

ANNEX III

- (1) Customer risk factors:
 - (a) the business relationship is conducted in unusual circumstances;
 - (b) customers that are resident in geographical areas of higher risk as set out in point (3);
 - (c) legal persons or arrangements that are personal asset-holding vehicles;
 - (d) companies that have nominee shareholders or shares in bearer form;
 - (e) businesses that are cash-intensive;
 - (f) the ownership structure of the company appears unusual or excessively complex given the nature of the company's business;
 - (g) [F1customer is a third country national who applies for residence rights or citizenship in the Member State in exchange of capital transfers, purchase of property or government bonds, or investment in corporate entities in that Member State.]
- (2) Product, service, transaction or delivery channel risk factors:
 - (a) private banking;
 - (b) products or transactions that might favour anonymity;
 - (c) [F2non-face-to-face business relationships or transactions, without certain safeguards, such as electronic identification means, relevant trust services as defined in Regulation (EU) No 910/2014 or any other secure, remote or electronic, identification process regulated, recognised, approved or accepted by the relevant national authorities;]
 - (d) payment received from unknown or unassociated third parties;
 - (e) new products and new business practices, including new delivery mechanism, and the use of new or developing technologies for both new and pre-existing products;
 - (f) [F1transactions related to oil, arms, precious metals, tobacco products, cultural artefacts and other items of archaeological, historical, cultural and religious importance, or of rare scientific value, as well as ivory and protected species.]
- (3) Geographical risk factors:
 - (a) without prejudice to Article 9, countries identified by credible sources, such as mutual evaluations, detailed assessment reports or published follow-up reports, as not having effective AML/CFT systems;
 - (b) countries identified by credible sources as having significant levels of corruption or other criminal activity;
 - (c) countries subject to sanctions, embargos or similar measures issued by, for example, the Union or the United Nations;

Status: EU Directives are being published on this site to aid cross referencing from UK legislation. After IP completion day (31 December 2020 11pm) no further amendments will be applied to this version.

- (d) countries providing funding or support for terrorist activities, or that have designated terrorist organisations operating within their country.

Textual Amendments

- F1** Inserted by Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (Text with EEA relevance).
- F2** Substituted by Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (Text with EEA relevance).