



Independent MLRO Services

INTRODUCTION

With effect from 30th September 2018, the Cayman Islands Monetary Authority (CIMA) issued revised anti-money laundering (AML) requirements in the form of the Proceeds of Crime Law (2018 Revision) and the Anti-Money Laundering Regulations (2018 Revision), (collectively the AML Regulations).

The revised AML Regulations require Financial Services Providers (FSPs) to appoint an Anti-Money Laundering Compliance Officer (AMLCO), a Money Laundering Reporting Officer (MLRO) and a Deputy Money Laundering Reporting Officer (DMLRO) (collectively the AML Officer Roles).

CIMA permits FSPs to delegate these functions to third parties including individual employees/natural persons of independent service providers. The same individual can act as AMLCO and either DMLRO or MLRO, but the DMLRO and MLRO must be separate individuals.

The appointment of the AML Officer Roles is now a mandatory requirement for both regulated and unregulated investment entities established and regulated in the Cayman Islands by CIMA.

INDEPENDENT MLRO SERVICES

INDOS Financial (INDOS) has experienced staff who are qualified to serve in the AML Officer Roles and are able to offer a delegated Anti-Money Laundering Officer service model for clients of its depositary services. These individuals will have the capacity to undertake the roles and, together with INDOS, will be independent and not subject to any conflicts of interest as required by CIMA.

ADVANTAGES OF USING INDOS FINANCIAL

- Performance of a Gap Analysis on administrator AML processes and policies against CIMA legislative requirements;
- On-site administrator reviews and independent investor AML/CDD sampling and screening;
- Periodic reporting to the Board of Directors of the funds (or equivalent) on material compliance issues, AML systems and controls;
- INDOS' demonstrated track record of identifying issues and control weaknesses at fund administration businesses;
- The ability to compare AML practices across different fund administrators, identifying best practices and challenge areas of risk or weakness in an administrator;
- The ability to perform independent screening of investors. When conducting AML/sanction screening and KYC due diligence no single commercial data source contains every 'bad actor'. INDOS uses a different system for screening to those typically used by fund administrators;
- A proper audit trail of the procedures undertaken within the firm's work flow management system, DEPOcheck;
- As a regulated business, all INDOS staff are required to undertake annual AML training and the firm also retains a third-party compliance advisor to ensure it continues to keep abreast of changing regulations generally.

ABOUT INDOS FINANCIAL

INDOS Financial is a leading provider of independent oversight and assurance services to the funds industry. We provide MLRO services to funds with over \$15 bn of underlying assets.

INDOS Financial is authorised and regulated by the Financial Conduct Authority.

YOUR INDOS FINANCIAL CONTACTS:

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