

# **CHAPTER 12.20**

## **MONEY LAUNDERING (PREVENTION) ACT**

### **Revised Edition**

Showing the law as at 31 December 2023

This is a revised edition of the law, prepared by the Law Revision Commissioner under the authority of the Revised Edition of the Laws Act.

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• Act • Subsidiary Legislation •

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### **ACT**

**(Acts 8 of 2010, 9 of 2011, 13 of 2013, 20 of 2016, 13 of 2019, 16 of 2021 and 5 of 2023, Statutory Instrument 144/2012)**

Act 8 of 2010 .. in force 1 February 2010

Amended by Act 9 of 2011 .. in force 3 May 2011

Amended by S.I. 144/2012 .. in force 12 November 2012

Amended by Act 13 of 2013 .. in force 16 December 2013

Amended by Act 20 of 2016 .. in force 19 December 2016

Amended by Act 13 of 2019 .. in force 8 April 2019

Amended by Act 16 of 2021 .. in force 14 December 2021

Amended by Act 5 of 2023 .. in force 9 March 2023

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**CHAPTER 12.20**  
**MONEY LAUNDERING (PREVENTION) ACT**

AN ACT to consolidate the law relating to money laundering and for related matters.

Commencement [1 February 2010]

**PART 1**  
**PRELIMINARY**

**1. Short title**

This Act may be cited as the Money Laundering (Prevention) Act.

**2. Interpretation**

(1) In this Act —

“**account**” means a facility by which a financial institution or person engaged in other business activity —

- (a) accepts deposits of money;
- (b) allows withdrawals or transfers of money;
- (c) pays or collects cheques or payment orders drawn on a financial institution or person engaged in other business activity by a person or on behalf of a person;
- (d) supplies a safety deposit box; or
- (e) engages in any other activity for and on behalf of an account holder;

“**Advisory Council on Misuse of Drugs**” means the Advisory Council on the Misuse of Drugs established under the Drugs (Prevention of Misuse) Act or any enactment replacing it;

“**Authority**” means the Financial Intelligence Authority continued under section 4;

“**beneficial owner**” means a natural person, who —

- (a) ultimately owns or controls a legal person or legal arrangement;
- (b) exercises control of a legal person or legal arrangement through other means, in a case where —
  - (i) there is doubt under subsection (a),
  - (ii) a natural person does not ultimately own or control a legal person or arrangement;
- (c) holds the position of a senior managing official, in a case where a natural person is not identified under paragraph (a) or (b);

*(Inserted by Act 16 of 2021 and substituted by Act 5 of 2023)*

“**Central Bank**”, in relation to the supervision of a licensed financial institution, means the Eastern Caribbean Central Bank established under Article 3 of the Eastern Caribbean Central Bank Agreement, the text of which is set out in the Schedule to the Eastern Caribbean Central Bank Agreement Act; *(Inserted by Act 13 of 2019 and substituted by Act 16 of 2021)*

“**Court**” means the High Court;

**"close associate"** means a natural person, who —

- (a) is known to hold the ownership or control of a legal person or legal arrangement jointly with a politically exposed person;
- (b) holds the ownership or control of a legal person or legal arrangement which is known to have been established for the benefit of a politically exposed person;
- (c) maintains another type of close business or personal relationship with a politically exposed person;

*(Inserted by Act 5 of 2023)*

**"criminal conduct"** means —

- (a) terrorist financing;
- (b) proliferation financing;
- (c) an indictable or a summary offence; or
- (d) an offence triable summarily or on indictment, committed, in or outside Saint Lucia;

*(Substituted by Act 20 of 2016 and by Act 16 of 2021)*

**"Director"** means the Director of the Financial Intelligence Authority appointed under section 4;

**"document"** includes —

- (a) a thing on which there is writing, marks, figures, symbols or perforations, having a meaning for a person qualified to interpret the writing, marks, figures, symbols or perforations;
- (b) a thing from which sounds, images or writing may be reproduced; and
- (c) a map, plan, drawing or photograph;

**"domestic politically exposed person"**, in relation to Saint Lucia, means an individual who is entrusted with a prominent public function in Saint Lucia, such as —

- (a) the Head of State;
- (b) the Head of Government;
- (c) a senior politician;
- (d) a senior government official;
- (e) a judicial official;
- (f) a military official;
- (g) a senior executive of a state-owned corporation;
- (h) an important political party official;

*(Inserted by Act 16 of 2021)*

**"drug trafficking offence"** means —

- (a) possession of a controlled drug for the purpose of supplying contrary to section 8(3) of the Drug (Prevention of Misuse) Act;
- (b) trafficking in a controlled drug contrary to section 16 of the Drug (Prevention of Misuse) Act;

- (c) assisting another to retain the benefit of drug trafficking contrary to section 17 of the Drug (Prevention of Misuse) Act;

**"Financial Action Task Force"** means the inter-governmental body whose purpose is the development and promotion of policies, both at national and international levels, to combat money laundering, terrorist financing and proliferation financing; *(Amended by Act 16 of 2021)*

**"financial institution"** means a financial institution listed in Part A of Schedule 2;

**"Foreign Financial Intelligence Unit"** means a body or bodies outside of Saint Lucia which performs functions similar to the Authority;

**"foreign politically exposed person"**, in relation to a country other than Saint Lucia, means an individual who is entrusted with a prominent public function by a country other than Saint Lucia, such as —

- (a) the Head of State;
- (b) the Head of Government;
- (c) a senior politician;
- (d) a senior government official;
- (e) a judicial official;
- (f) a military official;
- (g) a senior executive of a state-owned corporation;
- (h) an important political party official;

*(Inserted by Act 16 of 2021)*

**"forfeiture"** means the permanent deprivation of property by order of a court or other competent authority;

**"forfeiture order"** means an order made under section 24;

**"freeze"** means to temporarily prohibit the transfer, conversion, disposition or movement of property or to temporarily assume custody or control of property on the basis of an order by a court or other competent authority;

**"freezing order"** means an order made under section 23;

**"guidance notes"** means guidance notes issued by the Authority under section 6(f);

**"identification record"** means —

- (a) documentary evidence to prove the identity of a person who is a nominee, agent, beneficiary or principal in relation to a transaction; or
- (b) in the case where the person is a corporate body —
  - (i) incorporated in Saint Lucia, the certificate of incorporation of that body,
  - (ii) incorporated outside of Saint Lucia, the authenticated certificate of incorporation or equivalent document of that body,
  - (iii) the most recent annual return to the Registrar of the Court in Saint Lucia where the corporate body is incorporated abroad, or
  - (iv) documentary evidence to prove the identity of an officer of the corporate body;

**"international politically exposed person"**, in relation to an international organization, means an individual who is entrusted with prominent functions by an international organization, such as —

- (a) a director;
- (b) a deputy director;
- (c) a member of a board of directors;
- (d) a member of senior management;

*(Inserted by Act 16 of 2021)*

**"joint account"** means an account held by 2 or more persons;

**"Minister"** means the Attorney General;

**"money laundering"** means conduct which constitutes an offence under section 28, 29, or 30; *(Inserted by Act 20 of 2016)*

**"other business activity"** means the business activities listed in Part B of Schedule 2;

**"person"** includes any entity, natural or juridical, a corporation, partnership, trust or estate, joint stock company, association, syndicate, joint venture, or other unincorporated organization or group, capable of acquiring rights or entering into obligations; *(Substituted by Act 20 of 2016)*

**"politically exposed person"** means —

- (a) a domestic politically exposed person;
- (b) a foreign politically exposed person; or
- (c) an international politically exposed person;

*(Inserted by Act 16 of 2021)*

**"proceeds"** *(Deleted by Act 20 of 2016)*

**"proceeds of criminal conduct"** means property —

- (a) derived from or obtained directly or indirectly; or
  - (b) mingled with any property derived from or obtained directly or indirectly;
- by any person from the commission of criminal conduct;

*(Substituted by Act 20 of 2016)*

**"property"** includes money, movable or immovable property, corporeal or incorporeal property and an interest in property;

**"requesting State"** means a State which makes a request to Saint Lucia for assistance under letters rogatory the Mutual Assistance in Criminal Matters Act or any enactment replacing it; *(Amended by Act 16 of 2021)*

**"relevant offence"** *(Deleted by Act 20 of 2016)*

**"terrorist financing"**, in relation to a financial institution and a person engaged in other business activity, has the meaning assigned under Part 1 of the Schedule to the Anti-Terrorism (Guidelines for Financial Institutions) Regulations; *(Inserted by Act 16 of 2021)*

**"transaction"** includes —

- (a) any deposit, withdrawal, exchange or transfer of funds in any currency whether in cash or by cheque, payment order or other instrument or by electronic or other non-physical means, such as a wire transfer; *(Amended by Act 16 of 2021)*

- (b) any payment made or received in satisfaction in whole or in part of any contractual or legal obligation;
- (c) a matter between the holders of a joint account relating to the joint account;
- (d) entering into a fiduciary relationship;
- (e) an internet transaction;
- (f) opening of a joint account where the purpose of the account is to facilitate a transaction between the holders of the joint account;
- (g) opening of an account; and
- (h) the purchase of anything or service including any service provided by a financial institution or person engaged in other business activity;

*(Substituted by Act 20 of 2016)*

**"transaction record"** includes where relevant to a transaction —

- (a) the identification records of a person who is a party to a transaction;
- (b) a description of the transaction sufficient to identify the date, purpose and method of execution;
- (c) the details of any account used for a transaction including the name of the financial institution or person engaged in other business activity, address and sort code;
- (d) the total value of the transaction;
- (e) the name and address of the employee in the financial institution or person engaged in other business activity who prepared the transaction record;
- (f) all business correspondence relating to the transaction;
- (g) documents relating to the background and purpose of the transaction;  
*(Amended by Act 16 of 2021)*
- (h) a documented analysis conducted of matters specified under paragraphs (a) to (g); *(Inserted by Act 16 of 2021)*

*(Substituted by Act 20 of 2016)*

**"ultimately own and control"** means a direct or an indirect ownership or control of 25% or more of the shares, voting rights or ownership interest in a legal person or legal arrangement; *(Inserted by Act 16 of 2021 and substituted by Act 5 of 2023)*

**"virtual asset business"** has the meaning assigned under the Virtual Asset Business Act. *(Inserted by Act 5 of 2023)*

(2) A reference in this Act to a document includes a reference to —

- (a) part of a document; and
- (b) a copy, reproduction or duplicate of the document, or of part of the document.

### **3. Jurisdiction to try offences under this Act**

(1) The Court has jurisdiction to try an offence under this Act if the act or omission constituting the offence is committed in Saint Lucia.

(2) For the purposes of subsection (1), an act or omission committed outside Saint Lucia and which would, if committed in Saint Lucia constitute an offence under this Act, is deemed to have been committed in Saint Lucia if —

- (a) the person committing the act or omission is —
  - (i) a citizen of Saint Lucia,
  - (ii) not a citizen of Saint Lucia but is ordinarily resident in Saint Lucia;
- (b) the person committing the act or omission is present in Saint Lucia and cannot be extradited to a foreign State having jurisdiction over the offence constituted by the act or omission;
- (c) the act or omission is committed against a citizen of Saint Lucia;
- (d) the act or omission is committed against property belonging to the Government of Saint Lucia outside Saint Lucia; or
- (e) the person who commits the act or omission is, after its commission, present in Saint Lucia.

## **PART 2**

### **CONTINUATION, FUNCTIONS AND POWERS OF AUTHORITY**

#### **4. Continuation of Authority**

(1) There continues to be a body to be known as the Financial Intelligence Authority.

(2) The Authority consists of 5 persons appointed for a term of 2 years by the Minister as follows —

- (a) a Chairperson;
- (b) a representative of the Financial Services Regulatory Authority; (*Amended by Act 16 of 2021*)
- (c) a representative from the Attorney General's Chambers;
- (d) a person with expertise in the area of law enforcement;
- (e) a person with expertise in the area of accounting.

(3) The Authority must be serviced by a secretariat comprising —

- (a) the Director who is the Chief Executive Officer of the Authority;
- (b) such number of police officers, customs officers, inland revenue officers or persons from the private sector having suitable qualifications and experience to serve as financial investigators;
- (c) such other general support personnel as the Authority considers necessary.

(4) A police officer, customs officer or inland revenue officer that services the secretariat under subsection (3) retains the powers provided —

- (a) in the case of a police officer, under the Police Act and the Criminal Code;
- (b) in the case of a customs officer, under the Customs (Control and Management) Act;
- (c) in the case of an inland revenue officer, under the Income Tax Act.

(5) The Authority shall appoint a Director and such other general support personnel as the Authority considers necessary on such terms and conditions as the Authority may determine. (*Substituted by Act 9 of 2011*)

(6) The Authority may, with the approval of the Minister, in writing, appoint consultants having suitable qualifications and experience to provide services to the Authority.



## 5. Functions of the Authority

(1) In the exercise of its functions under subsection (2), the Authority shall act as the agency responsible for receiving, analyzing, obtaining, investigating and disseminating information which relates to or may relate to the proceeds of criminal conduct under this Act and offences under the Proceeds of Crime Act or any enactment replacing it.

(2) Without limiting the provisions of subsection (1) and despite any other law to the contrary, the Authority —

- (a) shall collect, receive and analyze reports and information submitted to the Authority by a financial institution and a person engaged in other business activity under this Act and the Proceeds of Crime Act from the Customs and Excise Department, Inland Revenue Department, from the Royal Saint Lucia Police Force and from a Foreign Financial Intelligence Unit;
- (b) shall advise the Minister in relation to the detection and prevention of money laundering, terrorism, terrorist financing and proliferation financing in Saint Lucia; *(Amended by Act 16 of 2021)*
- (c) shall advise the Minister of the work of the Authority and in particular on matters that could affect public policy or the priorities of the Authority;
- (d) prepare and submit interim reports every 3 months reviewing the work of the Authority;
- (e) may disseminate information to the Customs and Excise Department, Inland Revenue Department, Commissioner of Police or the Director of Public Prosecutions; *(Substituted by Act 9 of 2011)*
- (f) shall retain the record of all information that it receives for a minimum period of 5 years;
- (g) may provide information relating to suspected money laundering, terrorist financing and proliferation financing or information relating to a suspicious activity report to any Foreign Financial Intelligence Unit subject to the conditions the Authority may consider appropriate; *(Amended by Act 16 of 2021)*
- (h) may enter into any agreement or arrangement, in writing, with any foreign or domestic organization, including a, Foreign Financial Intelligence Unit which is considered by the Authority to be necessary or desirable for the discharge or performance of its functions; *(Amended by Act 16 of 2021)*
- (i) shall compile statistics or records;
- (j) may consult with any person, institution or organization for the purpose of performing its functions or exercising its powers under this Act;
- (k) shall advise a financial institution and a person engaged in other business activity of the obligations under measures that have been or might be taken to detect, prevent and deter the commission of offences under the Proceeds of Crime Act, Cap. 3.04 or any enactment replacing it;
- (l) shall advise the Minister as to the participation of Saint Lucia in the international effort against money laundering, terrorist financing and proliferation financing; *(Amended by Act 16 of 2021)*
- (m) shall supervise and monitor financial institutions and persons engaged in other business activity to determine compliance with this Act; *(Substituted by Act 16 of 2021)*
- (n) may receive from, and submit to, the Central Bank information in relation to a licensed financial institution under this Act; *(Inserted by Act 16 of 2021)*
- (o) may receive from, and disseminate to, a Foreign Financial Intelligence Unit or foreign law enforcement agency, information in relation to anti-money laundering, counter-terrorist financing and counter-proliferation financing; *(Inserted by Act 16 of 2021)*

- (p) may receive from, and disseminate to, a foreign supervisory counterpart, supervisory information for anti-money laundering, counter-terrorist financing and counter-proliferation financing purposes; *(Inserted by Act 16 of 2021)*
- (q) shall advise a financial institution and a person engaged in other business activity of concerns about weaknesses in the anti-money laundering, counter-terrorism financing and counter-proliferation financing systems of other countries; *(Inserted by Act 16 of 2021)*
- (r) may carry out any other incidental function. *(Inserted by Act 16 of 2021)*

## **6. Powers of the Authority**

(1) For purposes of carrying out its function under section 5, the Authority has the power to —

- (a) enter into the premises of a financial institution or person engaged in other business activity during normal working hours and inspect a transaction record kept by the financial institution or person engaged in other business activity whether or not a suspicious transaction report has been made by the financial institution or person engaged in other business activity; *(Amended by Act 20 of 2016)*
- (b) require from any person, institution or organization the production of any information that the Authority considers relevant to the fulfilment of its functions;
- (c) ask questions relevant to a transaction record inspected under paragraph (a);
- (d) make notes or take a copy of part or all of the transaction record inspected under paragraph (a);
- (e) instruct a financial institution or person engaged in other business activity to take steps as may be appropriate to facilitate an investigation by the Authority;
- (f) issue from time to time guidelines to financial institutions or persons engaged in business activity as to compliance with this Act and Regulations made under this Act;
- (g) interview and take statements from any person in relation to a money laundering, terrorist financing and proliferation financing offence; *(Amended by Act 16 of 2021)*
- (h) inspect and conduct audits of a financial institution, subject to section 14C(1), or a person engaged in other business activity to determine compliance with this Act; *(Substituted by Act 16 of 2021)*
- (i) enter into bilateral or multilateral arrangements with Foreign Financial Intelligence Units or foreign law enforcement agencies to enable joint investigations of money laundering, terrorist financing and proliferation financing. *(Inserted by Act 16 of 2021)*

*(Substituted by Act 20 of 2016)*

(2) Any person failing or refusing to provide the information as is required under subsection (1)(b) commits an offence and is liable on summary conviction, to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 10 years or both.

(3) A financial institution or person engaged in other business activity who fails to answer any question under subsection (1)(c) commits an offence and is liable on summary conviction to a fine not exceeding \$50,000 or imprisonment for a term not exceeding 10 years. *(Inserted by Act 20 of 2016)*

(4) For the purposes of subsection (1)(d) the expression “take a copy” includes making an electronic, a digital, microfiche copy or photocopy. *(Inserted by Act 20 of 2016)*

(5) *(Inserted by Act 13 of 2019 and deleted by Act 16 of 2021)*

#### **6A. Power to issue directions**

(1) The Authority has, in relation to its supervisory power under section 5(2)(m), the power to issue a direction where a financial institution or person engaged in other business activity fails to comply with this Act.

(2) A direction issued under subsection (1) must specify —

- (a) the activity, behaviour or practice that must be remedied or terminated; and
- (b) the date by which the activity, behaviour or practice under paragraph (a) must be remedied or terminated.

(3) The Authority may issue directions to a financial institution or person engaged in other business activity before giving a notice under section 6B(2) or prosecution of the failure specified in the direction under subsection (1) or (2).

