



GUIDEBOOK FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING





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1. PREAMBLE

The South American Football Confederation, acronym in Spanish CONMEBOL, is comprised of ten member associations in South America: Argentina, Brazil, Chile, Uruguay, Paraguay, Peru, Bolivia, Ecuador, Colombia and Venezuela.

CONMEBOL takes on the significant responsibility of defending the essential values of behavior and conduct, hence supporting FIFA's ongoing efforts towards protecting the image of football worldwide.

The Congress, is CONMEBOL's highest authority, which meets on an annual basis in order to review the expense budget and the resources for the upcoming year, issues included by the Council in the meeting order of the day, as well as analyze the report issued by the Finance Commission and the Confederation's representatives before FIFA.

The Council is CONMEBOL's permanent authority when the Congress is adjourned. The new bylaws, establishes the Council is set up by the President, three vice presidents and seven directors whose representatives are the Presidents of each member association.

As per the applicable legal provisions established in the Republic of Paraguay Law no. 1015/97, Amendment No. 3783/09, CONMEBOL is classified as a liable party, given it is headquarter is in the city of Luque, Parguay. The supervisory body is the Paraguayan Secretariat for the Prevention of Money and Asset Laundering (acronym in Spanish SEPRELAD), as per Resolution No. 453/11.

This guidebookguidebook is the exemplary instrument for effectively implementing preventative policies that safeguard CONMEBOL procedures from being used to conceal or use money obtained through illegal acts.

CONMEBOL, continuously trains staff members and stakeholders, thus this policy is a resource to assist and guide to prevent unlawful acts. . Bearing this in mind, CONMEBOL provides this valuable instrument to all members, a soon as they arrive to CONMEBOL.

2. INTERPRETATION

All references to a party in the masculine shall include the feminine and the singular shall include the plural unless explicitly stated otherwise in this guidebook.

The chapters of this guidebook are a layout of the subject matter and should not impact how the content is interpreted.

If any discrepancies arise as to the interpretation of this guidebook in other languages, the original Spanish text takes precedence, as per Article 2 of the CONMEBOL bylaws.

3. LEGAL FRAMEWORK

1.1 International entities

- **UNITED NATIONS:**
 - Vienna Convention
 - Palermo Convention
 - International Convention for the Suppression of the Financing of Terrorism
 - Resolution 1373 of the UN Security Council
- **INTERNATIONAL ASSOCIATION OF INSURANCE SUPERVISORS**
- **INTERNATIONAL ORGANIZATION OF SECURITIES COMMISSIONERS**
- **THE EGMONT GROUP**

• **FINANCIAL ACTION TASK FORCE (FATF):** The Financial Action Task Force (FATF) is an intergovernmental body established in 1989 by the ministries and member jurisdictions. The FATF works to set standards and ensure the effective implementation of legal, regulatory and operational measures to combat money laundering, terrorist financing, proliferation financing and other threats to the integrity of the international financial system. In partnership with other parties involved internationally, the FATF also seeks to identify vulnerabilities on a national level to protect the international financial system against inappropriate use.

FATF Recommendations

The FATF Recommendations set out a comprehensive and consistent framework of measures that countries should implement to combat money laundering and terrorist financing, as well as the financing of the proliferation of weapons of mass destruction. The legal, administrative and operational frameworks and financial systems vary by country, so different measures are needed to counter these threats. The FATF Recommendations, therefore, set an international standard that countries should implement through measures adapted to their particular circumstances.

Regional FATF organizations

- **GAFILAT**

The Financial Action Task Force of Latin America (GAFILAT) develops and implements global strategies to combat money laundering and terrorism financing in Latin America by applying the principles included in the 40 Recommendations.

GAFILAT member countries include:

- Argentina
- Bolivia
- Brazil
- Chile
- Colombia
- Costa Rica
- Cuba
- Ecuador
- Guatemala
- Honduras
- Mexico
- Nicaragua
- Panama
- Paraguay
- Peru
- Uruguay

The updated list is available at: <http://www.gafilat.org/content/inicio/>

- **CFATF**

CFATF is the acronym of the Caribbean Financial Action Task Force.

This organization is made up of 27 member states from the Caribbean Basin, Central America and South America that have agreed to implement joint countermeasures that address the problem of money laundering, terrorist financing and the financing of the proliferation of weapons of mass destruction.

