



NATIONAL SECURITIES AND STOCK MARKET COMMISSION

RESOLUTION

31.05.2016

Kyiv

№ 617

Registered with the Ministry of Justice of Ukraine
on June 16, 2016 under № 871/29001

On the definition of criteria, which assess the risk of entities of initial financial monitoring - professional stock market (securities market) participants to be used for Money Laundering, Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction

Pursuant to Article 14, of the Law of Ukraine "On Prevention of and Counteraction to Legalization (Laundering) of Proceeds from Crime, Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction", including Clause 2 of Chapter II of the Procedure for Control over Compliance of Professional Stock Market (Securities Market) Participants with the Requirements of the Legislation on the Prevention of and Counteraction to Legalization (Laundering) of Proceeds from Crime, Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction, approved by the Resolution of the National Securities and Stock Market Commission on July 17, 2015 № 1038, registered with the Ministry of Justice of Ukraine on August 6, 2015 under № 955/27400, for the purpose of the determination criteria, which assess the risk of initial financial monitoring of entities - professional stock market (securities market) to be used for Laundering of Proceeds from Crime,

Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction.

National Securities and Stock Market Commission

Decided:

1. To define the following risk assessment criteria of initial financial monitoring - professional stock market participant to be used for laundering of proceeds from crime, terrorist financing and the financing of weapons of mass destruction:

type of activity at stock market (stock market);
 duration (term) exercising entities professional stock market (stock market);
 availability violations of legislation on prevention and counteraction to legalization (laundering) of proceeds from crime, terrorist financing and the financing of proliferation of weapons of mass destruction;

execution of securities transactions involving non-residents registered in offshore zones, defined by the Cabinet of Ministers of Ukraine on February 23, 2011 № 143-p "On the list of offshore zones";

contracting with non-residents who have a place of registration (location) countries - the aggressors;

transactions with securities outside of organizer of trade on the stock market.

2. Attribute to the entities of initial financial monitoring with high-risk, according to those specified criteria in Clause 1 of the Resolution, such professional stock market (securities market) participants as:

Security brokers, that combine the activities with depository operations of depository institutions, which:

perform professional stock market (security market) activity less than two years,
 or

have the acts of infringing the legislation in the last three years, including prosecution facts of the recognized professionals to the administrative responsibility, in Prevention of and Counteraction to Legalization (Laundering) of Proceeds from Crime, Financing of Terrorism, and Financing of Proliferation of Weapons of Mass

Destruction, were found out during the previous control or other way of control, and for what were applied sanctions established in accordance with legislation, or

carry out operations on purchase and sale of securities, parties of which are the residents registered in offshore zones, defined by the Cabinet of Ministers Ukraine from 23.02.2011 №143-p "The list of offshore zones", outside the organizer of trade on the stock market in an amount equal to or greater than 150 thousand UAH or equal/exceeds the sum in foreign currency equivalent 150 thousand UAH, or

carry out purchases and sales of securities outside of organizer of trade on the stock market in an amount that equals or exceeds 1 billion UAH or equals or exceeds the sum in foreign currency equivalent to 1 billion USD for the previous calendar year.

3. Attribute to the entities of initial financial monitoring with low-risk, according to those specified criteria in Clause 1 of the Resolution, such professional securities market participants as:

Security brokers that combine the activities of depository activities of a depository institution (in part of securities trading), which are engaged in professional stock market (securities market) activities over five years and for the past three years, no violations of legislation, among the facts certified professionals bringing to administrative responsibility in Prevention of and Counteraction to Legalization (Laundering) of Proceeds from Crime, Financing of Terrorism, and Financing of Proliferation of Weapons of Mass Destruction.

4. to attribute to entities with low risk and professional stock market participant , which received a license for activity at stock market: depository activity and activities of trade on the stock market.

5. The entities with average risk include professional participants on the stock market that do not belong neither to entities with high risk, nor to entities with low risk.

6. To declare invalid the decision of the National Securities and Stock Market Commission ,dated December 25, 2012 № 1851 "On determining the criteria for assessing the risk of initial financial monitoring - professional participant of the securities to be used for money laundering proceeds from crime or terrorist financing ",

registered in the Ministry of Justice of Ukraine on January 21, 2013 by № 150/22682 (as amended).

7. Control and Legal Work Department (R. Mashurenko) provides: submission of the decision to conduct legal review for compliance European Convention on Human Rights to the Government Agent for the European Court of Human Rights of the Ministry of Justice of Ukraine; submission of the decision on state registration to the Ministry of Justice of Ukraine.

8. Information technology and records management Department- to ensure the publication of the decision on the official web - site of the National Securities and Stock Market Commission .

9. The Office of International Cooperation and communication - to ensure publication of the decision in the official publication of the National Securities and Stock Market Commission.

10. This decision shall enter into force after its official publication.

11. Monitoring the implementation of this decision belongs to the Commissioner I.Nazarchuk.

Chairman

Timur Khromaev