



AML/CFT Guidance and supplemental information Glossary

Code 3(1) If a term is defined in the Anti Money Laundering and Countering the Financing of Terrorism Code 2019 the same definition applies in the AML/CFT guidance and supplemental information. Should any inconsistencies occur between the text in the Handbook and the Code, the Code has primacy.

Defined terms

“Account”	usually refers to bank accounts, but should be read as including other similar business relationships between relevant persons and their customers
“Agent”	means any natural or legal person providing services to a customer on behalf of a regulated or designated person, whether by contract or under the direction of a regulated or designated person
“AOBO”	Refers to the concession at paragraph 17 of the Code “Persons in a regulated sector acting on behalf of a third party”
“ATCA”	means the Anti-Terrorism and Crime Act 2003
“Authority” (the)	means the Isle of Man Financial Services Authority
“Bearer shares”	are negotiable instruments that accord ownership in a corporation to the person who is in physical possession of the bearer share certificate
“beneficiary” (general)	written with a lower case "b" means any person that receives benefit from something
“Beneficiary” (of a trust)	means a person who is or may be entitled to the benefit of a trust and includes fixed beneficiaries (who have a fixed entitlement) and discretionary beneficiaries (whose entitlement is at the discretion of the trustees)

“BRA”	means Business risk assessment (as required by paragraph 5 of the Code)
“CDD”	means customer due diligence
“CFP”	means countering the financing of proliferation
“CFT”	means countering the financing of terrorism (and includes countering the financing of proliferation)
“CISA08”	Means the Collective Investment Schemes Act 2008
“the Civil Penalties Regulations”	means the Anti-Money Laundering and Countering the Financing of Terrorism (Civil Penalties) Regulations 2019
“Country”	all references in the FATF Recommendations to country or countries apply equally to territories or jurisdictions
“The Code”	means the Anti-Money Laundering and Countering the Financing of Terrorism Code 2019
“CRA”	means Customer risk assessment (as required by paragraph 6 of the Code)
“Criminal conduct”	has the same definition as in POCA
“Currency”	would usually mean a system of money in general use in a particular country but for the purposes of the Code and Handbook, this also includes virtual currencies.
“customer information”	has the same meaning as in POCA, ATCA and the POC (Pres Disc) Order 2015
“Document”	has the same definition as in the Interpretation Act 2015
“ECDD”	means enhanced customer due diligence (see paragraph 15 of the Code)
“Established business relationship”	means a business relationship formed by a relevant person where that person has obtained, or is required to obtain, under procedures established,

	maintained and operated in accordance with the Code, satisfactory evidence of identity of the person who, in relation to the formation of that business relationship, was the customer
“Financial institution”	is a term used frequently by the FATF in their Recommendations and typology reports. In this Handbook, a financial institution has the same meaning as a “regulated person”
“FATF”	means the Financial Action Task Force
“FIUA”	means the Financial Intelligence Unit Act 2016
“FP”	means the financing of proliferation
“FSA 2008”	means the Financial Services Act 2008
“The Handbook”	means the Anti-Money Laundering and Countering the Financing of Terrorism Handbook
“HNWI”	means a high net worth individual
“IA 2008”	means the Insurance Act 2008
“ID&V”	means identification and verification
“Independent source”	is a source that has no vested interest in a certain matter and is therefore expected to describe the matter from a disinterested perspective
“Information”	includes data
“IOMCE”	means the Isle of Man Customs and Excise Division
“IOMFIU”	means the Isle of Man Financial Intelligence Unit
“IOMFIU Guidance”	means the IOMFIU’s document “Guidance of making Suspicious Activity Reports (and Other Disclosures) to the Financial Intelligence Unit”
“KYC”	means know your customer
“NRA”	means the Isle of Man’s National Risk Assessment

“Person”	includes any body of persons, corporate or unincorporated, the full definition can be found in the Interpretation Act 2015
“POCA”	means the Proceeds of Crime Act 2008.
“POC (Pres Disc) Order 2015”	means the Proceeds of Crime (Prescribed Disclosures) Order 2015
“Proceeds of crime”	has the same meaning as criminal property, which is defined in POCA
“Proliferation”	means the proliferation of weapons of mass destruction and its financing
“PTC”	means a private trust company
“RAO”	means the Regulated Activities Order 2011 (as amended from time to time)
“Recognised stock exchange”	For a stock exchange to be considered as “recognised” the entities listed on it must be subject to appropriate disclosure requirements. For entities listed within Europe, this means regulated markets within the meaning of the Directive on Markets in Financial Instruments 2004/39/EC (“MiFID”). For entities listed outside Europe, this means regulated markets subject to disclosure requirements consistent with MiFID. For example, in the context of the London Stock Exchange, this would include the Main Market but would not include the Alternative Investment Market.
“Red flags”	refers to indicators that can be used to assist in the detection of ML/FT; presence of a red flag is not necessarily a basis for suspicion of ML/FT but could prompt further monitoring and examination
“Regulated sector”	means a business activity listed in Schedule 4 to POCA
“Sanctions”	is the term use to collectively describe — (a) targeted financial sanctions; (b) economic sanctions; (c) currency and exchange controls;

	(d) arms embargoes; (e) prohibitions; (f) dual-use item controls; (g) import and export embargoes; and/or (h) visa and travel bans.
“SAR”	means a Suspicious Activity Report
“Signatory”	is a natural person who signs a document and is subject to it; reference to signatories in the Handbook means a person with signing authority over the affairs of a customer unless otherwise stated
“STR”	means a Suspicious Transaction Report
“TCSP”	means a trust and/or corporate service provider
“TF”	means financing of terrorism
“TOCFRA”	means the Terrorism and Other Crime (Financial Restrictions) Act 2014
“TRA”	means a Technology risk assessment (as required by paragraph 7 of the Code)