CFATF member countries include:

- Anguilla
- Antigua and Barbuda
- Aruba
- Barbados
- Belize
- Bermuda
- Curaçao
- Dominica
- El Salvador
- Granada
- Guatemala
- Guyana
- Haiti
- Cayman Islands
- Turks and Caicos Islands
- Virgin Islands
- Jamaica
- Bahamas
- Montserrat
- Dominican Republic
- Saint Kitts and Nevis
- Saint Martin
- Saint Vincent and the Grenadines
- Saint Lucia
- Suriname
- Trinidad and Tobago
- Venezuela

1.2 National Body - PARAGUAY

PARAGUAYAN SECRETARIAT FOR THE PREVENTION OF MONEY AND ASSET LAUNDERING (Spanish acronym SEPRELAD).

SEPRELAD has been established as a financial intelligence unit in the Republic of Paraguay, with functional and administrative autonomy within legal and regulatory limits.

The Secretariat for the Prevention of Money and Asset Laundering was established by Law 1015/97 and amended with Law 3783/2009.

1.3 Regulatory Bodies and Applicable Legislation

The applicable legislation in the Republic of Paraguay for the prevention of money laundering is the following:

- Law No. 1015/97 "which prevents and represses illegal acts intended to legitimize money or assets" and its 2009 amendment, Law 3783/09.
- Resolution No. 453/2011, issued by the Secretariat for the Prevention of Money and Asset Laundering, which approves the regulation on the prevention of money laundering and terrorist financing for nonprofit organizations.
- Law No. 1160/96 "Paraguayan Criminal Code" Article 196. Law 3440/2008 on amendments.
- Law 4503/2011 on freezing of funds.
- Law 4005 on countering kidnapping.

4. GLOSSARY OF TERMS

Money laundering (ML): The term “money laundering” refers to financial transactions and activities aimed at concealing the true source of funds received. These funds originate from illegal activities and the goal is to give illegal money the appearance that it comes from the logical flow of legally established operations. Upon completing this process, the money can be used by criminal or terrorist groups.¹

Assets: Assets of any type, material or immaterial, furniture or real estate, tangible or intangible, and the legal instruments or documents that certify ownership and other rights to those assets.

Terrorist financing (TF): The means through which people or businesses provide or raise funds, directly or indirectly, illegally and deliberately, knowing that all or some of those funds will be used to finance acts of terrorism.

Crime: Serious wrongdoing; a wrongful or reprehensible act.

Criminal group: A structured or organized association made up of three or more people who seek to commit crimes or achieve their goals using arms. It includes those who support them economically and provide logistical support.

Terrorist group: A structured or organized association made up of three or more people who use violence, including criminal acts, to achieve their political or ideological goals. It includes their moral mentors.

Donation: An act through which a natural person or legal entity gives assets or money to another person, who accepts those items as gifts.

NPO (nonprofit organization): Nonprofit organizations, also known as non-governmental organizations (NGOs) or civil society organizations (CSOs), are nonprofit entities that pursue the common good or the well-being of their associates.

Suspicious transaction report: A report submitted to the corresponding authorities (SEPRELAD) about events, transactions or activities.

Suspicious transaction: An event or transaction, completed or attempted, for any amount and for which there is suspicion that it is linked to the crime of money laundering, terrorist financing, or other criminal or related actions.

Due diligence: The set of rules, measures and procedures for obtaining information that reveals the stakeholders, suppliers, clients and final recipients.

Clients through business agreements: A natural person or legal entity that contributes to a specific plan to bolster it or expand the benefits for affiliates.

Donor: An individual who gives an object or money to another person free of charge.

Benefactor: An individual who does something good or helps others altruistically.

Managers: A legal entity’s representatives, elected by the highest governing body.

Employee: An individual who has a professional relationship with CONMEBOL and works towards achieving CONMEBOL’s objectives.

¹ Source: SEPRELAD. <http://www.seprelad.gov.py/biblioteca/5-sobre-el-lavado-de-dinero/13-concepto-y-origen-del-lavado-de-dinero>.

Office of Foreign Assets Control (OFAC): A financial intelligence and enforcement agency of the U.S. Treasury Department. It administers and enforces economic and trade sanctions in support of U.S. national security and foreign policy objectives.

Consolidated List: A consolidated list that includes all the individuals and entities subject to measures imposed by the United Nations Security Council.

Unusual transaction: A transaction whose amount, frequency, total or characteristics are inconsistent with the profile of the donor and/or benefactor.

Politically exposed person (PEP): A person who performs or has performed prominent public functions. Examples include heads of state or government; high-level political figures; high-level government, legal system or military personnel; senior executives of state-owned companies; and key figures of political parties. (Business relations with family members of PEPs entail similar risks.)

Stakeholders: Anyone with whom CONMEBOL has a direct or indirect contractual or cooperative relationship.

