



Ministry of Finance & the Economy

## FINANCIAL INTELLIGENCE UNIT TRINIDAD AND TOBAGO

ANNUAL REPORT 2012







**FINANCIAL INTELLIGENCE UNIT OF TRINIDAD AND TOBAGO**  
**A N N U A L   R E P O R T   2 0 1 2**











The majestic National Academy for the Performing Arts, Port of Spain, Trinidad and Tobago

## Vision

Our vision is for Trinidad and Tobago to have strong and dynamic financial and business sectors free from money laundering, financing of terrorism and other financial crimes.



## Mission

To effectively detect and deter money laundering and financing of terrorism, in collaboration with local law enforcement, regulators and international counterparts, thereby contributing towards a safe and stable financial and social economic environment.



## GOVERNMENT OF THE REPUBLIC OF TRINIDAD AND TOBAGO

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**FIU Ref: INF/1140/2012**

November 23, 2012

The Honourable Mr. Larry Howai  
Minister of Finance and the Economy  
Ministry of Finance and the Economy  
Level 8  
Eric Williams Finance Building  
Independence Square  
PORT OF SPAIN

Dear Minister,

**RE: LETTER OF TRANSMITTAL**

I have the honour to submit the Annual Report on the operations of the Financial Intelligence Unit for the period October 01, 2011 to September 30, 2012.

The Annual Report is submitted in accordance with section 18 of the Financial Intelligence Unit of Trinidad and Tobago Act, No 11 of 2009.

Yours Sincerely,

.....  
Susan S. Francois  
Director



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## LIST OF ABBREVIATIONS

Abbreviation	Meaning
<b>AAL</b>	Attorney-at-Law
<b>ACPTT</b>	Association of Compliance Professionals of Trinidad and Tobago
<b>ACCUPTT</b>	Association of Co-operatives Credit Union Presidents of Trinidad and Tobago
<b>AML/CFT</b>	Anti-Money Laundering/Counter Financing of Terrorism
<b>APEX</b>	Anointed Professionals Exhibiting Excellence
<b>ARRG</b>	Americas Regional Review Group
<b>ATA</b>	Anti-Terrorism Act, Chapter 12:07
<b>BIR</b>	Board of Inland Revenue
<b>CAJO</b>	Caribbean Association of Judicial Officers
<b>CBSI</b>	Caribbean Basin Security Initiative
<b>CBTT</b>	Central Bank of Trinidad and Tobago
<b>CFATF</b>	Caribbean Financial Action Task Force
<b>CP</b>	Compliance Programme
<b>CS</b>	Co-operative Society
<b>CU</b>	Credit Union
<b>CULTT</b>	Credit Union League of Trinidad and Tobago
<b>DNFBPs</b>	Designated Non-Financial Businesses and Professionals
<b>EDD</b>	Enhanced Due Diligence
<b>FATF</b>	Financial Action Task Force
<b>ICRG</b>	International Co-operation Review Group
<b>FI</b>	Financial Institution
<b>FIB</b>	Financial Investigations Branch
<b>FIUA</b>	Financial Intelligence Unit Act, Chapter 72:01
<b>FIUTT</b>	Financial Intelligence Unit of Trinidad and Tobago
<b>FOR</b>	Financial Obligations Regulations, 2010
<b>IBAF</b>	Institute of Banking and Finance
<b>ICATT</b>	Institute of Chartered Accountants of Trinidad and Tobago
<b>ICT</b>	Information and Communication Technology
<b>IDMS</b>	Intranet and Document Management Solution

## List of Abbreviations (continued)

<b>IGovTT</b>	National Information and Communication Technology Company Limited
<b>IT</b>	Information Systems & Technology
<b>JATT</b>	Jewellers Association of Trinidad and Tobago
<b>LEA</b>	Law Enforcement Agency
<b>LB</b>	Listed Business
<b>LWG</b>	Legal Working Group
<b>ML/ FT</b>	Money Laundering/ Financing of Terrorism
<b>MOU</b>	Memorandum of Understanding
<b>MV</b>	Motor Vehicles Dealer
<b>MVTS</b>	Money and Value Transfer Services
<b>NCCT</b>	Non-Cooperative Countries and Territories
<b>NRFI</b>	Non-Regulated Financial Institutions
<b>OFAC (EO)</b>	United States Department of the Treasury's Office of Foreign Assets Control (Executive Order)
<b>PEP</b>	Politically Exposed Person
<b>POCA</b>	Proceeds of Crime Act, Chapter 11:27
<b>PMC</b>	Private Members' Club
<b>QTR</b>	Quarterly Terrorist Property Report
<b>QTR1</b>	Quarterly Terrorist Property Report 1 – Not in possession/control of terrorist property
<b>QTR2</b>	Quarterly Terrorist Property Report 2- In possession/control of terrorist property
<b>RE</b>	Real Estate
<b>SOP</b>	Standard Operating Procedure
<b>STR/ SAR</b>	Suspicious Transaction Report/ Suspicious Activity Report
<b>TFR</b>	Terrorists Funds Report
<b>TTPS/FIB</b>	Trinidad and Tobago Police Service/Financial Investigations Branch
<b>TTSEC</b>	Trinidad and Tobago Securities and Exchange Commission
<b>UN</b>	United Nations
<b>UN 1267</b>	United Nations Security Council List

## STATEMENT BY THE DIRECTOR

**It is my pleasure to present the Third Annual Report of the FIUTT which covers its operations during the period October 01, 2011 to September 30, 2012. The report also previews the FIUTT's goals and objectives for the next year.**

The year 2012 was quite an exciting one for the FIUTT. The FIUTT set itself a rigorous schedule of activities as it strove to be fully operational and effectively functioning. The FIUTT widened the scope of its activities particularly in relation to outreach and training, compliance monitoring and enforcement, STR/SAR reporting, and strengthening of legislation.

During the year under review, the FIUTT increased its guidance to Reporting Entities through the issuance of numerous informative and educational publications to assist them in understanding and complying with their AML/CFT obligations. Of note are the STR/SAR and TFR guidance notes which contain standard operating procedures for entities on how to report suspicion of money laundering, the financing of terrorism and funds of listed (terrorist) entities.

It was observed that the quality of suspicious transaction reporting has improved. The reports received provided more detailed information and better identified the reason for the suspicion which warranted a filing of the STR/SAR. This was due to the feedback and guidance provided by the FIUTT as well as entities' increased awareness of suspicious indicators.

The FIUTT instituted more robust feedback measures to provide Reporting Entities with information relative to the reports they submitted. Reporting Entities are now given feedback on whether the STR/SAR is subject to on-going analysis, filed for intelligence purposes, or whether law enforcement has advised that the case is closed or a prosecution is underway.

During 2012, the FIUTT took measures to strengthen its compliance monitoring role within the limits allowed by its resources. Enforcement action was initiated for the first time. Warning letters were issued to entities for failure to register with the FIUTT, failure to develop and submit a Compliance Programme to the FIUTT and failure to file QTRs. This action has resulted in positive steps being taken by Reporting Entities to comply.

The FIUTT also focussed on providing continuous training to its staff to enable them to perform more effectively. Training opportunities were also extended to law enforcement agencies and regulators in the AML/CFT regime to further strengthen their organisation's skills.

Being mindful of the fact that all stakeholders in the AML/CFT regime have to perform their roles effectively in the fight against money laundering and financing of terrorism, the FIUTT has actively sought to improve co-operation between the other Supervisory Authorities and the LEAs to whom intelligence reports are submitted. Through regular dialogue, the FIUTT has sought to strengthen the confidence of stakeholders both in law enforcement and in the financial and business communities.

From February 2010, Trinidad and Tobago was the subject of enhanced monitoring by the Americas Regional Review Group of the FATF. In June this year, the FATF agreed to conduct an on-site assessment to confirm that the required reforms and actions to address deficiencies previously identified by the FATF were being implemented. The on-site assessment was conducted from August 28 to August 29. The FIUTT, together with the other stakeholders in the AML/CFT regime, participated in the assessment and anticipates a positive outcome

at the FATF October plenary\*. In this regard, the FIUTT expresses its appreciation to all the Reporting Entities, and in particular to those who participated in the on-site assessment, for their efforts and excellent co-operation in making our jurisdiction AML/CFT compliant.

The abuse of our businesses and FIs for the purpose of money laundering and financing of terrorism has serious adverse effects on the social and economic health of our country. The fight against such abuse is continuous and a mammoth task. In this regard, the work of the FIUTT has proceeded steadily since its creation in February 2010, as the FIUTT diligently applies

its best efforts to discharge its responsibilities under the law. While, it still has a long way to go, its staff is committed to achieving greater depths of effectiveness and to using its limited resources efficiently to fulfil its multifarious responsibilities and to prepare for future challenges in the years ahead.

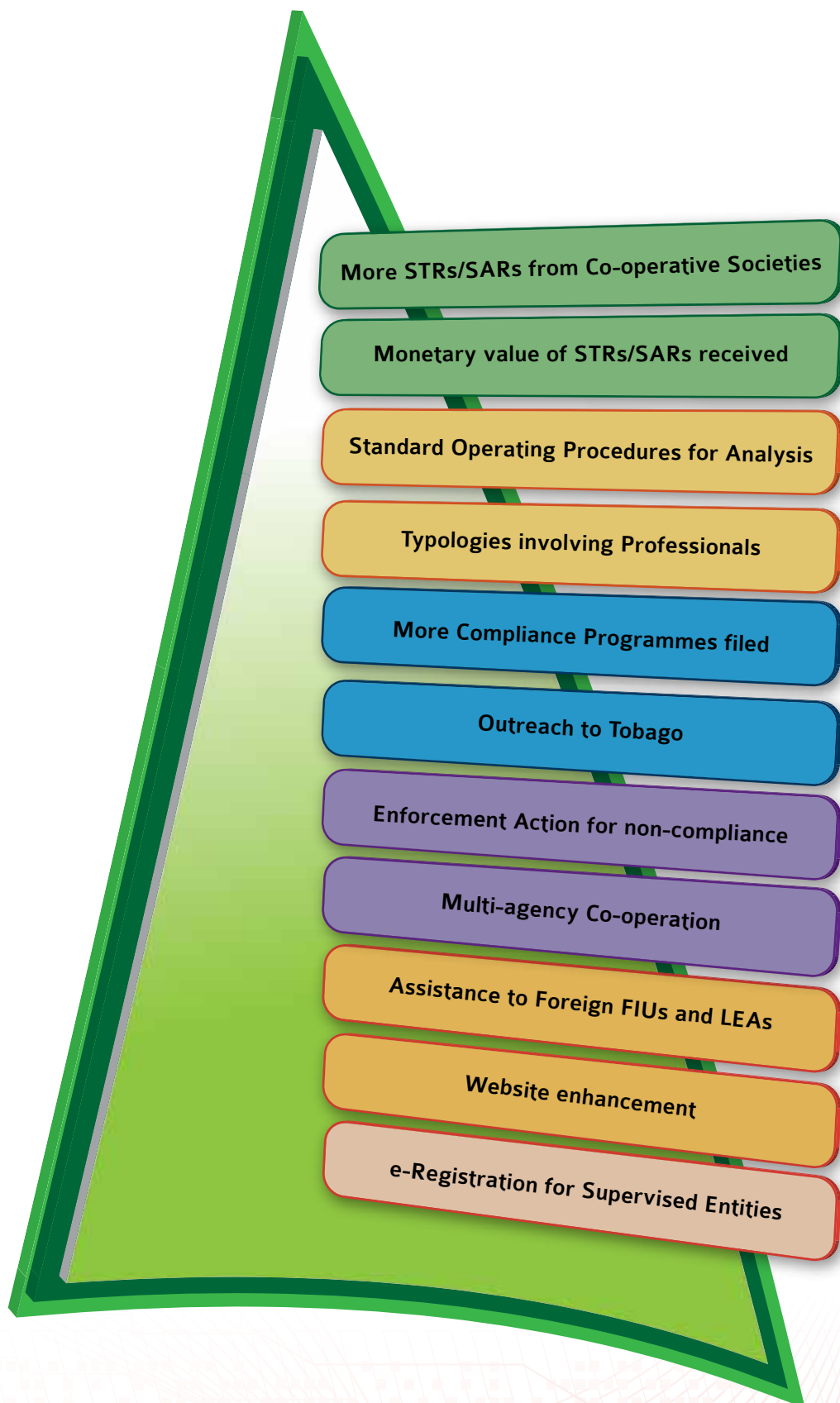
**Susan S. Francois**  
Director

\*At the plenary the FATF agreed that Trinidad and Tobago had met its commitments regarding its strategic AML/CFT deficiencies and is no longer subject to the FATF monitoring process.





## HIGHLIGHTS



## INTRODUCTION

The 2012 Annual Report provides an overview of the FIUTT's operations for the period October 01, 2011 to September 30, 2012.

The Report is so structured that the opening chapters provide general information on the AML/CFT legal regime and the FIUTT's organizational structure. The subsequent chapters detail the key outputs of its operational responsibilities and future strategies for operational and administrative development.

