

Praemium International Limited Client Due Diligence ("CDD") Guidelines

Overview

Praemium International Limited ("PIL") is regulated by the Jersey Financial Services Commission ("JFSC"). As part of our regulatory requirements we are obliged to conduct Client Due Diligence ("CDD") on all clients.

This document is designed as a practical guide to assist your firm in obtaining the necessary CDD information from clients.

How to use this document

The CDD information required is determined by the type of client, their place of residence or registration and the value of the investment. For ease of reference we have separated corporate and individual clients into two tables which set out the CDD requirements.

To assist you in categorising your client risk, please see Country Risk Ratings on pages 5-6 of this document.

This practical guide is designed in four easy-to-follow steps.

CDD documentation steps	
Step 1	Verify ID & Residential Address of a Natural Person OR Verify ID of a Legal Person
Step 2	Verify Source of Funds/Wealth
Step 3	Certify documents
Step 4	Send all required documentation to Praemium

Step 1 - Verification

On these two pages you will find the types of documents required to verify the identity of your client. In addition to the verification documents, we require:

- Tax certification – this is usually the relevant IRS form (e.g. W9) and
- The taxpayer's unique Tax Identification Number.

See Notes at end for further detail.

Client is a Natural Person			
	UK or US NATIONAL RESIDENT IN RISK CATEGORY 1, 2 or 3	UK or US NATIONAL RESIDENT IN RISK CATEGORY 4	FOREIGN NATIONAL RESIDENT IN RISK CATEGORY 1, 2, 3 OR 4
CERTIFIED IDENTIFICATION EVIDENCE (must be current)	One of the following: <ul style="list-style-type: none"> • Passport • Driver's licence 	One of the following: <ul style="list-style-type: none"> • Passport • Driver's licence • National ID card 	Any two of the following: <ul style="list-style-type: none"> • Passport • Driving Licence • National ID
CERTIFIED RESIDENTIAL ADDRESS EVIDENCE (must be less than three months old)	One of the following: <ul style="list-style-type: none"> • A copy of a recent utility bill (e.g. water/electricity) • Rates/council tax statement • Government correspondence (e.g. National Insurance/Social Security or income tax statement) • Driving license (valid and bearing residential address) 	Any two of the following: <ul style="list-style-type: none"> • A copy of a recent utility bill (e.g. water/electricity) • 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 + copy of rental/lease agreement • Driving licence (valid and bearing residential address) • Locator Address - see notes 	Any two of the following: <ul style="list-style-type: none"> • A copy of a recent utility bill (e.g. water/electricity) • 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 + copy of rental/lease agreement • Driving licence (valid and bearing residential address) • Locator Address - see notes
REQUIRED FOR ALL CLIENTS			
INFORMATION FOR SOURCE OF FUNDS (SOF) AND SOURCE OF WEALTH (SOW)	<p>Source Of Funds (SOF) Information: State on the application form the activity that generated the funds for this investment. If SOF is from earnings, in the "Profession box" detail the job title and employer's name (if retired please state last employment e.g. "CEO of XYZ Ltd").</p> <p>Source Of Wealth (SOW) Information: State on the application form how total wealth was generated.</p>		
EVIDENCE	<p>EVIDENCE of SOW and SOF is always required if the client is a Politically Exposed Person (PEP). All PEPs are automatically allocated to Risk category 4, regardless of nationality or residence.</p> <p>EVIDENCE of SOW and SOF is always required for Investments above £500k (or currency equivalent).</p> <p>EVIDENCE of SOW and SOF is always required for all Risk Category 4 clients.</p>		

