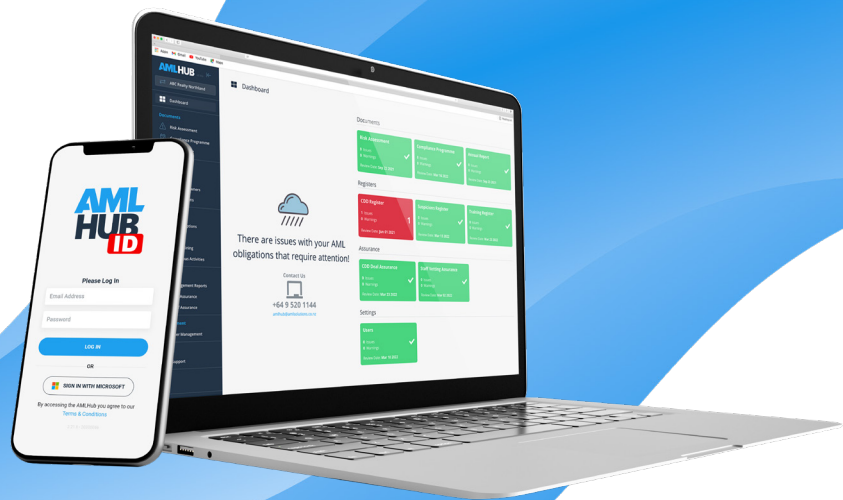


Individual Customer Risk Ratings and CDD Outsourcing



AMLHUB™

What is Individual Customer Risk Rating?

Individual Customer Risk Rating (ICRR) is a risk score that is applied to your client. It is based off numeric risk scores applied to client-specific attributes, and it supports a truly risk-based approach while focusing your AML resources and efforts. The ICRR is a tool that will help you identify high-risk clients whilst also justifying reduced compliance burden for low-risk clients.

When is the change coming into effect? Who does it impact?

ICRR takes effect from 1st June 2025 and it will affect how the CDD outsourcing collects information from your clients.

How will this affect CDD outsourcing?

When you outsource a deal to our CDD outsourcing specialists, AMLHUB will obtain the required risk rating information. On the following pages are the additional questions that will be asked of your clients to assess their risk level.

Deal clear water cove

We're completing the Anti-Money Laundering (AML) compliance for this transaction on behalf of Example Real Estate Auckland. To meet the AML/CTF Act requirements we require additional information and documentation from you.

Please provide the information and documentation requested below:

Deal clear water cove

Source of Wealth / Source of Funds

A general description of the source of funds is required.

Please describe source of funds here.

Outline the source of funds, for example:

- wages: from whom, nature of employment/contract, how documented
- inheritance: from whom, how documented or
- sale of another asset (what asset, how documented)

Save

Please provide supporting documents covering source of funds used to purchase the asset. If financing is involved, provide supporting documents covering the funds used to repay the bank.

Upload File

Peter Griffin

Electronic Identity Verification

Select how you would like to verify your ID

- ☐ Verify Remotely
- ☐ Upload document(s)

High Net Worth individual?

Does this individual hold more than NZD 4 million in assets? 'Obvious sources' include publicly visible, high-level positions in large organisations.

- ☒ No
- ☐ Yes
- ☐ Yes, obvious sources

Save

Is there any foreign exposure?

Is this individual linked to any countries besides NZ, for example through property ownership or getting paid by a foreign entity?

None

Save

For example, if total asset ownership exceeds \$2 million (indicative only) in the form of property, shares, or business interests, an individual may be marked as a high network individual. A simple "yes" or "no" is sufficient.

This question looks at individual-level foreign exposure, i.e. if you own any assets in a form of property shares, business, or/and if you have any income outside of NZ or/and have citizenship of another country and visit/ reside in that country on regular basis.

Abc Limited

Company Constitution

- ☐ Abc Limited does *not* have a constitution.
- ☐ Abc Limited *has* a constitution. *(this document needs to be uploaded)*

When applicable, the company constitution or any document that outlines the powers that bind and regulate, must be provided.

Save

Company Purpose

Confirm if the company holds any personal assets, such as personal share portfolio or personal real estate property (i.e. if the company is not solely operating as a trading business and it holds any personal assets).

