3. **When customer due diligence measures must be carried out**
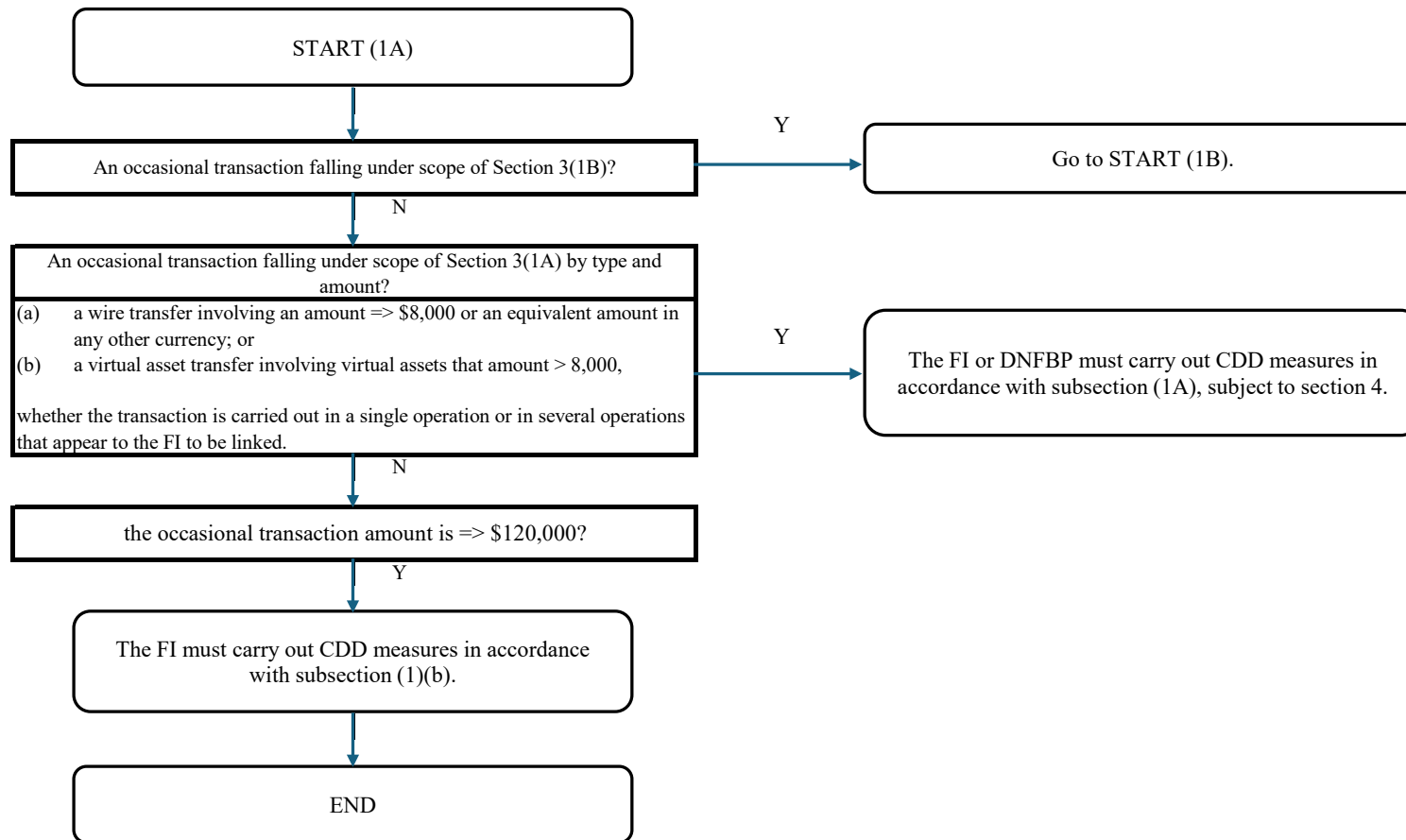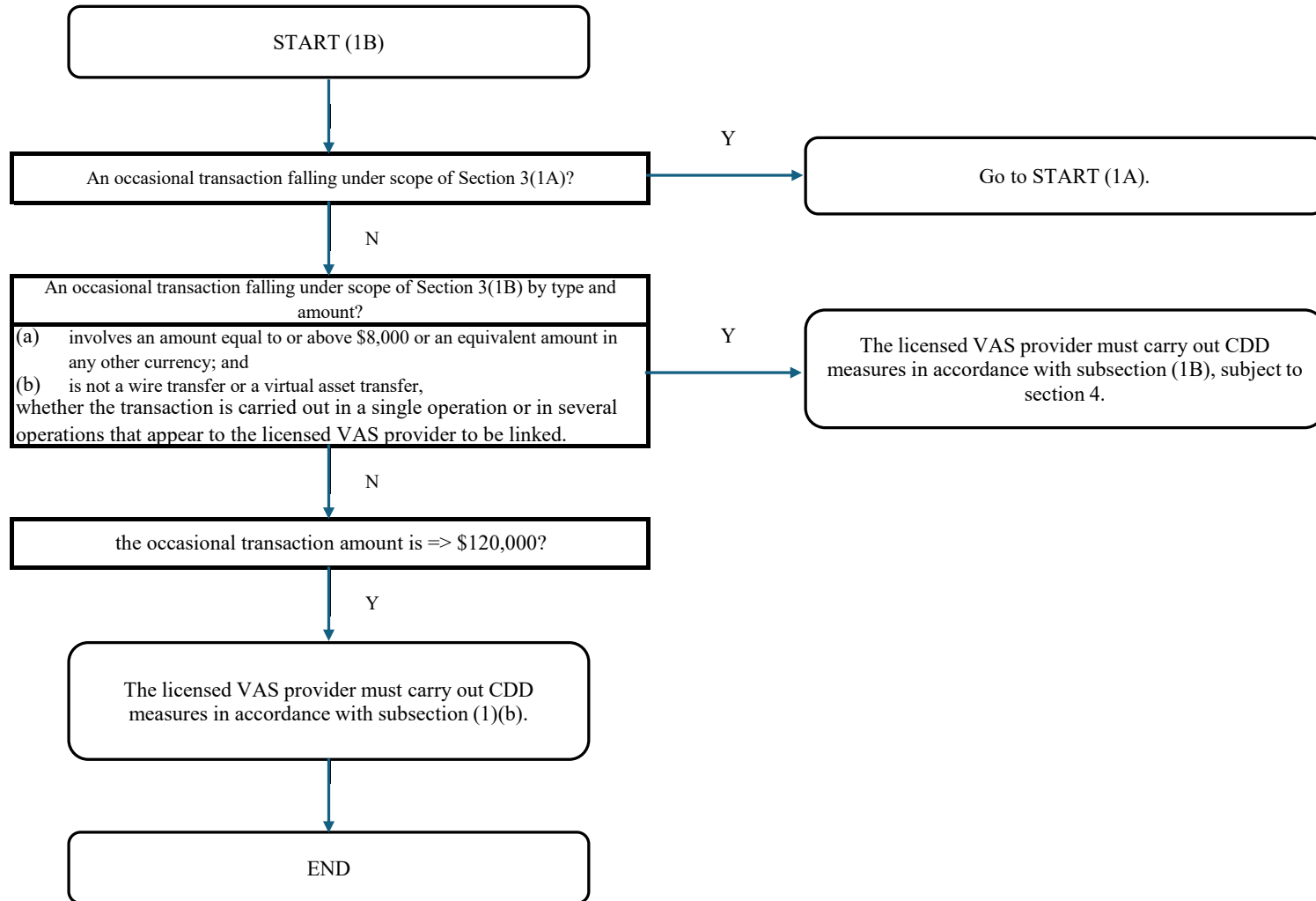
(1) Subject to section 4 of this Schedule, a financial institution or a DNFBP must carry out customer due diligence measures in relation to a customer in the following circumstances—