Client is a Legal Person

NOTE: LEGAL PERSONS MAY ALSO BE REQUIRED TO PROVIDE A DETAILED AML QUESTIONNAIRE	REGULATED IN RISK CATEGORY 1 OR 2	REGULATED IN RISK CATEGORY 3 OR 4
	ALL OF THE INFORMATION DETAILED BELOW IS REQUIRED	ALL OF THE INFORMATION DETAILED BELOW IS REQUIRED
COMPANY	<ul style="list-style-type: none"> Regulatory body reference number Certified copy of Certificate of Incorporation (unless this can be sourced from web-based registry) Details of the names of all directors and in the case of a privately owned company, shareholder information will be required where 25% and above is held Certified copy of Authorised Signatory List 	<ul style="list-style-type: none"> Details of the names of all directors (in the case of a privately owned company, shareholder information will be required where 25% and above is held) Certified copy of Certificate of Incorporation Certified copy of Regulatory License Certified copy of Memorandum & Articles of Incorporation Principal place of business and other jurisdictions where the business operates. CDD upon the directors and shareholders who hold 25% and above (see Client is a Natural Person section) Certified copy of Authorised Signatory List
PARTNERSHIPS	<ul style="list-style-type: none"> Regulatory body reference number Certified copy of Certificate of Incorporation (unless this can be sourced from web-based registry) Details of the names of all directors and in the case of a privately owned company, shareholder information will be required where 25% and above is held Certified copy of Authorised Signatory List of General partner or equivalent 	<ul style="list-style-type: none"> Legal name of partnership Registered address of the partnership Principal place of business and other jurisdictions where the business operates. Certified copy of Regulatory License Certified copy of Partnership Deed Certified copy of Authorised Signatory List of General Partner or equivalent. Full CDD upon the individuals listed on the authorised signatory list (see Client is a Natural Person section) Where the General Partner is a corporate, it will be necessary to provide CDD upon shareholders who hold 25% and above
TRUSTS		
CORPORATE TRUSTEE	<ul style="list-style-type: none"> Regulatory body reference number Certified copy of Certificate of Incorporation (unless this can be sourced from web based registry) Details of the names of all directors and in the case of a privately owned company, shareholder information will be required where 25% and above is held Certified copy of Authorised Signatory List of the Trustee 	<ul style="list-style-type: none"> Certified copy of Regulatory License Certified copy of the Certificate of Incorporation Certified Copy of the Memorandum and Articles of Association Certified Copy of the Authorised Signatory List Certified Copy of Deed of Appointment of Trustee CDD upon the Trustees (see Client is a Natural Person section)
INDIVIDUAL TRUSTEE	<ul style="list-style-type: none"> Regulatory body license reference number Certified copy of Deed of Appointment of Trustee/s Certified confirmation of Signatories of Trustee/s 	<ul style="list-style-type: none"> Certified copy of Regulatory License Certified copy of Deed of Appointment of Trustee/s Certified confirmation of Signatories CDD upon the Trustee/s (see Client is a Natural Person section)
SETTLORS, BENEFICIARIES AND PROTECTORS	<p>For Settlers and Beneficiaries (with a vested interest*) or an appointed Protector please refer to Client is a Natural Person section.</p> <p>* A vested interest is an entitled benefit, which can be conveyed to a separate party.</p>	

Step 2 - Source of Funds and Source of Wealth

Source of Funds ("SOF") is the activity which generates the funds associated with this investment (e.g. client's occupation/business activities, redeeming an insurance product or transferring a pension).

Source of Wealth ("SOW") 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.

Evidencing the SOF and SOW

The below table details examples of any one (1) of the following that may be provided. Please note that all submitted documents must be certified. More information on the certification process can be found in the Certifying Documents section.

Description	Documentary evidence required
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) Copy of media coverage (as supporting evidence)
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"> Original copy of recent payslip (or bonus payment) Latest set of Audited Accounts (if self-employed) Bank Statement 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 detailing payments from regulated accountant/solicitor or lawyer
Loan	<ul style="list-style-type: none"> Confirmation letter from loan provider Recent Loan Statement
Distribution (e.g. 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
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
Maturing Investment(s), e.g. Policy/Pension Transfer	<ul style="list-style-type: none"> Letter from previous product provider regarding notification of proceeds of claim Closing statement from previous product provider
Compensation Settlement	<ul style="list-style-type: none"> Letter/Court Order from compensating body 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 compensating body Signed Letter from Solicitor/Lawyer confirming the amount awarded to you in settlement
Gift	<ul style="list-style-type: none"> Identification of the Grantor (even if this is coming from their account) Letter from Grantor explaining the gift and source of their wealth Documentary evidence as to the grantor's source of wealth as detailed in this table

Country Risk Ratings

The following risk ratings are based on evaluations conducted by the Jersey Financial Services Commission and international bodies such as Transparency International and the Financial Action Task Force (FATF). Please contact us regarding any countries that are not on the list to obtain guidance on suitability.

