

Part II Sector 17 (Syndicated Lending)

Proposed insertion of paragraph 17.29A

Completion of CDD by Lenders

17.29A Syndicated lending involves more than one Lender lending to a Borrower, therefore the due diligence requirements of each Lender in a syndicate may vary slightly from firm to firm and specifically from those of the MLA. Lenders should use a risk-based approach when assessing the CDD available in respect of a Borrower under a syndicated loan prior to such Lender becoming a lender of record under the Facility Documentation.

If the risk of money laundering is determined to be low, and any outstanding information is not considered material from a risk perspective, a Lender may consider completing its due diligence processes as soon as practicable after it becomes a lender of record under the Facility Documentation. Particular care should however be taken in situations which by their nature present a higher risk of money laundering or terrorist financing (such as where a Borrower is established in a high risk third country).