



## **TERMS OF REFERENCE – 2026**

### **Anti-Money Laundering & Know Your Client Working Group**

#### **Objectives**

##### **1. Name and Constitution**

- 1.1** The organisation shall be called "The Findel Group AML & KYC Working Group" (hereinafter called "the AML W Group") and is a subordinate group of the TA Findel Plenary Group (hereinafter called "Group").

**The AML W Group's objectives are aligned to those of the Group, the key aims are to: -**

- (a) Identify common opportunities to enhance operational efficiency in cross border distribution.
  - (b) Recommend and promote through a single voice, common solutions that would be of benefit to fund market participants and ultimately end investors.
  - (c) The Group cooperates with other existing working groups & industry bodies and participates in relevant forums across the industry to further its goals.
- 1.2** The objective of the AML W Group is to provide a specialist group covering the field of AML and related subjects covering cross border funds, operations, distribution and allied subjects: to this end the AML W Group shall:
- a) seek to shape opinion, to develop best and standard practice guidelines for the benefit of the asset management industry and their customers, in accordance with market competition practices pursuant to the provisions of EU and UK Competition Law.
  - b) represent the views of the cross-border Asset Management industry in the space of operations;
  - c) arrange for: the reading of industry related papers; discussions; the delivery of lectures; the arrangement of conferences and the acquisition and dissemination of useful information by publication on the Group's website and other means.
  - d) afford opportunities for communication among the members, including the arrangement of meetings and social functions.
  - e) conduct correspondence, carry on discussions and appropriate negotiations with professional or other bodies or persons on matters relevant to Asset Management operations, cross border distribution and allied subjects.
  - f) use all reasonable means to encourage practising Asset Management firms who operate cross border distribution to become members of the Group;
  - g) carry on any other activity which in the opinion of the Group is relevant to the stated objectives of the Group.
  - h) All activities of the AML W Group shall be conducted on a non-commercial basis, for the purpose of improving industry standards, efficiency and understanding,



and not for the purpose of conferring competitive advantage on any individual firm or group of firms.

**1.3 Key responsibilities of the AML W Group which will be agreed annually and in advance with the Group: -**

- a. Establish and document best practice, challenging existing practices for AML where applicable
- b. Hold regular working group meeting
- c. Educate, inform and influence the wider industry including collaborating as a single voice in responses to regulatory surveys, consultations
- d. Review current trends on the use of central KYC repositories/technology solutions offered in the market and consider feasibility to promote their use  
Invite vendors to present to the W Group as applicable
- e. Evaluate the use/impact of emerging technologies/products e.g. AI, fund tokenisation in AML KYC practices
- f. Evaluate and consider the need for issuance a common practice guide around AML/CFT obligations for Branches

1.4 The Working Group shall agree, in advance, its key deliverables for each year, including expected timelines and owners. All outputs produced by the Working Group shall be clearly labelled as draft or final and shall be subject to approval by the plenary group prior to publication.

**2. Representation on the AML W Group**

2.1. Any member of the Findel Group may become a member of the AML W Group.

2.2 All members of the AML W Group will comply with all relevant regulations, including and not restricted to EU and UK Competition Law and will act appropriately to ensure that any activities carried out as a result of their membership of the Group will not have a detrimental effect on competition. Members acknowledge that compliance with EU and UK Competition Law is a standing agenda item and collective responsibility, and that all participants are required to proactively challenge or halt any discussion that may give rise to competition law concerns.

2.3 A member must report any activity which they suspect and have reasonable grounds to believe is in breach of EU and UK Competition Law to the Group who will assess each alleged breach independently and objectively. A member found to be wilfully engaging in, facilitating, colluding or allowing such activity may, in addition to any relevant statutory or regulatory penalty, be subject to exclusion (either temporary or permanent) from the Group.



