

The Criminal Justice (Money Laundering & Terrorist Financing) Act 2010

What is a Politically Exposed Person (PEP)?

A PEP is an individual who is, or has at any time in the last 12 months been, entrusted with prominent public functions. It also refers to immediate family members or known close associates, of such a person. The functions identified include:

- Heads of state, heads of government, ministers and deputy or assistant ministers
- Members of Parliament
- Members of supreme courts, constitutional courts or other high-level judicial bodies
- Members of courts of auditors or of the boards of Central banks
- Ambassadors, charges d'affairs and high ranking officers in the armed forces
- Members of the administrative, management or supervisory boards of state owned enterprises.

Middle ranking or more junior officials may be excluded.

Immediate family members include:

- Parents
- Spouse
- Equivalent spouse (ie: Long term/Live-in partner)
- Child
- Spouse of a child
- Equivalent spouse of a child (ie: Long term/Live-in partner)
- Any other family member of a PEP

Persons known to be close associates include:

- Any individual who is known to have beneficial ownership of a business with a PEP
- Any individual who is the beneficial owner of a business which was set up for the benefit of a PEP

It should be noted that this definition of a PEP only extends to non-resident PEPs (ie: PEPs residing outside the Republic of Ireland).

It should also be noted that Irish Life will look for specific compliance sign off if business is received in relation to an individual residing in one of the following countries.

- Belarus
- Burma (Myanmar)
- Democratic Republic of Congo
- Cote d'Ivoire
- Iran
- Iraq
- Democratic People's Republic of Korea (North Korea)
- Lebanon
- Liberia
- Somalia
- Sudan
- Zimbabwe

Anti-Money Laundering Requirements:

The Criminal Justice Act 2010 requires the following from designated bodies:

- have appropriate procedures in place to determine whether a customer or beneficial owner is a PEP, at the point of sale
- Senior management approval is required prior to the establishment of a business relationship with a PEP
- Enhanced due diligence checks must be carried out. This includes establishing the source of wealth and source of funds involved in the business relationship.

Due to the residency criteria, we would anticipate that it would be unusual for a PEP to write business with Irish Life, however, we will address the requirement via the non resident form.

For all non residents, regardless of product type or investment amount the Non-Resident Form will be used which will require the customer to declare whether or not they are a PEP. The Non-Resident Form is available on this website.