those who provide instructions to Fiduchi)

#### c) Trusts

Where the structure is controlled by a Trust and Fiduchi do not act as trustee, we will require the present trustee to provide the same due diligence as if we were appointed trustee, together with the CDD on the trustee. This may include, but is not limited to:

- Trust deed including name
- Date of establishment
- Names, addresses and DOB of settlors, trustees, anyone who has settled capital, and main beneficiaries - see a) for requirements
- Full details on the beneficial ownership
- Tax details and arrangements

Where the trustee is a regulated service provider in an equivalent jurisdiction and is known to us, Fiduchi will use its discretion as to suitability of CDD provided.

#### d) Foundations

Where the structure is controlled by a Foundation we will require identification verification which will include but is not limited to the following:

- Foundation Charter
- Date of establishment
- Names, addresses and DOB of Foundation Council members, the principal or anyone who has settled capital, and main beneficiaries - see a) for requirements
- Full details on the beneficial ownership
- Tax details and arrangements

### e) Partnerships

Where the structure is controlled by a Partnership we will require identification verification which will include but is not limited to the following:

- Partnership agreements
- Date of establishment
- Details of General Partner
- Full details on the beneficial ownership of the originator
- Tax details and arrangements
- Board confirmation of level of authority held by individuals Fiduchi deal with (i.e. those who provide instructions to Fiduchi) to allow identification of "controller"

### SECTION 3: SOURCE OF WEALTH & SOURCE OF FUNDS

These are important areas of understanding for Fiduchi with all new and existing clients.

#### a) Source of Wealth

We are required to understand the background as to our clients' source of wealth (i.e. inheritance, company sale, etc.) and to independently verify this information by reference to third party information. The verification of a client's source of wealth can usually be achieved by reference to the individual's business history (i.e. one word answers such as "inheritance" MUST be elaborated).

#### b) Source of Funds

We are required to understand the source of funds (i.e. contracts, payslips, bank statements, investments, etc.) that will be used to fund the structure that we are putting in place and/or we are administering. This is not the same as the source of wealth but refers to where the funding for the structure will be derived. Please note that any generic or vague descriptions received from a client in respect of the above will lead to a delay in CDD processing.

### SECTION 4: POLITICALLY EXPOSED PERSON (PEP)

Where a beneficial owner is identified as a PEP, Fiduchi use a risk-based approach and undertake more enhanced due diligence.

In simplified terms, a PEP is someone who has been entrusted with a prominent or public position or influence. In addition, any close business associate or family member (parents, children, spouses, siblings and other family members) of such a person will also be deemed as being a PEP (by association). Jersey Law defines a PEP as follows:

A "politically exposed person" means a person who is:

- an individual who is or has been entrusted with a prominent public function in a country or territory outside Jersey or by an international organization outside Jersey, for example:
  - heads of state, heads of government, senior politicians,
  - senior government, judicial or military officials,
  - senior executives of state owned corporations,
  - important political party officials;
- an immediate family member of a person mentioned in subparagraph (a), including any of the following:
  - a spouse,
  - a partner, that is someone considered by his or her national law as equivalent or broadly equivalent to a spouse,
  - children and their spouses or partners as defined in clause (ii),
  - parents,
  - grandparents and grandchildren,
  - siblings;
- close associates of a person mentioned in sub-paragraph (a), including any person who is known to maintain a close business relationship with such a person, including a person who is in a position to conduct substantial financial transactions on his or her behalf.

Fiduchi considers the following non-exhaustive list as PEPs:

- heads of state, heads of government, ministers and deputy or assistant ministers
- members of parliament
- members of supreme courts, of constitutional courts, or of other high-level judicial bodies whose decisions are not generally subject to further appeal, except in exceptional circumstances

- members of courts of auditors or of the boards of central banks
- ambassadors, charges d'affairs and high-ranking officers in the armed forces
- members of the administrative, management or supervisory bodies of state-owned enterprises

Local legislation does not state a time limit as to when someone is or has been a PEP which means if a client has been identified as a PEP at any time, they will always be considered a PEP. Fiduchi applies enhanced due diligence measures for PEPs.

### SECTION 5: SUITABLE CERTIFIERS & CERTIFICATION REQUIREMENTS

#### a) Suitable Certifiers

Any one of the following persons may be considered a suitable certifier:

- A Member of the Judiciary
- A senior Civil Servant
- A serving Police or Customs Officer
- A Lawyer or Notary Public who is a member of a recognised professional body
- An Actuary or Accountant who is a member of a recognised professional body
- A Director / Manager of a regulated financial services business in an equivalent jurisdiction

#### b) Certification Requirements

Where original documents are not available, copies of documentation are acceptable, provided:

- They are certified as being a true copy of the original; and
- Any photograph submitted as proof of identity must be clear and certified as a true likeness of the individual.

For this purpose, the certifier should adopt the following wording for the purposes of verification:

#### Identification

**"I certify that this is a true copy of the original document that I have seen, and a true likeness of the individual who I have met"**

#### Other documents

**"I certify that this is a true copy of the original document that I have seen"**

Each certified copy must contain:

- Full printed name of the person performing the certification
- The signature of the person performing the certification
- The date the document was certified
- The position or capacity of the certifier
- The contact details of the certifier
- Any relevant membership number where a member of a professional body

If a copy of a document is more than one page, the certifier must either:

- certify each individual page; or
- certify the first page and add a statement as to the total number of pages of the original document seen.

### IMPORTANT NOTES

- From time to time, we may contact you for updated details; this is to protect both you and Fiduchi's best interests and to satisfy local legislative requirements.
- In the event of a change of beneficial owner to any structure that we administer on your behalf, you are required to notify Fiduchi immediately so that we can take appropriate action to notify the local Registry within the 21 days, as per legislation. Subject to the nature of the change, updated or new CDD may be required.
- Failure to promptly provide original copies of scanned due diligence documentation provided may impact future service provision by Fiduchi.
- Please refer to our published Terms of Business and Data Privacy Notice on [www.fiduchi.com](http://www.fiduchi.com) for data protection questions.