Risk Category 1

United Kingdom and British Isles

United Kingdom

Channel Islands (Jersey, Guernsey, Alderney)

Isle of Man

Risk Category 2

Americas	Asia Pacific	Western Europe and Africa		
Bermuda	Australia	Austria	Ireland	Portugal
Canada	Hong Kong	Belgium	Italy	Slovenia
Cayman Islands	Japan	Denmark	Liechtenstein	Switzerland
United States	New Zealand	Finland	Luxembourg	Sweden
	Singapore	France	Malta	Spain
		Germany	Netherlands*	South Africa
		Gibraltar	Norway	* excluding Aruba, Bonaire, Curacao, Saga, St Eustatius & St Maarten
		Iceland	Poland	

Risk Category 3

Americas		Asia Pacific		Middle East & North Africa	Sub-Saharan Africa		Eastern Europe & Central Asia	
Bahamas	El Salvador	Bhutan	Nauru	Algeria	Angola	Madagascar	Azerbaijan	Hungary
Barbados	Honduras	Brunei	Philippines	Bahrain	Benin	Mauritius	Bulgaria	Kosovo
Brazil	Jamaica	Cambodia	Solomon Islands	Jordan	Botswana	Mozambique	Croatia	Lithuania
Belize	Mexico	China	Sri Lanka	Israel	Burkina Faso	Namibia	Czech Republic	Romania
Bolivia	Panama	Fiji	Taiwan	Oman	Cape Verde	Niger	Cyprus	Turkmenistan
British Virgin Islands	Peru	Korea (South)	Tajikistan	Kuwait	Djibouti	Sao Tome & Principe	Estonia	Uzbekistan
Cuba	Puerto Rico	Kyrgyz Republic	Thailand	Morocco	Ethiopia	Senegal	Georgia	
Chile	Paraguay	Maldives	Vietnam	Qatar	Equatorial Guinea	Seychelles	Greece	
Costa Rica	St Vincent	Malaysia		Saudi Arabia	Ghana	Swaziland	Iceland	
Dominica	St Lucia	Marshall Islands		Turkey	Gabon	Tanzania	Latvia	
Dominican Republic	Trinidad & Tobago	Micronesia		United Arab Emirates	Lesotho	Togo	Macedonia	
Ecuador	Uruguay	Mongolia		West Bank Gaza	Malawi		Slovakia	

Risk Category 4

Americas	Asia/Asia Pacific		Africa		
Argentina	Bangladesh	Nepal	Cameroon	Gambia	Nigeria
Colombia	India	Timor-Leste	Chad	Kenya	Sierra Leone
Nicaragua	Indonesia		Comoros	Mali	Zambia
	Kazakhstan		Congo Republic*	Mauritania	
			*Not Zaire or Democratic Republic of Congo		

Country risk ratings continued on next page.

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.

Americas	Asia	Middle East & Africa			Eastern Europe and Central Asia
Haiti	Iraq	Afghanistan	Somalia	Iran	Belarus
Guyana	Korea (North)	Burundi	Syria	Lebanon	Burma/Myanmar
Guatemala	Lao PDR (Laos)	Central African Republic	Tunisia	Libya	Bosnia & Herzegovina
Suriname	Vanuatu	Democratic Republic of Congo (Zaire)	Uganda	Sudan	Moldova
Venezuela	Papua New Guinea	Cote D'Ivoire	Egypt	Yemen	Russia
	Pakistan	Liberia	Eritrea	Zimbabwe	Serbia & Montenegro (Yugoslavia)
		Rwanda	Republic of Guinea		Ukraine
		South Sudan	Guinea-Bissau		

Step 3 - Certifying documents

Please be aware that all documentation must be certified. The following individuals are permitted to certify evidence of documentation:

- A member of the Judiciary, a senior civil servant or a serving police or customers officer
- An officer of an embassy, consulate or high commission of the country of issue of the document as evidence of identity
- An individual who is a member of a professional body that sets and enforces ethical standards
- An individual that is qualified to conduct certification services under authority of the Certification and International Trade Committee (e.g. Chamber of Commerce)
- 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.

The certifier must state for all ID documents: ***"I hereby certify that this document is a true copy of the original and a true likeness of the individual", and for all other documents: "I hereby certify that this document is a true copy of the original"***. The certifier must sign and print their name, state their company name, their position within the company and the date.

Step 4 - Send all documentation to Praemium

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

- Complete application form identifying: tax domicile; country of residence; taxpayer identification number; PEP status; detail SOF & SOW.
- Attach required identification documents, including verification of residential address and evidence of SOF/SOW if required.
- Include the relevant IRS forms (e.g. W9 or certain W8 forms), as appropriate

Submit all paperwork to:

Praemium International Limited
3rd Floor
Salisbury House
1-9 Union Street
St Helier
Jersey
JE2 3RF

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

Notes

Tax Identification Numbers for FATCA and Common Reporting Standards (CRS)

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:

- 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).

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

Locator Address

Where an individual has a valid reason for being unable to produce more usual evidence for a residential address, 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.

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.

The following is required for a locator address:

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).