*(Inserted by Act 16 of 2021)*

#### **6B. Penalty for failure to comply with direction**

(1) Subject to subsection (2), a financial institution or person engaged in other business activity that fails, within the time specified under section 6A(2), to comply with this Act, is liable —

- (a) to a penalty not exceeding \$100,000;
- (b) to a penalty not exceeding \$1,000, in the case of a continuous failure to comply, for each day or part of a day that the failure continues, from the date immediately following the period specified under subsection (3)(c).

*(Substituted by Act 5 of 2023)*

(2) The Authority shall, give written notice to a financial institution or person engaged in other business activity of its liability to pay a penalty under subsection (1).

(3) A notice under subsection (2) must specify —

- (a) the section with which the financial institution or person engaged in other business activity has failed to comply;
- (b) the amount of the penalty for which a financial institution or person engaged in other business activity is liable under subsection (1)(a) or (b);
- (c) the period within which the penalty under paragraph (b) must be paid;
- (d) that the penalty is payable to the Government;
- (e) that the financial institution or person engaged in other business activity, may, in writing, accept or decline liability for the payment of the penalty under paragraph (b);
- (f) that failure to pay the penalty under paragraph (b) may result in prosecution.

(4) A notice under subsection (2) must be served on the financial institution or person engaged in other business activity.

(5) On being served with a notice under subsection (4) and within the period specified under subsection (3)(c), a financial institution or person engaged in other business activity may, in writing, accept or decline liability for the payment of the penalty under subsection (3)(e).

(6) A financial institution or person engaged in other business activity that accepts liability for the payment of a penalty under subsection (5) may pay the amount of the penalty stated in the notice.

(7) If a financial institution or person engaged in other business activity declines liability for the payment of a penalty under subsection (5), proceedings shall be brought against a financial institution or person engaged in other business activity for the failure specified in the notice under subsection (3)(a).

(8) The Authority may, whether or not the penalty has been paid, withdraw a notice under subsection (2).

(9) Where a notice is withdrawn under subsection (8) and the penalty has been paid under subsection (6), the amount of the penalty must be refunded to a financial institution or person engaged in other business activity.

(10) Proceedings shall not be brought against a financial institution or person engaged in other business activity where a financial institution or person engaged in other business activity —

- (a) has paid the penalty specified in the notice under subsection (3)(b) in the period specified in subsection (3)(c); or
- (b) has been found liable and is penalized by a court for the failure specified in the notice under subsection (2).

*(Inserted by Act 16 of 2021)*

## **7. Additional functions**

In addition to its functions under section 5, the Authority shall —

- (a) report to the Director of Public Prosecutions information derived from an inspection carried out under section 6 if, on the basis of the information the Authority has reasonable grounds to suspect that a transaction involves the proceeds of criminal conduct; *(Amended by Act 16 of 2021)*
- (b) within 5 years after an inspection, destroy a note or copy of a note made under section 6 except where the note or copy has been sent to the Director of Public Prosecutions; *(Amended by Act 16 of 2021)*
- (c) *(Deleted by Act 9 of 2011);*
- (d) create training requirements and facilitate, with the co-operation of a financial institution or person engaged in other business activity, the training for a financial institution or person engaged in other business activity in respect of transaction record keeping or reporting obligations required by this Act.

## **7A. Delegation**

The Authority may, for the purpose of carrying out the functions of the Authority under this Act, delegate, to the Director, the power to carry out the functions of the Authority.

*(Inserted by Act 16 of 2021)*

## **7B. Director of the Authority**

(1) The Director —

- (a) shall manage the day-to-day affairs of the Authority;
- (b) is accountable to the Authority for the performance of his or her duties.

(2) The Director shall not hold another appointment or engage in other employment which the Authority determines is —

- (a) likely to interfere with the proper performance of the duties, or the proper exercise of the powers, of the Director; or
- (b) prejudicial to the interests of the Authority.

*(Inserted by Act 16 of 2021)*

## **8. Investigation**

(1) The Authority shall not conduct an investigation into a financial institution or a person engaged in other business activity other than for the purpose of ensuring compliance by the financial institution or the person engaged in other business activity with this Act.

(2) The Authority may conduct an investigation into a financial institution or a person engaged in other business activity if the Authority has reasonable grounds to suspect that a transaction involves the proceeds of criminal conduct or attempted transaction involves the proceeds of criminal conduct regardless of the amount of the transaction whether or not a suspicious transaction report is made by the financial institution or person engaged in other business activity.

## **9. Revenue of Authority**

The revenue of the Authority consists of —

- (a) revenues allocated from the Consolidated Fund;
- (b) grants from international funding or financial agencies; and
- (c) any other money lawfully contributed, donated, or bequeathed to the Authority from any legitimate source.

## **10. Expenses of Authority**

The expenses of the Authority, including the remuneration of members and staff must be paid out of the revenue of the Authority.

## **11. Financial year**

The financial year of the Authority is the 12 months ending on 31 March in any year.

## **12. Annual Report**

(1) The Authority shall prepare and submit to the Minister on or before 1 June in each year or such other later time as the Minister directs, an annual report reviewing the work of the Authority.

(2) The Minister shall lay or cause to be laid a copy of every annual report in Parliament.

## **13. Annual Budget**

The Authority shall prepare for each financial year an annual budget of revenue and expenditure which the Authority shall submit to the Minister at least 3 months prior to the commencement of the financial year.

## **14. Accounts and audit**

(1) The Authority shall keep proper accounts and other records in relation to the Authority in accordance with generally accepted international standards, and shall prepare in respect of each financial year a statement of accounts.

(2) The accounts of the Authority for each financial year shall be audited by an auditor to be appointed by the Director with the approval of the Minister.

(3) An auditor appointed under subsection (2) shall conduct the audit in accordance with generally accepted international auditing standards and principles.

(4) The Board, the Director and staff of the Authority shall grant to the auditor appointed under subsection (2) access to all books, deeds, contracts, accounts, vouchers, or other documents which the auditor may deem necessary and the auditor may require the person holding or accountable for such document to appear, make a signed statement or provide such information in relation to the document as the auditor deems necessary.

(5) A person required to appear, make a signed statement or to provide information under subsection (4) and who fails to comply commits an offence and upon summary conviction is liable to a fine not exceeding \$3,000.00 or to imprisonment for a term not exceeding 6 months or to both and to revocation of his or her appointment as a member of the Board, the Director or staff of the Authority in accordance with this Act.

(6) As soon as the accounts have been audited the Authority shall submit a copy to the Minister and a copy of any report made by the auditor.

(7) The Minister shall lay or cause to be laid a copy of the audited accounts in Parliament.

## **PART 2A**

### **SUPERVISION OF A LICENSED FINANCIAL INSTITUTION**

*(Part 2A inserted by Act 16 of 2021)*

#### **14A. Interpretation of Part 2A**

In this Part, “**licensed financial institution**” means a financial institution licensed to carry on banking business under the Banking Act.

*(Inserted by Act 16 of 2021)*

#### **14B. Central Bank responsible for supervision of a licensed financial institution**

(1) For the purposes of this Act, the Central Bank is, without limiting the functions of the Authority under this Act, responsible for the supervision of a licensed financial institution in relation to money laundering, terrorist financing and proliferation financing.

(2) In carrying out the supervisory responsibility under subsection (1), the Central Bank —

(a) shall —

- (i) consult with the Authority on policy matters relating to money laundering, terrorist financing and proliferation financing for licensed financial institutions,
- (ii) create and promote training requirements relating to obligations under sections 15, 16 and 17 for a licensed financial institution,
- (iii) conduct an inspection of a licensed financial institution if, in its judgment an inspection is necessary or expedient to determine compliance by a licensed financial institution with the requirements of this Act or directions given by the Central Bank under section 14E, and
- (iv) subject to subsection (3), submit to the Authority a report —
  - (A) derived from an inspection conducted under subparagraph (iii);

(B) at any time,

if the Central Bank has reasonable grounds to believe that an offence, including money laundering or other criminal conduct under this Act has been, is being or is about to be committed;

(b) shall not have access to or examine —

- (i) a report of a suspicious transaction, unless that report is a sanitized report of a suspicious transaction,
- (ii) an internal unusual transaction report,
- (iii) a letter of request for information from the Authority, or
- (iv) the register of enquiries.

(3) The Central Bank may submit to the Authority, a report derived from an inspection under subsection (2)(a)(iii), if the report derived from the inspection does not disclose sensitive information which can —

- (a) cause unauthorized disclosure or tipping off;
- (b) prejudice an investigation or prosecution of an offence under this Act.

(4) A licensed financial institution shall permit an employee of the Central Bank during normal working hours to —

- (a) conduct an inspection under subsection (2)(a)(iii);
- (b) make notes or take a copy of the whole or part of a transaction record;
- (c) answer questions from the Central Bank in relation to an inspection conducted under paragraph (a) or a transaction record obtained under paragraph (b);
- (d) enter its premises to perform its supervisory responsibility under this Act.

(5) Where a licensed financial institution fails to comply with subsection (4), the Central Bank shall submit a written report to the Authority within 7 days of the failure to comply.

(6) A licensed financial institution that fails to comply with subsection (4) commits an offence and is liable on summary conviction to a fine not exceeding one million dollars.

*(Inserted by Act 16 of 2021)*

#### **14C. Inspection of a licensed financial institution by the authority**

(1) In the case of an inspection of a licensed financial institution under section 6(1)(h), the Authority must have reasonable grounds to believe that —

- (a) an offence under this Act has been, is being or is about to be committed;
- (b) the inspection is necessary —
  - (i) in the interest of national security, or
  - (ii) for conducting an investigation;
- (c) the licensed financial institution, a director, a manager, a senior officer or an individual who manages or controls the licensed financial institution is engaged in or facilitates money laundering or other criminal conduct;
- (d) a transaction relating to money laundering or other criminal conduct has been, is being or is about to be conducted through the licensed financial institution;

- (e) it is necessary for the Authority to conduct the inspection in order to avoid disclosure to a person who is referred to under paragraph (c) or who is involved in a transaction under paragraph (d).

(2) In conducting an inspection under subsection (1)(a) or (b), the Authority shall consult with the Central Bank.

(3) The Authority may submit to the Central Bank, a report derived from an inspection under subsection (1)(a) or (b), if the report derived from the inspection does not disclose sensitive information which can —

- (a) cause unauthorized disclosure or tipping off;
- (b) prejudice an investigation or prosecution of an offence under this Act.

*(Inserted by Act 16 of 2021)*

#### **14D. Issue of prudential standards**

(1) Without limiting the powers of the Central Bank under section 184(n) of the Banking Act, the Central Bank may, after consultation with the Authority, issue prudential standards to aid in the detection and prevention of money laundering, terrorist financing and other criminal conduct.

(2) The Central Bank shall publish the prudential standards issued under subsection (1) in the *Gazette*, on its website and through any other media.

(3) The Central Bank shall, at intervals determined by the Central Bank, review the prudential standards issued under subsection (1).

*(Inserted by Act 16 of 2021)*

#### **14E. Powers of the Central Bank**

(1) Without limiting the powers of the Central Bank under section 75(2) of the Banking Act, in carrying out the supervisory responsibility under section 14B, the Central Bank has the power to —

- (a) give a direction;
- (b) issue a warning;
- (c) conclude a written agreement; or
- (d) give an order.

(2) The Central Bank may exercise a power under subsection (1) —

- (a) where a licensed financial institution fails to comply with the sections specified in Part A of Schedule 3; or
- (b) where the Central Bank is satisfied that —
  - (i) a director, manager, senior officer or an individual who manages or controls the licensed financial institution is not a fit and proper person for preventing money laundering, terrorist financing or other criminal conduct in a licensed financial institution,
  - (ii) a licensed financial institution has failed to comply with the prudential standards issued under section 14D, or
  - (iii) a licensed financial institution has failed to comply with or is failing to comply with this Act.

(3) A direction, warning, written agreement or an order under subsection (1) must specify the activity, behaviour or practice that must be terminated or remedied and the date by which it must be terminated or remedied.



(4) The Central Bank shall, notify the Authority, in writing within seventy-two hours of exercising a power under subsection (1).

*(Inserted by Act 16 of 2021)*

#### **14F. Suspension of activity**

(1) Without limiting the grounds specified under section 76(b) of the Banking Act, the Central Bank may suspend an activity of a licensed financial institution where —

- (a) the licensed financial institution fails to comply with a power exercised under section 14E(1); or
- (b) the Central Bank is satisfied that an event under section 14E(2) has occurred.

(2) The Central Bank may exercise a power under section 14E(1) before suspending an activity under subsection (1).

(3) The Central Bank shall, notify the Authority, in writing, within forty-eight hours of suspending an activity under subsection (1).

*(Inserted by Act 16 of 2021)*

#### **14G. Suspension or revocation of licence**

(1) Without limiting the grounds specified under sections 14 and 42 of the Banking Act, the Central Bank may, suspend or revoke a licence of a licensed financial institution where —

- (a) the licensed financial institution fails to comply with a power exercised under section 14E(1); or
- (b) the Central Bank is satisfied that an event under section 14E(2) has occurred.

(2) The Central Bank may exercise a power under section 14E(1) before suspending or revoking a licence under subsection (1).

(3) The Central Bank shall, notify the Authority, in writing, within forty-eight hours of suspending or revoking a licence under subsection (1).

(4) In this section, “**licence**” means a licence granted under section 8 of the Banking Act.

*(Inserted by Act 16 of 2021)*

#### **14H. Penalty**

(1) Subject to subsection (3), a licensed financial institution that fails to comply with the sections specified in Part B of Schedule 3, is liable —

- (a) to a penalty not exceeding \$100,000; and
- (b) to a penalty not exceeding \$1,000, in the case of a continuous failure to comply, for each day or part of a day that the failure continues, from the date immediately following the period specified in subsection (4)(c).

*(Substituted by Act 5 of 2023)*

(2) A penalty for which a licensed financial institution is liable under subsection (1)(b) must not apply in respect of a period of more than 30 days.

(3) The Central Bank shall serve a written notice to a licensed financial institution.

(4) A notice under subsection (3) must state —

- (a) the section specified under Part B of Schedule 3 with which the licensed financial institution has failed to comply;
- (b) the amount of the penalty for which the licensed financial institution is liable under subsection (1)(a) or (b);
- (c) the period within which the penalty under paragraph (b) must be paid;
- (d) that the penalty is payable to the Government;
- (e) that the licensed financial institution, may, in writing, accept or decline liability for the payment of the penalty under paragraph (b); and
- (f) that failure to pay the penalty under paragraph (b) may result in prosecution.

(5) On being served with a notice under subsection (3) and within the period specified under subsection (4)(c), a licensed financial institution may, in writing, accept or decline liability for the payment of the penalty under subsection (4)(e).

(6) A licensed financial institution that accepts liability for the payment of a penalty under subsection (5) may pay the amount of the penalty stated in the notice.

(7) If a licensed financial institution declines liability for the payment of a penalty under subsection (5), proceedings shall be brought against the licensed financial institution for the failure specified in the notice under subsection (4)(a).

(8) The Central Bank may, whether or not the penalty has been paid, withdraw a notice under subsection (3).

(9) Where a notice is withdrawn under subsection (8) and the penalty has been paid under subsection (6), the amount of the penalty must be refunded to the licensed financial institution.

(10) Proceedings shall not be brought against a licensed financial institution where the licensed financial institution —

- (a) has paid the penalty specified in the notice under subsection (4)(b) in the period specified in subsection (4)(c); or
- (b) has been found liable and is penalized by a court for the failure specified in the notice under subsection (3).

*(Inserted by Act 16 of 2021)*

#### **14I. Risk assessment of a Licensed Financial Institution**

(1) A licensed financial institution shall conduct a risk assessment of its operations in relation to money laundering, terrorist financing and proliferation financing by identifying, assessing and understanding the money laundering or other criminal conduct risks posed by —

- (a) existing or potential customers;
- (b) countries or geographic areas;
- (c) products, services or transactions; or
- (d) delivery channels for products, services or transactions.

(2) Where a licensed financial institution conducts a risk assessment in relation to money laundering or other criminal conduct under subsection (1), that licensed financial institution shall —

- (a) document the risk assessment;
- (b) consider the relevant risk factors, including the risks identified by the country's national risk assessment, before determining the level of overall risk and the appropriate level and type of mitigation to be applied;

- (c) keep the risk assessment up-to-date; and
- (d) develop appropriate mechanisms to provide information on the risk assessment to the Central Bank.

*(Inserted by Act 16 of 2021)*

#### **14J. Customer due diligence measures**

A licensed financial institution must undertake customer due diligence measures that are consistent with guidelines issued by the Central Bank.

*(Inserted by Act 16 of 2021)*

#### **14K. Liability of the Central Bank for actions or omissions**

(1) An action shall not be taken against the Central Bank, a director, an officer, personnel, or a person acting under the direction of the Central Bank in respect of anything done or omitted to be done in good faith in the administration or discharge of any functions, duties or powers under this Act.

(2) Notwithstanding any other enactment, an order for the provision of information, documents or evidence shall not be issued in respect of the Central Bank or a director, an officer, personnel, or a person acting under the direction of the Central Bank under this Act.

*(Inserted by Act 16 of 2021)*

#### **14L. Liability of a Licensed Financial Institution for disclosure of information**

(1) A civil or criminal action or professional sanction may not be brought or taken against a person, director or an employee of a licensed financial institution who, in good faith, submits information or a sanitized report of a suspicious transaction or other report to the Central Bank.

(2) Subsection (1) does not apply to —

- (a) a non-sanitized report of a suspicious transaction;
- (b) an internal unusual transaction report;
- (c) a letter of request for information from the Authority;
- (d) the register of enquiries.

*(Inserted by Act 16 of 2021)*

#### **14M. Non-disclosure**

A person who obtains information under this Act in any form as a result of his or her present or former connection with the Central Bank shall not disclose that information to any person except with the written approval of the Central Bank or as far as it is required or permitted under this Act or other enactment.

*(Inserted by Act 16 of 2021)*

### **PART 3 PREVENTION MEASURES**

#### **15. Customer identity**

(1) A financial institution or person engaged in other business activity shall take reasonable measures to satisfy the financial institution or person engaged in other business activity as to the true identity of a person, including a person acting on behalf of another person, seeking to enter into a transaction with or to carry out a transaction or series of transactions with the financial institution or person engaged in other business activity.

