



FINANCIAL INTELLIGENCE UNIT OF THE BAHAMAS PUBLIC NOTICE

No. 1 of 2021

January 22, 2021

NOTICE TO ALL FINANCIAL INSTITUTIONS AND DESIGNATED NON-FINANCIAL BUSINESSES AND PROFESSIONS

The Financial Intelligence Unit of The Bahamas would like to remind all entities that are defined as a “Financial Institution” pursuant to Section 3 of the Financial Transaction Reporting Act, 2018 of the following obligations: -

REGISTRATION OF MONEY LAUNDERING REPORTING OFFICERS

-

MONEY LAUNDERING AND TERRORIST FINANCING TRAINING

-

OBLIGATION TO REPORT SUSPICIOUS TRANSACTIONS

-

OBLIGATION TO REPORT INFORMATION RELATING TO TERRORIST PROPERTY

Pursuant to Section 5(a) of the *Financial Intelligence Unit (Transactions Reporting) Regulation, 2001* financial institutions have an obligation to identify and appoint a person as the Money Laundering Reporting Officer (MLRO), who shall be registered with the Financial Intelligence Unit.

All financial institutions and designated non-financial businesses and professions are required to provide all relevant employees, from time to time in any case at least once a year, with appropriate training as it relates to money laundering, terrorist financing, and proliferation financing pursuant to section 6(2) of the *Financial Intelligence Unit (Transactions Reporting) Regulation, 2001*.

Pursuant to Section 8 of the *Financial Intelligence Unit (Transactions Reporting) Regulation, 2001*, a financial institution carrying on business without complying with the provisions of these regulations shall be guilty of an offence and liable on summary conviction to a maximum fine of \$10,000.00; on conviction on information, for a first offence, to a maximum fine of \$50,000.00; and for a second or subsequent offence, to a maximum fine of \$100,000.00.

Pursuant to Section 25(1) of the *Financial Transactions Reporting Act, 2018*, where any person conducts or seeks to conduct any transaction by, through or with a financial institution (whether or not the transaction or proposed transaction involves cash) and the financial institution knows, suspects or has reasonable grounds to suspect that the transaction or proposed transaction involves proceeds of criminal conduct as defined under the *Proceeds of Crime Act, 2018*, is related to an offence under the *Proceeds of Crime Act, 2018*, is an attempt to avoid the enforcement of any provision of the *Proceeds of Crime Act, 2018* or is an identified risk, the financial institution shall as soon as practicable after forming that suspicion, report the transaction or proposed transaction to the Financial Intelligence Unit.

Any financial institution which intentionally fails to submit a report to the Financial Intelligence Unit as required by Section 25(1) commits a summary offence and is liable to imprisonment for a term of up to five years or a fine of up to five hundred thousand dollars (\$500,000.00) or both.

Notwithstanding any penalties that may be imposed under the *Financial Transactions Reporting Act, 2018* a financial institution that fails to comply with the provisions of Section 25(1) may also be subject to an administrative penalty imposed by the Supervisory Authority with the responsibility for regulating that financial institution.

Pursuant to Section 70(3) of the *Anti-Terrorist Act, 2018* every financial institution shall report to the Financial Intelligence Unit, quarterly if it is or is not in possession or control of terrorist property. Any financial institution that is in possession or control of terrorist property must report the particulars relating to the persons, accounts, transactions, and total value of the property involved.

Any financial institution which intentionally fails to submit a report to the Financial Intelligence Unit as required by Section 70(3) commits an offence and shall, on conviction on indictment, be liable to imprisonment for a term of up to five years.

The compliance of all financial institutions and designated non-financial businesses or professions is mandatory.

Please note that suspicious transaction reports and terrorist property reports must be file through the FIU's e-filing portal caseKonnnect©.

For further information please contact:

Mr. Quinn W. McCartney, QPM
Director
Financial Intelligence Unit
3rd Floor, Norfolk House
Frederick Street
P.O. Box SB-50086
Nassau, Bahamas
Tele: (242) 356-9808/ (242) 397-6300
Fax: (242) 322-5551
Email: director.fiu@fiubahamas.bs