5. OBJECTIVES AND SCOPE

The purpose of this guidebook is to enforce the money laundering and terrorist financing (ML/TF) regulations that SEPRELAD has established to identify the clients, suppliers, member associations, executives, employees and other stakeholders in general, as well as to regulate the inflow and outflow of money and assets, along with the requirement to verify their origin and destination by implementing policies and procedures aimed at preventing, detecting and reporting events that could be linked to money laundering and terrorist financing.

The guidebook serves as an instrument to regulate transactions within CONMEBOL, specifying the actions and measures to be taken by the confederation in the event of suspicious or illegal activity.

Compliance with this document is mandatory for all Council members, the Secretary-General, Deputy Secretaries-General, members of permanent Commissions, match officials, directors, managers, supervisors, heads, CONMEBOL employees and other stakeholders, with no exceptions.

The prevention policy is based primarily on the client's knowledge through business agreements, the supplier, the member association, employees, match officials, suppliers, stakeholders, and CONMEBOL's awareness of transactions.

CONMEBOL has mechanisms for identifying stakeholders, policies, internal controls and the necessary processes for analyzing transactions.

Unusual transactions are detected through these initiatives and then reported to the control authorities when applicable. In this case, the corresponding authority is SEPRELAD, the Secretariat for the Prevention of Money and Asset Laundering.

CONMEBOL believes that the individuals for whom this guidebook is intended must receive the training needed to detect, with reasonable certainty, suspicious transactions that could be a sign of money laundering or terrorist financing activities by people or entities.

6. PURPOSE OF THE GUIDEBOOK FOR THE PREVENTION OF ML/TF

- To share the Institutional Policy for the Prevention of Money Laundering and Terrorist Financing with all CONMEBOL stakeholders.
- To train CONMEBOL directors, managers, supervisors, heads and employees on how to identify transactions that could be linked to money laundering, terrorist financing or illegal activities.
- To raise awareness of the importance and need of implementing a suitable plan for the prevention of money laundering and terrorist financing.
- To highlight the importance for the client to know about business agreements, member associations, suppliers, executives, Council members, the Secretary-General, the Deputy Secretary-General, members of permanent commissions, match officials, employees and other stakeholders as the basic foundation of prevention.
- To update and share the rules and procedures established by CONMEBOL, along with the requirements of legal regulations on the prevention of money laundering and terrorist financing.
- To comply with existing regulations.
- To minimize the probability of CONMEBOL being used to commit illegal activities.
- To protect CONMEBOL's good name and reputation.
- To identify and report transactions that show signs of being suspicious.

7. DISSEMINATION

CONMEBOL will work towards establishing as a top priority the full enforcement of the applicable laws and regulations and informing all Council members, the Secretary-General, Deputy Secretaries-General, members of permanent commissions, match officials, directors, managers, supervisors, heads, staff and other CONMEBOL stakeholders of this preventive policy to ensure its application, instrumentation and improvement.

8. AREAS INVOLVED

Council members, Secretary-General, Deputy Secretaries-General, members of permanent commissions, match officials, directors, managers, supervisors, heads, employees and other CONMEBOL stakeholders.

9. FUNCTIONAL STRUCTURE FOR THE PREVENTION OF MONEY LAUNDERING

9.1 Ethics & Compliance Committee

CONMEBOL may set up a Compliance Committee for the prevention of money laundering and terrorist financing.

The Compliance Committee would be comprised of the Secretary-General, Director of Legal Affairs, the Director Ethics & Compliance, and a Compliance Analyst. The Compliance Officer, has the authority to summon a meeting of this committee whenever necessary.

The committee must appoint a Secretary who will keep the minutes of all Compliance Committee meetings, and those minutes are to be signed by all the attendees.

9.1.1 Main duties of the Compliance Committee

- Request assistance from any member association and body to fulfill its mission.
- Analyze suspicious or reported transactions, along with those that have been studied by the Compliance Committee and will be voluntarily submitted to SEPRELAD.
- Identify sensitive transactions that should be analyzed and reviewed.

9.2 Compliance Officer

The Compliance Officer appointed by CONMEBOL should have the adequate profile and seniority to enforce compliance with ML/TF prevention policies and procedures within CONMEBOL, as per Art. 6 of SEPRELAD Resolution No. 453/11.

The Compliance Officer is responsible for effectively and efficiently implementing the preventive policies and procedures established in the applicable legislation. To this effect, the person will have the authority, resources and support of all areas within CONMEBOL.

The Compliance Officer is the Head of Ethics & Compliance and reports to the Council and the President of CONMEBOL.

9.2.1 Duties of the Compliance Officer

- To exercise their duties within the framework of the policies and procedures adopted by CONMEBOL for the prevention of money laundering and terrorist financing. This position is incompatible with the role of the Internal Auditor.