### **3. Management**

- 3.1 The Findel Plenary Group agree to support the work undertaken by the working group and will designate a representative with expertise in the working groups subject matter, who will represent the interests of each member firm. The representatives will wherever possible attend all meetings in person or will nominate an alternative when absent and agrees to provide full support to the working group including contributing constructively to discussions at each meeting and participating in any agreed actions and the associated work connected with these.
- 3.2 Persistent non-attendance or failure to contribute may be escalated to the Findel Plenary member.
- 3.2 The AML W group will consist of a Chair whose appointment is approved in advance by the Findel plenary group. The Chair shall always act in a neutral and impartial manner and shall not use their position to promote the commercial interests of their own firm or any other member firm. The Chair will be responsible for allocating a deputy Chair from the Working Group representatives who will support the Chair in their duties and Chair any working group meetings in the Chairs absence. The Chair will be responsible for scheduling the meetings, Chairing each meeting, maintaining summary of minutes and actions (including regularly chasing all actions), approval of all output produced by the working group and taking lead in driving the key initiatives which have been agreed and documented in the Terms of Reference ('ToR') under clause 1.3. The Chair can designate responsibility within their own firm to individuals to support with these activities. The Chair may use ZOOM AI or other AI tools to aid in the production of the summary minutes, only the Chair &/or deputy Chair should have access to any call transcriptions and the summary minutes must be carefully checked to ensure that they are an accurate record of the meeting before they are distributed to the working group members.
- 3.3 The AML W group can only be attended by members of The Findel Group. Any new member firms to the Findel Group will be offered the opportunity to participate in the working groups available, once membership is accepted.

### **4 Meetings**

- 4.1 Meetings of the Group shall be held at such times and places as the AML W. Group shall decide, however the standard frequency of meetings is every other month, although more frequent meetings may take place if deemed required by the working group. All meetings for the forthcoming year will be scheduled by end of December of the current year and are shown in Appendix A.
- 4.2 The Chair/Co-ordinator, or delegate, will endeavour to send meeting paperwork comprising of agenda, outstanding actions, previous minutes, ToR and any other relevant documents to the group within 1 week of the meeting date, if this cannot be accommodated the late dispatch will be noted in the minutes.



- 4.3 A summary of the minutes and actions will be updated after each meeting and distributed to all members of the AML W Group within 5 business days of the meeting date. A copy will be sent to the Group Secretary for onward distribution to the plenary group members.
- 4.4 No member shall disclose any information or take an action at a meeting which might or will have an adverse effect on competition.
- 4.5 To the extent agenda provides for it, discussions at meetings should be limited to discussing concerns of general interest relating to the development of the market. Any sharing of information by members should be kept confidential without reference to the individual or firm disclosing. Meetings should not involve any exchange of price related or other sensitive information. Examples of matters that should not be discussed include:
- a) Current, recent or future information relating to:
    - i. Pricing, purchase/supply costs, customer information, discounts/rebates, or profit information; or
  - b) Future customer strategy; matters of company strategy and planning; or
  - c) any information which limits or controls markets or technical development.

If an inappropriate topic is raised during a meeting, the Chair, will terminate the discussion and report the incident to the Group. The termination of the discussion should be noted by the Secretary in the minutes.

## **5. Other Matters**

- 5.1 Any proposal for the alteration of these terms by a member of the AML W Group, or for the dispensation from compliance with any of them, shall be submitted the Group for a resolution to be voted on by the primary members.
- 5.2 All discussions, materials and outputs of the Working Group are confidential to The Findel Group unless otherwise agreed in writing.  
Members shall ensure that any information shared within the Working Group is handled in accordance with applicable data protection, confidentiality and information security obligations.
- 5.3 A formal review of these Terms of Reference and the effectiveness of the AML W Group will take place at least annually by the Findel plenary group.
- 5.4 Any material issues, risks or concerns arising from the activities of the Working Group, including but not limited to legal, regulatory or reputational risks, shall be escalated promptly to the Findel Plenary Group for guidance or decision.



## **6. Scope and Limitations of Authority**

- 6.1 The AML W Group has no authority to bind The Findel Group, its members, or any member firm contractually, financially or legally.
- 6.2 Any recommendations, guidance or outputs produced by the Working Group are non-binding and advisory in nature unless expressly approved by the Findel Plenary Group.

## **7. Conflicts of Interest**

- 7.1 Members must disclose any actual, potential or perceived conflicts of interest that may arise in connection with Working Group discussions or outputs.  
Where a conflict is identified, the Chair may require the member to abstain from specific discussions or decisions, and such abstention shall be recorded in the minutes.



Appendix A – Working Group Meeting Schedule

Date	Host
The first Wednesday @11am of every 2 months (Jan – Mar – May – Jul – Sep – Nov)	JPM via Zoom