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# **REEFS Form Completion Guide AML/CFT Inherent Risk - Banking (Ref: AIR-157-01)**

Document version: 2.0

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**Revision History:**

Effective Date	Version Number	Revision Description
5 Aug 2019	1.0	Initial release of documentation
10 Jan 2020	2.0	Formatting change

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## 1 INTRODUCTION

**R**egulatory **E**nhanced **E**lectronic **F**orms **S**ubmission (REEFS), is an online portal for electronic submission of required financial services information to the Cayman Islands Monetary Authority (“the Authority”) as well as providing payments information where applicable.

## 2 FORM INFORMATION

- The AML/CFT Inherent Risks – Banking form is to be completed by every Bank and Trust Company (who is commonly referred to as ‘entity’ for purposes of this form) in REEFS, via its registered office on or before the 15 August 2019.
- For purposes of this form, “client” and “customer” are used interchangeably and relate to anyone with or for whom banking business is transacted.
- The dropdown ‘+’ sign to the left hand side of the page, allow the entity to insert multiple entries when more than one is applicable for each category, throughout this form.
- Enter currency amounts in USD dollars and cents.

## 3 ACCESSING AND SUBMITTING THE FORM

### 3.1 UNDERSTANDING REEFS ROLES AND WORKFLOWS

In REEFS, roles are required to be assigned to allow users to perform certain tasks (assigned in the Workflow). These roles give the users permission to prepare, edit, approve, review and submit etc. based on Workflows.

Click [here](#) for guidance on how to create User accounts, Assign Roles and details of Workflows

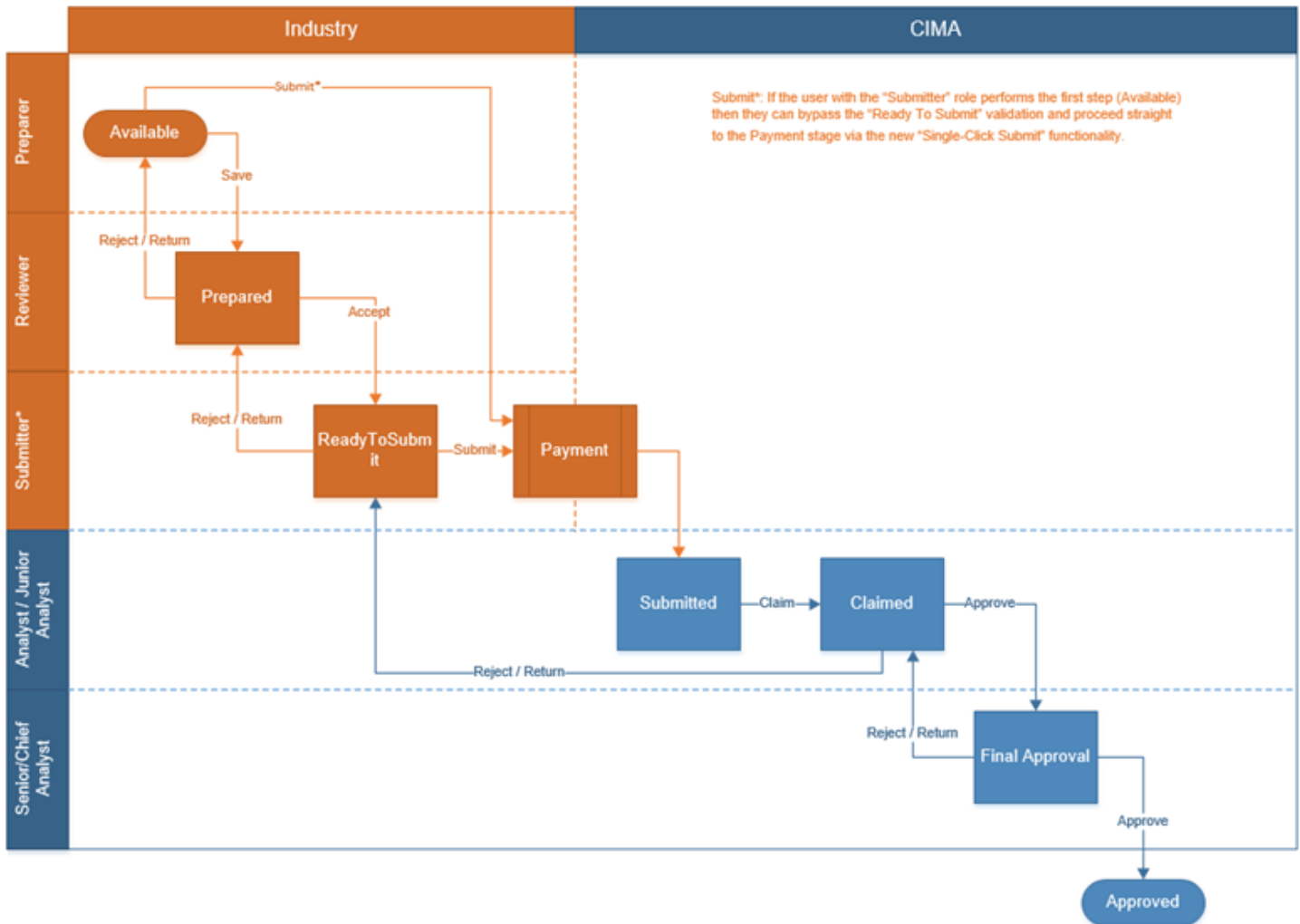
### 3.2 ROLES REQUIRED FOR (AIR-157-01)