- To keep the Guidebook for the Prevention of Money Laundering and Terrorist Financing updated regarding the preventive procedures and policies adopted by CONMEBOL, as well as the general guidelines defined by SEPRELAD, within the framework of the applicable legislation.
- To advise the President, Council members, Secretary-General and Deputy Secretaries-General on the policies and procedures for the prevention of money laundering and terrorist financing.
- To serve as a liaison between CONMEBOL and SEPRELAD for matters related to the prevention of money laundering and terrorist financing.
- To define, implement and review policies and inflow/outflow monitoring systems optimized in records that make it possible to detect unusual transactions so as to prevent the risks of transactions linked to money laundering and terrorist financing.
- To design and implement training programs for all CONMEBOL employees on the prevention of money laundering and terrorist financing.
- To document the work performed in the role and make this information available to the Internal Auditor and SEPRELAD upon request.
- To analyze, write and submit reports about suspicious transactions.

9.3 Internal Audit

The Internal Audit Department reports directly to the Secretary-General of CONMEBOL. The Internal Audit Department issues periodic audits to verify the reasonableness, effectiveness and efficiency of the policies and procedures for the prevention of money laundering and terrorist financing, in all areas and departments, considering the inherent risks and applicable regulations.

9.3.1 As part of its duties, the Internal Audit Department must:

- Verify the integrity, effectiveness and enforcement of the policies, procedures and regulations for the prevention of ML/TF focused on the risk factor.
- Evaluate the policies and procedures of regulations for the prevention of ML/TF.
- Alert and inform the Compliance Officer of the weaknesses noted in the policies and procedures for the prevention of ML/TF.
- Ensure compliance with the regulations for monitoring the inflow and outflow of funds.
- Document the evaluations performed on the enforcement of policies and procedures for the prevention of ML/TF.

- Make recommendations that improve the policies and procedures for the prevention of ML/TF.
- Submit a report to SEPRELAD of the evaluations on the prevention of ML/TF within 30 days after every six-month period audited.

9.4 External Audit

Annually, CONMEBOL examines the programs for the prevention of ML/TF by hiring independent auditors and submitting a report to SEPRELAD within 60 days after the period audited to verify effectiveness and compliance.

The company hired to perform the external audit must be registered with SEPRELAD and keep its record updated.

9.4.1 The external audit team should:

- Evaluate the integrity, effectiveness and enforcement of the policies, procedures and regulations for the prevention of ML/TF.
- Verify the destination of CONMEBOL donations.
- Confirm compliance with the legal provisions and applicable regulations for ML/TF risks using representative samples of contributions through business agreements or benefactors to assess the effectiveness of the prevention policies and procedures.
- Verify compliance with the training program, including its scope and implementation.
- Issue recommendations that improve the policies and procedures for the prevention of ML/TF.

10. LEGAL NATURE, TYPE OF ACTIVITY AND REVENUE OF CONMEBOL

CONMEBOL is a nonprofit civil association under private law, making it a liable party through SEPRELAD, which is comprised of the national football associations of South America (member associations), members of the Fédération Internationale De Football Association (FIFA).

CONMEBOL's operations consists in leading, planning, implementing and organizing all football-related matters in South America.

10.1 Revenue

10.1.1 Clients through business agreements

The Confederation identifies and registers clients (individuals and legal entities) according to business agreements and other stakeholders.

A transaction that triggers an alert due to its incompatibility with what has been declared is classified as an UNUSUAL TRANSACTION. In this case, the client is requested to submit supporting documents, and if the source is not properly justified, the transaction will be classified as SUSPICIOUS and may be reported to SEPRELAD.

11. DONATIONS MADE

The CONMEBOL Ethics & Compliance Department oversees the donations made.

The legal entities that receive CONMEBOL donations in the form of money or assets must be identified and registered.

12. IDENTIFICATION MEASURES

CONMEBOL will identify clients through business agreements, suppliers and other stakeholders at the onset of the relationship.

CONMEBOL has an identification and registration system based on due diligence for revenue received through business agreements.

For CONMEBOL to accept or give a contribution in the form of money or assets, it is essential to identify the natural person, legal entity or national/international organization, check the OFAC and UN lists, and document the query results.

If the natural person or legal entity appears in the OFAC or UN lists, a Suspicious Transaction Report must be submitted to SEPRELAD immediately.