*(Substituted by Act 16 of 2021)*

(2) A financial institution or a person engaged in other business activity shall establish and maintain identification procedures that require —

- (a) an applicant for a type of business mentioned in subsection (3) to produce satisfactory evidence of his or her identity, in accordance with the guidance notes, as soon as practicable after first making contact with the financial institution or person engaged in other business activity;
- (b) if satisfactory evidence is not obtained, that the business in question must not proceed any further or, in relation to a type of business mentioned in subsection (3)(d) shall only proceed in accordance with any direction, by the Authority; *(Amended by Act 16 of 2021)*
- (c) a report to the Authority with respect to a transaction or an attempted transaction where the identity of a person involved in the transaction, attempted transaction or the circumstances relating to the transaction or attempted transaction gives an employee of the financial institution or person engaged in other business activity reasonable grounds to suspect that the transaction or attempted transaction involves funds which are —
  - (i) the proceeds of, or
  - (ii) used or intended to be used, directly or indirectly by a person for, money laundering or other criminal conduct.

*(Inserted by Act 16 of 2021)*

(2A) A financial institution or person engaged in other business activity shall not open, accept or maintain accounts for which the name of the holder or controller of the account is unknown or fictitious.

*(Inserted by Act 16 of 2021)*

(3) This section applies to the following types of business —

- (a) the forming of a business relationship;
- (b) a one-off transaction where payment is to be made by or to the applicant of US\$10,000 or its equivalent in Eastern Caribbean Dollars or more; *(Amended by Act 16 of 2021 and by Act 5 of 2023)*
- (c) two or more one-off transactions that —
  - (i) appear to a person handling the transaction on behalf of the regulated institution to be linked, and
  - (ii) in respect of which, the total amount payable by or to the applicant is US\$10,000 or its equivalent in Eastern Caribbean Dollars or more; *(Amended by Act 16 of 2021 and by Act 5 of 2023)*
- (d) where in respect of a one-off transaction a person handling the transaction on behalf of the financial institution or person engaged in other business activity knows or suspects —
  - (i) that the applicant is engaged in money laundering, or other criminal conduct regardless of the amount of the transaction, or *(Substituted by Act 13 of 2013 and amended by Act 16 of 2021)*
  - (ii) that the transaction is carried out on behalf of another person engaged in money laundering.

(4) If an applicant for business is introduced to a financial institution or person engaged in other business activity by another financial institution or person engaged in other business activity; a written assurance from the introducing financial institution or person engaged in other business activity to the effect that evidence of the identity of the applicant has been obtained and recorded under procedures maintained by the introducing financial institution or person engaged in other business activity is satisfactory evidence of identity for the purpose of subsection (2).

(5) Where an applicant for business is introduced to a financial institution or person engaged in other business activity by another financial institution or person

engaged in other business activity a written assurance must be given that information as to identity will be exchanged in the event that the Authority requests that information to assist in a criminal investigation.

(6) Where a person requests a financial institution or a person engaged in other business activity to enter into a transaction, the financial institution or person engaged in other business activity shall take reasonable measures to establish whether the person is acting on behalf of another person.

(7) Where it reasonably appears to a financial institution or person engaged in other business activity that a person requesting to enter into a transaction is acting on behalf of another person, the financial institution or person engaged in other business activity shall —

- (a) take reasonable measures to establish the true identity of the other person on whose behalf or for whose benefit the person may be acting in the proposed transaction, whether as a trustee, nominee, agent or otherwise;
- (b) request evidence that the person is authorized to act on behalf of the other person in the transaction.

*(Substituted Act 16 of 2021)*

(8) If an applicant for business in a case mentioned in subsection (6) is another financial institution or person engaged in other business activity or a foreign regulated institution, it is reasonable for the financial institution or person engaged in other business activity to accept a written assurance from the applicant for business to the effect that evidence of the identity of the principal has been obtained and recorded under procedures maintained by the applicant for business. *(Amended by Act 9 of 2011)*

(9) In determining what constitutes reasonable measures for the purposes of this section, a financial institution or a person engaged in other business activity shall have regard to the guidance notes and all the circumstances of the case and in particular —

- (a) as to whether the person is resident or is a corporate body incorporated in a country in which there are in force provisions applicable to it to prevent the use of a financial institution or a person engaged in other business activity for the purpose of money laundering, terrorist financing or proliferation financing; or *(Amended by Act 16 of 2021)*
- (b) to custom or practice current to the relevant business.

(9A) A financial institution or person engaged in other business activity shall, on request, submit to the Authority, any information relating to the identity of a person that holds or controls an account, immediately, or in any event, within twenty-four hours of a request for that information, including on a Saturday, Sunday or holiday.

*(Inserted by Act 16 of 2021)*

(10) Nothing in this section requires the production of identity records where —

- (a) the applicant is a financial institution to which this Act applies; or
- (b) there is a transaction or series of transactions taking place in the course of an established business relationship, in respect of which the applicant has already produced satisfactory evidence of identity.

(11) In this section —

**“applicant for business”** means a person seeking to enter into a transaction, form a business relationship or carry out a one-off transaction with a financial institution or person engaged in other business activity; *(Substituted by Act 5 of 2023)*

**“business relationship”** means an arrangement between any person, a financial institution or person engaged in other business activity, the purpose of which is to facilitate the carrying out of financial and other related transactions on a regular basis;

**“established business relationship”** means a business relationship in relation to which the financial institution or person engaged in other business activity has obtained evidence of identity of the applicant for business regarded by this section;

**“one-off transactions”** means a transaction carried out other than in the course of an established business relationship.

## **16. Responsibility of financial institution or person engaged in other business activity**

(1) A financial institution or a person engaged in other business activity shall —

- (a) establish and maintain transaction records for both domestic and international transactions for a period of seven years after the completion of the transaction recorded;
- (b) where evidence of a person’s identity is obtained in accordance with section 15, establish and maintain a record that indicates the nature of the evidence obtained and which comprises either a copy of the evidence or information as would enable a copy of it to be maintained;
- (c) report to the Authority a transaction where the identity of a person involved in the transaction or the circumstances relating to the transaction gives an employee of the financial institution or person engaged in other business activity reasonable grounds to suspect that the transaction involves the proceeds of criminal conduct; *(Substituted by Act 13 of 2013 and by Act 20 of 2016)*
- (d) report to the Authority where accounts and business relationships are terminated or closed because the financial institution or person engaged in other business activity is unable to satisfy itself as to the background and purpose of the transaction;
- (e) comply with an instruction issued to it by the Authority under section 6(e);
- (f) permit a member of the Authority to enter into any premises of the financial institution or a person engaged in other business activity during normal working hours; and —
  - (i) inspect the transaction records kept under paragraph (a),
  - (ii) make notes or take a copy of the whole or part of the transaction record,
  - (iii) answer any questions from the Authority in relation to the transaction record;
- (g) develop and apply internal policies, procedures or controls relevant to the size of the business, which are approved by senior management or the board of directors, to combat money laundering, terrorist financing and proliferation financing which enables the control and mitigation of the risks identified, including —
  - (i) monitoring the implementation of the controls and enhancing the controls, if necessary,
  - (ii) developing audit functions to test the policies, procedures or controls and, where a high risk is identified, enhance the policies, procedures or controls to manage and mitigate the risk;

*(Substituted by Act 16 of 2021)*

- (h) develop and apply policies and procedures to address specific risks associated with non-face-to-face business relationships or countries that do not apply the Financial Action Task Force Recommendations;
- (i) comply with the guidelines or training requirements issued by the Authority or the Central Bank in accordance with this Act; *(Amended by Act 16 of 2021)*

- (j) develop a procedure to audit compliance with this section;
- (k) report to the Authority any suspicious transaction or attempted transaction relating to money laundering or other criminal conduct as soon as reasonably practicable, and in any event, within 7 days of the date the transaction or attempted transaction is deemed to be suspicious; *(Substituted by Act 16 of 2021)*
- (ka) immediately, report to the Authority a transaction or an attempted transaction relating to terrorist financing or proliferation financing that is considered to be suspicious; *(Inserted by Act 5 of 2023)*
- (l) upon the request of the Authority, report to the Authority all currency transactions in excess of \$25,000;
- (m) report to the Authority complex transactions or unusual transactions;
- (n) appoint a Compliance Officer at the management level who must be a fit and proper person approved by the financial institution or person engaged in other business activity;
- (o) develop, as part of internal policies, procedures and controls, appropriate compliance management arrangements and adequate screening procedures to ensure high standards when hiring employees, including, an ongoing employee training programme. *(Substituted by Act 16 of 2021)*

(1A) A financial institution or a person engaged in other business activity who fails to report a suspicious transaction under section 15(2)(c), 16(1)(d), 16(1) (k) or 17(6A) commits an offence and is liable on conviction on indictment, to a fine not exceeding five hundred thousand dollars.

*(Inserted by Act 16 of 2021)*

(2) Where a financial institution or a person engaged in other business activity discloses information to the Authority in accordance with this Act, but in breach of another enactment or a contract, the financial institution or a person engaged in other business activity, the director or employees of the financial institution or person engaged in other business activity are not liable for the breach.

(3) Where a financial institution or a person engaged in other business activity makes any report pursuant to subsection (1) the financial institution or a person engaged in other business activity and the employees, staff, directors, owners or other representatives of the financial institution or person engaged in other business activity shall not disclose to the person who is the subject of the report or to anyone else —

- (a) that the financial institution or person engaged in other business activity has formed a suspicion;
- (b) that information has been communicated to the Authority; or
- (c) any other information from which the person to whom the information is disclosed could reasonably be expected to infer that the suspicion had been formed or that a report had been made, or is in the process of being made, under subsection (1). *(Substituted by Act 13 of 2013)*

(4) Where a financial institution or a person engaged in other business activity acts in contravention of subsection (3), a person who, at the time of the commission of the offence, acted or purported to act in an official capacity for or on behalf of the financial institution or person engaged in other business activity, commits an offence and is liable on summary conviction to a fine of not less than \$100,000 and not exceeding \$500,000 or to imprisonment for a term of not less than 7 years and not exceeding 15 years or both.

(5) A financial institution or a person engaged in other business activity shall keep a record in the true name of the account holder.

(6) In any case where the Authority has notified a financial institution or a person engaged in other business activity in writing that particular records are or may be relevant to an investigation that is being carried out, records must be retained pending the outcome of the investigation.

(7) A financial institution or person engaged in other business activity shall keep a record —

- (a) if the record relates to the opening of an account with the financial institution for a period of 7 years after the day on which the account is closed;
- (b) if the record relates to the renting by a person of a deposit box held by the financial institution, for a period of 7 years after the day on which the deposit box ceases to be used by the person; or
- (c) in any other case including occasional transactions, for a period of 7 years after the day on which the transaction recorded takes place. *(Amended by Act 16 of 2021)*

(7A) A financial institution or person engaged in other business activity shall pay attention to —

- (a) all complex, unusual or large transactions, whether complicated or not;
- (b) electronic funds transfers that do not contain complete originator information;
- (c) insignificant but periodic transactions that have no apparent or visible economic or lawful purpose; and
- (d) relations and transactions with persons including businesses and other financial institutions from countries that have not adopted comprehensive and effective money laundering systems.

*(Inserted by Act 20 of 2016)*

(8) A financial institution or a person engaged in other business activity shall keep all records or copies of records in a form that will allow retrieval in legible form of the records within a reasonable period of time in order to reconstruct the transaction for the purpose of assisting the investigation and prosecution of a suspected money laundering offence, or other criminal conduct. *(Amended by Act 16 of 2021)*

(9) A financial institution or a person engaged in other business activity that contravenes subsection (8) commits an offence and is liable on summary conviction to a fine of not less than \$100,000 and not exceeding \$500,000 or to imprisonment for a term of not less than 7 years and not exceeding 15 years or both.

#### **16A. Standard for reasonable suspicion**

The question whether a reasonable suspicion for the purposes of section 16 has been formed shall be determined objectively having regard to all the facts and surrounding circumstances.

*(Inserted by Act 20 of 2016)*

#### **16B. Risk assessment**

(1) A financial institution or person engaged in other business activity shall conduct a risk assessment of its operations in relation to money laundering, terrorist financing and proliferation financing by identifying, assessing and understanding the money laundering or other criminal conduct risks posed by —

- (a) existing or potential customers;
- (b) countries or geographic areas;
- (c) products, services or transactions; or
- (d) delivery channels for products, services or transactions.

(2) Where a financial institution or person engaged in other business activity conducts a risk assessment in relation to money laundering or other criminal conduct



under subsection (1), that financial institution or person engaged in other business activity shall —

- (a) document the risk assessment;
- (b) consider the relevant risk factors, including the risks identified by the country's national risk assessment, before determining the level of overall risk and the appropriate level and type of mitigation to be applied;
- (c) keep the risk assessment up-to-date;
- (d) develop appropriate mechanisms to provide risk assessment information to the Authority.

*(Inserted by Act 16 of 2021)*

## **17. Customer due diligence**

(1) A financial institution or person engaged in other business activity shall undertake customer due diligence measures that involves identifying and verifying the identity of a customer when —

- (a) establishing business relations with a customer;
- (b) carrying out occasional transactions equal to or exceeding Ten Thousand United States Dollars or its equivalent in Eastern Caribbean Dollars or wire transfers;
- (c) funds transfers are conducted and related messages are sent;
- (d) transferring funds which do not contain complete originator information;
- (e) there is a suspicion of money laundering or other criminal conduct;
- (f) there is doubt about the veracity or adequacy of previously obtained customer identification data;
- (g) in the case of a gaming operator, carrying out financial transactions equal to or exceeding eight thousand dollars;
- (h) in the case of a virtual asset business, carrying out financial transactions equal to or exceeding US\$1,000 or its equivalent in Eastern Caribbean Dollars. *(Inserted by Act 5 of 2023)*

*(Substituted by Act 9 of 2011 and by Act 16 of 2021)*

(2) A financial institution or a person engaged in other business activity shall ensure that any document, data or information collected under the customer due diligence process is kept up-to-date and relevant by undertaking routine reviews of existing records particularly for high risk categories of customers or business relationships.

(3) A financial institution or person engaged in other business activity shall —

- (a) perform enhanced customer due diligence, proportionate to the high risks identified, including —
  - (i) high risk categories of customers, business relationships or transactions in respect of countries that have not implemented the recommendations of the Financial Action Task Force,
  - (ii) business relationships or transactions with natural or legal persons, including financial institutions, from countries for which enhanced customer due diligence is required by the Financial Action Task Force;
- (b) perform reduced or simplified customer due diligence —
  - (i) where there are low risks of money laundering, terrorist financing or proliferation financing, consistent with a country's assessment of its

- money laundering, terrorist financing and proliferation financing risks,
- (ii) where adequate checks and controls exist in a country's national anti-money laundering, counter-terrorist financing or counter-proliferation financing system,
- (iii) on customers resident in another country, where the country is in compliance with and has implemented the recommendations of the Financial Action Task Force;
- (c) not perform reduced or simplified customer due diligence where there is a suspicion of money laundering or other criminal conduct.

*(Substituted by Act 16 of 2021)*

(4) The customer due diligence measures to be taken under this section are as follows —

- (a) subject to subsection (11), identifying a customer and verifying a customer's identity using reliable, independent source documents, data or information;
- (b) subject to subsection (11), identifying the beneficial owner, and taking reasonable measures to verify the identity of the beneficial owner such that the financial institution or person engaged in other business activity is satisfied that it knows who the beneficial owner is and for legal persons and arrangements this should include financial institutions taking reasonable measures to understand the ownership and control structure of the customer; *(Amended by Act 9 of 2011)*
- (c) obtaining information on, examining and understanding as far as possible, the background, purpose and intended nature of the business relationship; *(Substituted by Act 16 of 2021)*
- (d) conducting ongoing due diligence on the business relationship and scrutiny of transactions undertaken throughout the course of that relationship to ensure that the transactions being conducted are consistent with the financial institution's or person engaged in other business activity knowledge of the customer, their business and risk profile, including, where necessary, the source of funds. *(Amended by Act 9 of 2011)*

(5) A financial institution or person engaged in other business activity shall apply each of the customer due diligence measures under subsection (4)(a) to (d), but may determine the extent of such measures on a risk sensitive basis depending on the type of customer, business relationship or transaction.

(6) Where the financial institution or person engaged in other business activity is unable to comply with paragraphs (a) to (c) of subsection (4), the financial institution or person engaged in other business activity shall not open the account, commence business relations or perform the transaction; or shall terminate the business relationship; and shall consider making a suspicious transaction report in relation to the customer.

(6A) If a financial institution or person engaged in other business activity has a suspicion of money laundering or other criminal conduct and reasonably believes that performing customer due diligence under subsection (1) tips-off a customer, that financial institution or person engaged in other business activity shall not perform customer due diligence and shall make a suspicious transaction report in relation to that customer. *(Inserted by Act 16 of 2021)*

(7) A financial institution or person engaged in other business activity may rely on intermediaries or other third parties to perform paragraphs (a) to (c) of subsection (4) of the customer due diligence process or to introduce business, provided that the criteria set out in subsection (8) are met.

(8) The criteria that should be met for the purposes of subsection (7) are as follows —

- (a) a financial institution or a person engaged in other business activity relying upon an intermediary or third party shall immediately obtain the

necessary information in paragraphs (a) to (c) of subsection (4) of the customer due diligence process;

- (b) a financial institution or a person engaged in other business activity shall take adequate steps to satisfy themselves that copies of identification data and other relevant documentation relating to the customer due diligence and record-keeping requirements will be made available from the intermediary or third party upon request without delay; *(Amended by Act 16 of 2021)*
- (c) a financial institution or person engaged in other business activity shall be satisfied that the intermediary or third party is regulated and supervised for, and has measures in place to comply with, the customer due diligence and record-keeping requirements under this Act; *(Substituted by Act 16 of 2021)*
- (d) a financial institution or person engaged in other business activity shall consider information available on the level of risk of the country in which an intermediary or a third party is located. *(Inserted by Act 16 of 2021)*

(9) For higher risk categories, a financial institution or person engaged in other business activity shall perform enhanced due diligence.

(10) Where there are low risks, a financial institution or person engaged in other business activity may apply reduced or simplified measures.

(11) A financial institution or person engaged in other business activity shall verify the identity of the customer and beneficial owner before or during the course of establishing a business relationship or conducting transactions for occasional customers.

(12) A financial institution or person engaged in other business activity shall complete the verification as soon as reasonably practicable following the establishment of the relationship, where the money laundering, terrorist financing and proliferation financing risks are effectively managed and where this is essential not to interrupt the normal conduct of business. *(Amended by Act 16 of 2021)*

(13) The measures that are taken by the financial institution or person engaged in other business activity must be consistent with any guidelines issued by the Authority.

(14) This section applies to all new customers and existing customers on the basis of materiality and risk, and a financial institution or person engaged in other business activity shall conduct customer due diligence on existing relationships at appropriate times. *(Amended by Act 16 of 2021)*

(15) Where a financial institution or person engaged in other business activity relies on intermediaries or other third parties pursuant to subsection (14), the ultimate responsibility for customer identification and verification remains with the financial institution or person engaged in other business activity relying on the third party.

