The European Union Fourth Anti-Money Laundering Directive


The Fourth Anti-Money Laundering Directive stresses the importance of:

- EU member states are responsible for implementing measures laid out in the directive by June 2017.

What is a Politically Exposed Person?

A Politically Exposed Person or PEP is defined by the Financial Action Task Force as an individual who has been entrusted with a prominent public function.

The position and influence held by a PEP carries with it the potential risk of being abused, specifically in relation to:
- Money Laundering
- Bribery and Corruption
- Terrorist Financing

Conducting Thorough Due Diligence

Organisations need to understand their local regulator’s definition and their own risk exposure to assess who should be classed as a PEP. It is the responsibility of the compliance department to undertake a risk-based approach and exercise proper customer due diligence, even for seemingly low-risk lines of business.

As a best practice, the compliance department should:
- Put appropriate risk management systems in place, including risk-based procedures, to determine whether customers or beneficial owners of customers are PEPs.
- Obtain senior management approval for establishing or continuing business relationships with PEPs.
- Take adequate measures to establish the source of wealth and source of funds involved in business relationships or transactions with PEPs.
- Perform enhanced, ongoing monitoring of those business relationships.

How Can Accuity Help?

Although doing business with a PEP isn’t illegal, it is every organisation’s responsibility to identify the risks associated with its client base.

The Fircosoft portfolio of data-enabled solutions—integrated with Accuity—can help you identify PEPs and evaluate the risk to your business by providing the comprehensive intelligence and intuitive technology you need.

For more information visit www.accuity.com/compliance