

MLRO Services for Investment Funds - Ireland

Regulatory Obligations

The Criminal Justice (Money Laundering and Terrorist Financing) Acts 2010 to 2018 impose requirements on regulated entities to operate controls and procedures designed to prevent money laundering, combat the financing of terrorism and to comply with financial sanctions (“AML/CFT/FS Process”). Irish investment funds are subject to these requirements and have a regulatory obligation to appoint an appropriately experienced and sufficiently senior individual as the Money Laundering Reporting Officer (“Fund MLRO”).

Fund MLRO Responsibilities

The Fund MLRO is the individual recognised by the Central Bank of Ireland (“CBI”) as responsible for disclosing to the Garda Síochána (“Police”) and the Revenue Commissioners any suspicious transactions relating to potential money laundering or terrorist financing in the investment fund. As the investment fund may rely on a fund administrator to perform the AML/CFT/FS Process, it is necessary to have appropriate reporting and oversight procedures in place to ensure that suspicious transactions are brought to the attention of the Fund MLRO.

Customer Due Diligence (“CDD”) - Investment Funds

Investors submit subscription requests to the fund administrator either directly or via a third party. As a service provider of the investment fund, the fund administrator seeks to ensure that on a risk-based approach, CDD has been performed on investors/third parties and that redemption proceeds are paid in a manner consistent with the terms of the prospectus and legislation. The Fund MLRO must have oversight of the CDD controls and procedures operated by the fund administrator through regular reporting and site visits. This allows the Fund MLRO to effectively discharge the duties of the role, and to report with confidence to the board of directors.

Fund MLRO Activities

In providing the MLRO service the Fund MLRO will:

- on appointment and annually thereafter perform a detailed on-site review of the documented AML/CFT/FS process at the fund administrator;
- Perform and review on an annual basis, the AML business risk assessment for the investment fund;

- on an annual basis sample check the existence and suitability of CDD documentation and the actual operation of the AML/CFT/FS Process at the fund administrator (including transaction monitoring, blocked accounts, redemption process and screening process for politically exposed persons (PEPs) and sanctioned individuals/entities);
- upon changes to relevant legislation and money laundering, terrorist financing and financial sanctions regulatory guidance, assess the adequacy of the AML/CFT/FS Process at the fund administrator to ensure compliance;
- establish procedures to ensure monthly/quarterly reports are received from the fund administrator permitting the Fund MLRO to report suspicious transactions (if appropriate) and monitor the ongoing maintenance of CDD documentation by the fund administrator;
- communicate reports of suspicious transactions to the Police and Revenue Commissioners as appropriate and maintain the register of reports;
- provide MLRO reports for each board meeting and attend such meetings in person; review all relevant regulation/legislation and brief the board of directors on such developments and the practical implications thereof;
- provide annual AML training addressing the Irish legislative requirements and practical issues.
- establish, and review on an annual basis, policies and procedures at a fund level consistent with legislation and the requirements of the CBI.

Since 2008 KB Associates has recognised the need for professionally qualified staff dedicated exclusively to performing the role of Fund MLRO. Recent events have endorsed that view and the need for dedicated experts is now more important than ever.

If you wish to discuss any of the above, please contact Angela Godfrey at angela.godfrey@kbassociates.ie or on +353 1 908 1510.

All members of KBA's dedicated Money Laundering Reporting Officer ("MLRO") team have experience in the area of anti-money laundering, countering the financing of terrorism and financial sanctions ("AML/CFT/FS") compliance, with a focus on customer due diligence ("CDD"). Each acts as the MLRO to Irish investment funds and advises them on AML/CFT/FS issues. They are responsible for providing guidance and expertise on CDD documentation to fund boards, reviewing and testing the AML/CFT/FS Process of fund administrators, providing training to directors and reporting to the directors on AML/CFT/FS compliance matters.



Áine Suttle

Áine has been active in the AML/CFT/FS compliance area since 2007. Prior to joining KB Associates Áine held senior positions at Citi and Bank of America Merrill Lynch with responsibility for CDD across a number of jurisdictions. Áine holds a Master of Arts in American Literature from University College Dublin and has completed the Professional Diploma in Compliance (LCOI) and the Professional Certificate in Data Protection.

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Deirdre O'Callaghan

Deirdre has been active in the financial services industry since 2006. Prior to joining KB Associates Deirdre was a senior AML specialist at Sumitomo Mitsui Banking Corporation Europe with responsibility for CDD and sanction screening across a number of jurisdictions. Deirdre holds a Business Studies (Hons) Degree from Dundalk Institute of Technology and has completed a Professional Certificate in Financial Crime Prevention (ACOI).

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Angela Godfrey

Angela has been active in the financial services industry since 2008. Prior to joining KB Associates Angela was the Senior AML Analyst at Quintillion Limited, with responsibility for CDD across a number of fund types. Angela holds a BA in European Studies from NUI Maynooth and has completed the Professional Diploma in Compliance (LCOI).

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Kamil Jaskiewicz

Kamil has been active in the financial services sector since 2015. He has specific experience in the area of anti-money laundering, counter terrorist financing and customer due diligence. He has been appointed by a number of global asset managers to act as Money Laundering Reporting Officer and to advise on AML issues.

Prior to joining KB Associates, Kamil was Assistant Vice President at Apex Group Ltd with responsibility for customer due diligence across a number of jurisdictions and fund types. He was also the main point of contact for AML queries from clients, investors and MLRO's. He has also served as a Senior AML officer at MUFG Fund services and an Associate at IFDS Fund Services.

Kamil holds a Master of Public Administration from the University of Maria Curie Skłodowska in Lublin, Poland. He has also completed the Professional Diploma in Compliance with the Institute of Bankers and is an affiliate member of the Association of Compliance Officers Ireland (ACOI).

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Brian Riordan

Brian has been active in the AML/CFT/FS compliance area since 2012. Prior to joining KB Associates, Brian was an AML Supervisor at HSBC Securities Services DAC, with responsibility for investor relationships and CDD across a number of fund types. He has also served

as AML Project Manager and Senior Analyst at Deutsche Bank.

Brian holds a BA in Business Studies from the University of Limerick and has completed the Professional Certificate in Investment Funds (Institute of Banking) and the Professional Diploma in Compliance (LCOI).

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Faye McCrossan

Faye has been active in the AML/CFT/FS compliance area since 2015. Prior to joining KB Associates Faye was Assistant Vice President at Apex Group Ltd. with responsibility for CDD across a number of jurisdictions and fund types.

Faye holds a Bachelor of Business Studies from Maynooth University. She has also completed the Professional Certificate in Compliance with the Institute of Bankers and is an affiliate member of the Association of Compliance Officers Ireland (ACOI).

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Anthony Dixon

Anthony has been active in the financial services industry since 2017. Prior to joining KB Associates, Anthony was an Anti-Money Laundering Executive with A & L Goodbody with responsibility for customer due diligence across several different departments.

Anthony holds a Bachelors in Corporate Law from NUI Galway and has completed the Professional Certificate in Compliance from the Institute of Banking.

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