

**FIA**

FINANCIAL INTELLIGENCE AUTHORITY

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Circular No. 004/2023

Date: June 1, 2023

To: All Reporting Entities

Re: Money Laundering (Prevention) Regulations, Statutory Instrument, No. 53 of 2023

The Financial Intelligence Authority (the Authority) advises of the publication of the Money Laundering (Prevention) Regulations, Statutory Instrument, No. 53 of 2023, (the Regulations), effective May 25, 2023. These Regulations replace the following pieces of subsidiary legislation, which have been revoked:

1. Money Laundering (Prevention) (Guidance Notes) Regulations – Section 43
2. Money Laundering (Prevention) (Guidelines for Conducting Other Business Activity) Regulations – Section 43
3. Money Laundering (Prevention) (Declaration of Source of Funds) (Forms) Regulations – Section 43

The Regulations apply to the prevention measures under Part 3 of the Money Laundering (Prevention) Act, Cap. 12.20 (MLPA) which must be satisfied by the following entities:

Financial Institutions

- A licensed financial institution under the Banking Act, Cap. 12.01
- A building society registered under the Building Societies Act, Cap. 12.04
- A credit union registered under the Co-operative Societies Act, Cap. 12.06
- An entity licensed under the Insurance Act, Cap. 12.08 or other enactment for underwriting and placement of long-term insurance and other investment related insurance
- An entity licensed under the International Banks Act, Cap. 12.17
- An entity licensed under the International Insurance Act, Cap. 12.15
- An entity licensed under the Virtual Asset Business Act, No. 24 of 2022
- An entity licensed under the Money Services Business Act, Cap. 12.22
- The Saint Lucia Development Bank established under the Saint Lucia Development Bank Act, Cap. 12.02

- An entity licensed under the Securities Act, Cap. 12.18
- An entity that engages in the sale of money orders
- An international public mutual fund administrator licensed under the International Mutual Funds Act, Cap. 12.16
- A private mutual fund registered under the International Mutual Funds Act, Cap. 12.16
- An international public mutual fund licensed under the International Mutual Funds Act, Cap. 12.16.

Persons Engaged in Other Business Activity

- Registered agents and trustees licensed under the Registered Agent and Trustee Licensing Act, Cap. 12.12.
- Motor Dealer licensed under the Motor Vehicles and Road Traffic Act, Cap. 8.01.
- A Gaming Operator licenced under the Gaming, Racing and Betting Act, Cap. 13.13, when engaging in transactions equal to or exceeding \$8,000
- A person involved in transactions for a client concerning the buying and selling of real estate.
- A dealer in precious metals or stones, when engaging in any transactions equal to or exceeding \$25,000.
- A person that engages in internet gaming and wagering services.
- Attorneys-at-law when they carry out transactions for a client in relation to the following activities —
 - (a) buying and selling real estate;
 - (b) creating, operating or managing companies;
 - (c) managing bank, savings or securities accounts;
 - (d) managing client’s money, securities or other assets; or
 - (e) raising contributions for the creation, operation or management of companies.
- Accountants when they carry out transactions for a client in relation to the following activities —
 - (a) buying and selling real estate;
 - (b) creating, operating or managing companies;
 - (c) managing bank, savings or securities accounts;
 - (d) managing client’s money, securities and other assets; or
 - (e) raising contributions for the creation, operation or management of companies.”.

The Regulations provide thorough guidance to reporting entities on how to achieve compliance with their broad obligations under the following areas:

- Establishment and Maintenance of Records

- Internal Policies, Procedures or Controls
- Suspicious Transaction Reporting
- Complex Transactions or Unusual Transactions
- Programmes Against Money Laundering, Terrorist Financing and Proliferation Financing
- Customer Identity and Customer Due Diligence
- Source of Funds Declaration
- Group Obligations

Please be advised that a breach of the Regulations is an offence and a financial institution or person engaged in other business activity that fails to comply with these Regulations is liable to a fine not exceeding one million dollars.

It is imperative that compliance personnel become familiar with the provisions of these Regulations, with the objective of promptly implementing any changes to the AMLC/CFT/CPF policies and procedures which may be necessary to achieve compliance with these provisions.

The Regulations can be accessed on the Authority's website at: <https://www.slufia.com/p/legislation>.

Please be guided accordingly.

Yours Sincerely,



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Paul Thompson
Director