The following roles are required to have access to this form:

- Preparer role
- Reviewer role
- Submitter role

### 3.3 WORKFLOW USED FOR (AIR-157-01)

The following Workflow is associated with (AIR-157-01). It outlines the steps that must be followed on both the Industry-side and the Authority-side for preparation, review, submission etc of the form. All steps in the workflow must be complete (validated multiple times) even if one user has inherited roles and can perform all steps in the workflow.



#### Steps taken on Industry-side:

1. Once a new form is opened the status of the form is listed as **Available**. The 'Preparer' then begins to populate the form with the required data
  - a. Once the data has been entered, the 'Preparer' validates the data, and the form can then be saved.
    - i. Once the form has been validated by the 'Preparer', the status changes to **Prepared**, and the form is sent up the chain to the 'Reviewer' accordingly.
      1. Once the 'Reviewer' has reviewed and validated the form, the 'Reviewer' either accepts or rejects the form.
        - a. If the **Reject** option is selected, the form is returned to the 'Preparer' for further review

- b. If the **Accept** option is selected, the status of the form changes to **'Ready to Submit'**, and the form is then elevated to the 'Submitter'.
  - i. Once the 'Submitter' has reviewed the validated the form the 'Reviewer' either submits or rejects the form.
    1. If the **Reject** option is selected, the form is returned to the 'Reviewer'.
    2. If the **Submit** option is selected, it then goes to the **Payment** processor (if it is applicable).
      - a. Once the payment (if applicable) has been processed, the status of the form then changes to **Submitted**, and should now be seen on the Authority's end under the "view filing" tab.

#### Steps taken on Authority-side:

1. Once the form has been **Submitted** to the Authority, a Junior Analyst/Analyst can then claim the form to begin the review process.
  - a. Once the form has been claimed, the status of the form changes to **Claimed**.
    - i. The form is then reviewed and validated. The form can then be either rejected or approved.
      1. If the **Reject** option is selected, the form is returned to the 'Submitter' (Industry) to be resubmitted.
      2. If the **Approve** option is selected, the form is escalated up to a Senior Analyst/Chief Analyst for final review, and the status of the form changes to **Waiting Final Approval**.
        - a. Once the form is reviewed by the Senior/Chief the form is validated and is either rejected or approved.
          - i. If the **Reject** option is selected, the form is returned to the Junior Analyst/Analyst for further review. At this time the Junior Analyst/Analyst can further "reject" it to send back to Industry accordingly.
          - ii. If the **Approve** option is selected the status of the form changes to **Approved**.

