



REEFS Form Completion Guide AML/CFT Inherent Risk - Insurance (Ref: AIR-157-14)

Document version: 2.0

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13 Dec 2019	1.0	Initial release of documentation
14 Jan 2020	2.0	Formatting change

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1 INTRODUCTION

Regulatory **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 – Insurance form is to be completed by every Insurance Licensee (who is commonly referred to as “entity or Licensee” for purposes of this form) in REEFS, on or before **13 January 2020**.
- For the purpose of the completion of the AIR-157-14, the reporting period is from 1 October 2018 to 30 September 2019.
- Enter currency in USD dollars and cents.
- For purposes of this form, “client” and “customer” are used interchangeably and relate to anyone with or for whom insurance business is transacted on a direct basis.
- Only complete section(s) which apply.
- 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.

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

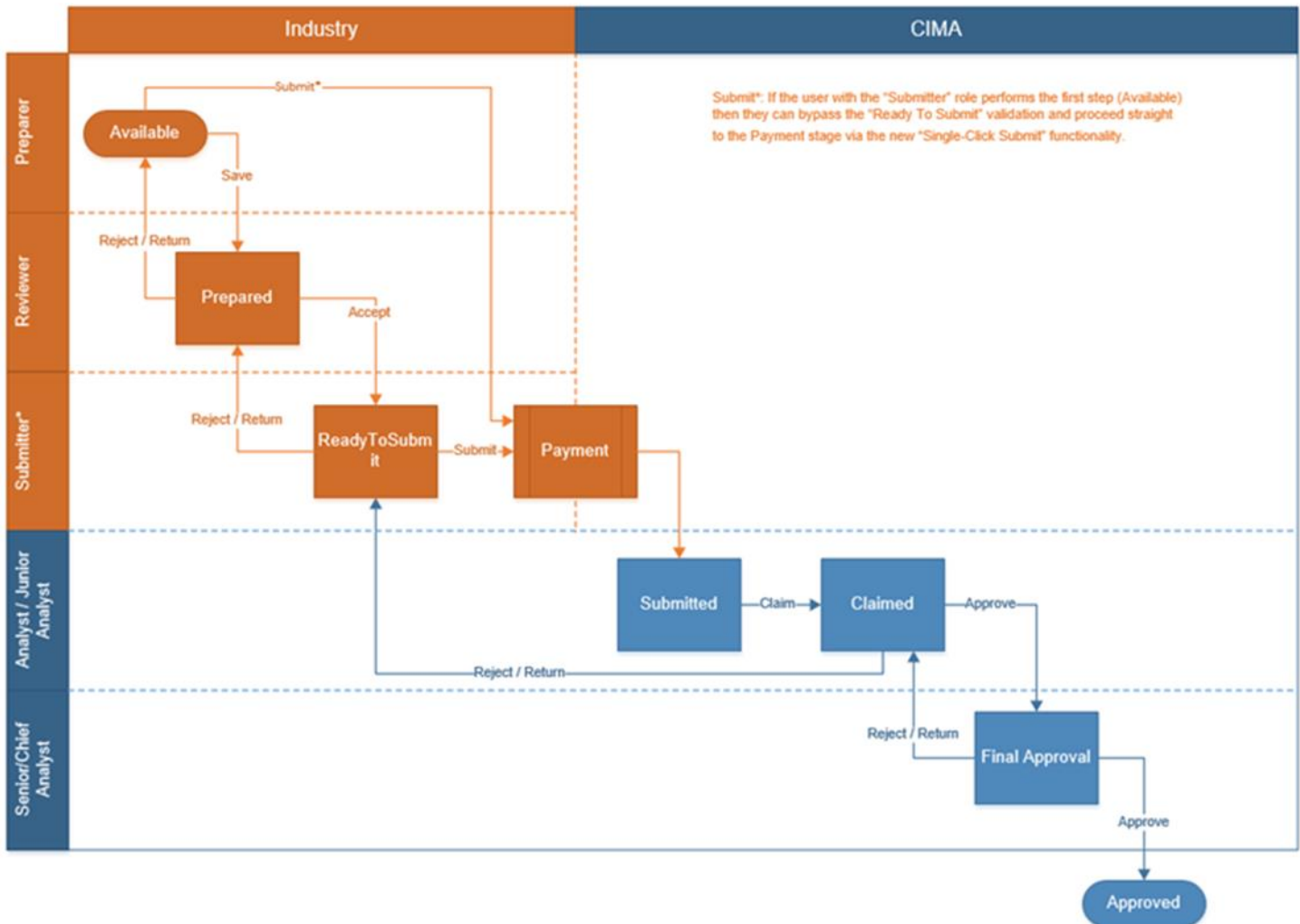
3.2 ROLES REQUIRED FOR (AIR-157-14)

