

## FICA

*Amendment Bill 2015*

### Objects of the Amendment Bill

- Enhancing the Customer Due Diligence requirements
- Increased Record Keeping
- Risk-Based Approach to Customer Due Diligence
- Risk Management and Compliance Programs
- Enhanced Administrative & Enforcement Mechanisms

### Enhanced customer due diligence (S 21)

- Identify clients and other persons
- Understanding business relationships
- On-going due diligence
- Doubtful veracity of information
- Inability to conduct due diligence

### Duty to keep records

- Customer due diligence records
- Transaction records

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### Promoting Compliance

#### Risk Management & Compliance Programme

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|---|--|
| <ul style="list-style-type: none"> <li>➤ identify</li> <li>➤ assess</li> <li>➤ monitor</li> <li>➤ mitigate</li> <li>➤ manage</li> </ul> | <p>... the risk that the provision by the accountable institution of products or services may involve or facilitate money laundering activities or the financing of terrorist and related activities</p> |
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### Money Laundering

*...disguising the nature, source, location, disposition or movement of the proceeds of unlawful activities*

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## Money Launderers . . .




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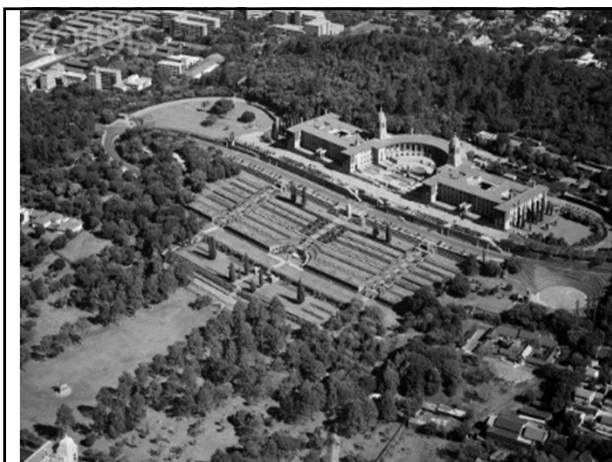
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### Stages

**Placement** - Movement of cash from its source

**Layering** - More difficult to detect

**Integration** - Money appears to be normal  
business earnings

### Risk Management & Compliance Programme

Must provide for manner and process:

- Identity
- Future Business Transactions
- Additional Due Diligence
- Complex and Unusual Transactions

### Risk Management & Compliance Programme

Must provide for manner and process:

- Doubtful Veracity
- Customer Due Diligence and STR
- Termination procedures
- Determine if DPIP or FPPO
- High Risk Business Relationships

### Risk Management & Compliance Programme

- Directors must ensure compliance
- Requires a Compliance Function
- Requires Board approval
- Requires regular review
- Available to employees

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### Promoting Compliance - General

- Training
- Directives
- Registration

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### Compliance and Enforcement

- Administrative sanctions
- Offences

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Questions or Comments?

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Thank You . . .



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