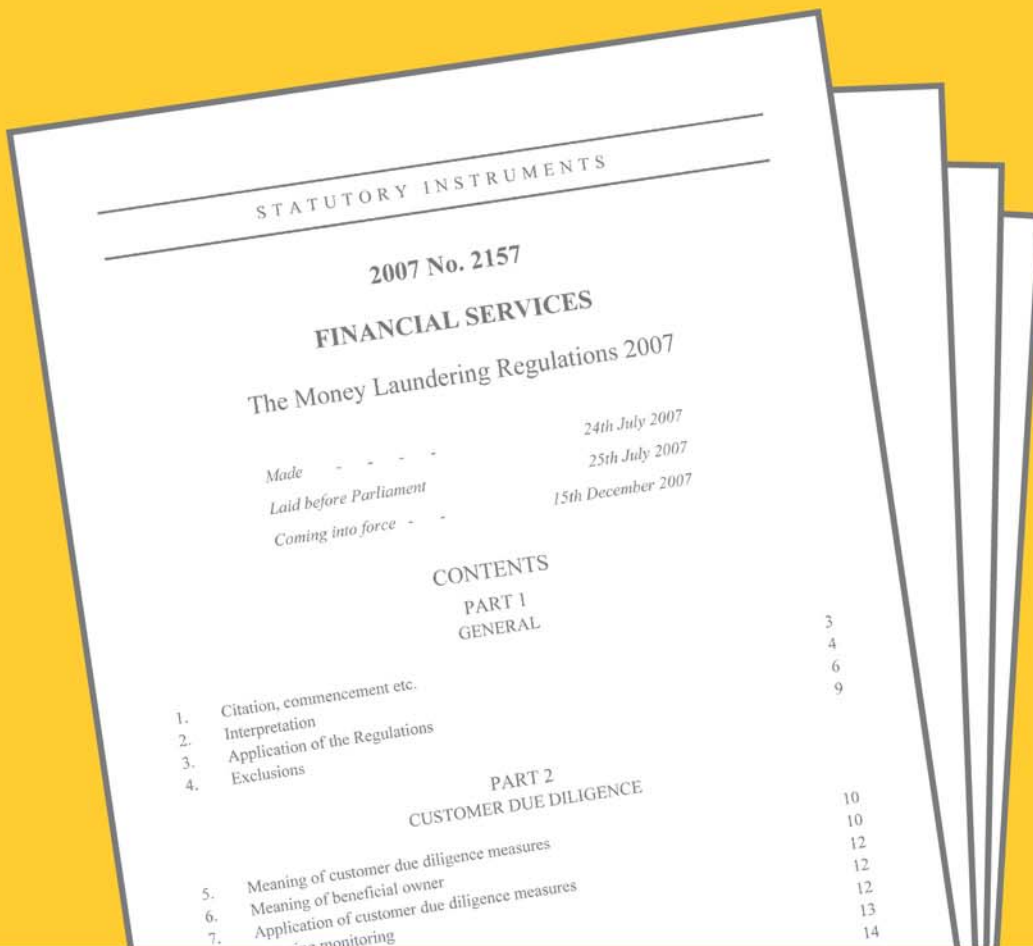


A 192 Prepaid Compliance Guide: The Money Laundering Regulations 2007



A fully compliant AML KYC check solution

As a prepaid cards operator, you will no doubt be aware of the necessity of carrying out Know Your Customer Checks on all new clients. The Money Laundering Regulations 2007 state that all industries regulated by the Financial Services Association should ensure they are carrying out identity checks to disrupt and prevent money laundering.



The UK Money Laundering Regulations

The full legislation can be found on our website at the link below but here's the key parts from the AML & KYC perspective

<http://www.192business.com/compliance/money-laundering>



What KYC checks do prepaid operators have to do?

Section 5: Meaning of customer due diligence measures

- (a) Identifying the customer and verifying the customers identity.
- (b) Using "documents, data or information.
- (c) From "a reliable and independent source.

...and 192 have data checks against all these sources built into our AML solution. We even have a special licence to use the Full Electoral Roll (instead of the edited version that people opt-out of to avoid receiving junk mail) to help companies conduct robust AML checks and ensure high match rates in the KYC AML process.

192's multiple data sources for electronic evidence of identity



The current and historical Electoral Rolls



The Directory Enquiries database



Companies House data



Credit Reference Agency data



Passport



Driving licence



Mortality



Known Fraudsters & Money Launderers



Terrorist & Sanctions Files



Politically Exposed Person's

When do KYC checks have to take place?

Section 7: Application of customer due diligence measures

- (1) A relevant person must apply customer due diligence measures when he –
- (a) Establishes a business relationship;

The UKMLR indicates that the AML KYC check must be carried out during the point of initial transaction or account creation.

- (a) Suspect money laundering or terrorist financing.
- (b) Doubt the veracity or adequacy of previous "identification or verification."
- (c) And "at other times on a risk sensitive basis depending on the type of customer, business relationship, product or transaction."

Companies are also expected to undertake due diligence checks on a risk-sensitive basis

Section 8: Ongoing monitoring

- (1) keeping the documents, data or information obtained for the purposes of applying customer due diligence measures up-to-date.

Section 8 also mandates that KYC checks are necessary on an ongoing basis

Section 9: Timing of verification

- (a) Before the establishment of a business relationship.

Section 9 stipulates that KYC checks must be carried out before the establishment of a business relationship

Our AML solution includes an in built time and date stamp and search archive facility which ensures that our clients can prove compliance with Sections 7 & 8. Our clients can simply recall the searches that they have done and prove that searches were done at the relevant point in the customer relationship.

192 meets the Expectations, Definitions and Standards of the Money Laundering Regulations 2007

This document only covers some of the key parts of the Money Laundering Regulations 2007 but should serve to illustrate how 192's ID check solutions are designed to help prepaid companies be compliant with the latest money laundering legislation. If you have any questions or want to see how we can help your AML KYC compliance please email us at compliance@192.com

A global solution for a global prepaid company

By using our solutions not only are you adhering to the relevant legislation but we also aim to deliver a successful verification against transient or migrant entrants into the prepaid economy.

Our approach to this is to ensure that we have verification technologies available where traditional database checks fail or where there is no local database to check against. In this instance we recommend using IP address validation and Passport, Driving Licence, ID card and travel visa checks.

Our experience in serving blue chip customers across the online retail, remote gaming and payment processing industries has helped us build what we believe is the first and best global identity verification solution.

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