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

- Preparer role
- Reviewer role
- Submitter role

3.3 WORKFLOW USED FOR (AIR-157-14)

The following Workflow is associated with AIR-157-14. 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-157-14

4 COMPLETION INSTRUCTIONS

ID	Label	Instructions	Validation Rule
Schedule A – Client/Customer Risk			
Direct Clients/Customers – This section is to be completed by Insurance Licenses who have direct customers, including policyholders, prospective policyholders, applicants for contracts of insurance. Indicate the types and number of clients/customers the entity has in the following or equivalent categories:			
A01a-b	How many clients/customers does the entity have in total?	This section represents an aggregate for all clients/customers that the entity provides any insurance business services to during the period October 1, 2018 to September 30, 2019.	Optional field
A02-A05	All of the clients/customers categorized in A02-A05 are to total all active clients disclosed in A01a above.		
A02a-b	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 Insurance Business services to by nationality during the period October 1, 2018 to September 30, 2019.	Optional field
A03a-b	Number of clients/customers who are Trust or similar legal arrangements?	Insert total number of all active clients/customers who are Trust are similar types of legal arrangements by country of residence during the period October 1, 2018 to September 30, 2019.	Optional field
A04a-b	Number and Nationality of clients/customers who are Legal Persons?	Insert the total number of legal persons identified by nationality during the period October 1, 2018 to September 30, 2019.	Optional field
A05	How many clients who are Corporate Entities have UBOs?	Insert total number of corporate entity clients with ultimate beneficial owners with more than 10% ownership during the period October 1, 2018 to September 30, 2019.	Mandatory field
Insureds - This section is to be completed by Insurance Licensees engaged in insurance business (General or Long-term) of accepting risks by effecting or carrying out contracts of insurance, whether directly or indirectly, and includes running-off business including the settlement of claims. Indicate the types and number of Insureds the entity has in the following or equivalent categories:			
A06a	Total value of premiums paid - Life (USD)	Insert value of premiums derived from Life business during the period October 1, 2018 to September 30, 2019.	Mandatory field
A06b	Percentage of Life Premiums of Total value of premiums paid	Insert percentage of Life Premiums over Total Value of premium during the period October 1, 2018 to September 30, 2019.	Mandatory field
A06c	Total value of premiums paid - General (USD)	Insert value of premiums derived from General business during the period October 1, 2018 to September 30, 2019.	Mandatory field
A06d	Percentage of General Premiums of Total value of premiums paid	Insert percentage of General Premiums over Total Value of premiums during the period October 1, 2018 to September 30, 2019.	Mandatory field
A07a-b	Number and Nationality of insured persons who are Natural Persons?	Insert total number of all active policyholders who are natural persons by nationality during the period October 1, 2018 to September 30, 2019.	Optional field
A08a-b	Number of Insured persons who are Trust or similar legal arrangements?	Insert total number of all active policyholders who are Trust are similar types of legal arrangements by country of residence during the period October 1, 2018 to September 30, 2019.	Optional field
A09a-b	Number and Nationality of insured persons who are Legal Persons?	Insert total number of all active policyholders who are Legal Persons by country of residence during the period October 1, 2018 to September 30, 2019.	Optional field
A10a-b	How many beneficiaries of policies issued by the entity in total?	Insert total number of all active policyholders which have beneficiaries by country of residence during the period October 1, 2018 to September 30, 2019.	Optional field
A11a-b	Number and Nationality of beneficiaries who are Natural Persons?	Insert total number beneficiaries of active policies who are natural persons during the period October 1, 2018 to September 30, 2019.	Optional field
A12a-b	Number of beneficiaries who are Trust or similar legal arrangements?	Insert total number beneficiaries of active policies who are trust or similar legal arrangements during the period October 1, 2018 to September 30, 2019.	Optional field
A13a-b	Number and Nationality of beneficiaries who are Legal Persons?	Insert total number beneficiaries of active policies who are legal persons during the period October 1, 2018 to September 30, 2019.	Optional field

