

2. Definitions

For the purpose of these directives, unless the context provides otherwise:

- 1) "beneficial owner" refers to the natural person(s) who ultimately owns or controls a bank customer, in case the customer is legal person or arrangement, and/or the person on whose behalf a transaction is being conducted.;
- 2) "correspondent banking" is the provision of banking services by one bank (the correspondent bank) to another bank (the respondent bank);
- 3) "cross-border transfer" means any wire transfer where the originator and beneficiary persons are located in different jurisdictions at the time of initiating the transfer. This term also refers to any chain of wire transfers that has at least one cross-border element;
- 4) "domestic transfer" means any wire transfer where the originator and beneficiary persons are located in the same jurisdiction at the time of initiating the transfer. This term, therefore, refers to any chain of wire transfers that takes place entirely within the borders of a single jurisdiction, even though the system used to effect the wire transfer may be located in another;
- 5) "high risk categories" means customers, businesses or transactions that need to be subjected to more regular reviews, particularly against the know-your-customer information held by the bank and the activity in the account. Such categories shall include, but not be limited to:
 - (a) complex, unusual or large transactions,
 - (b) relationships or transactions with countries known to have material deficiencies in anti money laundering and terrorist financing strategies,
 - (c) politically exposed persons,
 - (d) non-resident customers such as those staying in the country for less than one year or those in short visit or travel,
 - (e) legal persons or arrangements such as trusts that are personal asset holding vehicles, and
 - (f) Companies that have shares in bearer form;
- 6) "legal person" refers to a body corporate, foundation, partnership, non-profit organization or association, or any similar body that can establish customer relationship with a bank or other financial institution, or otherwise own property;
- 7) "money laundering" shall have the meaning ascribed under article 2(10) of the Proclamation to provide for Prevention and Suppression of Money Laundering and Financing of Terrorism number 657/2009;
- 8) "originator" is a bank account holder, or where there is no account, a person that places an order with the bank or other financial institution to perform the wire transfer.