Chapter **I** outlines the current AML/CFT laws and summarises the purpose of each enactment. Chapter **II** explains the structure of the FIUTT and its key responsibilities. Chapter **III** is devoted to the operations of the analytical work. Chapter **IV** highlights how the FIUTT ensured compliance with the AML/CFT laws and provided quality information and advice to stakeholders. Chapter **V** details the assistance given to Law Enforcement and competent authorities by providing financial information and intelligence. Chapter **VI** describes the efforts taken to improve its efficiency and operational capabilities. Chapter **VII** gives an overview of the FIUTT's interaction with regional and international bodies in the AML/CFT arena. The Report concludes with Chapter **VIII** which outlines the FIUTT's strategic direction for the future.

# CHAPTER I – THE LEGAL FRAMEWORK

## 1. The AML/CFT Legal Framework

Trinidad and Tobago's domestic legislative framework has been developed to comply with the international AML/CFT standards set by the FATF. FATF's objective is to build strong AML/CFT regimes that are standardised globally.

The AML/CFT standard is an amalgamation of cohesive measures which: (i) criminalise money laundering and financing of terrorism, (ii) set up freezing, seizing and confiscation systems, (iii) impose mandatory preventive requirements on FIs and certain businesses and professionals, (iv) establish a Financial Intelligence Unit, (v) create an effective supervisory framework, and (vi) set up channels for domestic and international co-operation.

These measures seek to achieve a multiplicity of objectives which include: (i) confiscating the proceeds of crime, (ii) detecting crime by following the money trail, (iii) targeting third parties who provide their services to allow criminal to retain their illicit earnings, (iv) targeting the upper echelons of criminal organizations whose only connection to the crime is the money trail, and (v) protecting the integrity of the financial system against abuse by criminals.

The FATF's international standards continue to evolve since criminals, ever creative, resourceful, and above all, determined, adapt their operations and develop new strategies to obfuscate their criminal activities. During the period under review, further steps were taken to strengthen our AML/CFT legal regime to attain FATF's standards.

The current AML/CFT laws of this jurisdiction comprise:

- Proceeds of Crime Act, Chap. 11:27;
- Anti-Terrorism Act, Chap. 12:07;
- Financial Intelligence Unit of Trinidad and Tobago Act, 2009, Act No.11 of 2009;
- Financial Obligations Regulations, 2010;
- Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011;
- Financial Obligations (Financing of Terrorism) Regulations, 2011.

### i. The Proceeds of Crime Act

The enactment of the Proceeds of Crime Act Chap. 11:27 signalled Trinidad and Tobago's intention and commitment to combat money laundering. It was proclaimed on November 9, 2000. The POCA was enacted to establish the procedure for the confiscation of the proceeds of drug trafficking and other specified offences crime and to criminalise money laundering.

In October 2009, substantial amendments were effected to the POCA. Money laundering was made a stand-alone offence; the definition of a specified offence was widened to include all indictable offences whether committed in Trinidad and Tobago or elsewhere; Law Enforcement and Supervisory Authorities' powers in implementing the AML/CFT regime were strengthened; and AML/CFT obligations were extended to certain categories of businesses and professionals called Listed Business.

### ii. Anti-Terrorism Act

The Anti-Terrorism Act, the next legislative tool became law in September, 2005. The ATA criminalised terrorism and provided

## CHAPTER I – THE LEGAL FRAMEWORK (Continued)

for the detection, prevention, prosecution, conviction and punishment of terrorists' activities and for the confiscation, forfeiture and seizure of terrorists' assets. The offence of financing of terrorism was created in the ATA amendment of January 2010. The ATA was further amended in June 2011 and recently in August 2012 by the Miscellaneous Provisions (Financial Intelligence Unit of Trinidad and Tobago and Anti-Terrorism) Act, 2012. The effect of these amendments was to enable the early identification of terrorist entities and the immediate freeze of terrorists' assets to prevent flight and dissipation of assets used to finance terrorism.

### iii. The Financial Intelligence Unit Act

The Financial Intelligence Unit of Trinidad and Tobago Act No. 11 of 2009 was proclaimed on February 9, 2010. Under the FIUA, the FIUTT was established as the primary institution to collect and receive financial intelligence and information, to analyse, disseminate, and exchange financial intelligence and information among competent authorities in relation to money laundering. Its remit was expanded by an amendment to the FIUA in May 2011 to include powers to monitor for AML/CFT compliance and to impose administrative sanctions for non-compliance. The FIUA was further amended in August 2012 by the Miscellaneous Provisions (Financial Intelligence Unit of Trinidad and Tobago and Anti-Terrorism) Act, 2012 to clarify that the FIUTT was the only agency in the national territory to receive and process STRs/SARs and that its responsibilities extended not

only to anti-money laundering but also to combatting the financing of terrorism.

### iv. The Financial Obligations Regulations, 2010

The Financial Obligations Regulations, 2010 came into effect on January 19, 2010. The FOR sets out the AML obligations of FIs and LBs. Obligations under the FOR include appointing and training a senior officer as Compliance Officer, developing and implementing a CP which sets out the Reporting Entity's internal systems and controls to mitigate its vulnerability to money laundering; reporting to the FIUTT suspicious transactions or activities related to money laundering and keeping of certain records.

### v. The Financial Obligations (Financing of Terrorism) Regulations, 2011

The Financial Obligations (Financing of Terrorism) Regulations, 2011 came into effect on February 4, 2011. These Regulations ensure that the obligations under the FOR apply *mutatis mutandis* to a FI or a LB in relation to the financing of terrorism.

### vi. The Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011

The Financial Intelligence Unit of Trinidad and Tobago Regulations, 2011 came into effect on February 10, 2011. AML/CFT obligations were extended to LBs and NRFIs (the Supervised Entities) and the FIUTT was given supervisory responsibilities over them. The Supervised Entities were required to



## CHAPTER I – THE LEGAL FRAMEWORK (Continued)

register with the FIUTT. Supervised Entities and regulated FIs (together called Reporting Entities) were required to submit their CPs to the FIUTT for approval. The FIU Regulations included procedures for collecting, receiving and storing financial information, in providing feedback on STRs/SARs, in disseminating financial intelligence and in examining CPs.

Consequently, our AML/CFT legal regime contain measures directed at making it more difficult for criminals to launder the proceeds of their crimes and to finance terrorism. The timeline diagram below is a chronology of the effective dates of enactment of the AML/CFT laws.

DIAGRAM 1  
AML/CFT LAWS TIMELINE

POCA	Proclaimed Nov-6				Amended			
ATA			Enacted Sep-13			Amended	Amended	Amended
FIUA						Proclaimed Feb-9	Amended	Amended
FOR						Made Jan-18		
FIU Regulations							Made Feb-10	
FOR (Anti-Terrorism)							Made Feb-04	
	2000		2005		2009	2010	2011	2012



## CHAPTER II – THE FIUTT

### 1. Establishment and Composition

The creation of a FIU is required by the FATF's Recommendation 26 (now Rec. 29 of the FATF's revised 40 Recommendations). Each State must establish a FIU to serve as a national centre for receiving, analysing and disseminating STRs/SARs and other information on suspected ML/FT activities.

The FIUA created the FIUTT as the national agency in Trinidad and Tobago responsible for the collection, analysis and dissemination of financial intelligence and information, and exchange of such financial intelligence and information with local and foreign competent authorities with a view to combating ML/FT.

The FIUTT is a specialised intelligence gathering unit. It is an administrative type FIU with analytical functions which are separate and distinct from the investigative functions carried out by LEAs.

The FIUTT is a department within the Ministry of Finance and the Economy, with its own offices, resources and staff. The Unit has been operational since February 2010 when it was established by virtue of the proclamation of the FIUA.

The responsibility for the operations of the Unit resides with the Director who is supported by the Deputy Director and other staff necessary for the performance of its functions.

The Director, Deputy Director and other officers on the establishment of the FIUTT, are appointed by the Public Service Commission. However, the Permanent Secretary of the Ministry of Finance and the Economy may appoint (a) other members of staff, after consultation with the Director; and (b) consultants and experts, on the advice of the Director, on a contractual basis. Such appointments must conform to any guidelines for contractual employment issued by the Chief Personnel Officer.

The approved staff establishment comprises 29 officers. For efficiency, the FIUTT is organised into 3 core operational areas. These are:

- i. the Analytical Division, which is at the heart of the FIUTT;
- ii. the International & Domestic Co-operation Division; and
- iii. Compliance & Outreach Division.

The Financial Analysts are responsible for the analysis of STRs/SARs and preparation of analytical reports. The Intelligence Research Specialist manages the Co-operative function. Compliance Officers ensure that Supervised Entities are compliant with their AML/CFT obligations.

These core functions are supported by the IT, Legal and Administrative staff.

Diagram 2 illustrates the FIUTT's Organisational Structure.

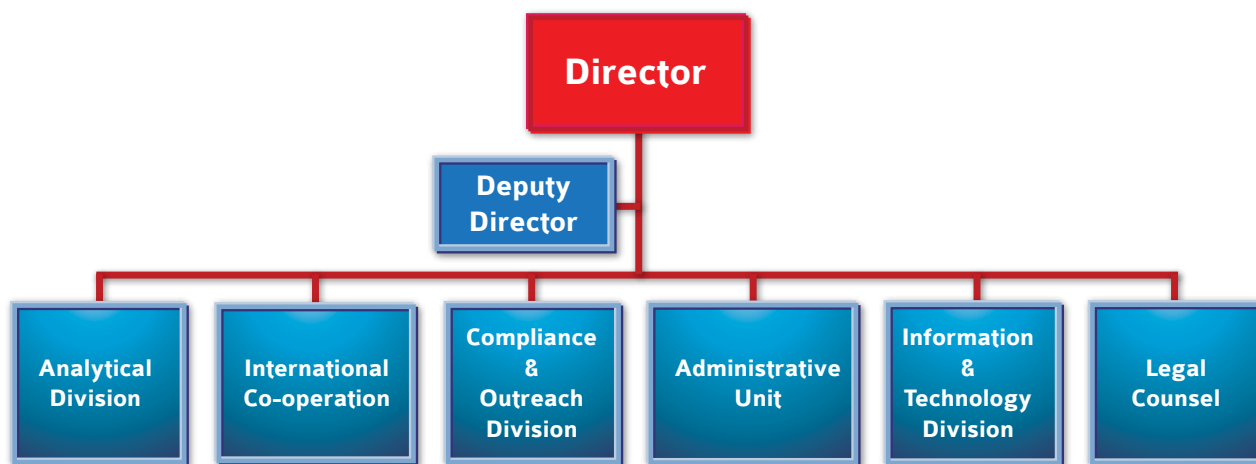
### 2. Structure of the Organisation

The Director, as the head of the FIUTT, is responsible for the overall supervision of the department and the implementation of AML/CFT policies in accordance with the AML/CFT laws.



## CHAPTER II – THE FIUTT (Continued)

DIAGRAM 2  
FIUTT'S ORGANISATIONAL STRUCTURE



## CHAPTER II – The FIUTT (Continued)

### 3. Functions

The functions and responsibilities of the FIUTT are detailed in the FIUA and the FIU Regulations. Its 3 core functions are:

#### ***Receipt and Analysis of STRs/SARs and Dissemination of Intelligence Reports***

*The FIUTT receives information on suspicious transactions or activities from Reporting Entities i.e. institutions and persons that are subject to the obligations of the AML/CFT laws. Following the receipt of a report, the Analytical Division of the Unit carries out an analysis after which an analytical report is presented to the Director with a recommendation whether an intelligence report should be forwarded to the LEAs on the basis of a reasonable suspicion of ML/FT. The analytical function also requires the Unit to obtain information from the Reporting Entity and other persons for the purpose of conducting its analysis.*

#### ***The Exchange of Information***

*The FIUTT is also required to exchange financial intelligence and information with members of the Egmont Group and with Foreign FIUs, either spontaneously or on the basis of a request for information. As well, the FIUTT is required to co-operate with local and foreign authorities, and affiliates within the intelligence community and LEAs. To facilitate this purpose, the FIUTT may enter into MOUs.*

#### ***Compliance Monitoring***

*Oversight and monitoring for AML/CFT compliance also fall within the remit of the FIUTT. In fulfilling this responsibility the Unit's Compliance and Outreach Division follows internal compliance procedures for on-site examinations, off-site monitoring and enforcement action.*

*On-site examinations are carried out by the Unit's Compliance Officers. The findings are reported to the Lead Examiner after which a final report is prepared in which the examined entity is informed of any remedial action to be taken within stipulated time frames.*

*The FIUTT is also empowered to impose administrative sanctions for breaches of AML/CFT obligations. This it does in accordance with internal enforcement procedures.*

#### ***Other Responsibilities***

*Other areas of responsibility include outreach, training and the provision of guidelines to FIs and LBs so that they understand the mandatory nature of their obligations under the AML/CFT laws. The FIUTT is also involved in monitoring developments in ML/FT techniques, typologies and trends, the issuance of advisories and statistics and provision of feedback to Reporting Entities to assist them in developing and implementing effective AML/CFT programmes.*

## CHAPTER II – The FIUTT (Continued)

Diagram 3 illustrates the main responsibilities of the FIUTT.

DIAGRAM 3  
RESPONSIBILITIES OF THE FIUTT



## CHAPTER III – ANALYTICAL DIVISION

### 1. Analysis

Recommendation 29 of the FATF's revised Recommendations states that the main purpose of a FIU is to receive and analyse STRs/SARs and to disseminate financial intelligence and information for the purpose of detecting money laundering and financing of terrorism. Therefore, a critical function of the FIUTT is to analyse STRs/SARs submitted by the Reporting Entities.