How many of the clients/customers/insured are:			
A14a-c	High Net Worth (HNW) Individuals - with a net worth of at least CI\$ 800,000	Insert total number of customers/clients/insureds of active policies who are HNW Individuals during the period October 1, 2018 to September 30, 2019 and the value of active policies held.	Optional field
A15a-c	Politically Exposed Persons (direct relationships and beneficial owners of client companies or legal arrangements)	Insert total number of customers/clients/insureds of active policies who are PEPs during the period October 1, 2018 to September 30, 2019 and the value of active policies held. See part II - section 7 of the Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands, December 2017 ("AML Guidance Notes") to see who constitutes as a Politically Exposed Person ("PEP"). Include all individuals/persons that have been previously categorized in sections A01, A02c-A16c above. (I.E. All structures, such as but not limited to, government/public section, non-profit organizations, financial institutions, non-financial institutions, corporations, trusts, nominees, special purpose vehicles, special economic zones, with one or more ultimate beneficial owner who is a PEP should also be captured in the response provided in this section.	Optional field
A16a-c	High Net Worth Individuals that are also Politically Exposed Persons	Insert total number of customers/clients/insureds of active policies who are HNW Individuals who are also PEPs during the period October 1, 2018 to September 30, 2019 and the value of active policies held.	Optional field
Reinsurance - This section is to be completed by Insurance Licensees engaging in the business of accepting risks by effecting or carrying one or more contracts of reinsurance whether directly or indirectly and includes running-off business including the settlement of claims. Indicate the types and number of Cedants the entity has in the following or equivalent categories:			
A17a-b	How many cedants does the entity have in total?	Insert total number of cedants of active policies by country of incorporation during the period October 1, 2018 to September 30, 2019.	Optional field
A18a-b	How many cedants are regulated entities?	Insert total number of cedants of active policies who are regulated entities by country of incorporation during the period October 1, 2018 to September 30, 2019.	Optional field
A19a-b	For the reinsurance of long-term business, what is the nationality of the insureds?	Insert the nationality of insureds and percentage of policies which originate from long-term business during the period October 1, 2018 to September 30, 2019.	Optional field
A20a-b	For the reinsurance of general business, what country does the risks originate?	Insert the country of incorporation and percentage of clients which originate from general business during the period October 1, 2018 to September 30, 2019.	Optional field
A21a-c	Value and number of reinsurance transactions which involve Trust or similar legal arrangements?	Insert the value and number of reinsurance transactions which involve trust or similar legal arrangements by country of incorporation during the period October 1, 2018 to September 30, 2019.	Optional field
Insurance Manager - This section is to be completed by Insurance Managers. Indicate the types and number of clients the entity has in the following or equivalent categories:			
A22	How many Insurance Licensees under management?	Insert number of licensees under management.	Optional field
A23a-b	What percentage of Licensees under management engage in Life Insurance business?	Insert percentage of total licensees under management that engage in Life business.	Optional field
A24a-b	What percentage of Licensees under management engage in General Insurance business?	Insert percentage of total licensees under management that engage in General business.	Optional field
A25a-c	How many of your UBOs are High Net Worth (HNW) Individuals - with a net worth of at least CI\$ 800,000	Insert total number of HNW Individual UBOs by value of shares held and country of residence.	Optional field
A26a-c	How many of your UBOs are Politically Exposed	Insert total number of HNW Individual UBOs who are PEPs by the value of shares held and country of residence. See part II - section 7	Optional field