### 3.4 SUBMITTING / RESUBMITTING

*Pending*

### 3.5 APPLICABLE FEES

There are no fees associated with AIR-157-01

## 4 COMPLETION INSTRUCTIONS

ID	Label	Instructions	Validation Rule
<b>Schedule A – Client/Customer Risk</b>			
<b>Clients/Customers – Indicate the types and number of clients/customers the entity has in the following or equivalent categories:</b>			
A01	How many clients/customers does the entity have in total by country?	This section represents an aggregate for all clients/customers that the entity provides any banking services to. Insert total number of all active clients/customers that the entity provides any Banking services to by country of residence/incorporation. (Please note that if the same client (individual or legal entity) has two accounts in the same name, then only 1 should be counted. Do not double count).	Optional field
A02	Number and Nationality of clients/customers who are Natural Persons?	Insert total number of all active clients/customers who are natural persons that the entity provides any Banking services to by nationality. (Please note that if the same individual has two accounts in the same name, then only 1 should be counted. Do not double count).	Optional field
A03	How many ultimate beneficial owners (UBOs) do the clients have in total?	Insert total number of all ultimate beneficial owners (UBOs) that the clients have by country of residence. (Please note that if the same UBO has two accounts in the same name, then only 1 should be counted. Do not double count).	Optional field
A04	How many clients have UBOs that are also senior managing officials of the client?	Insert total number of clients that have UBOs that are also senior managing officials of that client.	Mandatory field
A05	Government/Public Sector Entities	Insert total value of assets held in Government/Public Sector Entities and the total number of clients holding such assets by country.	Optional field
A06	Multilateral Development Banks (MDBs)	Insert total value of assets held in MDBs and the total number of clients holding such assets by country.	Optional field
A07	Group Banks - Parent, Branch, Subsidiary or Affiliate	Insert total value of assets held in Group Banks - Parent, Branch, Subsidiary or Affiliates and the total number of clients holding such assets by country.	Optional field
A08	Group Non-Bank Entities	Insert total value of assets held in Group Non-Bank Entities and the total number of clients holding such assets by country.	Optional field
A09	Other Banks (Unrelated)	Insert total value of assets held in Other Banks (Unrelated) and the total number of clients holding such assets by country.	Optional field
A10	Financial Institutions	Insert total value of assets held in Financial Institutions and the total number of clients holding such assets by country.	Optional field
A11	Non-Financial Institutions	Insert total value of assets held in Non-Financial Institutions and the total number of clients holding such assets by country.	Optional field
A12	Individuals / Natural Persons	Insert total value of assets held with Individuals / Natural Persons and the total number of clients holding such assets by country.	Optional field
A13	Trusts	Insert total value of assets held in Trusts and the total number of clients holding such assets by country.	Optional field
A14	Non-Profit Organisations	Insert total value of assets held in Non-Profit Organisations and the total number of clients holding such assets by country.	Optional field
A15	Other	Specify and insert total value of assets held in other entities not described in <b>A05</b> to <b>A14</b> above and the total number of clients holding such assets by country.	Optional field
<b>A16-A35</b>	<b>How many of the clients/customers are:</b>		
A16	Trusts & Company Service Providers	Insert total value of assets held by clients who are Trusts & Company Service Providers and the total number of such clients by country.	Optional field
A17	Lawyers	Insert total value of assets held by clients who are Lawyers and the total number of such clients by country.	Optional field
A18	Notaries	Insert total value of assets held by clients who are Notaries and the total number of such clients by country.	Optional field
A19	Real Estate Agents	Insert total value of assets held by clients who are Real Estate Agents and the total number of such clients by country.	Optional field

A20	Dealers in precious metals and stones	Insert total value of assets held by clients who are Dealers in precious metals and stones and the total number of such clients by country.	Optional field
A21	Special purpose vehicles	Insert total value of assets held by clients who are Special purpose vehicles and the total number of such clients by country.	Optional field
A22	Special economic zone	Insert total value of assets held by clients who are in a Special economic zone and the total number of such clients by country.	Optional field
A23	Online gambling business	Insert total value of assets held by clients who are Online gambling businesses and the total number of such clients by country.	Optional field
A24	Defense industry	Insert total value of assets held by clients who are in the Defense industry and the total number of such clients by country.	Optional field
A25	Oil and Gas industry	Insert total value of assets held by clients who are in the Oil and Gas industry and the total number of such clients by country.	Optional field
A26	Mining industry	Insert total value of assets held by clients who are in the Mining industry and the total number of such clients by country.	Optional field
A27	Adult entertainment	Insert total value of assets held by clients who are in the Adult entertainment business and the total number of such clients by country.	Optional field
A28	Import/Export	Insert total value of assets held by clients who are in the Import/Export business and the total number of such clients by country.	Optional field
A29	Construction / development	Insert total value of assets held by clients who are in the Construction / development business and the total number of such clients by country.	Optional field
A30	Shipping	Insert total value of assets held by clients who are in the Shipping business and the total number of such clients by country.	Optional field
A31	Virtual / Digital Assets	Insert total value of assets held by clients who are in the Virtual / Digital Assets business and the total number of such clients by country.	Optional field
A32	Prepaid / gift cards	Insert total value of assets held by clients who are in the Prepaid / gift cards business and the total number of such clients by country.	Optional field
A33	High Net Worth (HNW) Individuals - with a net worth of at least CI\$800,000	Insert total value of assets and deposits held by High Net Worth (HNW) Individuals - with a net worth of at least CI\$800,000 and the total number of such clients by country.	Optional field
A34	Politically Exposed Persons (direct relationships and beneficial owners of client companies or legal arrangements)	Insert total value of assets and deposits held by Politically Exposed Persons (direct relationships and beneficial owners of client companies or legal arrangements) and the total number of such clients by country.	Optional field
A35	High Net Worth Individuals that are also Politically Exposed Persons	Insert total value of assets and deposits held by High Net Worth Individuals that are also Politically Exposed Persons and the total number of such clients by country.	Optional field