- ☐ Abc Limited *is not* a vehicle for holding personal assets.
- ☐ Abc Limited *is* a vehicle for holding personal assets.

Note: additional information may be required if the company's sole purpose is to hold personal assets.

Save

Nominee Directors/Shareholders

Nominee Director/Shareholders are individuals or entities who hold the directorship/shares on behalf of the real director/shareholder that remain anonymous.

- ☐ Company does not have Nominee Directors/Shareholders
- ☐ Company has Nominee Directors/Shareholders

The above statement must be confirmed by one of the directors or beneficial owners of the company. Please provide their name and role.

Enter name

Enter role

Save

Is there any foreign exposure?

Is this company linked to any countries besides NZ, for example through property ownership or shareholding?

Select Country

Save

This question looks at company-level foreign exposure, i.e. if you own any assets in a form of property shares, business, or/and if you have any income outside of NZ or/and have citizenship of another country and visit/reside in that country on regular basis.

Griffinn family trust

Is this a charitable trust?

Is the trust registered as a charitable trust?

- ☐ No
- ☐ Yes

Save

This is a confirmation question for overseas-based trusts.

Is there any foreign exposure?

Is this trust linked to any countries besides NZ, for example through property ownership or shareholding?

Select Country

Save

This question looks at trust-level foreign exposure, i.e. if you own any assets in a form of property shares, business, or/and if you have any income outside of NZ or/and have citizenship of another country and visit/reside in that country on regular basis.

Trust holdings

Does this trust have extensive holdings?

- ☐ No (family home only)
- ☐ More than family home, not extensive
- ☐ Extensive trust holdings

Save

This question aims to confirm the overall summary of assets.

Trust Deed

The document must be in PDF format, complete, dated and signed by all parties.

Upload File

Deed Variation (if required)

If there are variations, upload the most recent one only.

Upload File

Griffin Family Charity

Is there any foreign exposure?

Is this organisation linked to any countries besides NZ, for example through property ownership or donors?

Select Country



Save

This question applies if any beneficiaries / trustees / settlors etc. are overseas, or any income is received from overseas.



The AMLHUB ICRR Methodology

In formulating this methodology, we have looked to overseas jurisdictions applicability, concepts of client risk assessment in other areas of compliance and worked with AML/CFT expert consultants to create the below customer risk rating methodology.

This ICRR aims to ensure that all clients are assessed for their potential risk of involvement in money laundering and terrorism financing , and that appropriate measures are put in place to mitigate these risks effectively, where they are identified.

Our ICRR is routed in key assumptions:

- Risk-Based Approach: with this, the score will form the foundation of a risk-based approach where the type/level of due diligence are proportionate to the assessed risk level of the client. Specifically, higher risk clients will be subject to enhanced procedures.
- Ongoing Monitoring: Clients are not assessed only during onboarding but are continuously re-assessed based on changes in their profile, transactions, behaviours, or other external factors, This is further described in our Compliance Programme.
- Dynamic: as part of wider ML/FT processes, it is intended that this ICRR will be regularly reviewed to risk assess clients in a dynamic process that adapts to emerging risks and typologies, our evolving business, and generally evolutions of our service offerings.

We consider a simple 3 tier risk categorization methodology is appropriate and aligns with guidance related to date, such as the Enhanced Customer Due Diligence Guideline.

Clients will be categorized into the following risk tiers, following risk characterisation:

- Low Risk (risk score 0-2): Low probability of involvement in ML/TF activities. Standard (or simplified as appropriate) due diligence and monitoring applies.
- Medium Risk (risk score 3-4): Higher likelihood of potential ML/TF risk. Increased transaction monitoring and periodic ongoing CDD reviews.
- High Risk (risk score 5): Clients with elevated risks require enhanced due diligence and frequent monitoring. Senior management will be sought at the time of onboarding.

The scores are derived from a series of risk attributes such as client structure, PEP status, etc. being assessed numerically and generating the associated risk scores. Clients are assessed against each aspect, and where applicable the weight score is added to the client. Relevant attributes cumulatively add to determine the risk rating score, which is presented within the AMLHUB after completion of the assessment questions.