12.1 General identification requirements

Information to keep in mind for identifying and registering clients through business agreements, suppliers and other stakeholders:

FOR NATURAL PERSONS:

- FIRST AND LAST NAME(S)
- PLACE AND DATE OF BIRTH
- VALID ID CARD OR PASSPORT
- PRIMARY BUSINESS ACTIVITY
- ADDRESS
- CITY
- PHONE NUMBERS
- EMAIL ADDRESS
- BANK ACCOUNT

FOR NATIONAL LEGAL ENTITIES:

- COMPANY NAME
- RUC (TAX ID NO.)
- PRIMARY BUSINESS ACTIVITY
- FISCAL ADDRESS
- CITY
- PHONE NUMBERS
- FIRST AND LAST NAMES OF FINAL RECIPIENTS

- FIRST AND LAST NAMES OF LEGAL REPRESENTATIVES
- BANK ACCOUNT

FOR INTERNATIONAL ORGANIZATIONS:

- NAME OR COMPANY NAME
- CONTRACT NUMBER
- ADDRESS
- CITY
- PHONE NUMBERS
- FIRST AND LAST NAMES OF LEGAL REPRESENTATIVES
- BANK ACCOUNT

12.2 Special identification matters

12.2.1 Politically exposed persons

The term PEP (politically exposed person) applies to individuals who have been entrusted with prominent public functions as well as to the people or companies linked to those individuals.

PEPs are individuals who, due to their position and influence, could be a target for illegal transactions by organized crime either through corruption or money laundering. Individuals are classified as PEPs (politically exposed persons) based on information obtained through queries in digital tools.

In addition to implementing the measures for registering and monitoring PEPs, the Ethics & Compliance Department classifies them as high-risk, approves the relationship with them and applies due diligence procedures.

12.2.2 Required documents to identify donations made

- In case of donations between US\$1,000 and US\$9,999 (or their equivalent in other currencies), in addition to the aforementioned items, the recipient's ID document or equivalent must be submitted and a copy will be kept on file.
- In case of local or international donations for the amount of US\$10,000 or more (or their equivalent in other currencies), in addition to the aforementioned items, the "AFFIDAVIT of Donations" form (Appendix I) that appears in Res 453/11 SEPRELAD must be completed and submitted. International donations must be duly authorized for the amount donated.

12.2.3 OPERATIONS LOG

This guidebook specifies that the necessary analysis and control methods must be implemented so that during client relations through business agreements, suppliers and other stakeholders, it is possible to detect suspicious transactions to take action and inform the authorities as per the applicable legislation.

12.2.4 Authorizing and tracking donations made

Donations will be studied on a case-by-case basis and may be proposed in the agenda of the CONMEBOL Council meetings, in urgent cases by the Emergency Council or through the approval of the CONMEBOL President and Secretary-General.

All donation disbursements must be made via bank transfer to the account of the requesting member association. Additionally, donation disbursements must be allocated to the corresponding general ledger account so the final destination of those funds is clearly identified.

The Accounting department will assign general ledger accounts that will be used in the accounting system and the management system using an alphanumeric code for identifying donation disbursements, and the Internal Audit Department will audit the accountability.

The Finance Department will prepare monthly bank reconciliation statements for each general ledger account and immediately notify the Compliance Officer of unidentified deposits or transfers or other anomalies that may require further analysis.

13. FUNDS FROM OTHER ENTITIES AFFECTED BY ML/TF PREVENTION REGULATIONS

In case of funds from other entities affected by SEPRELAD regulations, due diligence is presumed to have been exercised to identify the donors and to verify the source of the money or assets.

In case of funds from international financial institutions, except for countries or regions that have been classified by the Financial Action Task Force (FATF) as non-cooperative or have not implemented global anti-money laundering programs or have not fully committed to implementing anti-money laundering programs (tax havens), due diligence is presumed to have been exercised.

14. IDENTIFYING UNUSUAL AND/OR SUSPICIOUS TRANSACTIONS

The CONMEBOL Ethics & Compliance Department oversees unusual and/or suspicious transactions.

14.1 Unusual transactions

Within a period of 30 days after an unusual transaction has been detected, CONMEBOL will analyze whether the events, circumstances or purpose surrounding the transaction are unjustified or if the explanation given is not valid. If this occurs, it will be classified as a suspicious transaction.

Unusual transactions may include those in which the client identification through business agreements, member associations, Council members, the Secretary-General, Deputy Secretaries-General, members of permanent commissions, directors, managers, supervisors, heads, employees, suppliers and other stakeholders is incorrect and/or false; the information submitted is insufficient or cannot be verified; or there is reluctance to be identified or to provide the requested information.

A transaction that triggers an alert due to its incompatibility with what has been declared is classified as an UNUSUAL TRANSACTION. In this case, the client is asked to submit supporting documents. If the source is not properly justified, the transaction will be classified as SUSPICIOUS and may be reported to SEPRELAD.

