



Course:

In depth analysis of Customer Acceptance Policy & Client onboarding

Course Description

According to article 9(1)(b) of CySEC's AML Directive, one of the duties of the Compliance Officer is to develop and establish the customers' acceptance policy. The Compliance officer, according to the same article, should submit the customers' acceptance policy to the board of directors of the Obligated Entity for consideration and approval.

According to article 7 of CySEC's AML Directive, a clear customers' acceptance policy should be developed and established, which should be completely in line with the provisions of the Law and the AML Directive.

The customers' acceptance policy should be prepared after detailed assessment of the risks faced by the Obligated Entity from its customers and/or their transactions and/or their countries of origin or operations.

Client Onboarding is the process of opening an account with an obliged entity for the first time. The client onboarding process is crucial for obliged entities to manage risks, ensure regulatory compliance, provide a positive customer experience and maintain the integrity and reputation of the obliged entity.

By implementing a well-defined, risk-based onboarding framework, robust KYC processes, supported by technology, regular training, and robust governance, obliged entities can effectively navigate the complexities of client onboarding while mitigating financial crime risks.

Customer Acceptance policy (CAP) is a set of guidelines and criteria that an obliged entity follows to decide whether to accept or onboard a new client. CAP is designed to ensure compliance with Anti-Money Laundering (AML), Counter-Terrorist Financing (CTF), Know Your Customer (KYC), and other regulatory frameworks while managing risks associated with different types of clients. CAP serves as a first line of defense against financial crime by filtering out high-risk clients during the onboarding process.

The customers' acceptance policy should set in an explicit manner, at least the following: (a) the criteria for accepting new customers; (b) categories of customers who are not acceptable for establishing a business relationship or an execution of an occasional transaction; (c) criteria for categorisation of customers on a risk basis in at least three categories - low risk, normal risk, high risk. These customers' categories should take into consideration factors such as the customer's background, type and nature of its business activities, its country of origin, the services and the financial instruments applied for, the anticipated level and nature of business transactions as well as the expected source and origin of funds.

Following its risk assessment, the obliged entity shall categorise its business relationships and occasional transactions according to the perceived level of ML/TF risk. The obliged entity shall decide on the most appropriate way to categorise risk. This will depend on the nature and size of the obliged entity's business and the types of ML/TF risk it is exposed to.

This course explains and analyses the customer onboarding process as well as the scope, basic principles and the basic objectives of the CAP. In addition, it explains the key elements of the CAP and the steps that obliged entities can follow to develop their CAP.

In addition, this course explains how obliged entities can assess ML/TF risk, the risk factors that can consider as well as the issues that should consider when assigning weights to these risk factors.

It also analyses in detail how an obliged entity can develop its own in-house risk scoring program.



Topics covered

The course is split into the following sections:

Section 1: Customer Acceptance Policy – Client onboarding

- Introduction - Provisions of the Law
- Scope of the Customer Acceptance Policy (CAP)
- General principles of the Customer acceptance Policy (CAP)
- Key Elements of a Customer Acceptance Policy (CAP)
- Importance of a Customer Acceptance Policy
- Key Steps in the Client Onboarding Process
- Criteria for accepting new customers
- Risks to consider when developing a customer acceptance policy
- Identify the risk factors

Section 2: Assessing ML/TF risk - Risk Scoring System

- Assessing ML/TF risk
- Categorising business relationships and occasional transactions
- Customer Risk Assessment Scorecard – Risk Scoring System
- Risk Appetite – Clients that are not accepted

Section 3: Risks – Red Flags - Challenges – Best Practices in Client onboarding process

- Main risks in client onboarding
- Red Flags in client onboarding
- Common Challenges in the Client Onboarding Process
- Best Practices for Implementing a Robust Customer Acceptance Policy

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 or interested to learn or enhance their knowledge in Money Laundering such as:

- Compliance/AML Managers and staff in Banks, Investment Firms, Investment Funds, ASPs, Trust Service Corporate Providers, Accountants, Auditors and Lawyers.
- Employees of Banks, Investment Firms, Investment Funds, ASPs, Trust Service Corporate Providers, Accountants, Auditors, Law Firms and professionals who are involved or interested to learn or enhance their knowledge in Money Laundering.
- Executive Directors, Non-executive directors, Senior Managers, Compliance Officers, Risk Managers, Product Managers, Portfolio Managers, Investment Advisors, Dealers, Marketing Managers and in general employees of investment firms, funds, ASPs, Law firms, Accountants, Auditors.
- Internal Auditors
- Consultants
- Lawyers



It is also suitable to professionals pursuing CPD in Anti-Money Laundering for the renewal of CySEC Certificate (CySEC Basic or CySEC Advance Certificate or CySEC AML 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. Learners may start, stop and resume their training at any time.

At the end of the course, participants take a Quiz to complete the course and earn a Certificate of Completion once the quiz has 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 Anti-Money Laundering. The course may be also approved for up to 5 CPD Units by institutions that approve general financial and AML training, such as the CySEC, ICPAC, CBA, 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 90 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

George Papanicolaou has more than 20-years experience in the Financial industry. He worked for several years in managerial positions as area Manager, Head of Brokerage, Compliance Officer, Anti Money Laundering Officer, General Manager and Executive Director in Cypriot Investment Firms as well as Managing Director of GP GLOBAL LTD offering consulting services and training courses to Investment Firms, focuses in Internal Audit, compliance & AML issues. He offered numerous courses/seminars both in Cyprus and abroad in Investment Firms Law as well as in Compliance & Anti Money Laundering. George Papanicolaou is also a Chairman of a Nomination Committee in a company listed in the Oslo Stock Exchange.

George Papanicolaou holds a BSc in Electronic Engineering from the University of Texas at Austin (USA), an MBA with specialization in Finance from Leicester University (UK) and a Postgraduate Certificate in the Mechanics of Risk Management from Middlesex University (UK).

He also holds an ICA International Diploma in Anti Money Laundering from the International Compliance Association and the University of Manchester, as well as an Advance and Money Laundering certificate from the Cyprus Securities and Exchange Commission for the provision of investment services/activities.

He is a Member of the AML and Compliance Committee of the Institute of Certified Public Accountants of Cyprus (ICPAC), Fellow of the International Compliance Association (FICA), Mentor of ICA new students,



member of the Cyprus Institute of Internal Auditors and the first Network chair for Cyprus of the International Compliance association.