#### i. Receiving STRs/SARs

The FIUTT receives STRs/SARs which are submitted by Reporting Entities in accordance with their AML/CFT obligations. The STR/SAR is confidential. There are strict provisions under the FIUA prohibiting disclosure of confidential information.

#### ii. Evaluating the STR/SAR

On receipt of a STR/SAR the FIUTT analyses it. The analysis process involves evaluating the information on the STR/SAR using several data sources such as the FIUTT's Databases,

information from other competent authorities, other Reporting Entities and public sources. Production of Information requests are facilitated by section 11 of the FIUA.

#### iii. Disseminating Intelligence Reports

The analysis of a STR/SAR by the Analytical Division includes the completion of an intelligence report, which provides a history of the case, sources of information, and the analyst's recommendation. The intelligence report is submitted to the Director who determines whether it should be submitted to a LEA for investigation. The LEAs are the Commissioner of Police, the Comptroller of Customs and Excise, the Chairman of Board of Inland Revenue and the Chief Immigration Officer.

The STR/SAR received from a Reporting Entity is retained by the FIUTT and is **never** disseminated to the LEAs or any other authority.

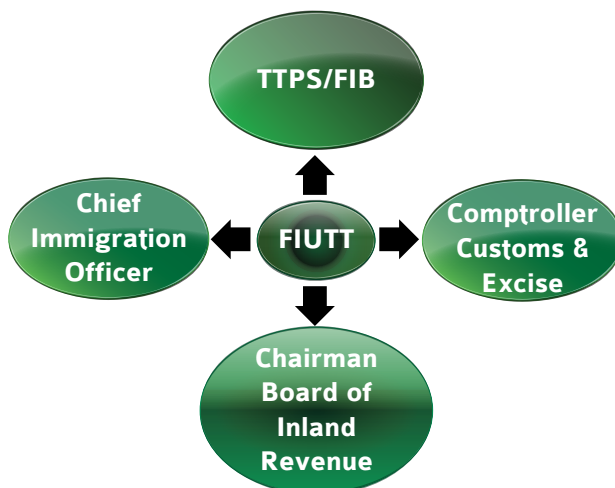
The LEAs in the AML/CFT investigative framework is shown in Diagram 4.





## CHAPTER III – ANALYTICAL DIVISION (Continued)

DIAGRAM 4  
LEAs IN THE AML/CFT INVESTIGATIVE FRAMEWORK



### 2. Standard Operating Procedures

Analysts at the FIUTT are guided by the “Standard Operating Procedures for the Analytical Division” in performing their analytical functions and in exercising related powers. Each STR/SAR

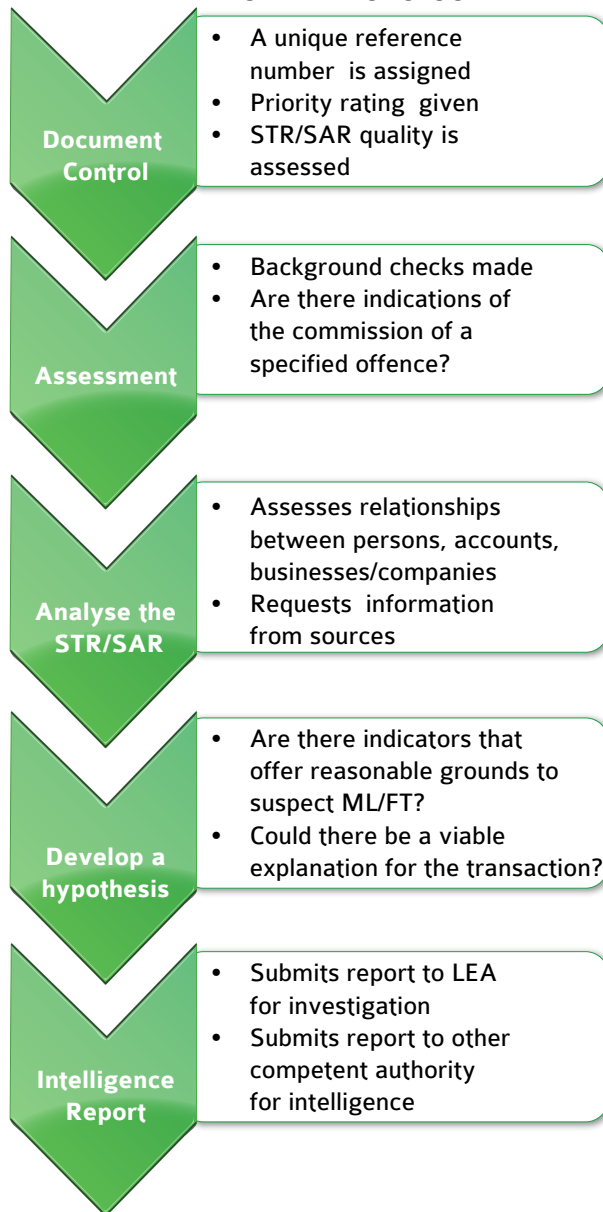
received is subjected to the SOP. Critical to the analytical role is **confidentiality**.

A snapshot of the analytical methodology is depicted in Diagram 5.

## CHAPTER III – ANALYTICAL DIVISION (Continued)

DIAGRAM 5

### ANALYTICAL METHODOLOGY



### 3. Statistics

The FIUTT noted that most categories of the reporting sector increased the number of STRs/SARs submissions save and except for the MVTs sector. FIs continue to lead in the submission of STRs/SARs.

This decrease in the number of STRs/SARs submitted by the MVTs sector could be attributed to the sector's robust implementation of internal compliance policies which ensured better assessment of which transactions are suspicious and merit a report to the FIUTT.

For the review period, 258 STRs/SARs were filed with the FIUTT as compared with 303 filed in 2011. Up to the period under review, the total number of STRs/SARs submitted to the FIUTT is 672. Table 1 provides a comparative review of the number of STRs/SARs submitted for the 3-year period since the establishment of the FIUTT.

The review shows Reporting Entities are taking pro-active and pre-emptive steps to prevent ML/FT with guidance from the FIUTT. (See Appendix A on *"Procedures for Reporting Terrorist Funds"* and Appendix B on *"STR/SAR Reporting Standards"*).

## CHAPTER III – ANALYTICAL DIVISION (Continued)

TABLE 1  
STR/SAR SUBMISSIONS BY REPORTING SECTOR

Reporting Entities	2011	2012	2013
<b>Financial Institutions</b>			
Banking	58	151	154
Insurance Co.	1	9	10
Investment Co.	19	28	22
Mortgage Co.	5	14	7
Security Dealers	1	0	5
<b>Supervised Entities</b>			
Attorneys	0	2	1
Co-operative Societies	2	5	16
Jewellers	0	0	1
Money/Value Transfer	25	90	38
Motor Vehicle Sales	0	1	3
Postal Services	0	0	1
Real Estate	0	3	0
<b>TOTAL</b>	<b>111</b>	<b>303</b>	<b>258</b>

Of the 258 STRs/SARs submitted for the review period, 60 were submitted by Supervised Entities and 198 by FIs. The banking sector filed 154 STRs/SARs which represent over 50% of the total number received by the FIUTT. A comparative review of the reports submitted by Co-operative

Societies for the years 2011 and 2012 shows a 220% increase in the STRs/SARs submitted to the FIUTT in 2012.

Diagram 6 compares the number of STRs/SARs submitted by FIs and Supervised Entities for the period 2010 –2012.

## CHAPTER III – ANALYTICAL DIVISION (Continued)

DIAGRAM 6  
STRs/SARs SUBMISSIONS FOR 3-YEAR PERIOD

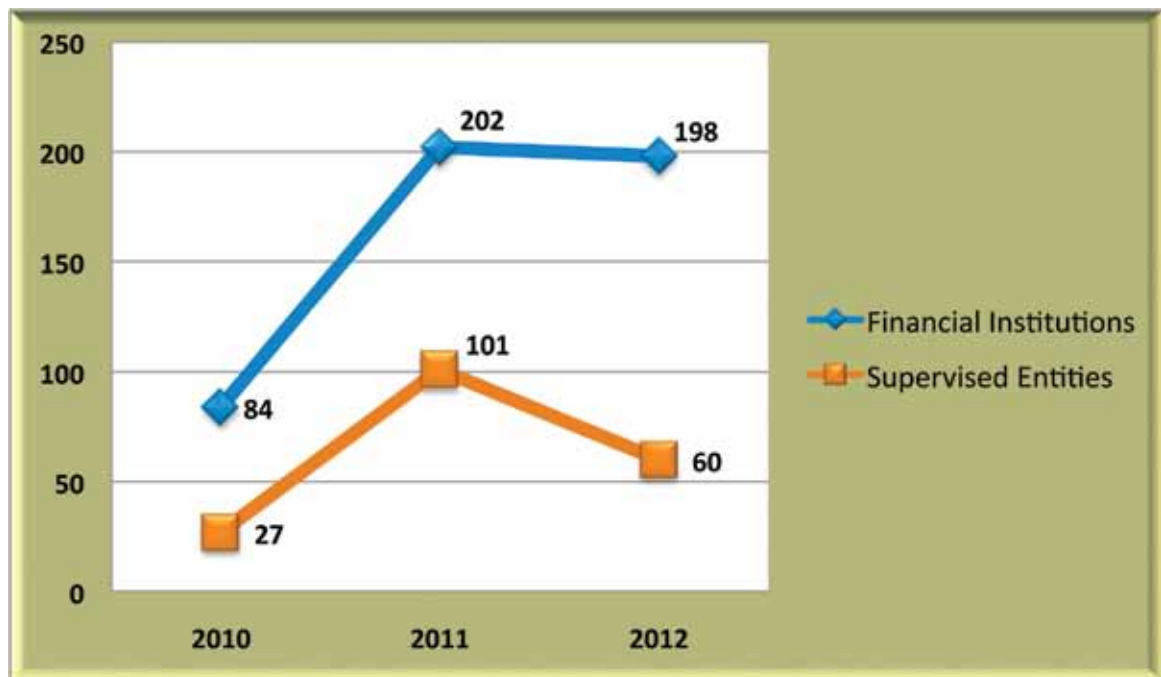


Table 2 shows the monthly average of STRs/SARs filed by the Reporting Entities. During the 3-year period the monthly average of STRs/SARs escalated from a low 9 in 2010, to a high of 25 in 2011. In 2012, 22 STRs/SARs were filed per month.

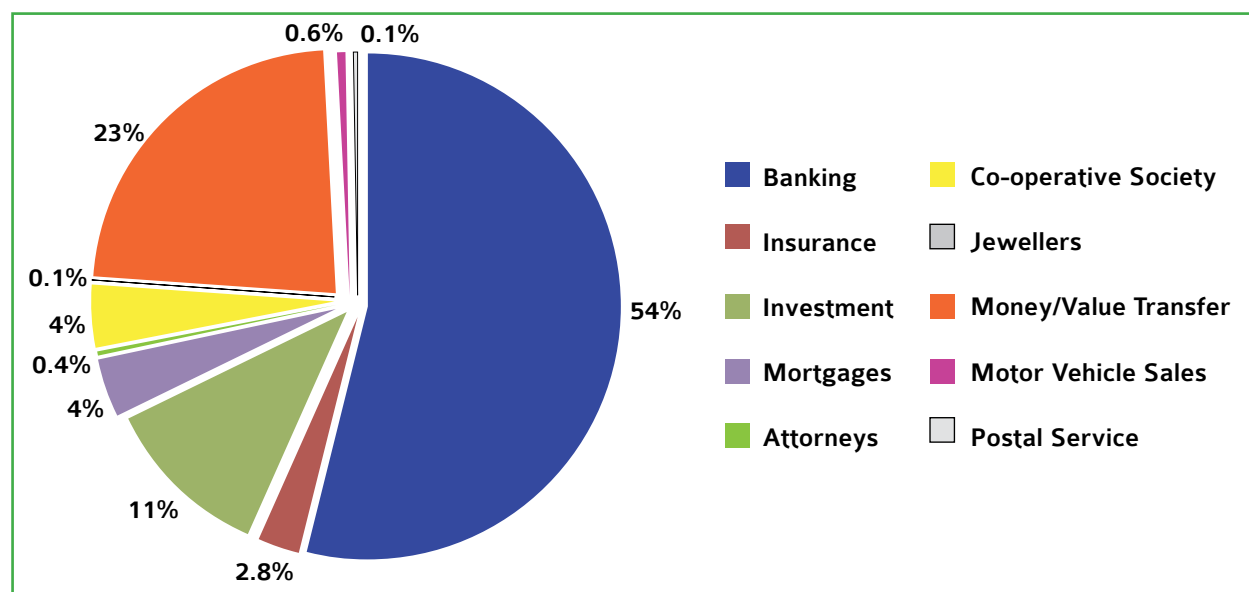
TABLE 2  
MONTHLY AVERAGE OF STRs/SARs RECEIVED

YEAR	TOTAL STR/SAR RECEIVED	MONTHLY AVERAGE
2010	111	9
2011	303	25
2012	258	22

## CHAPTER III – ANALYTICAL DIVISION (Continued)

Diagram 7 represents the percentage STRs/SARs filings by Reporting Entities.

