

**** Confidential – Internal Bank Use Only ****

Commercial CDD Risk Assessment: Customer _____

| Risk Factors | High Risk = 3* | Moderate Risk = 2* | Low Risk = 1* | Risk Rating |
|---|---|---|--|--------------------------|
| 1. Time owned or managed the business | ≤ 1 year | > 1 year and < 3 years | ≥ 3 years | |
| 2. Does the business operate as an agent of another entity? For example, do they sell money orders or prepaid cell phones or rent moving vans to customers through an arrangement or contract with a third party such as Western Union, T-Mobile or U-Haul? | No, not for <u>any</u> of their services. | Yes, for <u>part</u> of their services. | Yes, for <u>all</u> of their services. | |
| 3. USA market area | Multi-state area | Statewide market | Local counties only | |
| 4. Customer demographics | International customers in or from high risk areas | International customers not in or from high risk areas | Primarily citizens of the USA | |
| 5. NAICS Code (List included in BSA Program) Type of Business: _____ Type of Profession: _____ | Included in the list of high risk NAICS Codes (Risk Value of 10) | Included in list of moderate risk NAICS Codes (Risk Value of 9) | Not a high or moderate risk NAICS Code (Risk Value of 1) | |
| 6. Number of owned business locations | > 5 | 2 to 5 | 1 | |
| 7. Number of bank branches to be used | > 3 | 2 or 3 | 1 | |
| 8. Business proximity to our bank offices | Out of market | Out of market generally but seasonal proximity | In our market | |
| 9. Number of agent or franchise locations operating under agreement with the commercial customer. | > 3 | 1 to 3 | 0 | |
| 10. Number of Privately Owned ATMs installed at the business location(s) | ≥2*** | 1*** | 0 | |
| 11. Number of domestic owned offices or agent offices located in US HIDTAs or HIFCAs | > 3 | 1 to 3 | 0 | |
| 12. Any of the business offices located internationally? | Yes | | No | |
| 13. Valid State license(s) that has not expired | Not licensed and not in process | Has the 2 or more licenses required | Has only the 1 required license or no license as required | |
| 14. Account opening method | Internet = 3 Mail = 3 | | In person = 1 | |
| 15. Internet gambling business | Customer poses risk of conducting Internet gambling business. No legal documentation or certification provided. <i>Don't proceed without proof of legal status!</i> | Actual knowledge that the applicant operates as legal Internet casino. Acceptable legal documentation provided. <i>Must monitor account periodically.</i> | Business has certified no involvement with Internet gambling business. | |
| List the risk factor of each service used by the CDD customer in the space provided below. Total the service factors and note the sum in the far right column titled "Risk Rating." | Currency deposits or withdrawals = 1 Check deposits = 1 US currency exchanges = 2 International currency exchanges = 3 US wire transfers = 2 International wire transfers = 3 Receipt of ACH transactions = 1 Receipt of IAT ACH transactions = 5 Receipt of Remotely Created Checks (RCC) = 35** Origination of ACH transactions = 2 Internet banking services = 3 Remote deposit capture (RDC) services = 3 Privately-owned ATMs = 3 Nondeposit investment transactions = 2 Frequent purchase of official checks, travelers checks or other negotiable instruments = 2 Safe deposit services with weekly access = 3 Safe deposit services with monthly access = 2 Safe deposit services with quarterly or less access = 1 Other, please describe and rate 1, 2 or 3 appropriately: _____ | | | |
| Low Risk = 30 or less Moderate Risk = 31 to 50 High Risk = 51 or higher | | | | RISK RATING TOTAL |

* Unless otherwise noted within the risk factor category.

** Alert BSA Officer due to automatic high risk rating. Do not open a new account and CLOSE the existing account.

*** If ATMs are installed at business locations, the Customer Due Diligence (CDD) for Privately Owned ATMs questionnaire **must** be completed.

Completed by _____ Date _____