	Persons (direct relationships and beneficial owners of client companies or legal arrangements)	of the Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands, December 2017 ("AML Guidance Notes") to see who constitutes as a Politically Exposed Person ("PEP"). Include all individuals/persons that have been previously categorized in sections A01, A02c-A16c above. (I.E. All structures, such as but not limited to, government/public section, non-profit organizations, financial institutions, non-financial institutions, corporations, trusts, nominees, special purpose vehicles, special economic zones, with one or more ultimate beneficial owner who is a PEP should also be captured in the response provided in this section.	
A27a-c	How many of your UBOs are also High Net Worth Individuals that are also Politically Exposed Persons	Insert total number of UBOs who are HNW Individuals and are also PEPs by value of shares held and country of residence.	Optional field
Related Party Business - This section is to be completed by Insurance Licensees engaging in related business which originates from the insurer's members or the members of any group with which it is related through common ownership. Indicate the types and number of Insureds the entity has in the following or equivalent categories:			
A28a-b	What percentage of risk is associated with Life Insurance business?	Insert percentage of risk associated with long-term business by country of origin during the period October 1, 2018 to September 30, 2019.	Optional field
A29a-b	What percentage of risk is associated with General Insurance business?	Insert percentage of risk associated with general business by country of origin during the period October 1, 2018 to September 30, 2019.	Optional field
A30a-b	Number and Nationality of insureds who are Natural Persons?	Insert number and nationality of insureds that are natural persons during the period October 1, 2018 to September 30, 2019.	Optional field
A31a-c	High Net Worth (HNW) Individuals - with a net worth of at least CI\$800,000	Insert number, value of policies and nationality of insureds that are HNW Individuals during the period October 1, 2018 to September 30, 2019.	Optional field
A32a-c	Politically Exposed Persons (direct relationships and beneficial owners of client companies or legal arrangements)	Insert total number of customers/clients/insureds of active policies who are PEPs during the period October 1, 2018 to September 30, 2019 and the value of active policies held by country of residence. See part II - section 7 of the Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands, December 2017 ("AML Guidance Notes") to see who constitutes as a Politically Exposed Person ("PEP"). Include all individuals/persons that have been previously categorized in sections A01, A02c-A16c above. (I.E. All structures, such as but not limited to, government/public section, non-profit organizations, financial institutions, non-financial institutions, corporations, trusts, nominees, special purpose vehicles, special economic zones, with one or more ultimate beneficial owner who is a PEP should also be captured in the response provided in this section.	Optional field
A33a-c	High Net Worth Individuals that are also Politically Exposed Persons	Insert total number of customers/clients/insureds who are HNW Individuals and are also PEPs by value of active policies held and country of residence.	Optional field
A34a-c	How many of your UBOs are High Net Worth (HNW) Individuals - with a net worth of at least CI\$800,000	Insert total number of HNW Individual UBOs by value of shares held and country of residence.	Optional field
A35a-c	How many of your UBOs are Politically Exposed Persons (direct relationships and beneficial owners of client companies or legal arrangements)	Insert total number of HNW Individual UBOs who are PEPs by the value of shares held and country of residence. See part II - section 7 of the Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands, December 2017 ("AML Guidance Notes") to see who constitutes as a Politically Exposed Person ("PEP"). Include all individuals/persons that have been previously categorized in sections A01, A02c-A16c above. (I.E. All structures, such as but not limited to, government/public section, non-profit organizations, financial institutions, non-financial institutions, corporations, trusts, nominees, special purpose vehicles, special economic zones, with one or more ultimate beneficial owner	Optional field

		who is a PEP should also be captured in the response provided in this section.	
A36a-c	How many of your UBOs are High Net Worth Individuals that are also Politically Exposed Persons	Insert total number of UBOs who are HNW Individuals and are also PEPs by value of shares held and country of residence.	Optional field
Schedule B – Distribution Channel Risk			
Organizational Structure			
B01	In which countries are the entity's parent companies located?	Select countries which parent companies are located.	Optional field
B02a-b	In which countries are the entity's subsidiaries and/or branches located?	Insert number of subsidiaries by country of incorporation.	Optional field
B03a-b	In which countries are the entity's affiliates located?	Insert number of affiliates by country of incorporation.	Optional field
B04a-b	In which countries are representative (sales) offices of the entity located?	Insert number of sales offices by country of incorporation.	Optional field
B05a-c	How many intermediaries are soliciting insurance or reinsurance business on your behalf?	Insert total number of intermediaries soliciting insurance or reinsurance business on your behalf by regulated or unregulated.	Optional field
B06	If the entity holds a Class 'A' insurer, Class 'D' insurer or Insurance Brokers licence, how many domestic branches are operating in the Cayman Islands?	Insert total number of domestic branches.	Optional field
Online Platforms:			
B07	Does the Licensee accept its clients/customers via online platforms?	Select as appropriate. If clients/customers/insureds have the ability to submit applications for quotations requests or renew business via the internet, then yes should be selected.	Mandatory field
B08a-b	What is the domicile (location) and percentage of online platforms?	Insert percentage of clients/customers/insureds and country of residence for business retained through online platforms.	Optional field
Clients per each distribution channel:			
B09a-b	Direct	Insert total number of clients/customers/insureds that have been retained through Face to Face / Non-Face to Face interaction.	Optional field
B10a-d	Location of Eligible Introducers within the group	Select as appropriate. Indicate the percentage of clients/customers/insureds retained through Eligible Introducers within the group, by country of incorporation, indicating if regulated/unregulated and percentage of business retained.	Optional field
B11	Does the entity place any reliance on third party Eligible Introducers (outside the group)?	Select as appropriate.	Mandatory field
B12a-d	Location of third-party Eligible Introducers	Select as appropriate. Indicate the percentage of clients/customers/insureds retained through third party Eligible Introducers, by country of incorporation, indicating if regulated/unregulated and percentage of business retained.	Optional field
B13a-d	Other (if applicable)	Select as appropriate. Indicate the percentage of clients/customers/insureds retained through other means, by country of incorporation, indicating if regulated/unregulated and percentage of business retained.	Optional field
Schedule C – Products and Services Risk			
Types of Business			
C01	Primary Line of Business	Select the entity's primary line of business from the list provided.	Mandatory field
C01a	Number of in-force Policies	Number of in-force policies as at September 30, 2019.	Mandatory field

