



Customer & Counterparty Due Diligence Procedures

B-Transfert Inc. – Licensed Money Services Business (Québec, Canada)

1. Purpose

The purpose of this procedure is to ensure that B-Transfert Inc. conducts thorough due diligence on all clients and counterparties to prevent money laundering, terrorist financing, fraud, or other illicit activities. This procedure applies to individual clients, corporate customers, NGOs, and institutional partners.

2. Risk-Based Approach

B-Transfert Inc. applies a risk-based approach to due diligence, adjusting the level of verification according to the client's risk profile (low, medium, or high).

3. Onboarding Due Diligence

3.1 Individual Clients

- Obtain and verify valid government-issued ID.
- Collect proof of address (utility bill, bank statement).
- Screen against sanctions lists (UN, OFAC, EU).

3.2 Corporate Clients

- Certificate of Incorporation and legal registration.
- Articles of Association and proof of business address.
- Identification of directors, UBOs, and signatories.
- Financial statements or bank references if applicable.
- Screening against sanctions and PEP lists.

3.3 NGOs / Institutional Partners

- Proof of registration as a recognized NGO or international organization.
- Governance documents and authorized representatives.

- Due diligence on funding sources and donor transparency.

4. Enhanced Due Diligence (EDD)

Applied to high-risk categories including:

- Politically Exposed Persons (PEPs).
- Clients from high-risk jurisdictions.
- Large or complex transactions inconsistent with client profiles.

EDD measures include:

- Verification of source of funds and wealth.
- Additional documentation and senior management approval.
- More frequent transaction monitoring.

5. Ongoing Monitoring

- Continuous monitoring of transactions to ensure consistency with client profile.
- Automated alerts for unusual or suspicious activity.
- Periodic review and refresh of KYC documentation.

6. Record Keeping

- Due diligence records retained for 5 years after relationship ends.
- Transaction records retained for 5 years after execution.
- Records securely stored and available to regulators.

7. Escalation & Reporting

- Unusual or suspicious activity reported to Compliance Officer.
- STRs filed with FINTRAC as required.
- Higher-risk cases escalated to senior management.

8. Counterparty Due Diligence

For counterparties such as correspondent banks, financial institutions, or large clients:

- Verification of regulatory licenses and registration.
- Review of AML/KYC policies.
- Assessment of ownership structure and governance.
- Reputation checks via public sources and watchlists.
- Approval by Compliance Officer before onboarding.

9. Compliance Governance

- Compliance Officer responsible for framework implementation.
- Staff trained annually on AML/KYC procedures.