

Terms of reference of the Expert Working Group PRIVATE BANKING in anti-money laundering and countering the financing of terrorism matters

The Terms of Reference (ToR) of the Expert Working Group PRIVATE BANKING (“EWG PRIVATE BANKING”) are the following:

Article 1: Mission

The mission of the EWG PRIVATE BANKING is to reflect on the themes of anti-money laundering and countering the financing of terrorism (“AML/CFT”) in the field of private banking within Luxembourg banks (private banks).

The agenda of the meetings of the EWG PRIVATE BANKING may cover, among others, the following subjects (non-exhaustive list):

- current issues and recent developments in AML/CFT matters, including lessons to be learnt;
- good practices and recommendations;
- evolution of the threats and risks in ML/FT matters affecting the Luxembourg financial centre;
- new trends and typologies;
- evolution of AML/CFT regulation;
- update of the analysis of threats and risks affecting the sector/sub-sector.

Article 2: Appointment

(1) The members of the EWG PRIVATE BANKING are appointed for a renewable term of two (2) years.

(2) The appointment of the EWG PRIVATE BANKING members takes place according to the provisions and procedures of the ABBL and the Private Banking Group Luxembourg (PBGL) respectively, and in accordance with the internal CSSF procedures as regards the CSSF representatives. Sending a substitute who has not been appointed beforehand is not possible.

(3) A member of the EWG PRIVATE BANKING shall:

- be a representative of the ABBL, a representative of a bank established and authorised in Luxembourg offering private banking services, a representative of the FIU, or a representative of the CSSF;
- have the qualifications, knowledge and professional expertise required to be able to adequately contribute to the work of the EWG PRIVATE BANKING.

As regards the members representing banks, they should include persons responsible for private banking as well as persons responsible for compliance functions or AML/CFT control.

As regards the members representing the CSSF, they should be experts in AML/CFT supervision with knowledge in the field of private banking.

Article 3: Composition

(1) The EWG PRIVATE BANKING is composed of effective members and of substitute members:

- i. sixteen (16) effective members representing the banks offering private banking services in Luxembourg;
- ii. four (4) effective members representing the ABBL;
- iii. one (1) effective member representing the FIU;
- iv. two (2) effective members representing the CSSF.

Every member may have one substitute.

(2) The EWG PRIVATE BANKING is co-chaired by a representative of the banks and one representative of the CSSF.

(3) The list of the main members and substitutes is appended to this document. The secretariat keeps the member list up to date.

Article 4: Meetings

(1) The EWG PRIVATE BANKING meets on a regular basis, at least quarterly, upon invitation by the ABBL.

(2) The meetings of the EWG PRIVATE BANKING may take place at the premises of the ABBL or of the CSSF. If necessary, the meetings may also take place via telephone or video conference.

(3) The convening notices contain the location, date and agenda and are sent at least eight (8) working days before the scheduled date of the meeting to the EWG PRIVATE BANKING members, by letter or by any other appropriate and agreed means.

(4) The agenda is established by the chairperson(s) of the EWG PRIVATE BANKING upon proposal by the group members.

(5) The chairperson(s) may involve external experts for dedicated subjects in the meetings.

(6) The chairperson(s) of the EWG PRIVATE BANKING directs the debates.

(7) The meetings of the EWG PRIVATE BANKING are held in French or English. The supporting documents can be produced in English.

Article 5: Secretariat

The secretariat is provided by the ABBL representatives that are members of the EWG PRIVATE BANKING.

Following each meeting of the EWG PRIVATE BANKING, all the documents that have been discussed and/or drafted by the EWG PRIVATE BANKING are saved by the secretariat for distribution to the EWG PRIVATE BANKING members after the meeting.

The outcome of the discussions during each meeting are recorded in writing.

Article 6: Confidentiality

Save for communications that the EWG PRIVATE BANKING decides to make official, the EWG PRIVATE BANKING members, as well as any other person taking part in the meetings, ensure that all the information and documents discussed or exchanged are protected by appropriate rules on confidentiality. These information and documents may, however, be communicated, upon request and after validation by the EWG PRIVATE BANKING members, to the ABBL members, as well as to other natural or legal persons, by specifying that these documents are only for decision support with no legal value.