



Are you ready?

Compliance officers in charge of checking compliance with AML/CFT professional obligations (RC)

Article 4 (1) of the Anti-Money Laundering and Countering the Financing of Terrorism (AML/CTF) Law of 12 November 2004 as amended and the Commission de Surveillance du Secteur Financier (CSSF) Regulation 12-02, as amended by the CSSF Regulation 20-05, **require professionals to designate:**



A person **responsible for compliance with AML/CFT professional obligations** at the authorized management or board of director level (RR)



A compliance officer **in charge of the control of compliance with AML/CFT professional obligations** (RC)

As an RC, you must list your obligations regarding providers such as transfer agents, distributors, fund boards and the management company, and also regarding regulators' expectations (the CSSF and the Financial Intelligence Unit) and external auditors.



The CSSF FAQ of 25 November 2019 also specifies how these provisions should be applied to investment funds and management companies.

As a result, the CSSF's expectations regarding implementing and formalizing controls have increased, and **the RC/RR topic is now considered a priority during the regulator's on-site reviews.**

As an example, Article 9 of the CSSF Regulation 12-02, as amended, specifies that the RC must be systematically involved in the acceptance of high-risk clients as part of their second line of defense duties, while the RR or the appropriate committee must authorize the start of the business relationship. While the customer acceptance process is reasonably integrated into the banking sector, this may not be the case in the investment fund industry due to its specifics.

Finally, it is important not to overlook the RC's role in preventing crime and the Financial Intelligence Unit's (FIU) expectations regarding this.

Deloitte can assist you in establishing a sound control program and consolidating your existing program, based on your risk profile, the nature of your clients and the services you provide.

The RC faces many challenges. We can support you in your quest to improve governance and implement controls.

Our service offering helps you tackle the challenges you are facing and meet regulators' expectations.

WE CAN HELP YOU WITH



1 Establishing a compliance risk assessment based on your services and products and their distribution model



2 Developing and deploying a Compliance Monitoring Program (CMP)



3 Reviewing your AML/CTF policies/procedures



4 Reviewing and performing due diligence on distributors



5 Preparing management reports



6 Preparing for CSSF on-site visits



7 Keeping updated with regulatory changes with our regulatory watch service



A diagnosis fitting your needs

Whether high-level, *à la carte* or a deep-dive, we customize our review to your needs in order to meet your expectations, in line with market practice.



Do not miss this opportunity to stay ahead of the game. Get in touch with the Forensic & Restructuring experts.



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