C01b	Total Value of Premiums (USD)	Total Premium Written or Assumed as at September 30, 2019.	Mandatory field
C02	Secondary Line of Business	Select the entity's secondary line of business from the list provided, if applicable.	Optional field
C02a	Number of in-force Policies	Number of in-force policies as at September 30, 2019.	Optional field
C02b	Total Value of Premiums (USD)	Total Premium Written or Assumed as at September 30, 2019.	Optional field
C03a-c	Other (if applicable)	Indicate details of other line of business not included in the list above, number of in-force policies and total value of premiums as at September 30, 2019.	Optional field
Value of Business			
C04a-b	Total value of lapsed policies	Total number and value of premium Written or Assumed for policies which have lapsed as at September 30, 2019.	Mandatory field
C05a-b	Total value of surrendered policies	Total number and value of premium Written or Assumed for policies which have been surrendered as at September 30, 2019.	Mandatory field
C06a-b	Total value of single payment premium	Total number and value of premium Written or Assumed for policies which premium payment is a single payment as at September 30, 2019.	Mandatory field
C07a-b	Total value of policies that additional top-ups	Total number and value of premium Written or Assumed for policies which additional top-up allowances as at September 30, 2019.	Mandatory field
C08a-b	Total value of policies that carry cash surrender values	Total number and value of premium Written or Assumed for policies which have cash surrender values as at September 30, 2019	Mandatory field
Premium Collection			
C09a-d	Total value of single payment premiums made in physical cash deposits by currency	Indicate total number and value of single payment premiums made in physical cash deposits by currency and percentage of total number of policies as at September 30, 2019.	Optional field
C10a-d	Total value of premiums remitted by PEPs	Indicate total number and value of premiums remitted by PEPs by currency and percentage of total number of policies as at September 30, 2019. See part II - section 7 of the Guidance Notes on the Prevention and Detection of Money Laundering and Terrorist Financing in the Cayman Islands, December 2017 ("AML Guidance Notes") to see who constitutes as a Politically Exposed Person ("PEP"). Include all individuals/persons that have been previously categorized in sections A01, A02c-A16c above. (I.E. All structures, such as but not limited to, government/public section, non-profit organizations, financial institutions, non-financial institutions, corporations, trusts, nominees, special purpose vehicles, special economic zones, with one or more ultimate beneficial owner who is a PEP should also be captured in the response provided in this section.	Optional field
C11a-d	Total value of premiums remitted by HNWI	Indicate total number and value of premiums remitted by HNWI Individuals with a net worth of at least CI\$ 800,000 by currency and percentage of total number of policies as at September 30, 2019.	Optional field
C12a-c	Total value of premium remitted by cash or deposit	Total number and value of premium Written or Assumed which have been remitted by cash or deposit as at September 30, 2019.	Optional field
C13a-c	Total value of premium remitted by cheque	Total number and value of premium Written or Assumed which have been remitted by cheque as at September 30, 2019.	Optional field
C14a-c	Total value of premium remitted by bank transfer or direct debit	Total number and value of premium Written or Assumed which have been remitted by bank transfer or direct debit as at September 30, 2019.	Optional field
C15a-c	Total value of premium remitted by wire transfer	Total number and value of premium Written or Assumed which have been remitted by wire transfer as at September 30, 2019.	Optional field
C16a-d	Total value of premium remitted by other means	Details and total number and value of premium Written or Assumed which have been remitted by other means as at September 30, 2019.	Optional 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