DIAGRAM 7  
PERCENTAGE STRS/SARS FILINGS



The banking sector, which remains the main source of STRs/SARs, filed 54% of STRs/SARs for the period under review.

Table 3 illustrates the monetary values by currency type of the STRs/SARs filed for the

reporting period. The conversion rates were based on the CBTT's rate of exchange on September 30, 2012.



## CHAPTER III – ANALYTICAL DIVISION (Continued)

TABLE 3  
MONETARY VALUES OF STRs/SARs BY CURRENCY

Currency	Monetary Value	Total Monetary Value TT\$
<b>TT\$</b>	503,294,183	503,294,183
<b>USD</b>	19,863,673	127,723,417
<b>GBP</b>	115,000	1,227,050
<b>Euro</b>	615,810	5,215,910
<b>CAN</b>	205,000	1,383,750
<b>TOTAL TT\$</b>		<b>638,844,310</b>

1 USD equivalent to TTD 6.43

1 GBP equivalent to TTD 10.67

1 CAN equivalent to TTD 6.75

1 EUR equivalent to TTD 8.47

The total monetary value of the STRs/SARs filed for the period under review was **TT\$ 638,844,310.00**.

Diagram 8 shows that the monetary value of STRs/SARs filed by the Supervised Entities alone was **TT\$5,792,765.00**. Although STRs/SARs submitted by Supervised Entities accounted for 25% of the STRs/SARs received by the FIUTT, the reported

monetary value represented only 1% of the total monetary value. The 3rd quarter, (April-June) showed the highest monetary value of TT\$2,393,548.00 and the highest number of STRs/SARs received. The lowest monetary value of TT\$565,742.00 was recorded in the 1st quarter (October-December 2011) in which the second highest number of STRs/SARs was received.

## CHAPTER III – ANALYTICAL DIVISION (Continued)

DIAGRAM 8  
MONETARY VALUE OF STRs/SARs FILED BY SUPERVISED ENTITIES



The analytical process thus, starts with the receipt of a STR. The reporting entity gathers the basic facts necessary to establish that a transaction, based on pre-determined indicators, is indeed suspicious and submits a STR/SAR to the FIUTT. The indicators may relate to:

- Customer's transaction history;
- The complexity, frequency and size of transactions;
- Customer's profile;
- Customer's Income level and the source of income;
- Customer was the subject of a previous STR/SAR.

However, the STR/SAR is only a report of suspicious behaviour not necessarily criminal behaviour. Since it is impossible for the FIUTT to conduct in-depth analysis of every STR/SAR, the FIUTT uses internal criteria to evaluate and prioritize them. STRs/SARs that do not require in-depth analysis are used in the evaluation of new STRs/SARs which are matched with this stored data.

Table 4 presents a comparative overview of the action taken on STRs/SARs received.

## CHAPTER III – ANALYTICAL DIVISION (Continued)

TABLE 4  
OVERVIEW OF ACTION TAKEN ON STRs/SARs

No. of STRs/SARs	2010	2011	2012	TOTAL
Received	111	303	258	672
On- going Analysis	103	219	90	412
Reports to LEAs	3	13	15	31
Filed for Intelligence	5	71	153	229

### 4. Intelligence Reports

During the period under review, 15 STRs/SARs were analysed which generated 25 Intelligence reports. Table 5 shows the breakdown of reports submitted to LEAs for investigation.

It should be noted that, on analysis, the STR/SAR could reveal suspicion of the commission of more than one offence and hence multiple intelligence reports could be generated from one STR/SAR.

TABLE 5  
INTELLIGENCE REPORTS SUBMITTED TO LEAS

Oct. 1, 2011 to Sept. 30, 2012				
LEAs				Total reports submitted
TTPS/FIB	BIR	CUSTOMS & EXCISE	IMMIGRATION	
14	8	2	1	25

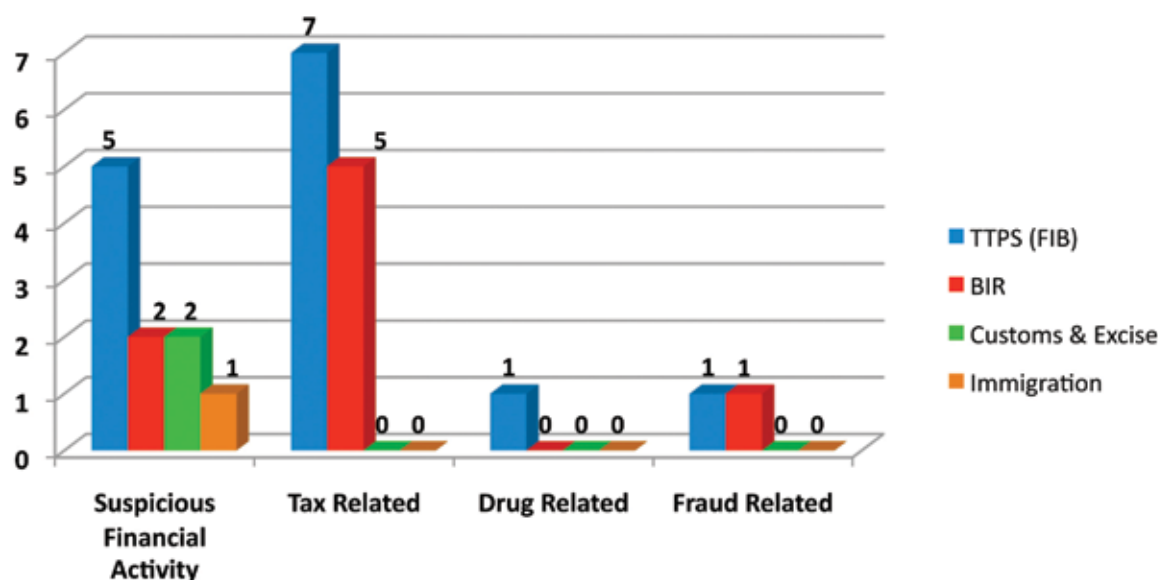
Diagram 9 shows the categories of suspected specified offences identified in the reports which were:

- Tax related offences;
- Drug/Narcotics trafficking and related offences;

- Fraud related offences; and
- Suspicious Financial Activities where there was no clear indication of the commission of a Specified Offence.

## CHAPTER III – ANALYTICAL DIVISION (Continued)

DIAGRAM 9  
INTELLIGENCE REPORTS SUBMITTED TO LEAs



### 5. Spontaneous Reports

The FIUTT disseminates Spontaneous Intelligence Reports as part of its function outlined in Section 8 (3) of the FIUA. In the year 2012, 6 Spontaneous Reports were disseminated to appropriate local and foreign agencies.

### 6. Special Feedback

In the review period, the FIUTT initiated a new process to provide Reporting Entities with Special Feedback on STRs/SARs submitted. Special Feedback is given on whether:

- The STR/SAR is filed for intelligence purposes;
- Analysis is being conducted; or

- The subject has been charged with/convicted of a specified offence.

Reporting Entities have lauded this process.

### 7. Production of Information

Pursuant to section 11(a) of the FIUA, the FIUTT is authorised to request information from FIs and Supervised Entities in order to augment the analysis of STRs/SARs. For the period under review, 224 production of information requests were made to relevant entities. All requests were responded to in an efficient and timely manner indicative of the Reporting Entities' commitment to combating ML/FT.

This commitment was also apparent to the FATF-ICRG during their on-site visit to Trinidad and Tobago in August 2012, who *"were pleased*

## CHAPTER III – ANALYTICAL DIVISION (Continued)

*with the level of cooperation of REs, which were numerous in accepting the invitation to meet with the team. REs appear to understand their AML/CFT obligations and to find appropriate the level of guidance, the outreach activities as well as the feedback provided to them by the FIU.”*

### 8. Trends and Typologies

#### Current Trends

The STRs/SARs received in the period under review reflected an increase in certain types of activities.

- MVTs Providers: An increase in inter-island transfers through MVTs, regardless of the cost to conduct the transfer;
- Customer Profile: Transactions by persons whose known occupation is not consistent with their large and frequent financial activities;
- Co-mingling: The use of company/business accounts to deposit and move funds;
- Layering: Funds moving frequently through accounts in transactions where the client suffers a loss;
- Third-Party transactions: persons acting on behalf of others regardless of the fact that transactions could be done by the holder without the intervention of third parties.

lucrative investment opportunities and other “get-rich-quick” schemes.

- Tax Evasion: FIUTT continues to note possible tax evasion trends such as the use of family members and the use of personal bank accounts to shelter business proceeds.
- Use of Gatekeepers: Criminals use the advice and services of various legal and financial professionals such as accountants and attorneys-at-law to facilitate their financial operations. These professionals provide services through which criminal proceeds can enter the financial system. Gatekeepers have been used to create legal structures, open bank accounts and transfer funds in order to disguise the source, ownership and destination of funds. This trend toward the involvement of such professionals or Gatekeepers in money laundering schemes has been documented previously by the FATF and appears to continue today. The FIUTT recommends that Gatekeepers engage in customer due diligence and record keeping when performing certain activities.

Typologies 1 and 2 below illustrate sanitised cases of suspicious activity involving Gatekeepers.

#### Continuing Trends

- Advance Fee Fraud/Scams: FIUTT issued an Advisory to Reporting Entities and the public to exercise extreme caution when receiving unsolicited emails in relation to payments of lottery winnings, large inheritance funds,

## CHAPTER III – ANALYTICAL DIVISION (Continued)

### Typology 1

**MD** is a well-known medical doctor and businessman residing in a country identified by the FATF as a High Risk jurisdiction (Country 1). He is a customer of a Bank (the Bank) in Country 2. He maintains close relationships with **D**, a director of a Company and **A**, an accountant, who both reside in Country 2.

In January 2012, MD sends the following wire transfers to Country 2:

1. Three (3) wire transfers totalling US\$550,000.00 to A's personal account and business account at the Bank.
2. Two (2) wire transfers totalling USD \$225,000 to a personal account of D and a business account of a Company in which D is listed as a director.

Subsequent to the transfers, USD cheques were issued to several companies and individuals from the accounts of D and A. D and A stated that the reasons for the transfer of the funds were to pay debts or to pay outstanding bills. D and A also transferred funds to savings and loan accounts held by MD in the Bank.

In May 2012, similar transactions were conducted on the said accounts by D and A.

Suspicious indicators identified include:

1. Place of residence of MD in a FATF High Risk Jurisdiction;
2. Use of Accountant's (Gatekeeper) professional services to conduct financial transactions which do not make economic sense;
3. Use of personal accounts for business purposes (co-mingling);
4. Use of third party to service MD's savings and loan accounts;
5. Repeat suspicious activity on the bank accounts.



## CHAPTER III – ANALYTICAL DIVISION (Continued)

### Typology 2

A Lawyer in Country 1 (an English speaking country), receives an email from **AB**, who lives in a non English speaking country. AB requests the lawyer to act on his behalf to retrieve US\$750,000 owed to him by a shipping company registered in Country 1. *He asks to be contacted by his email address.*

The lawyer agrees and asks for the relevant identification and supporting documents. AB emails copies of his passport, of his identification card and a decision of a court in his jurisdiction which rules in his favour in a matter between himself and the shipping company. From this document the shipping company has to pay AB US\$0.75 million. AB also emails a letter from the shipping company which states that they will pay him the money within three (3) months.

The identification documents sent by AB were not written in English. The alleged court decision and the letter from the shipping company were written in English. The lawyer asked AB for certified copies and certified translations of the documents. AB cited difficulty in obtaining same but repeatedly pressed for the lawyer to act for him until then, as the shipping company was ready to pay.

The lawyer became suspicious and checked the authenticity of the documents with the embassy with responsibility for the foreign country. It was revealed that the documents were false. The lawyer ceased all communication with AB.

Suspicious indicators identified include:

1. Use of false identification documents;
2. The copy of the court judgement from a non-English speaking country was in English;
3. Attempts to obtain satisfactory identification were fruitless;
4. AB's communication was frequent and persistent; and
5. Non-face to face contact.

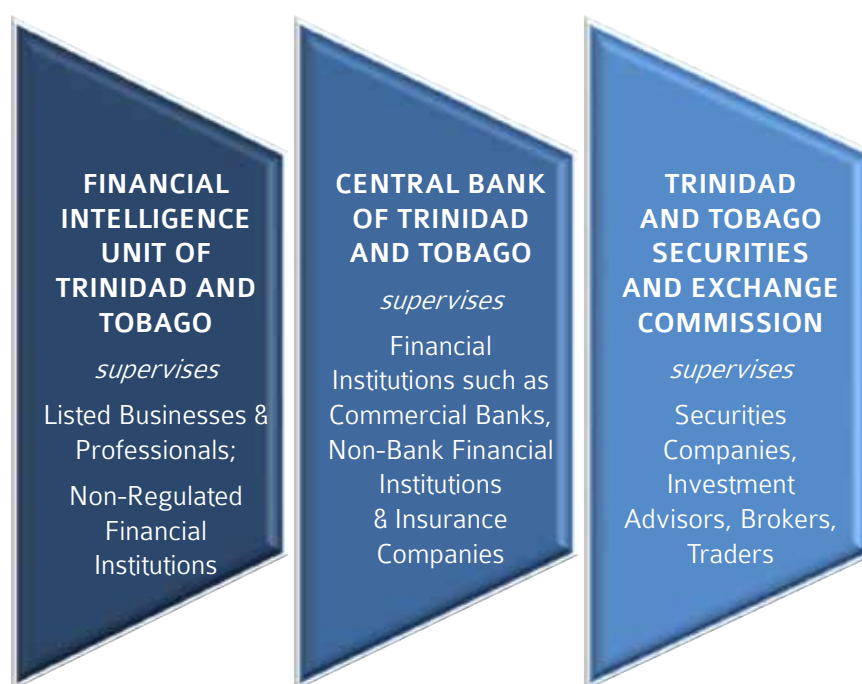
## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS

### 1. Supervisory Authorities in AML/CFT Compliance

Diagram 10 shows the 3 Supervisory Authorities in the AML/CFT regime and the Reporting Entities they supervise for compliance.