## **18. Politically exposed persons**

(1) In the case of a foreign politically exposed person and a family member or close associate of a foreign politically exposed person, a financial institution or person engaged in other business activity shall, in addition to the requirements under section 17 and Regulations —

- (a) put in place risk management systems to determine whether a customer or the beneficial owner is a politically exposed person;
- (b) obtain senior management approval before establishing, or continuing for an existing customer, a business relationship;
- (c) take reasonable measures to establish the source of wealth and the source of funds of a customer and the beneficial owner who is identified as a politically exposed person;
- (d) conduct enhanced ongoing monitoring of a business relationship.

(2) In the case of a domestic politically exposed person and an international politically exposed person and a family member or close associate of a domestic politically exposed person or an international politically exposed person, a financial institution or person engaged in other business activity shall, in addition to the requirements under section 17 and Regulations —

- (a) take reasonable measures to determine whether a customer or the beneficial owner is a politically exposed person;
- (b) where there is a high risk business relationship with a person under paragraph (a), adopt the measures under subsection (1)(b) to (d).

(3) Subject to subsections (1) and (2), a customer who ceases to hold a post or position that qualified him or her as a politically exposed person shall not be treated as a politically exposed person, after a period of 2 years following the date on which he or she ceases to hold that post or position.

*(Amended by Act 16 of 2021 and substituted by Act 5 of 2023)*

## **19. Internal reporting procedures**

A financial institution or a person engaged in other business activity shall establish and maintain internal reporting procedures to —

- (a) identify persons at the management level to whom an employee is to report information which comes to the employee's attention in the course of employment that a person may be engaged in money laundering, other criminal conduct; *(Amended by Act 16 of 2021)*
- (b) enable a person identified in accordance with paragraph (a) to have reasonable access to all information that may be relevant to determining whether sufficient basis exists to report the matter under section 16(1)(c);
- (c) require the person referred to in paragraph (b) to report the matter under section 16(1)(c) in the event that the person determines that sufficient basis exists.

## **20. Further precautionary measures**

A financial institution or a person engaged in other business activity shall —

- (a) take appropriate measures for the purpose of making its employees aware of the law in force in Saint Lucia relating to money laundering or other criminal conduct and the procedures or policies established and maintained by the institution or business under this Part; *(Amended by Act 16 of 2021)*
- (b) provide its employees with appropriate training in the recognition and handling of money laundering or other criminal conduct transactions. *(Amended by Act 16 of 2021)*

## **21. Source of funds declaration**

Subject to section 17(3)(b) and (4)(d), a person who enters into a transaction with a financial institution or person engaged in other business activity shall fill out a source of funds declaration in the prescribed form if the value of the transaction —

- (a) is equal to or exceeds Ten Thousand United States Dollars or its equivalent in Eastern Caribbean Dollars;
- (b) is less than Ten Thousand United States Dollars or its equivalent in Eastern Caribbean Dollars and the financial institution or person engaged in other business activity requests that a person fills out the source of funds declaration when performing customer due diligence.

*(Substituted by Act 16 of 2021)*

## **22. Warrants to search or seize**

A magistrate may issue, to a police officer, a warrant —

- (a) to enter premises belonging to or in the possession or control of a financial institution or a person engaged in other business activity or an employee of a financial institution or a person engaged in other business activity;
- (b) to search the premises and remove any document, material or other thing on the premises if the magistrate is satisfied by evidence on oath that there are reasonable grounds to believe that —
  - (i) a financial institution or a person engaged in other business activity has failed to keep a transaction record as required by section 16(1)(a),
  - (ii) a financial institution or a person engaged in other business activity has failed to comply with section 16(1)(b), (*Amended by Act 20 of 2016*)
  - (iii) an employee of a financial institution or a person engaged in other business activity is committing, has committed or is about to commit an offence under this Act, (*Amended by Act 20 of 2016*)
  - (iv) a financial institution or person engaged in other business activity has failed without reasonable excuse to file a report under section 16(1)(d) or (k), or (*Inserted by Act 20 of 2016*)
  - (v) a financial institution or person engaged in other business activity has failed without reasonable excuse to comply with any instruction or written warning. (*Inserted by Act 20 of 2016*)

(*Amended by Act 16 of 2021*)

## **PART 4 FREEZING AND FORFEITURE OF PROPERTY**

### **23. Freezing of property**

(1) The Court may, upon an *ex parte* application by the Director of Public Prosecutions, where the Court is satisfied that a person charged or who is about to be charged with an offence under this Act or for whom an arrest warrant for an offence under this Act has been issued, grant an order freezing the property of, or in the possession or under the control of that person or from whom an arrest warrant for an offence under this Act has been issued.

(2) The Court may, in making a freezing order give directions with regard to —

- (a) the duration of the freezing order; or
- (b) the disposal of the property for the purpose of —
  - (i) determining a dispute relating to the ownership of or other interest in the property or a part of the property,
  - (ii) the proper administration of the property during the period of freezing,
  - (iii) the payment of debts incurred in good faith prior to the making of the freezing order,
  - (iv) the payment of money to a person referred to in subsection (1) for the reasonable subsistence of that person and that person's family, or
  - (v) the payment of the costs of a person referred to in subsection (1) to defend criminal proceedings against that person.

(3) A freezing order ceases to have effect after 7 days of the freezing order being made if the person against whom the freezing order was made has not been charged with an offence under this Act within the 7 days. (*Amended by Act 20 of 2016*)

(4) The Government is not liable for damages or costs arising directly or indirectly from the making of a freezing order under subsection (1) unless it is proved on a balance of probability that the application for the freezing order was made in bad faith.

(5) Where under subsection (2) a court gives a direction for the administration of frozen property, the person upon whom the duty to administer the property is imposed is not liable —

- (a) for any loss or damage to the property;
- (b) for the costs of proceedings taken to establish a claim to the property; or
- (c) to a person having an interest in the property, unless the court in which the claim is made is of the opinion that the person has been negligent in respect of taking of custody or control of the property.

## **24. Forfeiture of property and Forfeiture Fund**

(1) The Director of Public Prosecutions shall apply to the Court for an order for the forfeiture of any property owned by, or in the possession or control of, a person who is convicted of an offence under this Act.

(2) Where an application is made under subsection (1) and the Court is satisfied that a person convicted of an offence under this Act owns or is in possession or control of property that is derived from the offence of money laundering, the Court shall grant the forfeiture order applied for.

(3) In determining whether or not property is derived from money laundering, the standard of proof required for the purposes of subsections (4) or (5) is on a balance of probabilities.

(4) Where it is proved that property which is the subject of a forfeiture order made under subsection (1) is not derived from money laundering, the Court shall return the property to the person.

(5) For the purposes of subsection (4), the burden of proof lies on the person who owns or is in possession or control of the property.

(6) In making a forfeiture order, the Court may give directions —

- (a) for the purpose of determining a dispute as to the ownership of or other interest in the property or a part of the property; and
- (b) as to the disposal of the property.

(7) Upon application to the Court by a person against whom a forfeiture order has been made under this section, the Court may require that a sum deemed by the Court to be the value of the property ordered to be forfeited, be paid by that person to the Court and upon satisfactory payment of that sum by that person, the property ordered to be forfeited shall be returned to that person.

(8) A fund to be known as the Forfeiture Fund must be established under the administration and control of the Accountant General.

(9) Forty percent of the proceeds from the sale of all property forfeited under this section must be deposited in the Forfeiture Fund.

(10) Fifty percent of all proceeds deposited in the Forfeiture Fund under subsection (9) must be allocated to the Authority to be used for the advancement of its work.

(11) Fifty percent of all proceeds deposited in the Forfeiture Fund under subsection (9) must be allocated to the Advisory Council on the Misuse of Drugs to be used for the advancement of its work.

## **25. Third party rights**

(1) An order referred to in section 23 or 24 applies without prejudice to the rights of a third party.

(2) The Registrar of the Court shall notify a third party who has a legitimate legal interest in property which is the subject of an order made under section 23 or 24 by publication of the order in the Gazette and at least one weekly newspaper published in Saint Lucia within 14 days of the order being made.

(3) A third party who has been notified under subsection (2), may make a claim to the Court against property which is the subject of an order made under section 23 or 24.

(4) The Court shall return the property or proceeds of the property to a third party, when it has been demonstrated to the satisfaction of the Court that —

- (a) the third party has a legitimate legal interest in the property or proceeds of the property;
- (b) no participation, collusion or involvement with respect to a money laundering offence which is the subject of the proceedings can be imputed to the claimant;
- (c) the third party lacked knowledge and was not intentionally ignorant of the illegal use of the property or proceeds of the property;
- (d) the third party did not acquire any right in the property from a person proceeded against under circumstances that give rise to a reasonable inference that any right was transferred for the purpose of evading the forfeiture of the property or the proceeds of the property; and
- (e) the third party did all that could reasonably be expected to prevent the illegal use of the property, or proceeds of the property.

## **26. Application of sections 23 and 24**

Sections 23 and 24 apply to property coming into the possession or under the control of a person on or after 26 January 2000.

## **PART 5 OFFENCES AND PENALTIES**

## **27. Rules for establishing *actus reus***

(1) For the purposes of this Act, conduct engaged in on behalf of a body corporate —

- (a) by a director, servant or agent of that body corporate within the scope of the director, servant or agent's authority; or
- (b) by a person at the direction or with the consent or agreement whether express or implied of a director, servant or agent of that body corporate where the giving of the direction, consent or agreement is within the scope of the authority of the director, servant or agent,

is deemed to have been engaged in by the body corporate.

(2) For the purposes of this Act, conduct engaged in on behalf of a person other than a body corporate —

- (a) by a servant or agent of that person reasonably within the scope of that person's authority; or
- (b) another person at the direction or within the consent or agreement whether express or implied of a servant or agent of that person, where

the giving of the direction, consent or agreement is reasonably within the scope of the authority,

is deemed, for the purpose of this Act, to be engaged in by that person.

## **28. Proceeds of criminal conduct**

(1) A person shall not, in respect of property which in whole or in part, directly or indirectly, represents his or her proceeds of criminal conduct —

- (a) conceal or disguise that property;
- (b) convert or transfer that property; or
- (c) bring into or remove from Saint Lucia, that property.

(2) A person shall not, in respect of property which in whole or in part directly or indirectly represents the proceeds of criminal conduct —

- (a) conceal or disguise that property;
- (b) convert or transfer that property; or
- (c) bring into or remove from Saint Lucia, that property.

(3) In proceedings against a person for an offence under subsection (1) or (2), it is a defence to prove that the person was carrying out a function relating to the enforcement of this Act.

(4) For the purposes of subsections (1) and (2), “**disguise or conceal**” includes disguising or concealing the disposition, location, movement, nature, ownership or a right of the property.

(5) A person who contravenes subsection (1) or (2) commits an offence and is liable —

- (a) on summary conviction to a fine of not less than \$500,000 and not exceeding \$5,000,000 or to imprisonment for a term of not less than 5 years and not exceeding 10 years or both;
- (b) on conviction on indictment to a fine of not less than \$1,000,000 and not exceeding \$10,000,000 or to imprisonment for a term of not less than 10 years and not exceeding 15 years or both.

*(Amended by Act 13 of 2013, by Act 20 of 2016, by Act 16 of 2021 and substituted by Act 5 of 2023)*

## **29. Arranging with another to retain the proceeds of criminal conduct**

(1) Subject to subsections (3) and (4) a person commits an offence where he or she enters into or becomes concerned in an arrangement which he or she knows or suspects facilitates the acquisition, control, retention or use of the proceeds of criminal conduct on behalf of another person. *(Inserted by Act 20 of 2016)*

(2) In this section, references to any person’s proceeds of criminal conduct include a reference to any property which in whole or in part directly or indirectly represented in his or her hands his or her proceeds of criminal conduct.

(3) Where a person discloses in good faith to a police officer a suspicion or belief that any funds or investments are derived from or used in connection with criminal conduct, or any matter on which such a suspicion or belief is based —

- (a) the disclosure is not treated as a breach of any restriction upon the disclosure of information imposed by statute or otherwise and does not give rise to any civil liability; and
- (b) if he or she does any act in contravention of subsection (1) and the disclosure relates to the arrangement concerned, he or she does not commit an offence under this section if —
  - (i) the disclosure is made before he or she does the act concerned and the act is done with the consent of a police officer, or



- (ii) the disclosure is made after he or she does the act, but is made on his or her initiative and as soon as it is reasonable for him or her to make the disclosure.

(4) In proceedings against a person for an offence under this section, it is a defence to prove —

- (a) that he or she did not know or suspect that the arrangement related to any person's proceeds of criminal conduct;
- (b) that he or she did not know or suspect that by the arrangement the retention or control by or on behalf of A of any property was facilitated or, as the case may be, that by the arrangement any property was used as mentioned in subsection (1)(b); or
- (c) that —
  - (i) he or she intended to disclose to a police officer such a suspicion, belief or matter as is mentioned in subsection (3) in relation to the arrangement, but
  - (iii) there is reasonable excuse for his or her failure to make any such disclosure in the manner mentioned in subsection (3)(b).

(5) In the case of a person who was in employment at the time in question, subsections (3) and (4) have effect in relation to disclosures and intended disclosures to the appropriate person in accordance with any procedure established by his or her employer for the making of such disclosures as they have effect in relation to disclosures, and intended disclosures, to a police officer.

(6) A person who contravenes subsection (1) commits an offence and is liable —

- (a) on summary conviction to a fine of not less than \$0.5 million and not exceeding \$5 million or to imprisonment for a term of not less than 5 years and not exceeding 10 years or both; (*Amended by Act 16 of 2021*)
- (b) on conviction on indictment to a fine of not less than \$1million and not exceeding \$10 million or to imprisonment for a term of not less than 10 years and not exceeding 15 years or both. (*Amended by Act 16 of 2021*)

### **30. Acquisition, possession or use of proceeds of criminal conduct**

(1) A person shall not, knowing that any property is, or in whole or in part directly or indirectly represents, another person's proceeds of criminal conduct, acquire or use that property or have possession of the property.

(1A) A person shall not have possession of any property knowing or having reasonable grounds to believe that the property is, in whole or in part directly or indirectly proceeds of criminal conduct. (*Inserted by Act 9 of 2011*)

(2) Subject to subsection (4) it is a defence to a charge of committing an offence under this section that the person charged acquired or used the property or had possession of the property for adequate consideration.

(3) For the purposes of subsection (2) —

- (a) a person does not acquire property for adequate consideration if the value of the consideration is significantly less than the value of the property; and
- (b) a person does not use or have possession of property for adequate consideration if the value of the consideration is significantly less than the value of his or her use or possession of the property.

(4) The provision for any person of services or goods which are of assistance to him or her in criminal conduct is not treated as consideration for the purposes of subsection (2).

(5) Where a person discloses in good faith to a police officer a belief that any property is, or in whole or in part directly or indirectly represents, another person's proceeds of criminal conduct, or any matter on which such a belief is based —

- (a) the disclosure is not treated as a breach of any restriction upon the disclosure of information imposed by statute or otherwise and does not give rise to any criminal, civil or administrative liability; and
- (b) if he or she does any act in relation to the property in contravention of subsection (1), he or she does not commit an offence under this section if —
  - (i) the disclosure is made before he or she does the act in question and the act is done with the consent of the police officer, or
  - (ii) the disclosure is made after he or she does the act, but is made on his or her initiative and as soon as it is reasonable for him or her to make the disclosure.

(6) For the purposes of this section, having possession of any property is taken to be doing an act in relation to the property.

(7) In proceedings against a person for an offence under this section, it is a defence to prove that —

- (a) he or she intended to disclose to a police officer such a belief or matter as is mentioned in subsection (5); but
- (b) there is reasonable excuse for his or her failure to make any such disclosure in the manner mentioned in subsection (5)(b).

(8) In the case of a person who was in employment at the time in question, subsections (5) and (7) have effect in relation to disclosures, and intended disclosures, to the appropriate person in accordance with any procedure established by his or her employer as they have effect in relation to disclosures, and intended disclosures, to a police officer.

(9) A police officer or other person does not commit an offence under this section in respect of anything done by him or her in the course of acting in connection with the enforcement, or intended enforcement, of any provision of this Act or of any other statutory provision relating to drug trafficking or relevant offences or the proceeds of criminal conduct.

(10) A person who contravenes subsection (1) or subsection (1A) commits an offence and is liable — (*Amended by Act 9 of 2011*)

- (a) on summary conviction to a fine of not less than \$0.5 million and not exceeding \$5 million or to imprisonment for a term of not less than 5 years and not exceeding 10 years or both; (*Amended by Act 16 of 2021*)
- (b) on conviction on indictment to a fine of not less than \$1million and not exceeding \$10 million or to imprisonment for a term of not less than 10 years and not exceeding 15 years or both. (*Amended by Act 16 of 2021*)

### **31. Attempts, aiding, abetting, counselling, procuring and conspiracy**

A person who attempts, aids, abets, counsels, or procures the commission of, or who conspires to engage in any offence under sections 28, 29 and 30 commits an offence and is liable —

- (a) on summary conviction to a fine not exceeding \$5 million or to imprisonment for 5 years or both; (*Amended by Act 16 of 2021*)
- (b) on conviction on indictment to a fine not exceeding \$10 million or to imprisonment for 15 years or both. (*Amended by Act 16 of 2021*)

### **32. Offence committed by a body of persons**

Where an offence under sections 28, 29 and 30 is committed by a body of persons, whether corporate or incorporate, a person who, at the time of the commission of the offence, acted or purported to act in an official capacity for or on behalf of the body of persons, is regarded as having committed the offence and must be tried and punished accordingly.

### **33. Other offences**

(1) A person who has reasonable grounds to believe that an investigation into money laundering has been, is being, or is about to be made shall not prejudice the investigation by divulging that fact to another person.

(2) A person shall not, if that person is the subject of an order made under section 23, disclose the existence or operation of the order to any person except —

- (a) to a police officer named in the order;
- (b) to an officer or agent to the financial institution named in the order, for the purposes of ensuring that the order is complied with; or
- (c) for the purpose of obtaining legal advice or representation in relation to the order.

(3) A person who contravenes subsection (1) or (2) commits an offence and is liable on summary conviction to a fine of not less than \$50,000 and not exceeding \$250,000 or to imprisonment for a term not less than 5 years and not exceeding 10 years.

(4) A person who has reasonable grounds to believe that an investigation into money laundering has been or is being or is about to be made shall not prejudice the investigation by falsifying, concealing, destroying or otherwise disposing of or causing or permitting the falsification, concealment, destruction or disposal of a matter or thing that is or is likely to be material to the investigation.

(5) A person shall not falsify, conceal, destroy or otherwise dispose of or cause the falsification, concealment, destruction or disposal of a thing that is likely to be material to the execution of an order made under section 23 or 24.