CONMEBOL uses technological tools to detect money laundering maneuvers. Monitoring should be done to detect unusual and/or suspicious transactions based on the need to review and the criteria to analyze, as determined by the corresponding authority.

14.1.1 Main controls used to detect an unusual transaction

- Reviewing of document integrity and reasonableness of the payments made by CONMEBOL for the amount of US\$50,000 or more.
- IT tools are used to check for individuals and legal entities that appear on international lists (OFAC, UN, etc.).
- Supplier contracts include a preventive clause to ensure compliance with laws against bribery and corruption.

14.2 Suspicious transactions

This guidebook specifies that the necessary analysis and control methods must be implemented to detect suspicious transactions with the aim of acting and informing the authorities as per the applicable legislation.

Suspicious transactions are unusual transactions or those that do not fit the patterns of standard transactions. Even if they are for small amounts, they are done periodically and with no reasonable legal/economic grounds, or they originate from a country that does not apply money laundering prevention systems, or does so in an insufficient manner, and upon performing an analysis and obtaining the corresponding documents, they continue to have no legal/economic grounds.

14.2.1 The key factors to consider before classifying a transaction as suspicious are:

- Properly verify the client's identity through business agreements, member associations, Council members, Commission members, directors, supervisors, heads, employees, suppliers and other CONMEBOL stakeholders.
- Perform a risk-based analysis (high risk due to PEP, geographic region, etc.).
- Confirm the information submitted.
- Exercise due diligence.

14.2.2 Suspicious transaction report

The person who has detected the SUSPICIOUS TRANSACTION should immediately notify their direct supervisor, who in turn should inform the COMPLIANCE OFFICER, providing documented proof that they have exercised due diligence along with a written statement explaining why they believe the transaction is suspicious.

CONMEBOL is required to submit a suspicious transaction report to SEPRELAD of any event or transaction, regardless of the amount and whether it has been carried out, that could show serious signs of being linked to the crime of money laundering.

Suspicious transaction reports must be submitted to SEPRELAD immediately using the "Suspicious Transaction Report" (STR) form (Appendix II) or the instrument established by SEPRELAD, accompanied by the corresponding supporting documents.

14.2.3 Ban on notifying or sharing the suspicious transaction report

Representatives are not permitted to notify the person involved in the activity that has been reported. Additionally, the content of the suspicious transaction report, including the supporting documents and proof, must not be shared with any individuals or institutions except when requested by SEPRELAD.

SEPRELAD must immediately be notified of natural persons or legal entities that request information from CONMEBOL about suspicious transaction reports.

15. DUTY OF CONFIDENTIALITY

All correspondence is strictly confidential.

The CONMEBOL Compliance Officer and the Ethics & Compliance Committee must abstain from revealing or announcing the existence of a suspicious transaction report, including its content and supporting documents. This also applies to information that has been requested by SEPRELAD.

16. NEGATIVE REPORT

The Compliance Officer must inform SEPRELAD quarterly if no transactions with signs of money laundering/terrorist financing have been detected. This document is titled "Negative Report" and it should be sent as a written notification to SEPRELAD until the SEPRELAD ROS_WEB application is available. (Appendix 111).

17. INFORMATION STORAGE AND DOCUMENT ARCHIVE

The CONMEBOL Ethics & Compliance Department must keep copies of the supporting documents for donations made, client deposits tied to business agreements, files of member associations and supporting documents for suspicious transaction reports.

The CONEMBOL Accounting Department must file the original supporting documents for donations made and the documents that justify expenses that have been paid using donations. The document archive must be kept in chronological order for easy identification.

17.1 Information and document storage period

All of the supporting documents listed in this guidebook must be kept for five years, as per the applicable legislation.

18. DATABASE

18.1 Clients through business agreements

The CONMEBOL Contracts, Procurement and Finance departments must remain up-to-date on client payments through business agreements.

18.2 Member Associations

The Secretary-General must remain up-to-date on member association payments.

18.3 Suppliers

The Purchasing Department must remain up-to-date on supplier payments.

18.4 Donations

The Accounting and Ethics & Compliance departments must keep updated records on donation payments, and the Accounting Department will keep the corresponding accounting records.

18.5 Employees

The Human Resources Department will remain up-to-date on employee payroll.

19. TRAINING PROGRAM

The CONMEBOL Ethics & Compliance Department oversees the training program.

