Who is considered a “close associate” of a PEP?

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Definition

A "close associate" of a Politically Exposed Person (PEP) refers to an individual who is known to have strong business or personal connections with a PEP. This relationship can significantly influence the individual's actions and decisions, especially in financial or legal contexts. The definition typically includes but is not limited to the following types of associates:

1. **Business Partners:** Individuals who have joint ownership or business dealings with the PEP, particularly in settings that provide significant financial or operational control.
2. **Personal Advisors:** Includes legal, financial, or personal advisors who have a professional or personal relationship with the PEP, wherein their advice or service holds a position of influence.
3. **Other Significant Connections:** Individuals who are in a position to conduct substantial financial transactions or contracts on behalf of the PEP, or who can benefit significantly from their relationship with the PEP, such as close friends with financial ties.

Criteria for Consideration

1. The relationship should be current and have significant implications for financial, legal, or regulatory decisions.
2. The connection often involves a level of mutual benefit, particularly where the associate might gain an advantageous position from the relationship with the PEP.