(6) A person who contravenes subsection (4) or (5) commits an offence and is liable on summary conviction to a fine of not less than \$100,000 and not exceeding \$500,000 or to imprisonment for a term of not less than 7 years and not exceeding 15 years or both.

(7) A financial institution or a person engaged in other business activity which fails to report a suspicious transaction as required by section 16(1)(k) commits an offence and is liable on indictment to a fine of \$500,000.

### **33A. Restrictions on conviction for money laundering offence**

A person who has been convicted of a money laundering offence, whether in Saint Lucia or elsewhere is not eligible to be licensed to carry out the business of a financial institution or other business activity or in any manner whatsoever participate in the ownership, management or control of a financial institution or other business activity.  
*(Inserted by Act 20 of 2016)*

### **33B. Suspension or revocation of licence by order of the court**

(1) Where a financial institution or a person engaged in other business activity is convicted of an offence under this Act, the Court may in addition to any other penalty order the suspension or revocation of the licence to operate.

(2) In this section "licence" means a licence, registration, recognition or entitlement to practice or operate issued or granted under any law governing the financial institution or other business activity.

*(Inserted by Act 20 of 2016)*

## **PART 6 MISCELLANEOUS**

### **34. Mutual assistance**

(1) In this section “**assistance**” includes —

- (a) the providing of original or certified copies of relevant documents and records, including those financial institutions and government agencies obtaining testimony, in a requesting State of persons, including those in custody;
- (b) the giving of testimony locating or identifying persons;
- (c) service of documents;
- (d) examining of objects or places;
- (e) the executing of searches and seizure; and
- (f) the providing of information and evidentiary items.

(2) The Authority shall co-operate with a court or other competent authority of a requesting State by taking the appropriate measures under this Act and within the limits of the requesting State’s legal system to provide assistance in matters concerning money laundering, terrorist financing or proliferation financing.  
*(Substituted by Act 5 of 2023)*

(3) The Authority on receiving a request from a court or competent authority from a requesting State to freeze, seize or forfeit under this Act, property or a thing connected to a money laundering offence shall take appropriate measures.

(4) A court or other competent authority of a requesting State, in making a court order or request, may specify that the Authority must keep confidential the fact or substance of the court order or request. *(Inserted by Act 16 of 2021)*

(5) The Authority shall inform the court or other competent authority of the requesting State if it is unable to comply with the requirement of confidentiality under subsection (4). *(Inserted by Act 16 of 2021)*

(6) Subject to subsection (7), where a court or other competent authority makes a court order or request under subsection (4) and a person is —

- (a) notified of the court order or request;
- (b) required to take any action, produce any documents or supply any information in response to or in relation to the court order or request,

the person shall not disclose the fact of the receipt of that court order or request or any particulars required or documents produced pursuant to the court order or request.

*(Inserted by Act 16 of 2021)*

(7) A person referred to under subsection (6) may make a disclosure to —

- (a) the attorney-at-law of that person;
- (b) a person authorized by the Authority, for a period of 90 days from the date of the receipt of the request or such further period determined by the Authority.

*(Inserted by Act 16 of 2021)*

(8) The Authority and a person to whom a disclosure is made under subsection (7) must keep the information confidential. *(Inserted by Act 16 of 2021)*

### **35. Secrecy obligations overridden**

Subject to the provisions of the Constitution the provisions of this Act shall have effect despite any obligation as to secrecy or other restriction upon disclosure or information imposed by law or otherwise.

### **36. Liability**

(1) An action must not be taken against the Authority, Minister, Director, officers or personnel of the Authority or any person acting under the direction of the Director for anything done or omitted to be done in good faith and in the administration or discharge of any functions, duties or powers under this Act.

(2) Notwithstanding the provisions of any Act an order for the provision of information, documents or evidence may not be issued in respect of the Authority or against the Minister, Director, officers or personnel of the Authority or any person engaged under this Act.

### **37. Criminal or civil liability for information**

(1) Proceedings for breach of banking or professional confidentiality may not be instituted against any person or against directors or employees of a financial institution or person engaged in other business activity who, in good faith, submit reports on suspicious activities to the Authority in accordance with this Act.

(2) Civil or criminal action may not be brought nor may any professional sanction be taken against any person or against directors or employees of a financial institution or a person engaged in other business activity who in good faith transmit information or submit reports to the Authority.

### **38. Confidentiality**

(1) A person who obtains information in any form as a result of his or her present or former connection with the Authority shall not disclose that information to any person except with the written approval of the Authority or as far as it is required or permitted under this Act or other enactment. (*Substituted by Act 16 of 2021*)

(2) Any person who wilfully discloses information to any person in contravention of subsection (1) commits an offence and is liable on summary conviction to a fine not exceeding \$50,000 or to imprisonment for a term not exceeding 10 years or both.

### **39. Mandatory injunction**

(1) The employees of a financial institution or person engaged in other business activity shall take all reasonable steps to ensure the compliance by that financial institution or person engaged in other business activity with its obligations under this Act.

(2) The Court may, where it is satisfied upon application by the Director or the Director of Public Prosecutions that a financial institution or person engaged in other business activity has failed without reasonable cause to comply in whole or in part with an obligation imposed on the financial institution or person engaged in other business activity by section 16(1) issue a mandatory injunction against the financial institution or person engaged in other business activity in such terms as the Court considers necessary to enforce compliance with the obligation.

### **40. Compensation**

(1) Where upon the making of an application for a forfeiture order or a confiscation order the Court declines to make such an order, the Court shall on the application of a person who held realisable property order compensation to be paid to him or her if the requirements of subsection (2) are fulfilled.

(2) The Court shall order compensation to be paid if the Court is satisfied —

- (a) that there has been some serious default in the investigation or conduct of the matter and that, but for that default, the application would not have been instituted or continued; and
- (b) that the applicant has suffered substantial loss in consequence of anything done in relation to the property by or under an order of the Court under section 31.

(3) The amount of compensation to be paid under this section is such amount as the Court thinks just in all the circumstances.

(4) Compensation payable under this section must be paid out of the Consolidated Fund.

#### **40A. Prosecution of summary offences**

Notwithstanding any other law, subject to the fiat of the Director of Public Prosecutions, the prosecution of a summary offence under this Act may be commenced at any time within 6 years of the commission of the offence. *(Inserted by Act 20 of 2016)*

#### **41. Exemption from duties, taxes and levies**

Notwithstanding a provision in any law in Saint Lucia, the Authority is exempt from the payment of duties, taxes and levies, including import duties and fees on income, moveable and immoveable property and documents.

*(Repealed by Act 9 of 2011, re-inserted by Act 13 of 2019, repealed by Act 16 of 2021 and re-inserted by Act 5 of 2023)*

#### **42. Power to amend Schedules**

The Minister may, by Order in the *Gazette*, amend Schedule 1 or Schedule 2.

#### **43. Regulations**

(1) The Minister may make Regulations prescribing all matters —

- (a) required or permitted by this Act to be prescribed; or
- (b) necessary to be prescribed for carrying out or giving effect to this Act.

(2) Without limiting the generality of subsection (1), the Minister may make regulations prescribing the qualifications of the Director.

(3) Regulations made under subsection (1) may prescribe, in respect of an offence under the Regulations, a penalty not exceeding \$1million or to imprisonment for a term not exceeding 15 years or both. *(Amended by Act 16 of 2021)*

(4) Where a penalty is imposed for the same offence under this Act and the Regulations, the penalty specified under this Act prevails.

(5) Regulations made under subsection (1) are subject to negative resolution of the House of Assembly and the Senate.

#### **44. Repeal**

The Money Laundering (Prevention) Act is repealed.

#### **45. Savings**

Any regulations or orders made under the Money Laundering (Prevention) Act remain in force until such time that they are revoked under this Act.

## **Schedule 1**

*(Amended by Act 9 of 2011, substituted by S.I. 144/2012 and repealed by Act 20 of 2016)*

## **Schedule 2**

(Section 2)

### **PART A**

#### **FINANCIAL INSTITUTIONS**

1. A licensed financial institution under the Banking Act.
2. A building society registered under the Building Societies Act.
3. A credit union registered under the Co-operative Societies Act.
4. An entity licensed under the Insurance Act or other enactment for underwriting and placement of long-term insurance and other investment related insurance.
5. An entity licensed under the International Banks Act.
6. An entity licensed under the International Insurance Act.
7. An entity licensed under the Virtual Asset Business Act. *(Substituted by Act 5 of 2023)*
8. An entity licensed under the Money Services Business Act.
9. The Saint Lucia Development Bank established under the Saint Lucia Development Bank Act.
10. An entity licensed under the Securities Act.
11. An entity that engages in the sale of money orders.
12. An international public mutual fund administrator licensed under the International Mutual Funds Act. *(Inserted by Act 5 of 2023)*
13. A private mutual fund registered under the International Mutual Funds Act. *(Inserted by Act 5 of 2023)*
14. An international public mutual fund licensed under the International Mutual Funds Act. *(Inserted by Act 5 of 2023)*

### **PART B**

#### **OTHER BUSINESS ACTIVITY**

1. Registered agents and trustees licensed under the Registered Agent and Trustee Licensing Act.
2. Motor Dealer licensed under the Motor Vehicles and Road Traffic Act.
3. A Gaming Operator licenced under the Gaming, Racing and Betting Act, when engaging in transactions equal to or exceeding \$8,000.
4. A person involved in transactions for a client concerning the buying and selling of real estate.
5. A dealer in precious metals or stones, when engaging in any transactions equal to or exceeding \$25,000.
6. A person that engages in internet gaming and wagering services.
7. 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.
8. 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.

*(Inserted by S.I. 144/2012 and substituted by Act 16 of 2021)*

### **Schedule 3**

(Sections 14E(2) and 14H)

#### **PART A**

#### **LIST OF SECTIONS FOR WHICH DIRECTIONS, WARNINGS, WRITTEN AGREEMENTS OR ORDER MAY BE GIVEN TO A LICENSED FINANCIAL INSTITUTION**

- 1. Section 15(1), 15(4), 15(6), 15(7) and 15(8).
- 2. Section 16(7A) and 16(8).
- 3. Section 17(1)(a), 17(c), 17(d), 17(4), 17(8), 17(10), 17(11), 17(12), 17(13), 17(14) and 17(15).
- 4. Section 20.

#### **PART B**

#### **LIST OF SECTIONS FOR WHICH A PENALTY MAY BE APPLIED TO A LICENSED FINANCIAL INSTITUTION**

- 1. Section 15(2).
- 2. Section 16(1)(a), (b), (g), (h), (i), (j), (n), (o), 16(5) and 16(7).
- 3. Section 17(2), 17(3), 17(6) and 17(9).
- 4. Section 18.
- 5. Section 19.

*(Inserted by Act 16 of 2021)*



## **SUBSIDIARY LEGISLATION**

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### *List of Subsidiary Legislation*

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
  4. Money Laundering (Prevention) Regulations – Section 43
  5. Money Laundering (Prevention) (Guidance Notes) (Revocation) Regulations – Section 34
  6. Money Laundering (Prevention) (Declaration of Source of Funds) (Forms) (Revocation) Regulations – Section 43
  7. Money Laundering (Prevention) (Guidelines for Conducting Other Business Activity) (Revocation) Regulations – Section 43
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### **Money Laundering (Prevention) (Guidance Notes) Regulations**

#### **(Statutory Instruments 55/2010 and 82/2012)**

Statutory Instrument 55/2010 .. in force 17 May 2010 (Revoked by S.I. 54/2023)

Amended by S.I. 82/2012 .. in force 10 August 2012

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### **Money Laundering (Prevention) (Guidelines for Conducting Other Business Activity) Regulations**

#### **(Statutory Instrument 83/2012)**

Statutory Instrument 83/2012 .. in force 10 August 2012 (Revoked by S.I. 56/2023)

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### **Money Laundering (Prevention) (Declaration of source of funds) (Forms) Regulations**

#### **(Statutory Instrument 15/2013)**

Statutory Instrument 15/2013 .. in force 11 March 2013 (Revoked by S.I. 55/2023)

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### **Money Laundering (Prevention) Regulations – Sections 21 and 43**

#### **(Statutory Instrument 53/2023)**

Statutory Instrument 53/2023 .. in force 24 May 2023

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## **MONEY LAUNDERING (PREVENTION) REGULATIONS – SECTIONS 21 AND 43**

Commencement [24 May 2023]

### **PRELIMINARY**

#### **1. Citation**

These Regulations may be cited as the Money Laundering (Prevention) Regulations.

#### **2. Interpretation**

In these Regulations —

“**accurate**” in relation to identification and record-keeping requirements relating to —

- (a) wire transfers, means information that has been verified for accuracy that a financial institution is required to verify the accuracy of the required originator information;
- (b) the transfer of virtual assets, means information that has been verified for accuracy that a virtual asset service provider is required to verify the accuracy of the required originator or beneficiary information;

“**Act**” means the Money Laundering (Prevention) Act;

“**batch file**” in relation to identification and record-keeping requirements relating to —

- (a) wire transfers, means a series of transactions bundled together;
- (b) the transfer of virtual assets, means several individual transfers of virtual assets which are bundled together for transmission;

“**beneficiary**” means —

- (a) in relation to wire transfer, the natural or legal person or legal arrangement who is identified by the originator as the receiver of the requested wire transfer; and
- (b) in relation to life insurance or another investment linked to an insurance policy, a natural or legal person, or a legal arrangement, or category of persons, who will be paid the policy proceeds when an insured event occurs, which is covered by the policy;

**“beneficiary financial institution”** in relation to identification and record-keeping requirements relating to wire transfers, means a financial institution which receives the wire transfer from the ordering financial institution directly or through an intermediary financial institution and makes the funds available to the beneficiary;

**“beneficiary virtual asset service provider”** means a virtual asset service provider which receives a transfer of virtual assets on behalf of a beneficiary;

**“business relationship”** means an arrangement between a person and a financial institution or person engaged in other business activity, the purpose of which is to facilitate the carrying out of financial and other related transactions on a regular basis;

**“cash”** includes —

- (a) notes and coins in any currency that is designated as legal tender;
- (b) postal orders;
- (c) cheques of any kind, such as, traveller’s cheques;
- (d) banker’s drafts;
- (e) electronic cash;
- (f) bearer bonds and bearer shares;
- (g) gaming vouchers;
- (h) betting receipts;
- (i) fixed value gaming and casino tokens;
- (j) any other bearer negotiable instruments;

**“correspondent bank”** means the bank that provides banking service to a respondent bank;

**“correspondent banking”** means the provision of a banking service by a correspondent bank to a respondent bank;

**“customer”** means an applicant for business, a person with whom a financial institution or person engaged in other business activity has a business relationship, or a person seeking to engage in a one-off transaction;

**“customer due diligence”** includes —

- (a) undertaking measures for —
  - (i) identifying and verifying the identity of the customer,
  - (ii) identifying and verifying the identity of the beneficial owner,
  - (iii) obtaining information on the purpose and intended nature of a business relationship,
  - (iv) establishing, as appropriate, the source of funds and source of wealth of a customer or beneficial owner, and

- (v) applying paragraphs (i) and (iv) to existing customers on the basis of materiality and risk; at appropriate times taking into account whether and when the measures had previously been applied to the customer and the adequacy of the data collected;
- (b) ongoing due diligence;

**“enhanced due diligence”** means —

- (a) the extended customer due diligence procedures, where appropriate, that are part of the customer acceptance process of a financial institution or person engaged in other business activity; or
- (b) the intensified monitoring of accounts that are appropriate where a customer is or becomes a high-risk person, or a politically exposed person;

**“intermediary financial institution”** in relation to identification and record-keeping requirements relating to wire transfers, means a financial institution in a serial or cover payment chain that receives and transmits a wire transfer on behalf of the ordering financial institution and the beneficiary financial institution, or another intermediary financial institution;

**“intermediary virtual asset service provider”** means a virtual asset service provider that receives and transfers virtual assets on behalf of the originating virtual asset service provider and the beneficiary virtual asset service provider, or another intermediary;

**“key staff”** means an employee of a financial institution or person engaged in other business activity who deals with customers and the transactions of the customers;

**“legal arrangement”** means a trust or partnership or other similar legal arrangements created between parties which lack separate legal personality;

**“legal person”** means an entity other than a natural person that establishes a permanent customer relationship with a financial institution or person engaged in other business activity or otherwise own property;

**“licensed financial institution”** means a financial institution licensed to carry on banking business under the Banking Act;

**“one-off transaction”** means a transaction other than a transaction carried out in the course of an existing business relationship;

**“ongoing due diligence”** means conducting ongoing monitoring of a business relationship and scrutiny of transactions throughout the course of the relationship to ensure that the transactions being conducted are consistent with the financial institution or person engaged in other business activity’s knowledge of the customer, the business and risk profile, including where necessary, the customer’s source of funds and source of wealth, and keeping the information obtained up-to-date and relevant, especially for high-risk customers and politically exposed persons;

**“ordering financial institution”** in relation to identification and record-keeping requirements relating to wire transfers, means a financial institution which initiates the wire transfer and transfers the funds on receiving the request for a wire transfer on behalf of the originator;

**“originating virtual asset service provider”** means a virtual asset service provider which conducts a transfer of virtual assets on behalf of an originator;

**“physical presence”** means meaningful mind and management located within a country and does not include mere presence of a local agent or low-level staff;

**“proliferation financing”** means the act of providing funds or financial services which are used, in whole or in part, for the manufacture, acquisition, possession,

development, export, trans-shipment, brokering, transport, transfer, stockpiling or use of nuclear, chemical or biological weapons and means of delivery and related materials including both technologies and dual-use goods used for non-legitimate purposes, in contravention of the United Nations Sanctions (Counter-Proliferation Financing) Act or, where applicable, international obligations;

**“respondent bank”** means a bank that receives banking services from a correspondent bank;

**“shell bank”** means a bank that has no physical presence in the country in which it is incorporated and licensed, and which is unaffiliated with a regulated financial group that is subject to consolidated supervision;

**“verification subject”** means an applicant for business, customer, beneficial owner, or a person on whose behalf a transaction is being performed;

**“virtual asset service provider”** —

- (a) has the meaning assigned under the Virtual Asset Business Act; or
- (b) a financial institution which conducts a virtual asset business.

### **3. Application**

These Regulations apply to the prevention measures under Part 3 of the Act.

## **PART 1 ESTABLISHMENT AND MAINTENANCE OF RECORDS**

### **4. Responsibility relating to establishment and maintenance of records**

A financial institution or person engaged in other business activity shall, in accordance with section 16(1)(a) and (b) of the Act as it relates to the establishment and maintenance of records comply with regulations 5 to 9.

### **5. Records on the identity and transactions of customers**

(1) Where a business relationship has been established, the financial institution or person engaged in other business activity shall maintain all relevant records on the identity and transactions of customers, for 7 years, or longer if required by the Authority.

