



KING'S COLLEGE INTERNATIONAL SCHOOL  
BANGKOK

## **I.6 Anti-money laundering policy**

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**King's College International School Bangkok**

## **1. Introduction**

This policy applies to King's College International School Bangkok ("the school"). The school is not in the regulated sector for the purposes of money laundering. However the school's policy is to fully comply with the applicable provisions of the *Anti-money Laundering Act B.E. 2552*.

## **2. Purpose**

- 2.1 The purpose of this policy is to ensure that the school complies with *Anti-money Laundering Act B.E. 2552* and where necessary to provide assistance to law enforcement in combating illegal money laundering and to minimise the risk of accepting money from individuals of unexplained wealth including those financing crime and terrorism.
- 2.2 By definition, money laundering is the practice of cleaning money that has been obtained illegally. There is often a complex trail involved that is difficult to trace and identify.
- 2.3 Money laundering can occur in many ways. Examples where the school may be targeted for money laundering purposes is when for instance the school is a trading partner and the fees paid to the school from the partner do not derive from the joint enterprise but from another, illegal operation.
- 2.4 Individuals of unexplained wealth may sometimes make large donations and/or settle school fees in lump sums.

## **3. Procedures and Responsibilities**

- 3.1 The Vice Chair of Executive Committee has been appointed as the school's money laundering reporting officer (MLRO). In the Vice Chair of Executive Committee's absence the Executive Vice President will act as MLRO. The MLRO's role is to:
  - Require departments to conduct appropriate checks on trading partners, donors and fee payers.
  - receive disclosure from any member of staff or governors who suspects that money laundering activities have taken place which may involve the school;
  - in conjunction with the Chairman of Founding Team, Headmaster, the chair of finance and planning committee, consider whether there is or seems to be any evidence of money laundering or criminal and or terrorist financing;
- 3.2 The MLRO will be responsible for ensuring the carrying out the school's anti-money laundering and unexplained wealth procedures in accordance with paragraphs 5 and 6 of this policy.
- 3.3 The MLRO will ensure proper records are kept on all the relevant activities and steps taken to deal with them.

## **4. Cash payments in respect of school and other fees and donations**

The school's terms and conditions state that school fees must be paid by bank transfer or check. This minimises the risk as all payments must be channelled through a bank who are themselves required to execute checks on individuals. Trading partners settle invoices via bank transfer payments. Payment of school fees in cash is not permitted. Donations over 20,000 THB will not be accepted in cash.

## **5.1 Reporting to the MLRO**

5.1.1 Reasonable grounds for suspicion which would trigger a report to the MLRO are:

- Unusually secretive behaviour including reluctance to provide requested information without explanation;
- Request to make payment of substantial sums in cash (over 20,000 THB);
- Doubts about the honesty, integrity, identity or location of the person or organisation involved;
- Involvement of a third party without logical reason or explanation;
- Overpayments for no good reason or benefit;
- Doubt as to the ability of a person to have a legitimate source of the funds received;
- Significant changes in the size, nature and frequency of the transactions with a fee-payer or donor that is without reasonable explanation, for example if payments start to be made from a different jurisdiction;
- Cancellation, reversal or request for refunds of earlier transactions especially if to a new or changed account;
- History of poor business records controls or inconsistent dealing;
- Request to pay fees or otherwise by lump sum;
- Request for account details outside the normal course of business.

5.1.2 If, a member of staff or governor or person knows, suspects or has reasonable grounds for thinking or suspecting that a person is engaged in money laundering or criminal or terrorist financing, or whose wealth appears to be unexplained, they must report such matters to the MLRO immediately. The MLRO should be provided with as much information as possible including:

- details of the people involved;
- the type of transaction;
- the relevant dates;
- grounds for suspicion (see 5.1 above);
- when and how the activity is undertaken;

- if the transaction is concluded or if any aspect of it is outstanding and;
- amount of money involved.

5.2 The MLRO, on receipt of a report under 5.1.1 above will:

- Consider the report and any other available information;
- Determine if there are reasonable grounds for suspecting money laundering and the steps to be taken or if there is actual money laundering or criminal or terrorist financing;
- Instruct the person making the report as to any steps they need to take including advice on how to act in order to prevent an investigation being prejudiced or inadvertently “tip off” that a disclosure has been made.
- The school reserves the right to refuse admission to any student or to remove a student if the authority verifies suspicious activity or if the school, using its judgement, is satisfied that its standards in respect of this policy have not been met.

## **6. Due Diligence procedures prior to entering into transaction or financial relationship**

6.1 When payments are being made from a non-Thai bank account or if an unusual fee paying arrangement is being sought the school will carry out the verification procedures set out in 6.1.2 on fee payers, trading partners and donors before it accepts or enters into a relationship or transaction.

6.1.1 An unusual fee-paying arrangement might be:

- seeking to make a large lump sum payment, (i.e. greater than the equivalent of one year’s senior school fees) where there is doubt, in the judgement of the bursar, as to the ability of a person to have a legitimate source of the funds;
- payments being received from third parties;
- payments being made from a non-Thai bank account.

6.1.2 Verification procedures:

- For individual fee payers parents will be asked to complete the additional checks form attached at appendix 4 and the school will undertake an internal risk assessment attached at appendix 1;
- For trading partners, completion of the risk assessment attached at appendix 2;
- For donors, completion of the risk assessment attached at appendix 3.

