



**ODDO BHF**

**Group  
Anti-Money-Laundering Policy**

**15.01.2019**



**ODDO BHF**

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## **1 Introduction**

ODDO BHF is committed to the highest standards of anti-money laundering (AML) compliance and requires management and employees to adhere to these standards to prevent use of our products and services for money laundering purposes.

ODDO BHF will examine its anti-money laundering strategies, goals and objectives on an ongoing basis. Adherence to the ODDO BHF Group Anti-Money Laundering Program is the responsibility of all employees.

The program includes client screening and monitoring requirements, “know your customer” policies (including the requirement to establish the identity of beneficial owners), embargo policies, record keeping requirements, the reporting of suspicious circumstances in accordance with relevant laws, and AML training. It is ODDO BHF AGs policy to prohibit and actively prevent money laundering and any activity that facilitates money laundering or the financing of terrorism or criminal activities.

## **2 Scope**

### **2.1 Objectives**

ODDO BHF has a comprehensive compliance program within its organisation to ensure compliance with governmental rules and regulatory requirements. These requirements are intended to prevent ODDO BHF, our employees and clients from being misused for money laundering, financing terrorism or other financial crime. This policy establishes the general framework for the fight against money laundering and financing terrorism.

### **2.2 Applicability**

According to section 9 of the German Money Laundering Act, ODDO BHF must ensure that the legal duties resulting from the regulations set out in this Act and the German Money Laundering Act are fulfilled by our branches and subsidiaries in Germany and abroad.

Wherever local regulations are stricter than the requirements set out in this Policy, the stricter standard has to be applied.



If the minimum requirements set out in this Policy cannot be applied because application would be against local law or cannot be enforced due to other than legal reasons, ODDO BHF has to assure that it will not

- enter into a business relationship,
- continue a business relationship or
- carry out any transactions.

If business relations already exist in that country, ODDO BHF has to assure that the business relationship is terminated regardless of other contractual or legal obligations.

### **2.3 Definition of the term “Money Laundering”**

Money Laundering is the process by which large amounts of illegally obtained assets (e.g. money) are infiltrated into the legal circuit of finance and economy in order to disguise the illegal source and to give it the appearance of legitimacy.

Generally speaking, the money laundering process consists of three “stages”:

#### **Placement:**

The introduction of illegally obtained money or other valuables into financial or non-financial institutions.

#### **Layering:**

Separating the proceeds of criminal activity from their source through the use of layers of complex financial transactions, with the purpose to disguise the audit trail and provide anonymity.

#### **Integration:**

Illegal proceeds (now disguised) are integrated into the “legitimate” economy so that they appear to be regular business funds.

### **2.4 Definition of the term “Financing of Terrorism”**

Financing of Terrorism is the collection of – often small – amounts of money, its subsequent camouflage and transfer aiming to use these proceeds to finance terrorism.



### 3 Minimum Requirements

All ODDO BHF branches and subsidiaries have to comply with the following basic principles:

**Ascertainment of customers identity:**

- when entering into a lasting business relationship,
- generally when performing a single transaction (cash or non-cash) values worth 15.000 EUR (or equivalent) outside an existing business relationship, also when performing a number of smaller payments adding up to this amount (“smurfing”).

**Identification of Ultimate Beneficial Owner:**

Whenever ODDO BHF is required to identify a customer, it must establish and verify the identity of the ultimate natural person,

- who owns or
- controls the customer or its assets or
- on whose behalf the transaction is carried out or the business relationship is established.

**Establishment of purpose of business relationship:**

When entering into a lasting business relationship, ODDO BHF must obtain information on kind and purpose thereof, if this is not clear from the business relationship itself.

**Client account monitoring:**

A permanent monitoring of clients’ accounts must be implemented to detect unusual or suspicious transactions. Monitoring must be effected for applicable business areas using adequate processes and systems.

**Correspondent Banking:**

Special attention must be paid to correspondent banking business and appropriate and effective security measures must be implemented.

**Politically Exposed Persons:**

If the contracting party or beneficial owner is a politically exposed person special enhanced due diligence is required.

**Forbidden business:**

Payable through accounts and relationships with shell banks are forbidden for ODDO BHF and ODDO BHF’s correspondent banks,

**Reporting of suspicious circumstances and transactions:**

Suspicious circumstances and transactions must be reported to the competent authorities according to local law.



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**Staff reliability:**

ODDO BHF and its branches or subsidiaries must not employ staff who are deemed not reliable.

**Anti-Money Laundering controls:**

The responsible Anti Money Laundering Officer must ensure by appropriate and effective customer- and business related controls that all applicable AML requirements are being adhered to and security measures are properly functioning.

**Anti-Money Laundering Training:**

All new employees have to be trained upon joining ODDO BHF; training has to be repeated every 2 years.

**Anti-Money Laundering Risk Analysis:**

ODDO BHF has set up a system to assess the level of risk exposure considering product and client risk and derive appropriate and effective security measures from this analysis.

**Embargo Requirements:**

ODDO BHF adheres to all applicable embargo requirements and will check clients and transactions against applicable embargo lists.

## **4 Record Retention**

Records must be kept of all transaction data and data obtained for the purpose of identification, as well as of all documents related to money laundering topics (e.g. files on suspicious activity reports, documentation of AML account monitoring, etc.). Records must be kept for 5 years; identification data must be kept for 10 years after termination of the business relationship.