(2) Where a business relationship has been terminated, all relevant records on the identity and transactions of the customer must be retained for a period of 7 years after termination.

### **6. Maintenance of records in retrievable form**

(1) Records must be maintained in retrievable form in accordance with section 16(8) of the Act.

(2) In subregulation (1), retrievable form includes —

- (a) an original hard copy;
- (b) notarised or certified copies of the original; or
- (c) computerised or electronic form.

(2) Records held by third parties are not regarded as being in a readily retrievable form unless the financial institution or person engaged in other business activity is reasonably satisfied that the third party is itself an institution which is able and willing to keep such records and disclose the records to the financial institution or person engaged in other business activity when required.

## **7. Provision of records to the Authority**

Where the Authority requires sight of records which according to a financial institution or person engaged in other business activity's policies and procedures would ordinarily have been destroyed, the financial institution or person engaged in other business activity is nonetheless required to conduct a search for those records and provide as much detail to the Authority as possible.

## **8. Request to keep records**

(1) Where an investigation into a suspicious customer or a suspicious transaction has been initiated, the Authority may request a financial institution or person engaged in other business activity to keep records until further notice, notwithstanding that the retention period of 7 years under section 16(1)(a) of the Act has elapsed.

(2) In the absence of a request under subregulation (1), where a financial institution or person engaged in other business activity knows that an investigation is proceeding in respect of a customer, the financial institution or person engaged in other business activity shall not, without the prior approval of the Authority, destroy any relevant records notwithstanding that the retention period of 7 years under section 19(1)(a) of the Act has elapsed.

## **9. Records in relation to transactions, verification and training**

(1) A financial institution or person engaged in other business activity shall keep records in relation to transactions and verification in such a manner that allows the financial institution or person engaged in other business activity to comply expeditiously with information requests from the Authority.

(2) Records under subregulation (1) must comprise —

- (a) a description of the nature of all the evidence received in relation to the identity of the subject for verification;
- (b) the evidence itself or a copy of it or, if that is not readily available, information reasonably sufficient to obtain such a copy; and
- (c) details relating to all transactions which is sufficient to permit reconstruction of individual transactions.

(3) Without prejudice to subregulation (1), a financial institution or person engaged in other business activity shall keep records in relation to all training conducted by the financial institution or person engaged in other business activity, in relation to money laundering, terrorist financing and proliferation financing

(4) Records under subregulation (3) must comprise —

- (a) details and contents of the training programme;
- (b) target audience of training;
- (c) names of staff attending training;
- (d) dates of training sessions; and
- (e) assessment methods and results, where applicable.

## **PART 2 INTERNAL POLICIES, PROCEDURES AND CONTROLS**

## **10. Responsibility relating to internal policies, procedures and controls**

A financial institution or person engaged in other business activity shall, in accordance with section 16(1)(g) develop and apply internal policies, procedures or controls, comply with regulations 11 and 12.

## **11. Development and application of internal policies, procedures or controls**

(1) In developing internal policies, procedures or controls to combat money laundering, terrorist financing and proliferation financing under section 16(1)(g) of the Act, a financial institution or person engaged in other business activity shall develop internal policies, procedures or controls that are —

- (a) approved by —
  - (i) in the case of a legal person and in accordance with section 16(1)(g) of the Act, senior management or the board of directors, and
  - (ii) in any other case, the owner or managing director;
- (b) signed by —
  - (i) in the case of a legal person, the board of directors, and
  - (ii) in any other case, the owner or managing director;
- (c) clearly and accurately documented; and
- (d) updated to reflect changes, when necessary.

(2) In applying the internal policies, procedures or controls under section 16(1)(g) of the Act, a financial institution or person engaged in other business activity must apply internal policies, procedures or controls that include —

- (a) customer due diligence under Part 7;
- (b) enhanced due diligence procedures for new and ongoing business relationships and transactions under regulation 35;
- (c) electronic funds transfer procedures;
- (d) internal reporting procedures under section 19 of the Act;
- (e) procedures for reporting suspicious activities and transactions;
- (f) record keeping procedures in accordance with the requirements of the Act;
- (g) appropriate measures to conduct a risk assessment of its operations in relation to money laundering, terrorist financing and proliferation financing;
- (h) internal controls and procedures that are appropriate in view of the nature of business, money laundering and terrorist financing risk profile of the entity identified through the risk assessment;
- (i) training requirements;
- (j) taking appropriate measures for key staff to be —
  - (i) made aware of the provisions of the Act, Proceeds of Crime Act, Anti-Terrorism Act, United Nations (Counter Proliferation Financing) Act, and these Regulations and the internal policies, procedures and controls for detecting and preventing money laundering, terrorist and proliferation financing,
  - (ii) trained in recognising and dealing with transactions or activities which may be related to money laundering, terrorist financing and proliferation financing,
  - (iii) continuously trained and supervised, in order to ensure adequate competence with regard to the functions under subparagraphs (i) and (ii).



## **12. Audit for compliance**

A financial institution or person engaged in other business activity shall, in accordance with section 16(1)(j) as it relates to audits for compliance, comply with regulation 13.

## **13. Independent audit**

(1) An independent audit must be conducted at least annually, with a professional retained specifically for that purpose or a suitably qualified internal auditor who is not involved in the compliance function of the financial institution or person engaged in other business activity.

(2) An independent audit must assess the policies, procedures and controls of the financial institution or person engaged in other business activity for compliance with the Act, Regulations, guidelines issued by the Authority or the Central Bank and the existing policy manual of the financial institution or person engaged in other business activity and as a measure of the effectiveness of the work being done by a Compliance Officer.

(3) An independent audit must include at a minimum —

- (a) ensuring the anti-money laundering, counter terrorist and proliferation financing policies, procedures and controls are adequate and commensurate with the financial institution or person engaged in other business activity's risk assessment;
- (b) testing of internal procedures for employee evaluation with respect to integrity, personal employment and financial history;
- (c) evaluating of the extent and frequency of training received by employees and an assessment of the appropriateness of the training content;
- (d) testing of employees' knowledge of anti-money laundering, counter terrorist and proliferation financing procedures;
- (e) reviewing transactions for possible suspicious transactions, including a comparison of those transactions with reports submitted on those transactions;
- (f) reviewing transactions for possible suspicious transactions;
- (g) testing of record keeping of all suspicious activity reports, identification documentation of customers, beneficial owners and transaction records.
- (h) assessing compliance by the financial institution or person engaged in other business activity with established policies, procedures and processes;
- (i) assessing the process for identifying and reporting suspicious activities;
- (j) assessing the information systems and processes which supports the established compliance programme of the financial institution or person engaged in other business activity.

(4) The findings of an independent audit must be documented, and violations of the law and anti-money laundering, counter terrorist and proliferation financing procedures must be immediately reported to the board of directors.

(5) A financial institution or person engaged in other business activity must have written audit procedures for assessing compliance with anti-money laundering, counter terrorist and proliferation financing legislation and guidelines that must be reviewed on an ongoing basis in order to ensure usefulness.

### **PART 3**

## **SUSPICIOUS TRANSACTION REPORTING**

### **14. Responsibility relating to suspicious transaction reporting**

A financial institution or person engaged in other business activity shall, in order to carry out the responsibilities under section 16(1)(k) as it relates to reporting of suspicious transactions, comply with regulations 15 to 19.

### **15. Internal reporting of suspicious transactions**

(1) Key staff, including senior management, shall —

- (a) report a suspicious transaction to the Compliance Officer; and
- (b) provide in a report made under paragraph (a) details of the information giving rise to any knowledge or reasonable grounds for the suspicion held, including the full details of the customer.

(2) The requirement to report a suspicious activity or transaction under subregulation (1) includes the reporting of any attempted activity or transaction that the financial institution or person engaged in other business activity has turned away.

(3) Except where regulation 31 applies, for the purposes of subregulations (1) and (2), a report must be made in circumstances where an applicant for business or a customer fails to provide adequate information or supporting evidence to verify his or her identity or, in the case of a legal person, the identity of any beneficial owner.

(4) A Compliance Officer shall, on receipt of an internal report concerning a suspicious activity or transaction, investigate the details of the report and determine whether —

- (a) the information contained in the report supports the suspicion; and
- (b) there is the need under the circumstances to submit a report to the Authority.

(5) Where a Compliance Officer decides that the information does not substantiate a suspicion of money laundering, terrorist financing or proliferation financing, the Compliance Officer shall —

- (a) record that decision, outlining the nature of the information to which the suspicious transaction relates, the date he or she received the information, the full name of the person who provided him or her with the information and the date he or she took the decision that the information did not substantiate a suspicion of money laundering or other criminal conduct;
- (b) state the reason for his or her decision; and
- (c) make the record for his or her decision available to the Authority on request.

(6) Where a Compliance Officer is uncertain as to whether the details of the report received by him or her substantiate the suspicion, he or she shall make a report of the suspicious transaction to the Authority.

(7) For the purposes of this regulation, a financial institution or person engaged in other business activity shall provide a Compliance Officer with reasonable access to all relevant information which may be of assistance to him or her and which is available to the financial institution or person engaged in other business activity.

### **16. Reporting of suspicious transactions to the Authority**

(1) A Compliance Officer shall make a report to the Authority of a suspicious transaction or attempted transaction relating to money laundering or other criminal conduct.

(2) A report of a suspicious transaction made under subregulation (1) must be in Form 1 of the Schedule.

(3) A report under this regulation must be delivered in sealed and confidential envelopes by hand.

#### **17. Register of suspicious transactions**

(1) A Compliance Officer shall maintain a register of all suspicious transaction reports made to the Authority under regulation 16.

(2) Notwithstanding subregulation (1), registers shall be kept by the Compliance Officer in relation to all internal reports of suspicious transactions received, including the details for his or her decision not to report to the Authority.

(3) A register under subregulations (1) and (2) must contain details of —

- (a) the date of the report;
- (b) the person who made the report;
- (c) the person to whom the report was forwarded;
- (d) a reference by which supporting evidence is identifiable; and
- (e) the receipt of acknowledgement from the Authority.

(4) A register shall be kept in relation to all enquiries made by the Authority.

(5) A register under subregulation (4) must be separate from other records and contain at a minimum —

- (a) the date and nature of the enquiry; and
- (b) the details of the customer or account involved.

#### **18. Notifying the Authority during an investigation**

Where a Compliance Officer considers a suspicion to be urgent, including, if the subject of the suspicious transaction is part of a current investigation, the Compliance Officer shall immediately notify the Authority.

#### **19. Receipt of report by the Authority**

(1) The receipt of suspicious transaction reports shall be acknowledged by the Authority.

(2) The Authority may obtain information from a financial institution or person engaged in other business activity and other sources whether or not a suspicious transaction report has been made by a financial institution or person engaged in other business activity.

### **PART 4 COMPLEX TRANSACTIONS OR UNUSUAL TRANSACTIONS**

#### **20. Responsibility relating to complex transactions or unusual transactions**

A financial institution or person engaged in other business activity shall, in order to carry out the responsibility under section 16(1)(m) of the Act as it relates to complex transactions or unusual transactions, comply with transaction monitoring under regulation 21.

## **21. Transaction monitoring**

(1) A financial institution or person engaged in other business activity shall monitor complex transactions, unusual or large transactions, or unusual patterns of transactions, whether completed or not.

(2) Transaction monitoring under subregulation (1) must be risk based and account reviews must be carried out on an ongoing basis.

(3) Where a transaction is inconsistent in amount, origin, destination or type with a client's known, legitimate business or personal activities or has no apparent economic or visible lawful purpose, the transaction must be considered unusual and the financial institution or person engaged in other business activity is to be put on enquiry as to whether the business relationship is being used for money laundering, terrorist or proliferation financing.

(4) Where a financial institution or person engaged in other business activity observes unusual or complex activity in relation to a client's account, the financial institution or person engaged in other business activity shall make inquiries as to the nature of the activity or transaction and make a written record of its analysis or findings in relation to the unusual or complex activities and the written record is to be made available to the Authority on request.

## **PART 5 COMPLIANCE OFFICER**

## **22. Appointment of a Compliance Officer**

(1) In appointing a Compliance Officer under section 16(1)(n) of the Act, a financial institution or person engaged in other business activity shall appoint a person who —

- (a) is at the management level in accordance with section 16(1)(n) of the Act;
- (b) is fit and proper in accordance with section 16(1)(n), and at a minimum, he or she shall —
  - (i) not have been convicted of an offence involving drug trafficking, money laundering, terrorist financing, dishonesty or any other financial crime, or be an undischarged bankrupt,
  - (ii) have the appropriate character, antecedents, habits, associations and public reputation;
- (c) possesses the trust and confidence of the management and staff;
- (d) has sufficient anti-money laundering, counter terrorist and proliferation financing knowledge or qualifications, in addition to knowledge of the financial institution's or person engaged in other business activity's products, services and systems;
- (e) has access to all relevant information throughout the organization;
- (f) maintains the trust and confidence of the enforcement and supervisory agencies;
- (g) is adequately versed with the Act, these Regulations and guidelines, the Proceeds of Crime Act, Anti-Terrorism Act, and the United Nations Sanction (Counter-Proliferation Financing) Act.

(2) A financial institution or person engaged in other business activity shall inform all staff at the financial institution or person engaged in other business activity of the identity of the Compliance Officer.

(3) A financial institution or person engaged in other business activity shall submit on the Compliance Officer to the Authority and in the case of a licensed financial institution to the Central Bank and the Authority within 7 days of his or her appointment the following details —

- (a) completed Compliance Officer Form that must be in Form 2 of the Schedule;
- (b) job descriptions for all positions currently held within the financial institution or person engaged in other business activity;
- (c) current resume.

(4) Subject to this regulation, with the approval of the Authority, very small reporting entities may appoint an individual to perform a dual function, which includes the role of a Compliance Officer.

### **23. Resources and size of the compliance function**

The resources and size of the compliance function, including, the number of compliance staff, must be commensurate with the size of the operation and risk of the financial institution or person engaged in other business activity.

### **24. Appointment of an alternate Compliance Officer**

(1) A financial institution or person engaged in other business activity shall appoint an alternate Compliance Officer.

(2) Where the Compliance Officer is absent, whether due to illness, vacation leave, resignation or other reason, the alternate Compliance Officer shall carry out the functions of the Compliance Officer.

(3) An alternate Compliance Officer shall possess relevant professional qualities or experience and have a comprehensive understanding of the legal and institutional expectations of the role.

(4) A Compliance Officer and an alternate Compliance Officer shall not be absent at the same time.

### **25. Role and responsibilities of a Compliance Officer**

(1) A Compliance Officer shall be —

- (a) independent and accountable and report directly to the Board of Directors, where possible, and in the absence of a Board of Directors, the General Manager or owners;
- (b) the central point of contact —
  - (i) for the Authority, or
  - (ii) in the case of a licensed financial institution, for the Central Bank and the Authority;
- (c) separate from the day-to-day activities and operational aspects of the business.

(2) A Compliance Officer shall at a minimum —

- (a) establish and implement policies, procedures and controls as may be necessary to combat money laundering, terrorist financing and proliferation financing including —
  - (i) organizing training sessions for staff on various compliance related issues and instructing employees as to their responsibilities in respect of the provisions of the Act, the Proceeds of Crime Act, Anti-Terrorism Act, and United Nations Sanction (Counter-Proliferation Financing) Act,
  - (ii) the establishment or review of procedures to ensure high standards of integrity for employees,

- (iii) the development or review of a system to evaluate the personal employment and financial history of staff;
- (b) make modifications or adjustments to policies, procedures and controls under paragraph (a) that are necessary;
- (c) arrange for independent audits under regulation 13 in order to assess the extent to which the policies, procedures and controls under regulation 11 are being complied with;
- (d) analyze transactions and verify whether any of them are subject to reporting, in accordance with the relevant laws;
- (e) review all internally reported unusual transaction reports on completeness and accuracy with other sources;
- (f) prepare and compile suspicious transaction reports of unusual transactions to the Authority;
- (g) undertake closer investigations in respect of unusual or suspicious transactions, as directed by the Authority;
- (h) undertake tests of the policies, procedures or controls and, where high-risks are identified, enhance the policies, procedures or controls to manage and mitigate the risk and in carrying out this test, the Compliance Officer must have the following information included in his or her working papers, at a minimum —
  - (i) the date the work was performed,
  - (ii) the rationale or method of selecting the sample,
  - (iii) an adequate narrative on the sample selected, including for testing the adequacy of customer identification, the name of the individual, customer number, means of identification used and any associated number or any other related matter,
  - (iv) the deficiencies noted,
  - (v) corrective action recommended or taken;
- (i) undertake transaction testing and monitoring;
- (j) prepare monthly reports to senior management for the purpose of providing information on existing or potential areas in which deficiencies were identified as part of the risk-based monitoring programme of the anti-money laundering, counter terrorist and proliferation financing controls of the financial institution or person engaged in other business activity and the corrective actions implemented or required to be implemented in order to rectify the situation;
- (k) to exercise control and review the performance of lower-level compliance staff within the organization or within each branch or unit;
- (l) to function as the authorized contact with the Authority for matters of financial intelligence in nature including investigations and requests for information;
- (m) to conduct a risk assessment in accordance with sections 14I and 16B of the Act;
- (n) implement any recommendations of the Authority or in the case of a licensed financial institution, the Central Bank, and report on any remediation actions to the Authority or in the case of a licensed financial institution, the Central Bank;
- (o) to remain informed of the local and international developments on money laundering, terrorist and proliferation financing.

(3) Where the various responsibilities under this regulation are performed by different members of the compliance staff, the authorized contact under subregulation (2)(l) is the individual who is assigned the responsibilities under subregulation (2)(f) and (g).

(4) A Compliance Officer shall be cognisant of the requirements of confidentiality regarding money laundering, terrorist and proliferation financing reports and investigations and shall receive reports from key staff, of any information or matter giving rise to some knowledge of or a suspicion that money laundering or other criminal conduct is taking place.

## **26. Reports of Compliance Officer**

(1) A Compliance Officer shall submit reports to the board of directors at least quarterly.

(2) A report under subregulation (1) must include —

- (a) changes made or recommended in respect of new legislation;
- (b) serious compliance deficiencies that have been identified relating to current policies and procedures, indicating the seriousness of the issues and the action taken, or recommendations for change;
- (c) a risk assessment of any new types of products and services, or any new channels for distributing them and the money laundering, terrorist and proliferation financing compliance measures that have either been implemented or are recommended;
- (d) the means by which the effectiveness of ongoing procedures have been tested;
- (e) the number of internal reports that have been received from each separate division, product, area, subsidiary or other matter;
- (f) the percentage of those reports submitted to the Authority;
- (g) any perceived deficiencies in the reporting procedures and any changes implemented or recommended;
- (h) findings from independent assessments and examinations;
- (i) information on the implementation of any remedial action issued by the Authority or in the case of a licensed financial institution, the Central Bank;
- (j) information identifying staff training during the period, the method of training and any significant issues arising out of the training;
- (k) recommendations concerning resource requirements to ensure effective compliance.