DIAGRAM 10

Supervisory authorities and the entities they supervise



Reporting Entities are required to institute policies, procedures and systems to ensure they meet their obligations under the AML/CFT laws. In ensuring that Reporting Entities fulfil their obligations, the FIUTT adopts a proactive approach.

Therefore, the FIUTT conducts training and awareness programmes, issues guidelines, takes enforcement action for non-compliance, gives feedback on CPs and conducts on-site inspections.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

Diagram 11 list the main obligation of Reporting Entities

DIAGRAM 11  
OBLIGATIONS OF REPORTING ENTITIES



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

### 2. Supervision by the FIUTT

During the period under review, the Compliance and Outreach Division was set up to strengthen the FIUTT's capabilities to effectively monitor and enforce AML/CFT compliance.

The FIUTT supervises 17 categories of entities shown in Table 6.

The entities are monitored for performance of their obligations to:

- Register with the FIUTT;
- Develop and submit their CP for approval by the FIUTT;
- Implement their CP;
- Conduct Customer Due Diligence;
- Appoint a Compliance Officer;
- Maintain records;
- Train staff; and
- Submit STRs/SARs, QTRs and TFRs to the FIUTT.

### 3. Registration of Supervised Entities

In the year in review, the FIUTT continued to ensure that Supervised Entities register in accordance with the FIU Regulations. The Compliance and Outreach Division registered 157 Supervised Entities.

Confirmed registrations in 2011 reflect a larger volume than in 2012. This is because in 2011 most Supervised Entities had complied with their registration obligation in response to the FIUTT's aggressive awareness and outreach programme.

While the FIUTT reported 1,465 registrations in 2011, a data clean-up exercise confirmed 1,405 registrations for 2011. The variance of 60 registrations is attributed to several factors such as, registration applications received from businesses which did not fall within the ambit of the POCA and requests from registered entities for de-registration. These issues would be resolved as more registrants use the online registration system.

Table 6 shows a comparative list of registrations by sector. The highest number of registrations for the year under review came from Attorneys-at-Law and Real Estate Agents who comprised 66% of the total registrations.

The FIUTT is confident its continued efforts will ensure that entities which fall within the AML/CFT reporting regime are duly registered.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

TABLE 6  
COMPARATIVE LISTING OF REGISTERED  
BUSINESSES AND PROFESSIONALS

LISTED BUSINESS	2011	2012
Accountants	110	13
Art Dealers	8	0
Attorneys-at-Law	527	53
Building Societies	2	0
Cash Remitters	0	0
Co-Operative Societies	158	6
Gaming Houses	0	0
Independent Legal Professionals	0	0
Jewellers	4	12
Money or Value Transfer Services	4	0
Motor Vehicle Sales	99	6
National Lotteries On-Line Betting Games	1	0
Pool Betting	8	1
Postal Services	9	3
Private Members' Clubs	42	11
Real Estate Agencies	330	50
Trust and Company Service Providers	17	2
<b>TOTAL REGISTRATIONS</b>	<b>1,405</b>	<b>157</b>

### 4. Compliance

#### i. Submission of Compliance Programmes

Regulation 31 of the FIU Regulations requires each Reporting Entity to submit its CP to the FIUTT for approval. The CP details the entity's internal policies and procedures to mitigate its ML/FT risks.

For the period in review, the FIUTT received 188 CPs which represents an increase of over 75% submitted from the previous year. The increased level of compliance is largely attributable to the training and outreach programmes held by the FIUTT, (See paragraph 7) and enforcement action taken. Table 7 is a 3-year comparative review of CPs received.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

TABLE 7  
COMPARISON OF COMPLIANCE PROGRAMMES  
RECEIVED FOR THE PERIOD 2010 - 2012

RECEIPT OF AML/CFT COMPLIANCE PROGRAMMES 2010-2012 AS AT SEPTEMBER 30 EACH YEAR			
	2010 Compliance Programmes	2011 Compliance Programmes	2012 Compliance Programmes
No. from FIs and Securities Companies	7	37	32
No. from LBs and NRFIs	1	70	156
TOTAL	8	107	188
Percentage increase from 2011 to 2012			75.7%

### ii. Compliance Programmes Reviewed

In 2012, the FIUTT reviewed 37 CPs of which 15 were from FIs. The FIUTT approved 4 CPs and provided detailed feedback to the other entities on weaknesses and omissions with recommendations to rectify same by stipulated timeframes.

The main deficiencies identified in the CPs were:

- No assessment of the types of risks faced by the business or mitigation measures;
- No procedures to identify high risk customers such as PEPs, non-face-to-face customers, representative applicants;
- No EDD measures for high risk customers ; and
- No procedures to identify listed entities (terrorists).

### iii. On-site/Off-site Examinations

In August 2011, the FIUTT developed its Compliance Examination Manual which contains procedures to ensure a fair and equitable examination process.

The purpose of the on-site examination is to observe the entity's level of implementation of its CP and to detect whether there are areas which need strengthening in order to achieve full compliance.

In August 2011, the FIUTT conducted 2 on-site examinations on law firms. In 2012, 10 on-site examinations were conducted on entities from the following categories: -

- Attorneys-at-Law;
- Motor Vehicles Sales;
- Real Estate Agents;
- Private Members Club;
- Jewellers;
- Co-operative Societies; and
- Cash Remitters.



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

On-site examinations increased by 400% in the year under review.

The principal inadequacies identified at the on-site examinations related to inadequate implementation of due diligence measures, risk assessment and risk management procedures; failure to implement internal reporting procedures; and inadequate training of employees in AML/CFT obligations.

Of the examinations conducted, the FIUTT is satisfied with the implementation measures of 5 entities. The remaining 4 were given an opportunity to ensure full implementation within specific timelines. Table 8 below summarises the status of onsite examinations conducted.

TABLE 8  
ON-SITE SUPERVISIONS AS AT SEPTEMBER 30, 2012

YEAR	ON-SITE DATE	SECTOR	SUPERVISION STATUS	DATE OF FINAL REPORT	AREA
2011	08/2011	Attorney-at-Law	Completed	18-Oct-11	Trinidad
	08/2011	Attorney-at-Law	Completed	27-Oct-11	Trinidad
	10/2011	Motor Vehicle Sales	Completed	06-Jan-12	Trinidad
	10/2011	Real Estate	Completed	13-Jan-12	Trinidad
	12/2011	Private Members Club	Completed	04-Apr-12	Trinidad
	12/2011	Private Members Club	Completed/Under follow-up procedures	06-Aug-12	Trinidad
2012	03/2012	Attorney-at-Law	Completed/Under follow-up procedures	11-Apr-12	Trinidad
	04/2012	Jewellery	Completed/Under follow-up procedures	06-Aug-12	Trinidad
	05/2012	Co-operative Society	Completed/Under follow-up procedures	13-Jul-12	Trinidad
	06/2012	Motor Vehicle Sales	Completed/Feedback Pending		Trinidad
	07/2012	Motor Vehicle Sales	Completed /Feedback Pending		Tobago
	09/2012	Cash Remitters	Completed/Feedback Pending		Trinidad

5	Completed
4	Completed/Under follow-up procedures
3	Completed/Feedback Pending
12	TOTAL



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

PICTURE 1

FIUTT's COMPLIANCE EXAMINATION TEAM



From L to R – Ms. Mary Martinez, Mr. Selwyn Richardson, Ms. Lana Benoit, Mrs. Glenda Leben, Ms. Susan Francois, Mr. Nigel Stoddard, Mr. Ryan Paul.

### 5. Co-operation with the other Supervisory Authorities

#### i. Review and Approval of Compliance Programmes

Consultation with the CBTT and the TTSEC continued on approval of CPs submitted by FIs.

The FIUTT sought these Supervisory Authorities' views prior to granting approval as reflected in Table 9 below.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

TABLE 9  
COMPLIANCE PROGRAMMES FORWARDED TO  
OTHER SUPERVISORY AUTHORITIES

	2011 Compliance Programmes	2012 Compliance Programmes
CPs forwarded to the CBTT	2*	15
CPs forwarded to the TTSEC	0	14
<b>TOTAL</b>	<b>2</b>	<b>29</b>
<i>*In 2011, the FIUTT reported 5 CPs were sent to the CBTT. In the reporting period 2 were sent and 3 were sent in October 2011.</i>		

### ii. Quarterly Meetings

The FIUTT, the CBTT and the TTSEC have committed to collaborate on issues of regulatory compliance affecting FIs and the Securities industry and to adopt a consistent regulatory approach.

Given the knowledge of the sectors that they derive from their oversight responsibilities, the CBTT and TTSEC assist in ensuring that the entities placed under their authority comply with their AML/CFT obligations.

Where enforcement action became necessary, the FIUTT worked closely with the relevant Supervisory Authority to take appropriate action.

Face-to-face dialogue is achieved through quarterly meetings as well as consultation on regulatory issues.

### 6. Enforcement

An array of enforcement measures are contained in the FIUA to deal with non-compliant entities. The application of sanctions varies according to the gravity of the offense.

The year 2012 saw the commencement of enforcement action against Supervised Entities and those FIs that fell below the level of compliance and reporting standards required under the AML/CFT laws.

The FIUTT's Enforcement Manual was finalised in the year under review. The Manual provides a set of graduated administrative measures and protocols to guide imposition of administrative sanctions as follows:

- Issue a **first level sanction** or a warning informing the entity of its legal obligations and stipulated time frame to comply.
- Issue a **second level sanction** or warning by registered post.
- Where the warning letters fail to achieve the desired objective, the FIUTT will escalate its enforcement action. **At the third level** of the sanction process, the Compliance and Outreach Division **will issue a notice** informing the Supervised Entity of the particulars of the breach and giving it an opportunity to be heard. After hearing the representations of the entity, the FIUTT may issue a directive which may be appealed to the High Court.
- At the **fourth and final level** of compliance, if an entity fails to comply with the FIUTT's directive, the FIUTT may seek an Order of the High Court to compel compliance with its directive.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

The FIUTT has found the highest level of compliance in respect of registration, appointment of Compliance Officers and record keeping. The lowest level of compliance relates to the obligation to develop and implement a CP.

Enforcement action has been initiated in 3 major areas:

- Failure to submit a CP;
- Non-submission of QTRs;
- Failure to register.

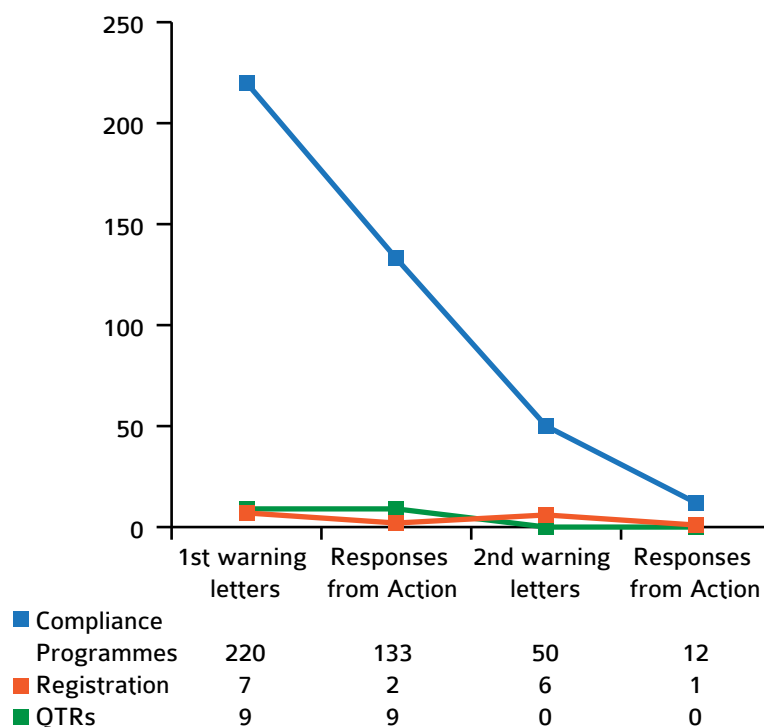
In the year under review, the FIUTT issued 236 1st warning letters and 56 2nd warning letters for non-compliance.

There was 100% compliance by FIs who failed to submit QTRs in accordance with section 33 (3) (a) of the ATA. All of the FIs which were served with warning letters have not repeated this breach.

Over 53% of LBs which had failed to submit CPs to the FIUTT responded positively to the warnings.

Diagram 12 provides a summary of the warning letters issued to Supervised Entities and the level of compliance achieved.

DIAGRAM 12  
SUMMARY OF ENFORCEMENT ACTION IN 2012



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

The FIUTT has found that Supervised Entities are making a genuine effort to comply with their AML/CFT obligations. Regular assistance is sought from the FIUTT for clarification on their legal obligations.

