

Politically Exposed Foreign or Domestic Person or Head of an International Organization Statement

MUTUAL FUND COMPANY		ACCOUNT NUMBER	
CLIENT LAST NAME	CLIENT FIRST NAME	SOCIAL INSURANCE NUMBER	
JOINT CLIENT LAST NAME	JOINT CLIENT FIRST NAME	SOCIAL INSURANCE NUMBER	

The purpose of this form is to collect information which securities dealers are required by law to obtain under the Proceeds of Crime (Money Laundering) and Terrorist Financing Act Before opening an account.

I am a:

PEFP (Politically Exposed Foreign Person) PEDP (Politically Exposed Domestic Person

HIO (Head of and International Organization)

as defined in the account application form to which this form is attached, due to the fact that:

I am _____; and/or
Describe Postion

I am a:

PEFP (Politically Exposed Foreign Person) PEDP (Politically Exposed Domestic Person

HIO (Head of and International Organization)

due to the fact that I am a prescribed family member, as defined in the said account application form, of a PEFO/PEDP/HIO.

Please provide:

Name of the PEFP/PEDP/HIO: _____

Position/Title: _____

Relationship to PEFP/PEDP/HIO: _____

The source of funds that have been, will be or are expected to be deposited to this account are as follows:

ARTECH Asset Advisory Services Inc.

By signing below and with respect to the account application form to which this Politically Exposed Foreign or Domestic Person or Head of an International Organization Statement is attached or is related to, I/we declare the foregoing information to be true and complete and I/we undertake to promptly advise ARTECH Asset Advisory Services Inc. of any change in the above information.

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 30px;">CLIENT'S SIGNATURE</td></tr> <tr><td style="height: 30px;">JOINT CLIENT'S SIGNATURE</td></tr> <tr><td style="height: 30px;">DATE (MM/DD/YYYY)</td></tr> </table>	CLIENT'S SIGNATURE	JOINT CLIENT'S SIGNATURE	DATE (MM/DD/YYYY)	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="height: 30px;">REPRESENTATIVE'S SIGNATURE</td></tr> <tr><td style="height: 30px;">REPRESENTATIVE'S NAME</td></tr> <tr> <td style="width: 50%; height: 30px;">DEALER NUMBER</td> <td style="width: 50%;">REPRESENTATIVE'S NUMBER</td> </tr> </table>	REPRESENTATIVE'S SIGNATURE	REPRESENTATIVE'S NAME	DEALER NUMBER	REPRESENTATIVE'S NUMBER
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DEALER NUMBER	REPRESENTATIVE'S NUMBER							

Source of Funds

What is the source of the monies to be invested?

Self – employment income	Legal claim
Wages/ Employment income	Gift/Inheritance
Proceeds of an Insurance settlement	Savings
Investment income	Sale of an investment
Active business income	Other

Definition of a Politically Exposed Foreign Person

A **foreign PEP** is a person who holds or has held one of the following offices or positions in or on behalf of a foreign state:

- head of state or head of government;
- member of the executive council of government or member of a legislature;
- deputy minister or equivalent rank;
- ambassador, or attaché or counsellor of an ambassador;
- military officer with a rank of general or above;
- president of a state-owned company or a state-owned bank;
- head of a government agency;
- judge of a supreme court, constitutional court or other court of last resort; or
- leader or president of a political party represented in a legislature.

These persons are foreign PEPs regardless of citizenship, residence status or birth place. A person determined to be a foreign PEP, is forever a foreign PEP.

Definition of a Politically Exposed Domestic Person (PEP)

A **domestic PEP** is a person who holds — or has held within the last 5 years — a specific office or position in or on behalf of the Canadian federal government, a Canadian provincial government, or a Canadian municipal government:

- Governor General, lieutenant governor or head of government;
- member of the Senate or House of Commons or member of a legislature;
- deputy minister or equivalent rank;
- ambassador, or attaché or counsellor of an ambassador;
- military officer with a rank of general or above;
- president of a corporation that is wholly owned directly by Her Majesty in right of Canada or a province;
- head of a government agency;
- judge of an appellate court in a province, the Federal Court of Appeal or the Supreme Court of Canada;
- leader or president of a political party represented in a legislature; or
- mayor*.

* In line with legislation across Canada, municipal governments include cities, towns, villages and rural (county) or metropolitan municipalities. As such, a mayor is the head of a city, town, village, or rural or metropolitan municipality, regardless of the size of the population.

A person ceases to be a domestic PEP 5 years after they have left office.

Definition of the Head of and International Organization

The head of an international organization is a person who is either:

1. the head of an international organization established by the governments of states; or
2. the head of an institution established by an international organization.

When we refer to the head of an international organization or the head of an institution established by an international organization we are referring to the primary person who leads that organization, for example a president or CEO.

There is no requirement for an institution established by an international organization to operate internationally. It is possible that an institution that has been established by an international organization only operates domestically, or in one jurisdiction.

You need to use reasonable measures to determine if the person is the head of an international organization or the head of an institution set up by an international organization.

Once a person is no longer the head of an international organization or the head of an institution established by an international organization, that person is no longer a HIO.

What is an international organization?

An international organization is an organization set up by the governments of more than one country. The key to determining whether you are dealing with a HIO is to determine how the organization was established. If the organization was established by means of a formally signed agreement between the governments of more than one country, then the head of that organization is a HIO. The existence of these organizations is recognized by law in their member countries but the organizations are not seen to be resident organizations of any one member country.

Certain organizations clearly meet this definition, but others may take more research before coming to a determination.

Examples of international organizations, and institutions established by international organizations, can be found in [Annex A](#) of this guidance.

Why is it important to consider the family member or close associate of a PEP or HIO?

It is critical to consider family members or close associates of PEPs and HIOs as part of your PCMLTFA obligations. It is an established trend that criminals carrying out, or directing, criminal activity will distance themselves from the proceeds of that crime as much as possible until they have laundered the money. FINTRAC has observed that many criminals rely on family members or other personal relationships to conduct transactions on their behalf in order to create this distance until they can establish a safe way to spend these assets.

You may, therefore, not see joint accounts with, or financial transactions conducted between, a PEP or HIO and their family members or close associates. This is because the purpose of laundering funds is to protect the identity of the criminals and they may avoid a direct link with the individuals involved in conducting any transaction on their behalf. This is why FINTRAC's guidance references other types of associations to consider, beyond transactions or shared accounts, when making a close associate or family member determination.

Who is considered to be the family member of a PEP or a HIO?

If a person is a foreign PEP, domestic PEP or HIO, then certain family members must also be regarded as PEPs or HIOs. These **family members** are:

- their spouse or common-law partner;
- their child;
- their mother or father;
- the mother or father of their spouse or common-law partner; and
- a child of their mother or father (sibling).

Head Office Review and Approval

Account #: _____

Date Account Opened: _____

Above information has been review with Client/Joint Client: _____

Date of Review with Client/Joint Client: _____

Method of review (In Person/Telephone): _____

Confirmed by Client/Joint Client: _____

If no, provide explanation: _____

Compliance Officer Approval: _____

Date: _____