## Schedule B – Distribution Channel Risks

<b>B01-B07</b>	<b>Organizational Structure:</b>		
B01	In which countries are the entity's parent companies located?	Select as appropriate. <b>Please note that if entity is a stand alone insert its country of incorporation.</b>	Optional field
B02	In which countries are the entity's subsidiaries and/or branches located?	Select as appropriate.	Optional field
B03	In which countries are the entity's affiliates located?	Select as appropriate.	Optional field
B04	In which countries by percentage of equity ownership are all shareholders of the entity located. For publicly listed entities	Insert countries where all shareholders of the entity are located and their percentage of equity ownership. For publicly listed entities please list beneficial ownership of 10% or more.	Optional field



	please list beneficial ownership of 10% or more.		
B05	In which countries are the representative (sales) offices of the entity located?	Select as appropriate.	Optional field
B06	No. of Domestic Agents	Insert number of Domestic agents	Mandatory field
B07	No. of Domestic Branches	Insert number of Domestic branches	Optional field
<b>B08-B09</b>	<b>Online Platforms:</b>		
B08	Does the entity accept its clients/customers via online platforms?	Select as appropriate.	Mandatory field
B09	What is the domicile (location) and percentage of clients/customers accepted through online platforms?	Select appropriate domicile and detail percentage of clients/customers accepted through online platforms.	Mandatory field if 'Yes' is selected in <b>B08</b>
<b>B10-B18</b>	<b>Clients per each distribution channel:</b>		
B10	Direct	Insert total number of clients coming directly to the entity and select as appropriate.	Optional field
B11	Does the entity place any reliance on Eligible Introducers within the group?	Select as appropriate.	Mandatory field
B12	Location of Eligible Introducers within the group	Select the appropriate country and insert total number of Eligible Introducers within the group in such country and detail whether they are regulated or unregulated and the percentage of clients coming through such Eligible introducers.	Mandatory if 'Yes' is selected in <b>B11</b>
B13	Does the entity place any reliance on third party Eligible Introducers (outside the group)?	Select as appropriate.	Mandatory field
B14	Location of third party Eligible Introducers	Select the appropriate country and insert total number of third party Eligible Introducers in such country and detail whether they are regulated or unregulated and the percentage of clients coming through such third party Eligible introducers.	Mandatory field if 'Yes' is selected in <b>B13</b>
B15	Nominees	Insert total number of clients coming through nominees and select as appropriate.	Optional field
B16	Other (if applicable)	Insert total number of clients coming through other distribution channels not mentioned in B10 to B15 and select as appropriate.	Optional field
B17	What functions does the entity outsource to a 3rd Party and where is the 3rd Party located?	Insert details of functions that the entity outsources to a 3rd Parties, number, type, location of such 3rd Parties and whether they are regulated or unregulated?	Optional field
B18	What functions does the entity outsource to a group entity and where is the group entity located?	Insert details of functions that the entity outsources to a group entities, number, type, location of such group entities and whether they are regulated or unregulated?	Optional field

## Schedule C – Products and Services Risks

### Types of Business

<b>C01-C02</b>	<b>Select the primary and secondary (if applicable) nature of business in the Cayman Islands</b>		
C01	Primary	Select as appropriate	Mandatory field
C02	Secondary	Select as appropriate	Optional field
<b>C03-C16</b>	<b>Does the entity provide the following products and services? If yes, provide the number of transactions per annum, annual gross value</b>		

