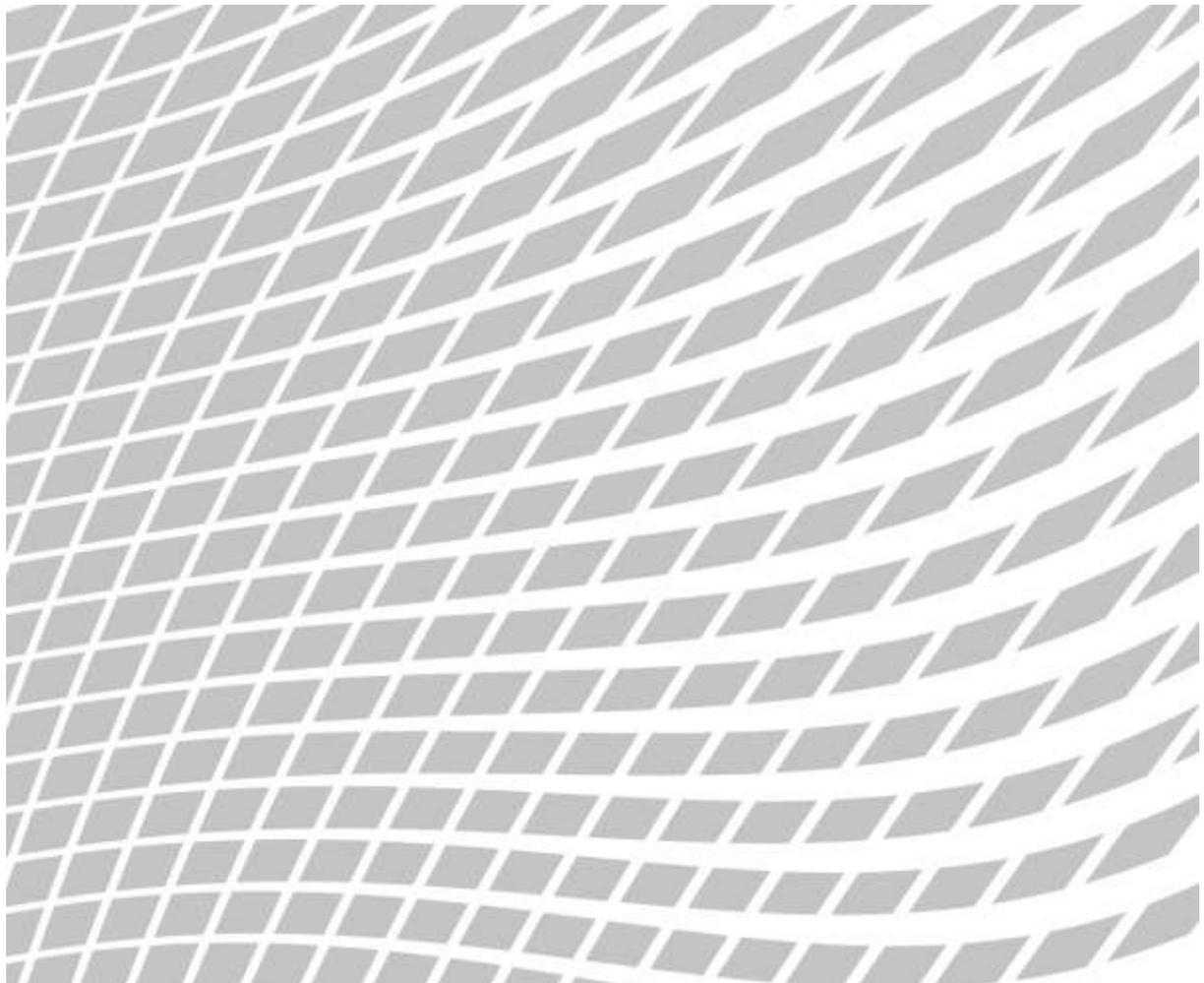


21 December 2015

Circular 2016/xx “Video and Online Identification”

Key points



1. The circular on video and online identification aims to bring the due diligence requirements set out in the Anti-Money Laundering Act (AMLA) and its implementing provisions in line with the provision of digital financial services. Focus is on the acceptance of business relationships (onboarding) through digital channels.
2. In compliance with certain requirements, financial intermediaries are now allowed to accept business relationships with clients via audio-visual communication in real time (i.e. video transmission). From a legal perspective, online identification of the contracting party has been put on par with in-person identification. The requirements in this regard are detailed in Section III “Video identification”.
3. Section IV “Other forms of online identification” sets out a number of approaches which essentially can simplify the acceptance of business relationships via internet. In particular, the rules on alternative procedures for obtaining a certified copy of the client identification document are prescribed. Client identification can be done online and no longer needs to be an in-person identification at the financial intermediary’s place of business.
4. Declaration of beneficial ownership essentially no longer requires a handwritten signature which is then submitted in person or returned to the financial intermediary. The rules set out in Section V “Declaration of beneficial ownership” define alternative procedures which take the steady growth in the digitisation of financial services into account.
5. Section VIII “Technology neutrality” explains the application of relevant articles of the FINMA Anti-Money Laundering Ordinance (AMLO-FINMA) to the digital business.