



Fact Sheet: Enhanced Due Diligence

Author: Tamsin Lilley
 Published: October 2016
www.proximalconsulting.com

What Is Enhanced Due Diligence?

Enhanced due diligence is an essential part of a risk based approach and is applicable to higher risk customers such as PEPs or individuals operating in higher risk jurisdictions.

The Fourth EU Money Laundering Directive states that enhanced due diligence should be applied where a higher risk is identified.

Enhanced due diligence requires additional checks to identify the source of wealth and funds and to assure that the wealth of the individual(s) involved has not originated from criminal activities.

Since 1999, Proximal Consulting have carried out complex investigations in numerous and various jurisdictions. As a result, we have developed a highly successful and discreet practice which can help you form a complete and detailed profile of your client. We are also adept at identifying beneficial owners (a key aspect of enhanced due diligence checks), as well as unwrapping complex ownership structures using a range of sources at our fingertips.

Proximal Consulting's tailor-made enhanced due diligence reports differ from the usual database-led reports. Customer due diligence should not simply be seen as a tick-box exercise. We carry out detailed, comprehensive and wide-spread investigations to help you join up the dots.

Why Carry Out Enhanced Due Diligence Checks?

There are numerous and various reasons for carrying out enhanced due diligence checks on higher risk clients, including, but not limited to:

- It ensures that you fulfill your legal and regulatory obligations, as well as internal AML policies
- It ensures that you are not exposed to financial, legal and reputation risks
- It highlights red flags, such as:
 - Criminal activities
 - Allegations
 - Corruption
 - No legitimate source of funds
 - Politically exposed persons (PEPs)
 - Controversial activities
 - Intelligence relating to sanctions



Proximal Consulting's enhanced due diligence reports help you make an informed decision about a prospective or existing client and ensure that you are in possession of all of the relevant facts in a timely and cost effective manner.

How We Can Help

Our enhanced due diligence reports are tailor-made to our clients' specifications. They are totally different from the usual database-led reports that often fail to meet enhanced due diligence requirements. Our reports present clear, accurate and confidential findings which enable our clients to make informed business decisions and to fulfill their AML obligations.

Proximal Consulting's tailor-made enhanced due diligence reports seek to confirm the following information:

- Confirmation of identity
- Current and/or previous residential addresses
- Past and/or present identification documents issued to the subject of the report
- Information regarding the subject's family members and civil status
- The subject's career history and professional background, including corporate positions and shareholdings
- Any real estate and vehicles owned by the subject
- Any negative or detrimental material regarding the subject and the subject's business interests
- Whether the subject should be viewed as a PEP (politically exposed person) and/or a close family member or associate of a PEP
- Any links between the subject and organised crime, money laundering, corruption, business crime and/or any other type of criminal activity
- Sanctions risks

A Proximal Consulting enhanced due diligence report will confirm whether a customer or partner (prospective or existing) is providing you with complete and accurate information.

We can also help with ongoing KYC enhanced due diligence monitoring throughout your business relationship with higher risk individuals. We can provide regular, updated intelligence reports to ensure that the activities of these individuals are commensurate and consistent with your knowledge of the individual and their business profile.

The fundamental precondition of any KYC regime is that if you cannot obtain sufficient detail to establish the customer's identity or you have any suspicions regarding the background and/or probity of the customer, you should not establish a relationship with them.

A Truly Global Reach

We have extensive experience in conducting enquiries in the following locations, which have traditionally been viewed as problematic:



- Russia
- Kazakhstan
- CIS (Commonwealth of Independent States)
- Middle East
- China
- South America
- Africa

Please note that we are not limited to the above locations. We offer true worldwide coverage.

Using an international network of reliable associates, our core team of professional, fully trained, multi-lingual staff led by Peter Lilley delivers a comprehensive range of AML, KYC and enhanced due diligence services tailored to the individual needs of our clients.

In addition, Proximal Consulting offer country risk reports, which are of particular relevance if the individual in question is from or based in what is considered to be a higher risk country. We analyse national and local risks in each country and provide a detailed examination of political risks, whether the jurisdiction is subject to any sanctions, general business risks, money laundering risks, and corruption risks in order to demonstrate how these factors could affect your business in the short to medium term.

Need Further Information?

If you would like further information about how Proximal Consulting can help you with any of the above topics, please contact us.

Fact sheet published in October 2016 & downloaded from www.proximalconsulting.com

© Proximal Consulting – no part of this Fact Sheet may be reused without written permission

 Proximal Consulting	Telephone: +44 (0) 1672 516725	Offices:
Email: enq@proximalconsulting.com		Poughcombe Barns Ogbourne St Andrew Wiltshire SN8 1SE UK Rue Du Rhone 14 1204-Genève Switzerland