C03	Foreign currency exchange services	Select as appropriate. If entity provides foreign currency exchange services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C04	Virtual currency exchange services	Select as appropriate. If entity provides virtual currency exchange services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C05	Lending - Government and public sector entities	Select as appropriate. If entity provides lending to government and public sector entities, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C06	Lending – Group entities	Select as appropriate. If entity provides lending to group entities, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C07	Lending – Retail	Select as appropriate. If entity provides lending to retail entities, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C08	Lending – Non-Retail	Select as appropriate. If entity provides lending to non-retail entities, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C09	Lending – Trade Finance	Select as appropriate. If entity provides lending to trade finance entities, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C10	Trust and company administration	Select as appropriate. If entity provides trust and company administration services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C11	Trustee / custodian services	Select as appropriate. If entity provides trustee / custodian services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C12	Fund management	Select as appropriate. If entity provides fund management services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C13	Investment management	Select as appropriate. If entity provides investment management services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C14	Trading profits and commissions	Select as appropriate. If entity provides trading profits and commissions services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C15	Omnibus accounts (batch processing)	Select as appropriate. If entity provides omnibus accounts (batch processing) services, please provide the number of transactions completed per annum and the annual gross value.	Mandatory field
C16	Other (if applicable)	Select as appropriate. If entity provides other services not detailed in C03 to C15 please provide the details, number of transactions completed per annum and the annual gross value.	Mandatory field
<b>C17-C31</b>	<b>Volume of Business</b>		
C17	Total number and volume of client transactions	Insert total number of client transactions completed per annum and the annual gross value.	Mandatory field
C18	Total number and volume of non-account based transactions (money transfers and one-off transactions for non-clients)	Insert total number of non-account based transactions completed per annum and the annual gross value.	Mandatory field
C19	Total number and volume of physical cash deposits by currency	Insert currency, total number of cash deposit transactions completed per annum and the annual gross value per each currency.	Optional field
C20	Total number and value of transactions by PEPs by country	Insert total number of transactions by PEPs completed per annum and the annual gross value per country.	Optional field
C21	Total number of cash deposits by PEPs by currency and country	Insert currency, total number of cash deposit transactions by PEPs completed per annum and the annual gross value per each currency.	Optional field
C22	Total number and volume of cash deposits by High Net Worth Individuals (HNWI)	Insert total number of cash deposit transactions by HNWI completed per annum and the annual gross value.	Mandatory field

C23	Total volume of cash deposits by natural person greater than US\$10,000 (or equivalent)	Insert total number of cash deposit transactions by natural person greater than US\$10,000 (or equivalent)	Mandatory field
C24	Number of respondent institutions that are banks	Insert total number of respondent institutions that are banks.	Mandatory field
C25	Number of respondent institutions that are money service providers	Insert total number of respondent institutions that are money service providers.	Mandatory field
C26	Total volume of transactions processed for respondent institutions	Insert total number of transactions completed and the annual gross value per annum for respondent institutions per each country.	Optional field
C27	Total volume of transactions processed for non-group respondent institutions	Insert total number of transactions completed and the annual gross value per annum for non-group respondent institutions per each country.	Optional field
C28	Total volume of transactions processed for money remitters	Insert total number of transactions completed and the annual gross value per annum for money remitters per each country.	Optional field
C29	Total volume of payable-through accounts	Insert total number of transactions completed and the annual gross value per annum for payable-through accounts per each country.	Optional field
C30	Total volume of loans to non-group clients that are collateralized by cash	Insert total number of transactions for loans to non-group clients that are collateralized by cash completed per annum and the annual gross value.	Mandatory field
C31	Total volume of back-to-back loans to non-group clients	Insert total number of transactions for back-to-back loans to non-group clients completed per annum and the annual gross value.	Mandatory field

## 5 REUSING PREVIOUS SUBMISSIONS

### What is "XBRL"?

XBRL (eXtensible Business Reporting Language), is a standards-based way to communicate and exchange business information between business systems.

Data can be used from a previous reporting period or submission instead of starting from fresh. You must have entered data into at least one form using the online portal and have gone through a successfully validated submission.

- Example: Rapidly re-using the Anti-Money Laundering officers application for (MLO-154-99)

Process:

1. Select "**Submitted Requests**" to view previously submitted forms and select the one that contains the data.
2. Click on "**Download: XBRL Instance**" in the top right corner and save the file to your PC or network drive.
3. Close the form.
4. Select "**New Request**" and select the required new/empty form (e.g. MLO-154-99).
5. Click on "**Upload: XBRL Instance**" in the top right corner.
6. Click on "**Browse...**" and navigate to the file that was saved in step 2 above (usually in the "Downloads" folder).

7. Click **“Upload”**.
8. The system will then copy each data point from the XBRL file into the fields of the current form.
9. The system displays the message **“Import Successful”** to indicate that the data was all copied OK.
10. The user can then review and make changes to the data.
11. Proceed as usual through the rest of the validation process.

These instructions can be used for **New Application forms, Change Request forms** and **Financial Returns**.

## 6 TROUBLESHOOTING

### 6.1 COMMON VALIDATION RULES

*Pending*

### 6.2 UNDERSTANDING OTHER ERRORS

*Pending*