6.2 The school will maintain proper records of all checks made and the outcome of those checks which may include a report to the MLRO under 5.1 above.

6.3 All records of financial transactions will be kept in accordance with the school’s information and records retention policy. Any reports received under 5.1 or checks completed under 6.1.2 of this policy will be retained for a minimum of five years. The records retained will

include the original report containing the details referred to in 5.1.2 above and the outcome and actions from any internal report where the matter was not reported to the authority.

## Appendix one

### Risk assessment of additional checks for payment of school fees by international transfer / composition arrangement / third party

Name of student	
Name of fee payer	
	Comments
International payments	Y/ N
From which country is the payment being made?	
Acceptable reason for the payment being made via international transfer?	
KYC?	
Composition fees over one year's King's Bangkok fees	Y / N
Source of funds evidence accepted (table 1) or if payment made from Thailand by parents is Vice Chair of Executive Committee satisfied of evidence of payer's ability to pay lump sum?	
Fees paid by third parties	Y/ N
Fee payer connection to student checked? (table 2)	
Risk assessment completed by	
Date	
Vice Chair of Executive Committee checked	

Table 1

### Evidence of source of funds

Funds are from your personal savings	Statements from savings account showing accrual over time. Sample statements over the period are sufficient.
Inheritance	Letter from the solicitors administering the estate showing you as the beneficiary and the amount received along with a statement from your bank or building society account showing receipt of the funds.
Cash from an endowment policy or other investment vehicle	Letter from insurance company / investment company confirming the investment has been surrendered and the amount of funds paid to you along with a statement from your bank or building society account showing receipt of the funds.
Sale / remortgage of property	Letter from solicitors acting on the matter, confirming the sale and the amount raised along with a statement from your bank or building society account showing receipt of the funds.
Windfall payment from building society	A letter from the building society explaining the payment along with a statement from your building society account showing receipt of the funds.
Sale of shares	Documentation evidencing the sale and the funds raised along with a statement from your bank or building society account showing receipt of the funds.
Family gift/ loan	Evidence of the source of the funds from the family member, which may be a letter or a formal agreement. It may be necessary to carry out similar checks on the family member providing the money.

Table 2

### Payment of fees by third party (i.e not an individual with parental responsibility for the student)

Grandparent or other family member	Copy of passport of child, parent and grandparent. Birth certificate of parent showing name of grandparent or other official documentation showing familial link.
Payment by trust	Copy of or extract from trust deed showing link to the fee payer and/ or student.
Payment by employer	Copy of payslip or letter on headed paper from employer confirming the arrangement.
Payment by any other party	Please contact the school's Finance and Accounting department to discuss the evidence that should be provided in these circumstances.

Appendix two

Risk assessment for payment by trading partner by international transfer

Name of organisation:

From which country is the payment being made?	
If not Thailand, is one of those identified as <a href="#">high risk of corruption by the EU</a> ?	
Is the organisation on the UK government's <a href="#">proscribed organisations list</a> ?	
Check company website and google search any information.	
Has KYC been performed?	
Is the Vice Chair of Executive Committee satisfied that the due diligence has been applied and appropriate efforts made to ascertain the source of the funds in accordance with Table I appendix I , if required?	

Risk assessment conducted by:

Date:

Appendix Three

Risk assessment for donations by international transfer

Name of donor:

From which country is the payment being made?	
If payment being made from Thailand is the payment more than 500,000 THB? If so, what reasons have the donors given for making the donation?	
Is this country one of those identified as <a href="#">high risk of corruption by the EU</a> ?	
If the donor is an organisation is it on the UK government's <a href="#">proscribed organisations list</a> ?	
Check company website and google search any information.	
If the donor is an individual is this country one of those identified as <a href="#">high risk of corruption by the EU</a> ?	
Has KYC been performed and clear?	
What reason has the donor given for the payment being made via international transfer?	
What connection does the donor have to the school?	
Is the Vice Chair of Executive Committee satisfied that the due diligence has been applied and appropriate efforts made to ascertain the source of the funds in accordance with Table I appendix I, if required?	

Risk assessment conducted by:

Date:

## Appendix 4

### Payment of school fees by international transfer / composition arrangement / third party

The school's terms and conditions require that fee invoices are settled on a termly basis by bank transfer or check from a Thai bank account. If parents wish to deviate from those arrangements, the school's *anti-money laundering and unexplained wealth policy* requires further due diligence to be undertaken before those payment arrangements can be accepted.

I should be grateful if you would complete the relevant sections of this form and provide the evidence requested so that your application for alternative payment arrangements can be processed.

Name of pupil	
Name of fee payer	
<b>International payments</b>	
From which country is the payment being made?	
The school expects that where possible, parents will make their own arrangements for transfer of funds domestically. If this is not possible, what is the reason for the payment being made via international transfer?	
<b>Composition fees (fees in advance scheme)</b>	
What is the lump sum proposed as the composition fee payment?	
If the composition fee is greater than one year's school fees, what evidence is provided to explain the source of funds. Please see table 1 for examples of evidence that should be provided.	
<b>Fees paid by third parties</b>	
What connection does the fee payer have to the pupil?	
If fee payer is not a pupil what evidence is provided to evidence the connection? Please see table 2 of examples of evidence that should be provided	