## **PART 6**

### **PROGRAMMES AGAINST MONEY LAUNDERING, TERRORIST FINANCING AND PROLIFERATION FINANCING**

## **27. Responsibility relating to programmes against money laundering, terrorist financing and proliferation financing**

A financial institution or person engaged in other business activity shall, in accordance with section 16(1)(o), comply with regulations 28 and 29.

## **28. Screening procedures when hiring employees**

(1) In developing programmes against money laundering and terrorist financing including developing internal policies, procedures and controls for adequate screening

procedures to ensure high standards when hiring employees under section 16(1)(o)(i) of the Act, a financial institution or person engaged in other business activity shall cause verification work on a potential employee to be performed prior to an offer of employment.

(2) Verification work under subregulation (1) includes —

- (a) reference checks;
- (b) checking the authenticity of academic qualifications; and
- (c) obtaining a police certificate of character.

(3) A financial institution or person engaged in other business activity shall establish and implement procedures to ensure high standards of integrity among employees that —

- (a) includes a code of ethics for the conduct of all employees;
- (b) allows for regular reviews of employees' performance and their compliance with established rules and standards, as well as provide for disciplinary action in the event of breaches of these rules;
- (c) includes paying attention to employees whose lifestyles are not supported by his or her salary; and
- (d) expressly provides for special investigation of employees who are associated with mysterious disappearances or unexplained shortages of funds.

## **29. Staff training**

(1) A financial institution or person engaged in other business activity shall, under section 16(1)(o)(ii) provide education and training for all of its directors or all other persons involved in its management and staff.

(2) Training must be provided to all staff within 30 days of appointment.

(3) The content of training must be sufficient for awareness of —

- (a) the Act, these Regulations, the Anti-Terrorism Act, the United Nations Sanctions (Counter-Proliferation Financing) Act, and any other enactment relating to money laundering, terrorist financing and proliferation financing;
- (b) any guidelines and instructions issued by the Authority or in the case of a licensed financial institution, the Central Bank;
- (c) the relevant regional and international conventions, United Nations Security Council Resolutions and standards of compliance established from by the Caribbean Financial Action Task Force, Financial Action Task Force and other organizations of which Saint Lucia is a member or in which Saint Lucia holds associate or observer status, relating to money laundering, terrorist financing and proliferation financing;
- (d) obligations under the enactments and instruments under paragraphs (a) and (c), both personal and those of the financial institution or person engaged in other business activity;
- (e) the roles and responsibilities in the financial institution or person engaged in other business activity the staff undertakes and this training must be commensurate with the roles and responsibilities;
- (f) the manual containing the anti-money laundering, counter terrorist and proliferation financing policies, procedures and internal controls of the financial institution or person engaged in other business activity;
- (g) a description of the nature and processes of money laundering, terrorist financing and proliferation financing;



- (h) the recognition and handling of suspicious transactions, including their personal liability for failure to report information or suspicions;
- (i) customer identification, record keeping and other procedures.

(4) A financial institution or person engaged in other business activity shall conduct training on such frequent basis as it may determine, but in any case, at least once each year

(5) A financial institution or person engaged in other business activity shall provide more extensive initial and continuing training to the Compliance Officer than that provided to other persons.

## **PART 7**

### **CUSTOMER IDENTITY AND CUSTOMER DUE DILIGENCE**

#### **30. Obligation to identify customer**

- (1) A financial institution or person engaged in other business activity shall —
  - (a) identify a customer, whether a customer has an established business relationship or a one-off transaction, and whether a natural, legal person or legal arrangement and shall verify the customer's identity using reliable, independent source documents, data or information;
  - (b) subject to paragraph (a), verify that a person purporting to act on behalf of a customer is properly authorized and verify the identity of the person;
  - (c) identify a beneficial owner and take reasonable measures to verify the identity of the beneficial owner, using the relevant information or data obtained from reliable sources so as to be satisfied of the identity of the beneficial owner;
  - (d) for the purposes of paragraphs (a) to (c), obtain information regarding a customer's principal residential address and occupation;
  - (e) understand and obtain information on, the purpose and intended nature of a business relationship; and
  - (f) establish procedures and controls to address all risks including risks associated with identifying and verifying non-face-to-face business relationships and transactions and specific and effective customer due diligence in respect of non-face-to-face customers;
  - (g) conduct ongoing due diligence on a business relationship including —
    - (i) scrutinising transactions undertaken throughout the course of the business relationship to ensure that transactions being conducted are consistent with the financial institution or person engaged in other business activity's knowledge of the customer, the customer's business and risk profile, including where necessary, the customer's source of funds; and
    - (ii) ensuring that documents, data or information collected during customer due diligence is kept current and relevant to customer due diligence, by reviewing existing records on a risk sensitive basis, taking into account whether and when customer due diligence measures have been previously undertaken, the rating applied to various categories of customers, the approved frequency to facilitate the reviews of customer due diligence information with increased frequency of reviews for higher risk categories of customers.

(2) Without prejudice to subregulation (1)(a), for customers that are legal persons or legal arrangements, a financial institution or person engaged in other business activity shall —

- (a) understand the ownership and control structure of the customer and the nature of the customer's business;
- (b) identify the customer and verify the identity of the customer by means of the following information —
  - (i) name, legal form and proof of existence,
  - (ii) the constitutional documents that regulate and bind the legal person or legal arrangement,
  - (iii) satisfactory evidence of the identity of the director, manager, general partner, president, chief executive officer or such other person who is in an equivalent senior management position in the legal person or legal arrangement;
  - (iv) any authorized signatories not captured in paragraph (iii),
  - (v) the address of the registered office and, if different, a principal place of business.

(3) Without prejudice to subregulation (1)(c) and (2), for customers that are legal arrangements, a financial institution or person engaged in other business activity shall identify and take reasonable measures to verify the identity of beneficial owners by means of the following information —

- (a) in the case of trusts, the identity of the settlor, the trustee, the protector, if any, the beneficiaries or class of beneficiaries, and any other natural person exercising ultimate effective control over the trust including through a chain of control or ownership; or
- (b) in the case of other types of legal arrangements, the identity of persons in equivalent or similar positions.

### **31. Beneficiary of life insurance**

(1) Without prejudice to the customer due diligence measures required under the Act and these Regulations for the customer and the beneficial owner, a financial institution or person engaged in other business activity shall conduct, on the beneficiary of life insurance and other investment related insurance policies, as soon as the beneficiary is identified or designated and shall do so no later than at the time of the pay out, the following customer due diligence measures—

- (a) in the case of a beneficiary that is identified as a specifically named natural or legal person or legal arrangement, taking the name of the person; and
- (b) in the case of a beneficiary that is designated by characteristics or by class or by other means, obtaining sufficient information concerning the beneficiary to satisfy the financial institution or person engaged in other business activity that it will be able to establish the identity of the beneficiary at the time of the pay out; and
- (c) in the case of a beneficiary under paragraph (a) or (b), verifying the identity of the beneficiary.

(2) A financial institution or person engaged in other business activity shall include the beneficiary of a life insurance policy as a relevant risk factor in determining whether enhanced customer due diligence measures are applicable.

(3) A financial institution or person engaged in other business activity shall take enhanced due diligence measures which must include reasonable measures to identify and verify the identity of the beneficial owner of the beneficiary at the time of pay-out if it determines that a beneficiary who is a legal person or a legal arrangement presents a high risk.

(4) A financial institution or person engaged in other business activity shall, at the time of the pay-out, take reasonable measures to determine whether the beneficiary

and, where required, the beneficial owner of the beneficiary are politically exposed persons.

(5) Where high risks are detected in relation to a politically exposed person identified under subregulation (4), the financial institution or person engaged in other business activity shall inform senior management before the pay-out of the policy proceeds and senior management shall conduct enhanced due diligence on the business relationship with the policyholder and, if necessary, consider making a suspicious transaction report.

### **32. Prior customer verification**

(1) A financial institution or person engaged in other business activity shall adopt risk management procedures concerning the conditions under which a customer may utilise a business relationship prior to verification under regulation 30.

(2) Conditions under subregulation (1) include —

- (a) measures which place a limitation on the number, types and amount of transactions that customer may conduct;
- (b) requiring management approval before the business relationship is established; and
- (c) measures which require the monitoring of a large, complex or unusual transaction which the entity considers not to be normal for the business relationship.

### **33. Obligation when unable to comply with customer due diligence**

Subject to regulation 32, where a financial institution or person engaged in other business activity is unable to obtain information required by these Regulations to satisfy relevant customer due diligence measures, the financial institution or person engaged in other business activity shall —

- (a) not open the account, commence business relations or perform the transaction;
- (b) terminate the business relationship; and
- (c) consider making a suspicious transaction report in relation to the customer.

### **34. Verification not required**

(1) Unless a transaction is a suspicious transaction, customer due diligence regarding verification of the identity of a customer or an applicant for business are not required where the customer or applicant for business is —

- (a) a central or local government organization, statutory body or agency of government;
- (b) a company, that is listed on a recognised stock exchange and subject to disclosure requirements which impose requirements to ensure adequate transparency of beneficial ownership, or majority-owned subsidiary of the company.

(2) A financial institution or person engaged in other business activity shall not verify the identity of an applicant for business, or the beneficial owner where a business relationship is formed or a one-off transaction is carried out with, or for an applicant for business pursuant to an introduction effected by a financial institution or person engaged in other business activity and who, on that introduction, provides a written assurance to the financial institution or person engaged in other business activity which confirms —

- (a) the identity of the applicant for business, and the identity of the beneficial owner, if applicable, of the applicant for business;

- (b) the nature and intended purpose of the business relationship;
- (c) that the introducer has identified and verified the identity of the applicant for business, and, where required, the beneficial owner of the applicant for business, under procedures maintained by the introducer in accordance with applicable laws;
- (d) that the introducer has identified the source of the funds of the applicant for business; and
- (e) that the introducer shall make available on request and without delay, copies of identification and verification data and any other relevant documentation relating to customer due diligence in respect of the applicant for business and, where applicable, the beneficial owner of the applicant for business.

(3) A financial institution or person engaged in other business activity who relies on an introduction effected under subregulation (2) in respect of an applicant for business, is liable for any failure of the introducer to obtain and record satisfactory identification and verification documentation, or to make the record available on request and without delay.

(4) The ultimate responsibility for compliance with the customer due diligence requirements is that of the financial institution or person engaged in other business activity who relies on an introduction under subregulation (2).

### **35. Enhanced due diligence procedures**

(1) A financial institution or person engaged in other business activity shall perform enhanced due diligence —

- (a) in relation to business relationships and transactions where a higher risk of money laundering, terrorist financing and proliferation financing has been identified by the financial institution or person engaged in other business activity or through supervisory or national guidance;
- (b) where a customer, transaction or an applicant for business is from a foreign country that has been identified by credible sources as having serious deficiencies in its anti-money laundering, counter terrorist and proliferation financing regime or a prevalence of corruption;
- (c) in relation to correspondent banking relationships, under regulation 36;
- (d) in the event of an unusual or suspicious transaction; or
- (e) in relation to business relationships and transactions with persons, including reporting entities, from countries for which enhanced due diligence is requested by the Financial Action Task Force.

(2) Enhanced due diligence procedures under subregulation (1) must include —

- (a) having appropriate risk management systems to determine whether the customer or potential customer is a high risk;
- (b) developing a clear policy and internal guidelines, procedures and controls for the identification, enhanced due diligence requirements and ongoing monitoring procedures for high risk transactions and customers;
- (c) obtaining senior management approval for the commencement of business relationships with such customers or to continue business relationships with those who are found to be or subsequently become high risk;
- (d) taking reasonable measures to establish source of wealth and source of funds, and

- (e) ensuring the proactive monitoring of activity on such accounts and transactions, so as to identify indicators of activities which may be unscrupulous or corrupt.

### **36. Correspondent banks**

(1) A financial institution shall gather sufficient information from and perform enhanced due diligence prior to setting up correspondent banking relationships or other similar relationships including —

- (a) obtaining authenticated or certified copies of Certificates of Incorporation and Articles of Incorporation and other company documents to show registration of the institution within its identified jurisdiction of residence;
- (b) obtaining authenticated or certified copies of banking licenses or similar authorization documents, and additional licenses to deal in foreign exchange;
- (c) determining the supervisory authority which has oversight responsibility for the respondent bank;
- (d) determining the ownership of the financial institution;
- (e) obtaining details of the board and management composition of the respondent bank;
- (f) determining the location and major activities of the financial institution;
- (g) obtaining details regarding the group structure within which the respondent bank falls and subsidiaries of the respondent bank;
- (h) obtaining proof of years of operation, and access to audited financial statements for 5 years, if possible;
- (i) information as to the external auditors;
- (j) ascertaining if the bank has established and implemented sound customer due diligence, anti-money laundering, counter terrorist and proliferation financing policies and strategies, appointed a Compliance Officer, at managerial level, and included a copy of its anti-money laundering, counter terrorist and proliferation financing policy and guidelines;
- (k) cautioning to be exercised by correspondent bank, that shall be cautious while continuing relationships with correspondent banks located in countries with poor customer due diligence standards and procedures and countries identified as non-cooperative in the fight against money laundering and terrorist financing;
- (l) ascertaining whether the correspondent bank, in the last 7 years from the date of the commencement of the business relationship or negotiations, has been the subject of, or is currently subject to any regulatory action or any money laundering, terrorist or proliferation financing prosecutions or investigations;
- (m) requiring confirmation that the foreign corresponding bank do not permit their accounts to be used by shell banks, i.e. the bank which is incorporated in a country where it has no physical presence and is unaffiliated to any regular financial group;
- (n) establishing the purpose of the correspondent account;
- (o) documenting the respective anti-money laundering, counter terrorist and proliferation financing responsibilities of each institution in the operation of the corresponding account;
- (p) identifying any third parties that may use the correspondent banking services;

- (q) ensuring that the approval of senior management is obtained for the account to be opened;
- (r) in the case of the correspondent bank, examining and satisfying itself that the respondent bank has verified the identity of the customers having direct access to the accounts and are subject to checks under 'due diligence' on an on-going basis;
- (s) causing the respondent bank to provide the relevant customer identification data immediately on request;
- (t) documenting the anti-money laundering, counter terrorist and proliferation financing responsibility of each institution.

(2) A local bank that provides correspondent banking services to foreign banks and has banking relationships with overseas financing institutions shall adopt the procedures under subregulation (1).

(3) A financial institution shall —

- (a) not enter into, or continue any correspondent banking relationship with shell banks;
- (b) take reasonable measures to satisfy themselves that respondent financial institutions do not permit their accounts to be used by shell banks.

### **37. New technologies**

A financial institution or person engaged in other business activity shall —

- (a) assess the money laundering, terrorist and proliferation financing risk that may arise from the development of new products and services and business practices, including new supply channels, and the use of new or developing technologies, relating to both new and pre-existing products;
- (b) have policies in place and take measures to prevent the misuse of technology for money laundering, terrorist financing and proliferation financing including policies for the level of verification used to be appropriate to the risk associated with the particular product or service;
- (c) undertake the risk assessments prior to the launch or use of such products, practices and technologies and take appropriate measures to manage and mitigate the risks;
- (d) carry out ongoing monitoring of the use of new technologies in business relationships that they are engaged in and take appropriate measures to manage and mitigate identified risks.

### **38. Identification and record-keeping requirements relating to wire transfers**

A financial institution or person engaged in other business activity shall, in accordance with section 17(1)(b) undertake customer due diligence measures under regulations 39 to 41.

### **39. Ordering financial institutions**

(1) In the case of domestic and cross-border wire transfers, an ordering financial institution shall retain records of payments made with sufficient detail to enable it to establish —

- (a) accurate originator information, including —
  - (i) the name of the originator,
  - (ii) the account number of the originator where such an account is used to process the transaction or, in the absence of an account, a

unique transaction reference number which permits traceability of the transaction, and

- (iii) the address of the originator, or national identification number, or customer identification number, or date and place of birth of the originator;

(b) the beneficiary information, including —

- (i) the name of the beneficiary,
- (ii) the account number of the beneficiary where such an account is used to process the transaction or, in the absence of an account, a unique transaction reference number which permits traceability of the transaction.

(2) An ordering financial institution shall, where several individual wire transfers from a single originator are bundled in a batch file for transmission to beneficiaries, ensure that —

- (a) the batch file contains the required and accurate originator and full beneficiary information, that is fully traceable within the beneficiary country; and
- (b) the account number or unique transaction reference number of the originator is included in the wire transfer transaction.

(3) An ordering financial institutions shall verify its customer's information where there is a suspicion of money laundering or terrorist financing.

(4) An ordering financial institution shall maintain all originator and beneficiary information collected in accordance with record keeping requirements under the Act.

(5) An ordering financial institution shall not execute a wire transfer that does not comply with the requirements in this regulation.

#### **40. Intermediary financial institutions**

(1) In the case of a cross-border wire transfer, an intermediary financial institution shall ensure that originator and beneficiary information that accompanies a wire transfer is retained with the wire transfer.

(2) An intermediary financial institution shall take reasonable measures, which are consistent with straight-through processing, to identify cross-border wire transfers that lack required originator information or required beneficiary information.

(3) An intermediary financial institution shall adopt and implement risk-based policies and procedures for determining —

- (a) when to execute, reject, or suspend wire transfers lacking required originator or beneficiary information; and
- (b) the appropriate follow-up actions.

#### **41. Beneficiary financial institution**

(1) A beneficiary financial institution shall —

- (a) take reasonable measures, which may include post-event monitoring or real-time monitoring where feasible, to identify cross-border wire transfers that lack required originator or beneficiary information;
- (b) verify the identity of the beneficiary, if the identity has not been previously verified;
- (c) maintain all beneficiary information collected in accordance with record keeping requirements under the Act;

- (d) implement risk-based policies and procedures for determining —
  - (i) when to execute, reject, or suspend a wire transfer lacking required originator or beneficiary information, and
  - (ii) the appropriate follow-up action.

(2) In the case of a money services business that controls the ordering and beneficiary side of a wire transfer, the money services business shall —

- (a) take into account all the information from both the ordering and beneficiary sides in order to determine whether a suspicious activity report has to be filed; and
- (b) file a suspicious transaction report in the country affected by the suspicious wire transfer, and make relevant transaction information available to the Authority.

#### **42. Identification and record-keeping requirements relating to the transfer of virtual assets**

A financial institution or person engaged in other business activity shall, in accordance with section 17(1)(h), undertake due diligence measures under regulations 43 to 45.