The FIUTT consults with other stakeholders such as the Judiciary, Commissioner of Co-operatives and the Registrar General in order to identify those entities and individuals who have AML/CFT legal obligations.

### 7. Awareness and Training

#### i. Activities

Among the measures initiated by the FIUTT to ensure that Supervised Entities understand the mandatory nature of their obligations are, awareness and training programmes. Education and training are at the forefront of its AML/CFT efforts.

During the period under review, the FIUTT hosted several awareness training seminars and participated in training activities organised by both local and regional bodies.

While the focus in 2011 was on raising awareness of AML/CFT obligations and the role and function of the FIUTT, emphasis was placed this year on *“Building an effective CP.”*

In January 2012, the FIUTT in partnership with the CFATF and the Ministry of National Security, conducted workshop sessions for Compliance Officers on how to build an effective CP. Similar sessions were conducted in partnership with APEX.

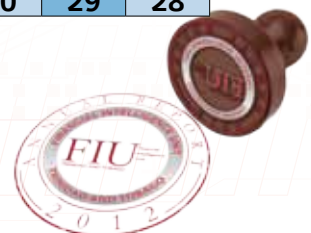
The FIUTT continued to build and establish relationships with various

associations such as ICATT, ACPTT, the Law Association, the Jewellers Association, and the Credit Union League in its outreach efforts. In the review period, 28 outreach sessions were held targeting specific categories of entities as well as all business categories. Table 10 summarises the training and outreach sessions held by the FIUTT for the period 2010 to 2012 by industry sector.

Table 11 details the outreach and awareness sessions conducted for the review year.

TABLE 10  
SUMMARY OF OUTREACH & AWARENESS  
SESSIONS FOR THE PERIOD 2010-2012

SECTORS TRAINED	OUTREACH SESSIONS		
	2010	2011	2012
Attorneys, Accountants & Legal Professionals	0	5	4
All Business Category includes : Art Dealers; Gaming House/Pool Betting; Jewellers; Money & Value Transfer Services; Motor Vehicle Sales; Private Members Club; Real Estate; Trust and Company Service Providers; National Lotteries Control Board; Postal Services	5	16	14
Banks	1	0	3
Co-operative Societies	0	4	7
Government Agencies	0	1	0
Insurance Companies	26	0	0
Investment	8	2	0
Securities Dealers	0	1	0
<b>TOTAL</b>	<b>40</b>	<b>29</b>	<b>28</b>



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

TABLE 11  
OUTREACH SESSIONS CONDUCTED IN 2011-2012

No.	PLACE AND DATE	ACTIVITY	TOPICS	ORGANIZED BY/ PRESENTER
1	Bahamas, Oct 2011	Conference	Enhancing Judicial Awareness & Money Laundering	CAJO/ FIU
2	Tobago, Oct 2011	Training- CS Members	Role & Function of the FIU/AML/CFT Compliance	ACCUPPT/FIU
3	Trinidad, Oct 2011	Training	AML/CFT Awareness	Citibank/FIU
4	Trinidad, Oct 2011	Seminar	AML/CFT Awareness	IBAF/FIU
5	Trinidad, Dec 2011	Meeting with MVTs	AML/CFT Awareness	FIU
6	Trinidad, Jan 2012	Meeting with FI	Compliance Officer Role & Function	FIU/FI
7	Trinidad, Jan 2012	Meeting with ACPTT	Introduction of the ACPTT/Partnership with FIU	ACPTT/FIU
8	Trinidad, Jan 2012	CU Seminar	Role & Function of the FIU	CUNA/FIU
9	Trinidad, Jan 2012	Meeting with CU	SAR/STR & Internal Reporting	FIU
10	Trinidad, Jan 2012	Seminar	Role & Function of the FIU	CULTT/FIU
11	Hyatt Regency, Trinidad, Jan 2012	CFATF 7th AML/CFT Conference & Workshops	FIU in the National AML/CFT Infrastructure & Building a CP	CFATF/FIU
12	Hyatt Regency, Trinidad, Jan, 2012	CFATF 7th AML/CFT Conference	Workshops on Drafting an Effective CP	FIU
13	Trinidad, Feb 2012	Meeting with JATT	Submission of CPs	FIU
14	Trinidad, Feb 2012	Meeting with ICATT	Submission of CPs	FIU
15	Trinidad, Feb 2012	Meeting with NRFI	Internal Reporting Issues	FIU
16	Hyatt Regency, Trinidad, Mar 2012	Seminar	the FIU & AML Laws as Crime Fighting Tools	APEX/FIU



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

No.	PLACE AND DATE	ACTIVITY	TOPICS	ORGANIZED BY/ PRESENTER
17	Trinidad, Mar 2012	Speaking Engagement	AML/CFT Awareness and Compliance	CU/ FIU
18	Trinidad, Jun 2012	Exhibition	Public Awareness	Consumer Affairs Division of the Ministry of Legal Affairs/ FIU
19	Trinidad, Jun 2012	Meeting	Compliance Issues	FI/ FIU
20	Trinidad, Jul 2012	Meeting	De-Registering a Client	AAL/FIU
21	Trinidad, Jul 2012	Training	The Role of the FIU/ FOR	The CULTT/FIU
22	Trinidad, Jul 2012	Meeting	Submission of STR/SAR to the FIU	FI/FIU
23	Trinidad, Jul 2012	Conference Call	AML/CFT Guidance	CBTT/FIU
24	Trinidad, Jul 2012	Speaking Engagement & Workshop	The Relationship between the FIU/CU Sector & Building a CP	APEX/FIU
25	Trinidad, Jul 2012	Conference Call	AML/CFT Issues	FI /FIU
26	Tobago, Jul 2012	Seminar/ Training & Workshop	AML/CFT Compliance & Building an Effective CP	FIU
27	Trinidad, Jul 2012	Conference Call	Training of Staff	CU/FIU
28	Trinidad, Hugh Wooding Law School, Sep 2012	Seminar & Workshop	Building & Implementing a CP	LATT/FIU

### ii. Feedback on Training

#### • Response to Outreach

To determine the effectiveness of the its outreach programmes and to identify the focus areas the FIUTT sought feedback

from participants at its Outreach activities.

Table 12 is an excerpt of responses on a FIUTT questionnaire from 33 participants who attended a session on “Building an Effective Compliance Programme”.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

TABLE 12  
SAMPLE OF FEEDBACK QUESTIONS AND RESPONSES FROM PARTICIPANTS

NO	QUESTION	STRONGLY AGREE	AGREE	UNSURE	DISAGREE	NO RESPONSE
1	The training/support, assisted in my understanding of AML/CFT matter	40%	46.7%	6.7%	6.6%	
2	The information presented was interesting and pertinent	30%	60%	10%	0	
3	I would attend another seminar like this	20%	60%	16.7%		3.3%
4	This seminar enhanced my professional expertise	26.7%	46.7%	23.3%	3.3%	

- Response to FIUTT's Website**

At least 50% of the participants visited the website. Table 13 and Diagram 13 show that the areas which were found

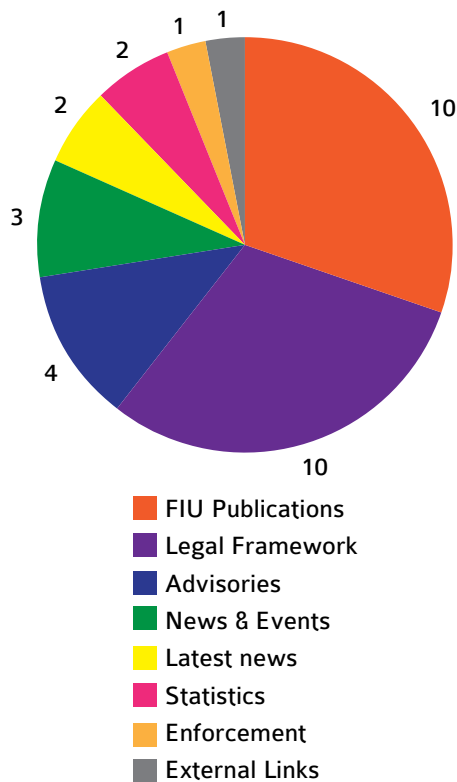
to be most useful were *FIU Publications* and the *Legal Framework*.

TABLE 13  
SAMPLE RESPONSES ON THE FIUTT's WEBSITE

What areas have you found most useful on the FIUTT's website?	Responses	%
FIU publications	10	30.3
Legal framework	10	30.3
Advisories	4	12.1
News and Events	3	9.1
Latest News	2	6.1
Statistics	2	6.1
Enforcement	1	3.0
External Links	1	3.0

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

DIAGRAM 13  
SAMPLE RESPONSES ON THE FIUTT's WEBSITE



### iii. The FIUTT in Tobago.

- **Outreach**

In July 2012, the FIUTT held its 2<sup>nd</sup> annual training seminar in Tobago, which targeted all Supervised Entities and the general public. After its success in 2011, the FIUTT is committed to hosting an annual training event in Tobago.

The 2-day session was organized in partnership with the Ministry of Tobago Development, the Tobago House of Assembly, the CFATF, the Criminal Justice Advisor to Trinidad and Tobago, the FIs sector and the legal profession.

The interactive sessions allowed participants to ask questions on their AML/CFT concerns.

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

PICTURE 2

THE PRESENTERS ON DAY 1 AT THE 2<sup>ND</sup> ANNUAL SEMINAR IN TOBAGO 2012



*From L to R at the Head Table, Mr. Christo Gift SC; Mr. Bobby Andrews, Representative of the Ministry of Tobago Development & the Tobago House of Assembly; Ms. Susan S. François, Director, FIUTT; Mr. Bob Bland, Criminal Justice Advisor to Trinidad and Tobago, British High Commission and Mr. Jefferson Clarke, Law Enforcement Expert, CFATF.*

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

PICTURE 3

A CROSS SECTION OF THE PARTICIPANTS AT THE 2<sup>ND</sup> ANNUAL SEMINAR IN TOBAGO 2012



- **On-site Examination**

In July 2012, the FIUTT conducted its first on-site examination in Tobago. The on-site examination demonstrated that the LB in Tobago made efforts to comply with the AML/CFT laws.

The FIUTT plans to continue on-site examinations of Supervised Entities in Tobago to monitor AML/CFT Compliance.

### 8. FIUTT Online - Enhanced Web Presence

The FIUTT's website (<http://www.fiu.gov.tt>) has gained prominence as a dynamic communication tool to educate and inform stakeholders both locally and internationally. Significant enhancements were made to the website to include:

- The addition of a ticker tape to highlight important local and international events, new AML/CFT regulatory obligations and key website features;
- An option to make an application to register online via an e-registration module which facilitates faster and more accurate registration with supporting online instructions. Supervised Entities now have a choice of manual or e-registration;
- All reporting forms such as STRs/SARs, QTR1, and QTR2. A new TFR form was published for Reporting Entities;
- Acts and Regulations in the AML/CFT Legal Framework which are downloadable;

## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

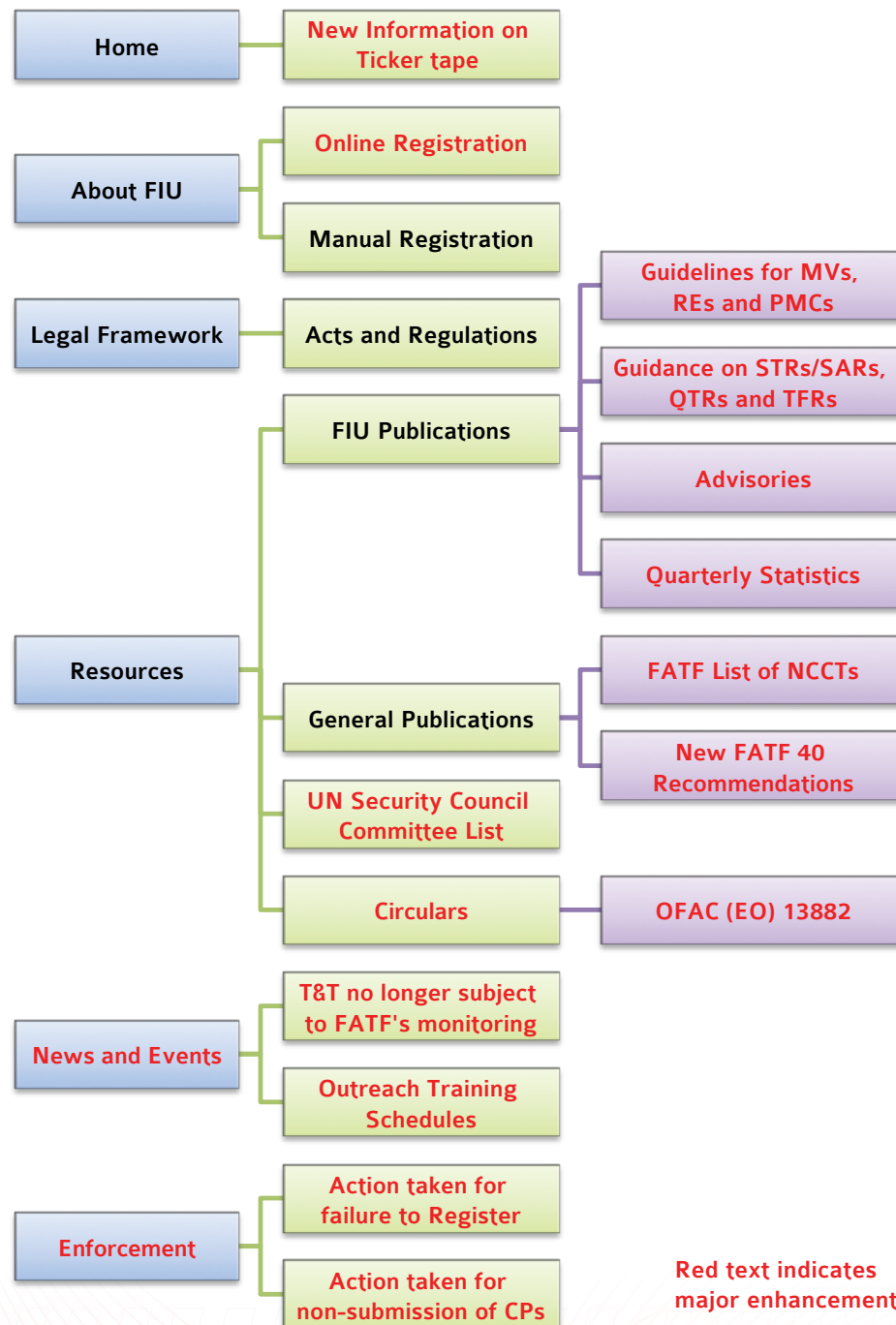
- A 'News and Events' section which provides important international updates such as FATF's list of High Risk and Non-Cooperative Jurisdictions and the UN Security Council Sanctions List. Recent and upcoming FIUTT's Outreach and Training events are published as well;
- Information on trends and typologies of money laundering;
- Enforcement initiatives such as information on Warning Letters issued to Supervised Entities;
- FIUTT educational publications such as guidance notes for Reporting Entities, Advisories, industry specific guidelines including a guidance note on Reporting Entities responsibilities in the process to ensure an immediate freeze of terrorist assets. See Appendix B;
- Quarterly statistics on STRs/SARs;
- AML/CFT Circulars.