19.1 Objectives of the training program

CONMEBOL can establish an ongoing training program on the prevention of money laundering to reach the following objectives:

- To create an onboarding training program for new employees as well as an annual training program for all employees and stakeholders.
- To share the prevention policies, rules and procedures with all CONMEBOL personnel and stakeholders.
- To ensure compliance with the applicable rules and procedures.
- To periodically refresh knowledge of the applicable rules and procedures at CONMEBOL.
- To clearly establish the risks of money laundering for the people who represent CONMEBOL.
- To address the requirements defined in applicable regulations and to show CONMEBOL's compliance with those requirements.

19.2 Program content

The Training Program's content will be decided upon by the Compliance Officer and prepared according to the characteristics of CONMEBOL.

The prevention system is bolstered by providing ongoing training to the directors, employees and other stakeholders, for which CONMEBOL has in place an annual plan that has been approved by the Secretary-General.

The Ethics & Compliance Department, in conjunction with the Human Resources Department, prepares an annual training program on the prevention of ML/TF. It is geared towards all employees to guarantee they receive proper training and have the latest tools and preventive measures for the fight against ML/TF.

The training is mandatory for all directors and employees, with strict controls in place. The Ethics & Compliance Department can provide training for member associations and stakeholders through the Development Department's Evolution Program.

20. KNOWLEDGE OF STAFF

CONMEBOL has a policy of not hiring employees who have ties to the illegal movement of funds, whom the government has found to be members of terrorist groups, or about whom there are questions regarding the legitimacy of their professional or business activities.

It is also important to confirm the integrity and suitability of those individuals, avoid conflicts of interest and confirm the existence of the corresponding statement. The Human Resources Department is responsible for managing the knowledge of employees.

21. CODE OF ETHICS

The CONMEBOL Code of Ethics contains the good practices and behavioral guidelines that should be followed by all the individuals covered by this guidebook.

22. OTHER INDIVIDUALS RESPONSIBLE FOR PREVENTION

In addition to the duties and responsibilities of the position they hold, the directors, managers, supervisors and heads of other departments and sections must be familiar with and follow this guidebook. It is suggested that they:

- Promote and oversee the operation of CONMEBOL's Prevention Program in its spheres of influence, and also provide the necessary instructions to ensure strict compliance with internal regulations and legislation on the prevention of money laundering.
- Partner with the Compliance Officer in all types of situations, particularly when the authorities must be present and regarding the reports of unusual or suspicious transactions issued by the staff members or teams that report to them.
- Implement the additional control systems and precautionary measures, in coordination with the Compliance Officer, deemed necessary to detect and prevent suspicious transactions.
- Keep the staff members or teams that report to them updated on the applicable regulations and all the information regarding the prevention of money laundering.

23. POLICIES FOR UPDATING, MODIFYING AND REVIEWING THIS GUIDEBOOK

The Ethics & Compliance Department is responsible for updating this guidebook.

This guidebook may be modified based on the decision of the Secretary-General at the suggestion of the Compliance Officer. Council members, members of permanent commissions, match officials, directors, managers, supervisors, heads, employees and other CONMEBOL stakeholders must be informed of all modifications.

The original version of this guidebook is the printed copy in possession of the Compliance Officer and signed by the President.

24. APPENDICES

Appendix I: Sworn statement form

SWORN STATEMENT FORM FOR SEPRELAD DONATIONS			
In the case of donations for the amount of US\$10,000 or more (or their equivalent in other currencies). Resolution No. 453/11 "Approves the regulation on the prevention of money laundering and terrorist financing for nonprofit organizations" LAW No. 1015/97 and its AMENDMENT NO. 3783/09			
1.	NPO name: CONMEBOL	Number: 2}	
2.	RUC (tax ID): 80006237-0	Date:	
3.	Main activity: Leading, planning, implementing and organizing all football-related matters in South America.		
4.	Address: Avda. Sudamericana esq. Valois Rivarola	City: Luque	
5.	Phone numbers: (021) 645-781/9		
BENEFICIARY IDENTIFICATION			
6.	First and last names/Company name: Brazilian Football Confederation		
7.	ID or Passport or Tax ID:		
8.	Primary business activity: Leading, planning, implementing and organizing all football-related matters in Brazil.		
9.	Address:	City:	
10.	Phone numbers:		
11.	First and last names of the President, Vice President, Secretary General and Deputy Secretary-General of the Federation, document type and no.:		
1.	President:	2. Vice President:	
3.	Secretary-General:	4.	
12.	First and last names of the legal representatives, document type and no.:		
	1.	2.	
	3.	4.	
13.	Payment method received:	Account no.:	Bank:
14.	Currency: (specify):	Dollars: <input checked="" type="checkbox"/>	Other <input type="checkbox"/>
15.	Total amount received in U.S. dollars:	Spelled out:	
16.	Source of funds:		
17.	Destination of funds:		
18.	Remarks:		
I state, under oath, that all of the information contained in this document is true and reflects reality, assuming all liability in the event of a potential inspection for detecting false statements, bound by the applicable legal provisions on money laundering and terrorist financing.			
Beneficiary's Signature: _____		Signature and NPO stamp: _____	
Printed name: _____		Printed name: _____	
ID no. / Tax ID no.: _____			