(b) before carrying out for the customer an occasional transaction involving an amount equal to or above $120,000 or an equivalent amount in any other currency, whether the transaction is carried out in a single operation or in several operations that appear to the financial institution or the DNFBP to be linked;

(1A) Subject to section 4 of this Schedule and despite subsection (1)(b), a financial institution must carry out customer due diligence measures in relation to a customer before carrying out for the customer an occasional transaction that is—

(a) a wire transfer involving an amount equal to or above $8,000 or an equivalent amount in any other currency; or

(b) a virtual asset transfer involving virtual assets that amount to no less than $8,000,

whether the transaction is carried out in a single operation or in several operations that appear to the financial institution to be linked.

START (1A)

An occasional transaction falling under scope of Section 3(1B)?

Y → Go to START (1B).

N

An occasional transaction falling under scope of Section 3(1A) by type and amount?

(a) a wire transfer involving an amount => $8,000 or an equivalent amount in any other currency; or

(b) a virtual asset transfer involving virtual assets that amount > 8,000,

whether the transaction is carried out in a single operation or in several operations that appear to the FI to be linked.

Y → The FI or DNFBP must carry out CDD measures in accordance with subsection (1A), subject to section 4.

N

the occasional transaction amount is => $120,000?

Y

The FI must carry out CDD measures in accordance with subsection (1)(b).

END

(1B) Subject to section 4 of this Schedule and despite subsection (1)(b), a licensed VAS provider must carry out customer due diligence measures in relation to a
customer before carrying out for the customer an occasional transaction that—
(a)   involves an amount equal to or above $8,000 or an equivalent amount in any other currency; and
(b)   is not a wire transfer or a virtual asset transfer,
whether the transaction is carried out in a single operation or in several operations that appear to the licensed VAS provider to be linked.

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                    ┌─────────────────────────────────┐
                    │          START (1B)             │
                    └─────────────────────────────────┘
                                   │
                                   ▼                              Y
        ┌──────────────────────────────────────────┐   ─────────▶  ┌──────────────────────────────┐
        │ An occasional transaction falling under  │               │      Go to START (1A).        │
        │       scope of Section 3(1A)?            │               └──────────────────────────────┘
        └──────────────────────────────────────────┘
                                   │ N
                                   ▼
   ┌───────────────────────────────────────────────────┐
   │ An occasional transaction falling under scope of   │
   │      Section 3(1B) by type and amount?             │
   │ (a)   involves an amount equal to or above $8,000  │      Y        ┌────────────────────────────────────┐
   │       or an equivalent amount in any other         │  ─────────▶   │ The licensed VAS provider must     │
   │       currency; and                                │               │ carry out CDD measures in          │
   │ (b)   is not a wire transfer or a virtual asset    │               │ accordance with subsection (1B),   │
   │       transfer,                                     │               │ subject to section 4.              │
   │ whether the transaction is carried out in a single │               └────────────────────────────────────┘
   │ operation or in several operations that appear to  │
   │ the licensed VAS provider to be linked.            │
   └───────────────────────────────────────────────────┘
                                   │ N
                                   ▼
   ┌───────────────────────────────────────────────────┐
   │ the occasional transaction amount is => $120,000?  │
   └───────────────────────────────────────────────────┘
                                   │ Y
                                   ▼
        ┌──────────────────────────────────────────┐
        │ The licensed VAS provider must carry out  │
        │ CDD measures in accordance with           │
        │ subsection (1)(b).                        │
        └──────────────────────────────────────────┘
                                   │
                                   ▼
        ┌──────────────────────────────────────────┐
        │                 END                       │
        └──────────────────────────────────────────┘
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3. **When customer due diligence measures must be carried out**

(2) Despite subsection (1)(a), a financial institution or a DNFBP may verify the identity of a customer and any beneficial owner of the customer after establishing a business relationship with the customer if the following conditions are met.

| The FI or DNFBP chooses to carry out CDD measures **after** establishing business relationship with a customer? | →N→ | FI or DNFBP must carry out CDD meausres **before** establishing business relationship with a customer. |

Y ↓

Section 3(2) condition satisified?
(a) being necessary not to interrupt normal conduct of business by the customer; and
(b) any risk of ML or TF that may be caused by carrying out the verification after establishing the business relationship is effectively managed.

→N→ (to "before" box)

Y ↓

Section 3(3) condition satisified?
A FI or a DNFBP that carries out verification **after** establishing a business relationship with a customer must complete the verification as soon as reasonably practicable after establishing the business relationship.

→N→ | **Section 3(4)** |
An FI or DNFBP must not (a) **establish business relationship** or carry out any **occaional transaction** with customer, or (b) if the FI or DNFBP has already established business relatiohnship, terminate it with that customer as soon as practicable.

Y ↓

The FI, or DNFBP may carry out CDD measure in accordance with subsections (2).

↓

END