Diagram 14 shows the major enhancements and updates to FIUTT's website.



## CHAPTER IV – SUPERVISING AND ENFORCING AML/CFT OBLIGATIONS (Continued)

DIAGRAM 14  
FIUTT's WEBSITE ENHANCEMENTS



## CHAPTER V – NATIONAL AND INTERNATIONAL CO-OPERATION

### 1. Building Partnerships

The FIUTT serves as the intermediary between the Reporting Entities and the LEAs and between the LEAs and intelligence agencies. To this end, emphasis has been placed on maintaining and improving operational relationships with the Reporting Entities, LEAs, AML/CFT Regulators, foreign FIUs and local and foreign intelligence agencies.

A professional relationship with stakeholders built on mutual trust and understanding facilitates further strengthening of the AML/CFT regime in Trinidad and Tobago. To this end the FIUTT adopts international best practices to ensure faster responses with the necessary confidentiality and security in the exchange of information.

### 2. Domestic Level

#### i. LEAs Collaboration

The FIUTT undertook several initiatives in order to strengthen domestic coordination on AML/CFT issues. A major initiative was to create intelligence sharing opportunities among multiple agencies for operational coordination. The first multi-agency meeting of LEAs and the FIUTT (the LEA Group), was held in July 2011. Since then 11 meetings have been held. See Table 14.

The work of this multi-agency group cuts across organizational boundaries on the collecting and sharing of intelligence, investigating leads, gathering evidence and training. This structured approach has enhanced the levels of communication so that each agency

understands the requirements of each LEA and as well the manner in which sensitive information should be handled. This collaborative approach will enhance timely dissemination of intelligence to aid in combatting ML/FT.

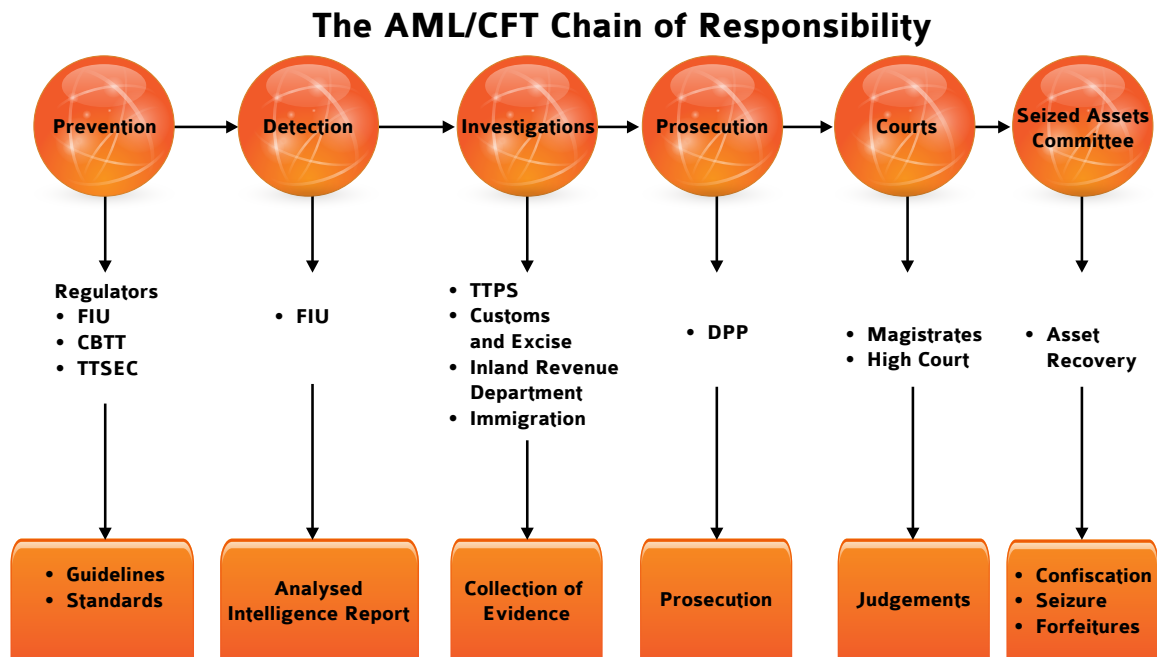
TABLE 14  
LEAs MEETING HELD

MONTH	YEAR	NO. OF MEETINGS
July	2011	2
August	2011	1
September	2011	1
October	2011	1
November	2011	1
March	2012	1
April	2012	1
May	2012	1
July	2012	1
August	2012	1
<b>TOTAL</b>		<b>11</b>

In addition, the FIUTT pursued and obtained agreements with the TTPS, Customs & Excise Division and the Board of Inland Revenue which detail the procedures for the dissemination of intelligence reports from the FIUTT to these agencies. A similar agreement is currently being pursued with the Immigration Division.

## CHAPTER V – NATIONAL AND INTERNATIONAL CO-OPERATION (Continued)

DIAGRAM 15  
AML/CFT PROCESS



### ii. Requests for Assistance

The LEAs rely on information stored in the FIUTT databases to develop intelligence as well as to assist in current investigations into ML/FT or other specified offences. Table 15 and Diagram 16 illustrate the number of requests for assistance the FIUTT received from LEAs and number of requests made by the FIUTT from its inception. Table 16 show the FIUTT's level of responses in 2012.

TABLE 15

REQUESTS FOR ASSISTANCE FROM/TO LEAs

Action Taken	2010	2011	2012	Total
Requests Received	53	36	79	168
Requests Sent	9	17	10	37

## CHAPTER V – NATIONAL AND INTERNATIONAL CO-OPERATION (Continued)

DIAGRAM 16  
DOMESTIC CO-OPERATION

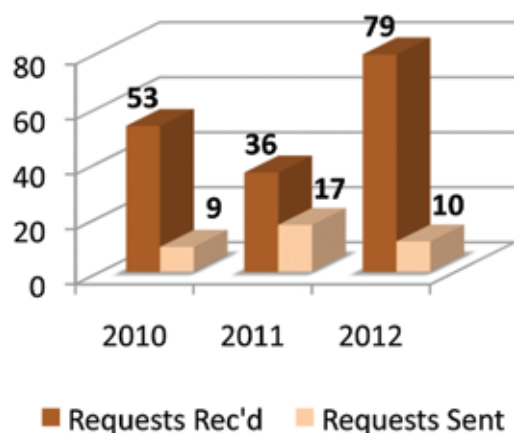


TABLE 16

REPLIES TO REQUESTS FROM/TO LEAs IN 2012

	Requests received	Replies sent
FIUTT	79	38
LEAs	10	8

An analysis of the requests received from LEAs for the year under review shows that the FIUTT received 79 requests and responded to 38. Similarly an analysis of the requests made by the FIUTT to LEAs shows 8 responses to 10 requests.

### iii. Regulatory Authorities

The enactment of the POCA and the FOR created the following Regulators: the FIUTT; CBTT and the TTSEC. The Regulators are responsible for monitoring measures that would ensure

Reporting Entities comply with their AML/CFT obligations.

The FIUTT worked closely with the other Regulators through the maintenance of quarterly meetings to coordinate approaches on AML/CFT supervision issues.

During the period under review, the FIUTT referred several issues relating to the submission of STRs/SARs filed by FIs under the supervision of the CBTT which required its intervention. Also the FIUTT has provided to the CBTT statistics and feedback on STRs/SARs in order to assist the CBTT in performing their supervision of FIs.

The TTSEC and the FIUTT have dialogued on several occasions on joint AML/CFT outreach awareness sessions and supervision of the securities sector.

The FIUTT has also extended training opportunities to the CBTT, TTSEC, LEAs and other government agencies. Training covered AML/CFT issues, analytical procedures, financial investigations and co-operation.

### iv. The AML/CFT Compliance Unit

Cabinet in 2010 established this Unit in the Ministry of National Security to guide policies on AML/CFT compliance issues in Trinidad and Tobago. The FIUTT is a key stakeholder which provides information to the AML/CFT Compliance Unit to enable it to perform its functions.

Key functions of the Unit include:

- Advising on the implementation of recommendations emanating from the Mutual Evaluation Report Programme;

## CHAPTER V – NATIONAL AND INTERNATIONAL CO-OPERATION (Continued)

- Receiving, analysing and responding to requests and reports from FATF and CFATF;
- Liaising with key stakeholders AML/CFT issues;
- Advising the Minister of National Security, who is the Prime Contact to the CFATF and other relevant Ministries of Government on legislative and administrative responses to FATF's AML/CFT recommendations.

### v. The National AML/CFT Committee

The Committee was established in March 2006 along the lines of FATF's Recommendation 31 (of the 40 + 9 recommendations) and brings together the various government agencies involved in AML/CFT compliance. The Committee is chaired by the Director of the AML/CFT Compliance Unit. The committee members include the FIUTT, LEAs, the CBTT, the TTSEC and Central Authority Unit of the Ministry of the Attorney General.

The Committee's terms of reference include developing strategies to rectify deficiencies identified in the CFATF's Mutual Evaluation Report of 2005 and to engage and consult with stakeholders to strengthen Trinidad and Tobago's AML/CFT regime.

The Working Groups of the Committee are responsible for advising on the implementation of the FATF's revised 40 Recommendations. In 2012, the Working Group made recommendations on FATF's requirements to ensure effective implementation of the AML/CFT Laws.

### vi. The Central Authority Unit

In the year under review, the FIUTT has extended its collaborative arm to the Central Authority Unit. In June 2012 the FIUTT and the Central Authority developed a SOP which details each party's responsibility to immediately freeze terrorist assets without delay. The purpose is to avoid flight or dissipation of terrorists' funds in accordance with the ATA.

## 3. FIUTT in Partnership

### i. National Drug Council

The National Drug Council was established by Cabinet in July 2000. Its primary role is to provide a forum for stakeholders, which includes the FIUTT, to exchange information on anti- drug related initiatives in Trinidad and Tobago.

The composition of the National Drug Council reflects agencies that are involved in demand reduction, supply control, security issues, enforcement and financial monitoring.

### ii. Caribbean Basin Security Initiative

Trinidad and Tobago has entered into a shared security partnership with other Caribbean nations and the United States to combat the drug trade and other transnational crime that threatens regional security. The shared security partnership focuses on increasing citizen security in several areas such as counter-narcotics, military and police professionalization, drug demand reduction, and financial

## CHAPTER V – NATIONAL AND INTERNATIONAL CO-OPERATION (Continued)

crimes investigations. CBSI will increase citizen safety throughout the Caribbean to substantially reduce illicit trafficking; increase public safety and security; and promote social justice. To this end the FIUTT has been participating with other government agencies to achieve the above objectives.

### iii. Consultations

The FIUTT participated in consultations with government and non-government organizations on issues that bear on the AML/CFT regime in Trinidad and Tobago. Consequently, the FIUTT consulted with the following:

- Ministry of Trade, Industry and Investments on the Scrap Metals dealers;
- Ministry of National Security on Cyber Crime;
- Ministry of Public Administration on the Electronic Transfer Bill;
- Ministry of Finance and the Economy on Private Members Clubs;
- Integrity Commission on recommendations for amendment to the Integrity in Public Life Act; and
- Trinidad and Tobago Transparency Institute.