#### **43. Originating virtual asset service provider**

(1) An originating virtual asset service provider shall —

- (a) when conducting a transfer of virtual assets to a beneficiary, collect and record the following information —
  - (i) accurate originator information, including —
    - (A) the name of the originator;
    - (B) the account number of the originator where such an account is used to process the transaction or, in the absence of an account, a unique transaction reference number which permits traceability of the transaction; and
    - (C) the address of the originator, or national identification number, or customer identification number, or date and place of birth of the originator,
  - (ii) beneficiary information, including —
    - (A) the name of the beneficiary,
    - (B) the account number of the beneficiary where such an account is used to process the transaction or, in the absence of an account, a unique transaction reference number which permits traceability of the transaction;
- (b) provide the information under paragraph (a) to the beneficiary virtual asset service provider securely and simultaneously with the transfer of virtual assets;
- (c) where several individual virtual asset transfers from a single originator are bundled in a batch file for transmission to beneficiaries, ensure that —
  - (i) the batch file contains the required and accurate originator and full beneficiary information, that is fully traceable within the beneficiary country, and
  - (ii) the account number or unique transaction reference number of the originator is included in the wire transfer transaction;



- (d) verify information on the customer information where there is a suspicion of money laundering or terrorist financing;
- (e) maintain all originator and beneficiary information collected in accordance with record keeping requirements under the Act.

(2) An originating virtual asset service provider shall not execute a transfer of virtual assets if it does not comply with the requirements in this Part.

#### **44. Intermediary virtual asset service provider**

An intermediary virtual asset service provider shall —

- (a) ensure that all information received on the originator and the beneficiary that accompanies a transfer of virtual assets is kept with the transfer of virtual assets;
- (b) take reasonable measures, which are consistent with straight-through processing, to identify transfers of virtual assets that lack required originator information or required beneficiary information;
- (c) adopt and implement risk-based policies and procedures for determining —
  - (i) when to execute, reject or suspend a transfer of virtual assets lacking required originator or beneficiary information,
  - (ii) the appropriate follow-up actions.

#### **45. Beneficiary virtual asset service provider**

(1) A beneficiary virtual asset service provider shall —

- (a) on receipt of a transfer of virtual assets, collect and record the following information —
  - (i) originator information, including —
    - (A) the name of the originator;
    - (B) the account number of the originator where such an account is used to process the transfer or, in the absence of an account, a unique transaction reference number which permits traceability of the transaction, and
  - (ii) accurate beneficiary information, including —
    - (A) the name of the beneficiary,
    - (B) the account number of the beneficiary where such an account is used to process the transaction or, in the absence of an account, a unique transaction reference number which permits traceability of the transaction;
    - (C) the address of the beneficiary, or national identification number, or customer identification number, or date and place of birth of the originator;
- (b) verify the identity of the beneficiary, if the identity has not been previously verified;
- (c) maintain all beneficiary information collected in accordance with record keeping requirements under the Act;
- (d) adopt and implement risk-based policies and procedures for determining —
  - (i) when to execute, reject, or suspend a transfer of virtual assets lacking required originator or beneficiary information, and

(ii) the appropriate follow-up actions.

(2) A virtual asset service provider that controls the originating and beneficiary side of the transfer of virtual assets, shall —

- (a) take into account all the information from both the originating and beneficiary sides in order to determine whether a suspicious transaction report has to be filed; and
- (b) file a suspicious transaction report in the country affected by the suspicious transfer of virtual assets, and make relevant transaction information available to the Authority.

## **PART 8 FORMS FOR SOURCE OF FUNDS DECLARATION**

### **46. Source of funds declaration by financial institution**

For the purposes of section 21(1) of the Act, a source of fund declaration with a financial institution must be in Form 3 of the Schedule.

### **47. Source of funds declaration by person engaged in other business activity**

For the purposes of section 21(1) of the Act, a source of funds declaration by a person engaged in other business activity must be in Form 4 of the Schedule.

## **PART 9 MISCELLANEOUS**

### **48. Group obligations**

(1) A financial institution or person engaged in other business activity shall, where a group whose headquarters is in Saint Lucia operates branches or controls subsidiaries in another jurisdiction, cause anti-money laundering, counter terrorist and proliferation financing group-wide programmes to be implemented, which must be applicable and appropriate to all branches and majority-owned subsidiaries of the financial group.

(2) The programmes under subregulation (1) must include measures for —

- (a) the application of anti-money laundering, counter terrorist and proliferation financing measures by the foreign branches and subsidiaries of a financial institution or person engaged in other business activity, consistent with the requirements of the Act and these Regulations;
- (b) that such branches and subsidiaries are informed about current group policy;
- (c) that each branch or subsidiary informs itself as to its own local reporting point, equivalent to the Authority in Saint Lucia, and that it is familiar with the procedures for disclosure equivalent to those stated in Form 1 of the Schedule;
- (d) that the branch or subsidiary informs the home supervisor when unable to observe appropriate anti-money laundering, counter terrorist and proliferation financing measures because it is prohibited by the laws of the host country;
- (e) implementation of policies and procedures for sharing information required for the purposes of customer due diligence and money laundering, terrorist and proliferation financing risk management;
- (f) the provision of customer, account, and transaction information from branches and subsidiaries to group-level compliance, audit or anti-money laundering, counter terrorist and proliferation financing functions, when

necessary for anti-money laundering, counter terrorist and proliferation financing purposes including information and any analysis of transactions or activities which appear unusual and branches and subsidiaries must receive such information from these group-level functions when relevant and appropriate to risk management;

- (g) adequate safeguards on the confidentiality and use of information exchanged, including safeguards to prevent tipping-off;
- (h) where the minimum anti-money laundering, counter terrorist and proliferation financing requirements in the host country in which a foreign branch or subsidiary is located is less strict than the requirements under the Act or these Regulations, the financial institution or person engaged in other business activity shall apply the requirements of the Act and these Regulations to the foreign branch or subsidiary to the extent that the host country laws permit;
- (i) where the laws in the host country in which a foreign branch or subsidiary is located does not permit the proper implementation of the Act and these Regulations, a financial institution or person engaged in other business activity shall apply appropriate measures to manage the money laundering, terrorist and proliferation financing risks of the foreign branch and subsidiary in the group and advise the Authority and in the case of a licensed financial institution, the Central Bank, of the measures taken.

#### **49. Reliance on third parties within a financial group**

A financial institution or person engaged in other business activity shall not rely on a third party that is part of the same financial group, unless —

- (a) the group applies customer due diligence and record-keeping requirements in accordance with the Act and anti-money laundering, counter terrorist and proliferation financing programmes in accordance with regulation 48;
- (b) the implementation of those customer due diligence and record-keeping requirements and anti-money laundering, counter terrorist and proliferation financing programmes is subject to supervision at a group level by the relevant supervisor; and
- (c) any higher country risk is adequately mitigated by the group's anti-money laundering, counter terrorist and proliferation financing policies.

#### **50. Penalty for non-compliance**

(1) A financial institution or person engaged in other business activity that fails to comply with these Regulations commits an offence and is liable to a fine not exceeding \$1,000,000.

(2) Where an offence under subregulation (1) has been committed by a financial institution or person engaged in other business activity that is a body corporate, notwithstanding and without prejudice to the liability of that body, a person, who at the time of the commission was a director or senior management is liable to be prosecuted as if he or she had personally committed that offence.

(3) Notwithstanding this regulation, a financial institution or person engaged in other business activity that commits an offence for contravention of the Act in relation to a matter that is provided for in these Regulations shall be proceeded against under the Act and not under these Regulations.

## SCHEDULE

### FORMS

#### FORM 1

(Regulation 16(2))

#### SUSPICIOUS TRANSACTION REPORT

CONFIDENTIAL

In accordance with the Money

Laundering (Prevention) Act

COMPLETE AS APPROPRIATE – EITHER TYPE OR PRINT FORM

S/A Ref:

Ref

Date (DD/MM/YY)

1. Tick as appropriate: <input type="checkbox"/> Confirmation of Telephone Report <input type="checkbox"/> Initial Report <input type="checkbox"/> Supplemental Report <input type="checkbox"/> Corrected Report
--

FINANCIAL INSTITUTION OR PERSON ENGAGED IN OTHER BUSINESS ACTIVITY INFORMATION  
(REGULATED INSTITUTED OR OTHER)

2. Name (of Regulated Institution or Other)	
3. Address (of Regulated Institution or Other)	
4. Telephone number	5. Fax number

#### PARTICULARS OF SUSPECT

6. Name (full name of person, business or company)	
7. Address	
8. Date of Birth (DD/MM/YY)	
9. Occupation	
10. Employer	
11. Telephone number - business	12. Telephone number - residence
13. Form(s) of identification produced by suspect	
14. Suspect's relationship with financial institution or person engaged in other business activity	
15. Is suspect employed by financial institution or person engaged in other business activity? (YES/NO (If "Yes" give details))	
16. Other relevant information (please include details of identification or references taken, associated parties, addresses, telephone numbers etc.)	
17. If this report is linked to other reports, please provide details:	

Notes:

1. Please complete a separate form in respect of each suspect person, company or business.
2. If you have any questions regarding the completion of this form, please telephone (758) 451-7126

#### SUSPICIOUS TRANSACTION REPORT

18. Reasons for Suspicion	
19. Signed by (name of person compiling report)	20. Contact Name (Reporting Officer/Compliance Officer where

	applicable)
21. Telephone Number	22. Fax Number
23. Telephone number	24. Fax number
Financial Intelligence Authority P.O. Box GM 959 Gable woods Mall Post Office Sunny Acres Castries	TRANSACTION COMPLETED Yes                      No

When submitting this report, please append any additional material that you may consider suitable and which may be of assistance to the recipient, i.e. bank statements, vouchers, international transfers, inter-account transfers, telegraphic transfers, details of associated accounts etc.

## FORM 2

(Regulation 22(3)(a))

### COMPLIANCE OFFICER FORM

PART A GENERAL INFORMATION		
1. Name of Financial Institution or person engaged in other business activity:		
PART B PERSONAL DETAILS OF COMPLIANCE OFFICER		
2. First Name:	3. Middle Name:	4. Surname:
5. Have you ever had a change of name? (If yes, give details and attach deed poll, etc.)		
6. Country of Birth:	7. Identification Number/Passport Number/ Driver's Licence Number (List any two (2) and attach copies)	
8. Citizenship:		
9. Date of Birth:	10. Email Address:	
11. Residential Address:	12. Telephone Number:	Work: Home: Mobile:
13. Level of Education: Secondary, Tertiary, Postgraduate, etc. Kindly state any professional qualifications/memberships: e.g., CAMS (Attach copy of qualifications)		
14. How long have you been acting in the role of Compliance Officer?		
15. Have you ever received any AML/CFT or compliance training? Yes <input type="checkbox"/> No <input type="checkbox"/>		
16. Other position held within the entity (Attach job description or organization chart)		
PART C FIT AND PROPER REQUIREMENTS		
17. Have you ever been charged in Saint Lucia or elsewhere for any criminal offence, regulatory offence or criminal misconduct? (Submit a Police Certificate of Character) Yes <input type="checkbox"/> No <input type="checkbox"/>		
18. Have you ever been convicted in Saint Lucia, or elsewhere, for any offence Yes <input type="checkbox"/> No <input type="checkbox"/>		
19. Have you ever been a principal officer of an entity that was, during your period of association, charged or convicted of an offence or sanctioned by a Regulatory Body or Supervisor? Yes <input type="checkbox"/> No <input type="checkbox"/>		
20. Have you at any time, in Saint Lucia or anywhere else been declared bankrupt or are you the subject of any bankruptcy proceedings? Yes <input type="checkbox"/> No <input type="checkbox"/>		
21. Have you at any time, failed to satisfy a judgment debt under a Court Order made in Saint Lucia or anywhere else? Yes <input type="checkbox"/> No <input type="checkbox"/>		
22. Have you ever been disqualified or restricted in Saint Lucia or elsewhere by a court from acting as a director of a company? Yes <input type="checkbox"/> No <input type="checkbox"/>		
23. Have you ever been refused entry to any profession? Yes <input type="checkbox"/> No <input type="checkbox"/>		
24. Have you ever been dismissed or compelled to resign from any office or employment? Yes <input type="checkbox"/> No <input type="checkbox"/>		

<input type="checkbox"/> No <input type="checkbox"/>
<b>PART D                      DECLARATION</b> I am authorized to file this form on behalf of the Financial Institution or person engaged in other business activity. I declare that the information provided is true, correct and complete. The Signature of the Authorized Person is Mandatory. Name: Signature: Position: Date:

**FORM 3**

(Regulation 46)

**DECLARATION OF SOURCE OF FUNDS FOR TRANSACTION EXCEEDING \$25,000  
WITH A FINANCIAL INSTITUTION**

Name and Address of Financial Institution			Date of Transaction (dd/mm/yy)	
			Account Number	
<b>DECLARATION OF SOURCE OF FUNDS FORM</b> Section 28 of the Money Laundering (Prevention) Act Information on Business or Depositor (if different to account holder)				
NAME				
Current Address				
Resident Status:	Resident		Non-resident	
Date of Birth	Place of Birth	Nationality	Occupation	
Telephone Numbers	Home:	Work:	Mobile:	
Information on account holder				
Name				
Date of Birth	Place of Birth	Nationality	Occupation	
Telephone Numbers	Home:	Work:	Mobile:	
Resident Status:	Resident		Non-resident	
Identification (Valid Picture ID required)				
National ID	Passport	Driver's Licence	Other	Identification detail
Description/Nature of Business Transaction: Deposit                      Wire Transfer                      Currency exchange Mandatory Instrument                      Other                      (specify)				
Amount and Currency				
FINANCIAL INSTITUTION ARE REQUIRED BY LAW TO VERIFY THE SOURCE OF FUNDS BEING DEPOSITED BEFORE ACCEPTING DEPOSITS AND TO DISCLOSE SUCH INFORMATION TO LAW ENFORCEMENT AUTHORITIES IF REQUIRED. THE MAKING OF A FALSE DECLARATION AS TO THE SOURCE OF FUNDS CONSTITUTES AN OFFENCE UNDER SECTION 21(2) OF THE MONEY LAUNDERING (PREVENTION) ACT. I DECLARE THAT THE SOURCE OF FUNDS IS: (Show supporting evidence, e.g. Receipt, invoice, title deeds etc)				
Transaction Approved:                      Yes                      No                      (If no state reason)				
Depositor's Signature:	Transaction taken by: (signature and title)			Witness

**FORM 4**

(Regulation 47)

**DECLARATION OF SOURCE OF FUNDS FOR TRANSACTIONS EXCEEDING \$25,000.00 WITH A PERSON ENGAGED IN OTHER BUSINESS ACTIVITIES**

Name and Address of Person Engaged in Other Business Activity			Date of Transaction: (dd/mm/yy)	
DECLARATION OF SOURCE OF FUNDS FORM Section 21 of the Money Laundering (Prevention) Act Customer/Client Information				
NAME				
Current Address:				
Resident Status:	Resident			Non-resident
Date of Birth	Place of Birth	Nationality	Occupation	
Telephone Numbers	Home:	Work:	Mobile:	
Customer/Client Agent Information (if applicable)				
Name:				
Date of Birth	Place of Birth	Nationality	Occupation	
Telephone Numbers	Home:	Work:	Mobile:	
Resident Status:	Resident			Non-resident
Identification: (Valid Picture ID required)				
National ID	Passport	Driver's Licence	Other	Identification details:
Description/Nature of Business Transaction				
Amount and Currency				
FINANCIAL INSTITUTIONS ARE REQUIRED BY LAW TO VERIFY THE SOURCE OF FUNDS BEING DEPOSITED BEFORE ACCEPTING DEPOSITS AND TO DISCLOSE SUCH INFORMATION TO LAW ENFORCEMENT AUTHORITIES IF REQUIRED. THE MAKING OF A FALSE DECLARATION AS TO THE SOURCE OF FUNDS CONSTITUTES AN OFFENCE UNDER SECTION 21(2) OF THE MONEY LAUNDERING (PREVENTION) ACT. I DECLARE THAT THE SOURCE OF FUNDS IS: (Show supporting evidence, e.g. Receipt, invoice, title deeds etc.)				
Transaction Approved:                      Yes                      No                      (If no state reason)				
Customer's Signature:		Transaction taken by: (signature and title)		Witness

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**Money Laundering (Prevention) (Guidance Notes) (Revocation) Regulations –  
Section 43**

**(Statutory Instrument 54/2023)**

Statutory Instrument 54/2023 .. in force 24 May 2023 (Revokes S.I. 55/2010)

ARRANGEMENT OF REGULATIONS

**PRELIMINARY**

1. Citation and commencement
  2. Revocation
- 

**MONEY LAUNDERING (PREVENTION) (GUIDANCE NOTES) (REVOCATION)  
REGULATIONS – SECTION 43**

Commencement [24 May 2023]

**1. Citation and commencement**

These Regulations may be cited as the Money Laundering (Prevention) (Guidance Notes) (Revocation) Regulations.

**2. Revocation**

The Money Laundering (Prevention) (Guidance Notes) Regulations are revoked.

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**Money Laundering (Prevention) (Declaration of Source of Funds) (Forms)  
(Revocation) Regulations – Section 43**

**(Statutory Instrument 55/2023)**

Statutory Instrument 55/2023 .. in force 24 May 2023 (Revokes S.I. 15/2013)

ARRANGEMENT OF REGULATIONS

**PRELIMINARY**

1. Citation and commencement
  2. Revocation
- 

**MONEY LAUNDERING (PREVENTION) (DECLARATION OF SOURCE OF FUNDS)  
(FORMS) (REVOCATION) REGULATIONS – SECTION 43**

Commencement [24 May 2023]

**1. Citation and commencement**

These Regulations may be cited as the Money Laundering (Prevention) (Declaration of Source of Funds) (Forms) (Revocation) Regulations.



## **2. Revocation**

The Money Laundering (Prevention) (Declaration of Source of Funds) (Forms) Regulations are revoked.

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### **Money Laundering (Prevention) (Guidelines for Conducting Other Business Activity) (Revocation) Regulations – Section 43**

#### **(Statutory Instrument 56/2023)**

Statutory Instrument 56/2023 .. in force 24 May 2023 (Revokes S.I. 83/2012)

#### **ARRANGEMENT OF REGULATIONS**

##### **PRELIMINARY**

1. Citation and commencement
  2. Revocation
- 

### **MONEY LAUNDERING (PREVENTION) (GUIDELINES FOR CONDUCTING OTHER BUSINESS ACTIVITY) (REVOCATION) REGULATIONS – SECTION 43**

Commencement [24 May 2023]

#### **1. Citation and commencement**

These Regulations may be cited as the Money Laundering (Prevention) (Guidelines for Conducting Other Business Activity) (Revocation) Regulations.

#### **2. Revocation**

The Money Laundering (Prevention) (Guidelines for Conducting Other Business Activity) Regulations, are revoked.

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