APPENDIX II: Suspicious transaction report (STR) form

Report no.:
Report date:
Internal Use FIU - SEPRELAD
Suspicious Transaction Report
For the exclusive use of the FIU - SEPRELAD

FILL OUT THE ENTIRE REPORT - CHECK THE APPROPRIATE BOX

Part I (Check the appropriate box to indicate whether this is an initial report, a correction or an amendment to an existing report)

- 1- Check the appropriate box
 - a. Initial report
 - b. Modification of report no. _____
 - c. Amendment for report no. ____ dated __/__/__

Reporting liable party: (Check the appropriate box for the type of liable party that is submitting the report)

NPO X

Part II General information about the reporting liable party

- 1. NPO name:
 - RUC (tax ID):
- 2. Address of the liable party:
- 3. List the phone number, fax number, email and website address to contact the reporting liable party.
 - Phone no.:
 - Fax no.:
 - Email address:
 - Website:

Part III Information about the parties linked to the suspicious transactions

- 1. Name of the individuals and/or legal entities linked to the reported transaction. (Add items b, etc., as applicable.)
 - a. First name:
Middle name:
First Surname:
Second Surname:
 - Linked persons:
 - b. Name:
Reason for the link:
 - c. Name:

Reason for the link:

d. Name:

Reason for the link:

2. Identifying information about the parties linked to the suspicious transactions reported. (Specify the type of ID used and add items B, etc., as applicable.)

a. ID no.:

Specify the type of document:

Issued by:

3. Business operations of the parties linked to the suspicious transactions reported. (List items a, b, etc.)

a.

4. Address of the parties linked to the suspicious transactions reported. (Provide the full address.)

a.

5. Contact information of the parties linked to the suspicious transactions reported. (Home and work phone numbers, fax numbers, cell phone numbers, etc. List items a, b, etc., as applicable.)

6. If there are natural persons and/or legal entities connected to the parties linked to the suspicious transactions reported, enter the information in Part III - Items 1, specifying the type of relationship; 2, 3, 4 and 5.

7. Specify whether the actors linked to the reported transactions are connected to the reporting liable party and in what manner. For example, director, shareholder, manager, accountant, legal advisor, representative, employee, promoter, broker, client or other (specify). (List items a, b, etc.)

If the answer is yes, do they continue to work with the NPO? Please explain.

Part IV Information about the reported transaction.

1. Date or period of the transaction
Reported:

2. Source currency (specify):

From

Equivalent in guaraníes:

Up to

Gs:

Specify whether it is for a transaction or a proposed transaction:

Operation

Currency exchange rate on the transaction date:

Proposal

3. Total transaction reported:

4. Specify how the donation was made or include the reference no. (add items c, etc., as needed):

5. Donation or contribution reference no. (for example, deposit slip no., etc. Add items c, etc., as needed):

6. Description of the reported transaction

Provide a full, detailed, chronological description of the suspicious or irregular events regarding the reported transaction. The explanation should be clear and explicit.

The description of the suspicious transaction should contain at least the following:

Who is involved, the instruments or mechanisms being used for the transactions, where it took place, when it took place, why it is viewed as a suspicious transaction and how the transaction took place. Include the explanations provided by the parties linked to the suspicious transaction.

Response:

SIGNED
PRINTED NAMES AND TITLES
ENTITY'S STAMP

The report submission is protected by Law 1015/97 and Amendment 3783/09, which modifies several articles of Law 1015/97 "which prevents and represses illegal acts intended to legitimize money or assets" - Article 19 - Obligation to report suspicious transactions.

APPENDIX III: Pro forma negative report

Luque, xxxx xx, 201x

Carlos Arregui
Minister of the Secretariat for the Prevention of
Money and Asset Laundering.
SEPRELAD.

In compliance with Res. No. 453-/11 Article 18 on Negative Reports and Amendment Res. No. 292/13, we hereby inform that during the period between January 201x and March 201x, no suspicious transaction reports (STR) were submitted by us.

Kind regards,

XX
CONMEBOL Compliance Officer

The full text of this translation, as well as the documents derived from it, have been drafted in Spanish and, in case of discrepancies, the Spanish language version shall take precedence for its interpretation.



- CONMEBOL -
FOOTBALL SINCE 1916

