



## **Course: Customer Due Diligence and Marketing Communication**

### **Course overview**

This course aims to describe in summary the types of financial crime and the stages and process of Money Laundering. It also explains in brief the Customer Due Diligence (CDD) measures and identification procedures. It explains when to apply the CDD measures and identification procedures and briefly describes Simplified and Enhanced CDD measures. It also aims to describe the Suitability Assessment in Investment Advice in order to understand your clients (Know Your Client) and the information that an entity should collect. It also explains the importance of keeping the information that have been collected updated and the frequency of updating this information, as well as the record keeping arrangements that an Investment Firm should maintain. This course also explains marketing communication and the information that shall be provided to clients and potential clients and describes various unfair and aggressive commercial practices to clients.

### **Course Description**

Money laundering is the method by which criminals disguise the illegal origins of their wealth and protect their asset bases, so as to avoid the suspicion of law enforcement agencies and prevent leaving a trail of incriminating evidence. Economic crime, also known as financial crime, refers to illegal acts committed by an individual or a group of individuals to obtain a financial or professional advantage. The principal motive in such crimes is economic gain. This course explains what is financial or economic crime, the stages of Money Laundering providing examples for each stage, the Customer Due Diligence (CDD) measures that an obliged entity should apply and in which cases Simplified Customer Due Diligence (SDD) or Enhanced Due Diligence (EDD) can be applied.

This course explains the policies and procedures that Investment Firms (IFs) shall apply to enable them to collect and assess all information necessary to conduct a suitability assessment for clients and to enable them to understand the essential facts and characteristics about their clients. It provides useful guidelines for designing the questionnaires aiming at collecting information about clients for the purpose of a suitability assessment and the procedures defining what part of the client information collected should be subject to updating and at which frequency.

It also describes the information an IF should provide to clients and potential clients when trading speculative complex products (e.g. CFDs) and how the educational and marketing material should be and explains the various unfair and aggressive commercial practices when providing information to clients and potential clients.

### **Topics covered**

The course is split into the following sections:

#### **Section 1: Crime and Money Laundering**

- Definition of Crime
- Types of Financial Crime
- Social Engineering
- Introduction to Money Laundering
- History of Money Laundering
- Money Laundering
  - Placement
  - Layering/Structuring
  - Integration
- AML Game-Changer: 9/11



- World's Largest Fines
- Money Laundering Scandals – Danske Bank
- Terrorist Financing
- MONEYVAL
  - MONEYVAL Objectives

## Section 2: Customer Due Diligence

- When obliged entities apply Customer Due Diligence
- When to apply customer due diligence and identification procedures
- Simplified Customer Due Diligence
- Enhanced Customer Due Diligence
- High and Low Risk Clients
  - Low Risk Clients
  - High Risk Clients
- Beneficial Ownership
  - Beneficial Owner
  - Beneficial Ownership
  - Beneficial Ownership Access

## Section 3: Suitability Assessment in Investment Advice: Know Your Client

- Know Your Client
- Supporting Guidelines
- Questionnaire Design
- Client Understanding
- Examples of Elements
- Additional Suggestions
- Proportionality and Advice
- Necessary Information
- Complex or Risky Instruments
- Illiquid Instruments
- Illiquid and Liquid Assets
- What Information Should be Collected
- Collecting Information
- Reliability of Information
- Risk Tolerance
- Clients Overestimate their knowledge...

## Section 4: Information Update and Record-Keeping

- Updating Client Information
- Matching Clients with Products
- Record-Keeping
- Record-Keeping: Supporting Guidelines

## Section 5: Marketing Communication (CFDs)

- General Information
- CFDs = Complex Products
- CFD Product Info Don'ts
- Information to be Provided



- Information for CFDs (Market and Product)
- Information for Price and Pay-out
- Information of Cost and Charges
- Information Regarding Risks
- Safeguarding of client assets
- Presentation and Timing
- Terrible Marketing Communication
- Compliance Role
- Material in other languages
- Education and Marketing Communication
- Tied Agent Assignment Depends on NCA
- Education and Marketing
- Unfair Commercial Practices
  - Unfair Practices
  - Misleading Actions
  - Misleading Omissions
  - Aggressive Commercial Practices
  - Examples – Misleading Practices

### **Course Duration**

This course may take up to 5 hours to be completed. However, actual study time differs as each learner uses their own training pace.

### **The course is addressed to:**

This course is addressed to all individuals who practice Anti-Money Laundering and all individuals who are involved in the Compliance, Investment advice, Portfolio management and marketing department of regulated entities such as:

- Compliance/AML Managers in Banks, Investment Firms, Investment Funds, ASPs, Trust Service Corporate Providers, Accountants, Auditors and Lawyers.
- Employees of Investment Firms, Investment Funds, ASPs, Trust Service Corporate Providers, Accountants, Auditors and Law Firms involved in KYC/CDD
- Internal Auditors
- Consultants
- Senior managers
- Directors

It is also suitable to professionals pursuing regulatory CPD for the renewal of the “Basic”, “Advance” and “AML” CySEC Certificate or other relevant certificates in other jurisdictions.

### **Training Method**

The course is offered fully online using a self-paced approach. The learning units consist of power point presentations and examples. Learners may start, stop and resume their training at any time.

At the end of each section, participants take a Quiz to complete their learning unit and earn a Certificate of Completion once all quizzes have been passed successfully.



## Accreditation and CPD Recognition

The course can be accredited by regulators and other bodies for 5 CPD Units that require CPD training in financial regulation. The course may be also approved for up to 5 CPD Units by institutions that approve general financial and AML training, such as the CISI, ICA and ACAMS.

Eligibility criteria and CPD Units are verified directly by your association or other bodies in which you hold membership.

## Registration and Access

To register to this course, click on the *Take this course* button to pay online and receive your access instantly. If you are purchasing this course on behalf of others, please be advised that you will need to create or use their personal profile before finalizing your payment.

Access to the course is valid for 60 days.

If you wish to receive an invoice instead of paying online, please [Contact us by email](#). Talk to us for our special Corporate Group rates.

## Instructor

With more than 10 years of experience, Nektarios is an expert in the financial services industry, having worked in key roles at investment funds, CIFs and other service providers. His exposure to the industry allowed him to gain knowledge in a variety of vital investment functions.

Complementing his practical knowledge of the industry, Nektarios also holds a number of professional and academic qualifications, including CySEC's Advance Certification. He is currently employed by an Investment Fund..