## 4. International Co-operation

### i. Foreign FIUs and LEAs

The ability to exchange information with Foreign FIUs and Law Enforcement is a critical tool in the arsenal of all FIUs.

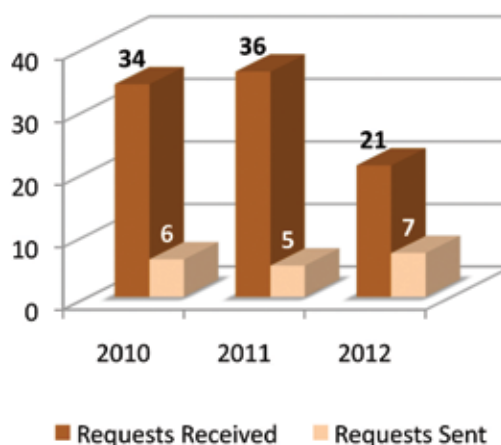
The FIUTT responded to all legitimate requests for information from global counterparts in a timely manner, whilst adhering to the Egmont principles on exchange of information.

In the year under review, the FIUTT received 21 requests from Foreign FIUs and LEAs. The FIUTT responded to all requests for assistance. Tables 17-18 and Diagram 17 are illustrative.

TABLE 17  
INTERNATIONAL CO-OPERATION

Action Taken	2010	2011	2012	Total
Requests Received	34	36	21	91
Requests Sent	6	5	7	18

DIAGRAM 17  
INTERNATIONAL CO-OPERATION





## CHAPTER V – NATIONAL AND INTERNATIONAL CO-OPERATION (Continued)

TABLE 18  
REPLIES TO REQUESTS

REQUESTS RECEIVED BY FIUTT			REQUESTS MADE BY FIUTT	
NO.	REPLIES	JURISDICTION	NO.	REPLIES
12	12	Regional	4	3
9	9	International	3	2
21	21	TOTALS	7	5

### ii. The Financial Action Task Force

The FATF is an inter-governmental body established in 1989 that developed a series of Recommendations for combating ML/FT and recently proliferation of weapons of mass destruction. The FATF monitors the progress of its members in implementing the Recommendations.

In February this year, FATF issued new 40 Recommendations which replaced the 40+9 Recommendations. These are the standards which all countries must now meet. Trinidad and Tobago, will have to ensure that its laws conform to these new standards. See [www.fatf-gafi.org](http://www.fatf-gafi.org)

### iii. The Caribbean Financial Action Task Force

The CFATF is an organisation of 29

states of the Caribbean Basin, which have agreed to implement common countermeasures to address the problem of ML/FT. Its main objective is to achieve effective implementation FATF's Recommendations. The CFATF Secretariat is hosted by the Government of Trinidad & Tobago. See [www.cfatf-gafic.org](http://www.cfatf-gafic.org)

### iv. Egmont Group of FIUs

The Egmont Group is a network of FIUs that meets regularly to develop ways for co-operation, especially in information exchange, training and the sharing of expertise. The goal of the Egmont Group is to provide a forum for FIUs around the world to improve co-operation in the fight against ML/FT and to foster the implementation of domestic programs in this field. See [www.egmontgroup.org](http://www.egmontgroup.org)

## 5. MOUs with Foreign FIUs

The FIUTT sees MOUs as a structured framework by which the exchange of information can be facilitated through established protocols.

The FIUTT has been in negotiations with the Jamaica Financial Investigations Division and the Grenada FIU during the past year to draft MOUs which it will seek to finalise in the coming year.



## CHAPTER VI – INSTITUTIONAL STRENGTHENING

### 1. The Working Environment

The FIUTT has been provided with permanent offices in a recently constructed government building for its operations. Since February 2010, the FIUTT has occupied the 25th Floor of Tower D, at the International Waterfront Complex, 1A Wrightson Road, Port of Spain. Tower D also houses the Parliament of Trinidad and Tobago as well as other government agencies.

There are several levels of security which provide 24 hour monitoring, on-site as well as off-site. A security desk and a metal detector are positioned at the entrance of the building where the FIUTT is located. Security passes are required to enter the premises of the FIUTT.

The FIUTT's offices are compartmentalized and are secured by locks as well as access cards. The FIUTT is also planning to enhance office security measures to further isolate the analytical staff so that analytical operations will benefit from additional confidentiality systems. Space is available for expansion.

### 2. Resources

During the period under review, measures were taken to recruit the necessary technical staff which the FIUTT needs to carry out its responsibilities. A Director and Deputy Director were permanently appointed in May 2012 and November 2011 respectively.

The FIUTT's capabilities were strengthened by the recruitment of Compliance Officers during the period July to September 2012. The new Compliance and Outreach Division was set up with responsibility for monitoring compliance with the AML/CFT laws by subject persons. The

establishment of this new division in the FIUTT is indeed essential with the expansion of the Unit's remit to include the financing of terrorism and the widening of the spectrum of persons and individuals who are now subject to AML/CFT obligations and who fall within the FIUTT's compliance oversight.

### 3. Information Technology

#### i. Policies

In 2012, the FIUTT continued to strengthen its ICT initiatives. A number of Government's ICT policies have been implemented such as:

- Protection of Personal Privacy and Data Security;
- Internet and Email usage; and
- Network Security and Access Control.

A Document Standardization guideline was also implemented for staff.

#### ii. e-Registration

The FIUTT completed the 1st prototype of its online e-Registration system which it launched in April 2012.

Supervised Entities now have the option to download the Registration form for manual completion and submission to the FIUTT, or to register electronically in the secure electronic environment provided on the website.

Further enhancements to the design and functionality of the electronic form are underway. See Appendix C for "Guideline

## CHAPTER VI – INSTITUTIONAL STRENGTHENING (Continued)

*for the completion of FIU electronic registration form RG1 for Supervised Entities”.*

### iii. Application Upgrade

In August 2012, the FIUTT procured an upgraded version of its Intelligence and Analysis database which provides for enhanced intelligence and analysis capabilities.

### iv. Document Management

The period under review saw a significant increase in the number of documents received, processed and generated by the FIUTT, giving rise to the need for an IT solution to provide for efficient management of the FIUTT’s documents.

In 2012 the FIUTT took steps to acquire an IDMS to provide a secure platform for efficient and effective collaboration, automation of the FIUTT’s business processes, and management of its documents. In September 2012, proposals for the IDMS were received for evaluation.

## 4. Professional Development

The ever-evolving modus operandi of criminals lead to continuous evaluation of the counter measures employed to detect and deter money laundering and financing of terrorism activities. Developments by way of new or more refined international standards and increased knowledge of the criminal activities render imperative continuous training of the persons employed by agencies, such as the FIUTT. During this year,

the FIUTT actively pursued training opportunities for its staff.

The IT Staff attended several seminars and workshops on Cyber Crime, National ICT Consultations, Virtualization Solutions, IT Boot Camp and Microsoft SharePoint 2010 Developer and Microsoft SharePoint Administrator, Microsoft Exchange Server 2010 Administration and Troubleshooting and Microsoft Operations Framework Foundations courses. These courses provided the knowledge and skills to build and maintain an intranet solution to address the business needs of the FIUTT and provided guidance for establishing, maintaining and supporting reliable and secure business aligned IT services. Since the FIUTT places a high value on data integrity and security, it must ensure that its IT staff is equipped with necessary skills to implement the relevant ICT policies.

The FIUTT, in partnership with the Criminal Justice Advisor to T&T, hosted a Financial Investigators Course which was facilitated by the Canadian High Commission and British High Commission. The FIUTT extended this training opportunity to other stakeholders in the AML/CFT regime such as the other Supervisory Authorities, LEAs, TTPS, Intelligence agencies, Prosecutors and other Government departments. This course provided knowledge of classification of sensitive material, turning intelligence into evidence, identification of money laundering schemes, case management, obtaining production orders and recording and evaluating intelligence.

Report writing and communication are required skills in the presentation of technical reports and in conducting AML/CFT training and outreach to the Reporting Entities. 2 officers attended a Technical Report Writing and Presentation Skills programme to further enhance their skills.



## CHAPTER VI – INSTITUTIONAL STRENGTHENING (Continued)

The FIUTT accepted an invitation for its Officers to attend training on the supervision of AML/CFT obligation which was conducted by the Office of Technical Assistance United States, Treasury Department and hosted by the CBTT in July, 2012.

In January 2012, FIUTT's Officers attended the 7th Annual CFATF Conference hosted by the CFATF. This Conference highlighted the economic implications for jurisdictions with weak AML/CFT regimes.

In March 2012, the FIUTT accepted an invitation proffered through the French Embassy for 2 of its Officers to attend a seminar on "Co-operate More with the Americas" hosted by the France Expertise International in Paris, France. This seminar focused on the processes of seizure and recovery of criminal assets and its related international co-operation issues.

Table 19 details the training opportunities afforded to the FIUTT staff.

PICTURE 4

CROSS SECTION OF ATTENDEES AT THE FINANCIAL INVESTIGATION COURSE



*Gerald Doyle presenting to the participants.*



## CHAPTER VI – **INSTITUTIONAL STRENGTHENING** (Continued)

PICTURE 5

GROUP PHOTO OF ATTENDEES AT THE FINANCIAL INVESTIGATION COURSE



*At centre is Her Excellency Karen McDonald, Canadian High Commissioner to Trinidad and Tobago*

## CHAPTER VI – INSTITUTIONAL STRENGTHENING (Continued)

TABLE 19  
EMPLOYEES SKILLS ENHANCEMENT PROGRAMME 2012

NO.	PLACE OF TRAINING	DESCRIPTION OF PROGRAMME/ COURSE	ORGANISER/ PRESENTER	PARTICIPANTS FROM THE FIUTT
1	Hugh Wooding Law School, Trinidad	Discussions on the Anti-Gang and Data Protection Acts	Trinidad and Tobago Law Association	Director, IT Manager, Analyst
2	Hyatt Regency Trinidad	Symantec Endpoint Protection	IGovTT/Symantec	IT Manager, Network Administrator
3	Old Fire Station, Trinidad	Exchange Server 2010 Administration and Troubleshooting	IGovTT/Microsoft	Network Administrator
4	Temple Court, Ministry of National Security, Trinidad	National Cyber Crime Stakeholder Consultation	Ministry of National Security	IT Manager
5	Hyatt Regency Trinidad	Distinguished Leadership and Innovative	Arthur Lok Jack Graduate School of Business	IT Manager
6	Hilton Trinidad and Conference Centre, Trinidad	IT Pro Boot Camp Windows Azure Boot Camp	IGovTT/Microsoft Trinidad	Network Administrator
7	Hyatt Regency & Chaguanas Borough Corporation	National ICT Plan Consultation Sessions	IGovTT	IT Manager
8	Courtyard by Marriott	Dell 12th Generation Server Launch	Dell	Network Administrator
9	Arthur Lok Jack Graduate School of Business	Technical Report Writing and Presentation Skills	Arthur Lok Jack Graduate School of Business	Network Administrator, Compliance Officer
10	IGovTT, Gaston St., Chaguanas	Sharepoint 2010 Developer Course Microsoft Operations Framework Sharepoint 2012 Administration	IGovTT/Microsoft Trinidad	Database Administrator Network Administrator



## CHAPTER VI – INSTITUTIONAL STRENGTHENING (Continued)

NO.	PLACE OF TRAINING	DESCRIPTION OF PROGRAMME/ COURSE	ORGANISER/ PRESENTER	PARTICIPANTS FROM THE FIUTT
11	FIUTT's Offices	Financial Investigation Course	Canadian High Commission/ British High Commission, Criminal Justice Advisor to T&T	Director, Deputy Director Analysts, FIUTT Officers
12	Hyatt Regency Trinidad	Seventh annual CFATF Conference	CFATF	Analysts, FIUTT Officers
13	Hyatt Regency Trinidad	How the FIU Act and related legislation impact on serious crimes in T&T	APEX	FIUTT Officers
14	Hyatt Regency Trinidad	Conference 2012: "Compliance, the elephant in the room"	Caribbean Regional Compliance Association	Director, Deputy Director FIUTT's Officers
15	Paris, France	Co-operate More With The Americas	France Expertise International, French Ministry of Foreign and European Affairs.	Deputy Director, Analyst
16	CBTT	Anti-Money Laundering Training for Examiners	CBTT/Office of Technical Assistance, US Treasury.	FIUTT Officers

## CHAPTER VI – INSTITUTIONAL STRENGTHENING (Continued)

### 5. Standard Operating Procedures

During this reporting period, the FIUTT developed several SOP manuals to guide its critical internal functions and undertook an in-depth review of its existing analytical procedures.

In July 2012 the FIUTT developed the SOP which specifies the procedures to be followed in performing analytical functions and exercising related powers. The SOP details procedures for receiving local and foreign requests and reports such as STRs/SARs, QTRs and TFRs; for conducting the analytical process; and for preparing and forwarding intelligence reports.

The FIUTT developed its Enforcement Manual to guide its staff in the legal aspects of enforcement and sanction actions and to promote consistency in its application of the AML/CFT laws for non-compliance. The manual adopts the tiered enforcement measures contained in the FIUA. The measures are directed at improving implementation of AML/CFT obligations and

ultimately improving the flow of and quality of STRs/SARs.

SOPs for Listing and Delisting Terrorist Entities and for the immediate freezing of terrorist funds were created. The SOPs detail the processes to be followed by the FIUTT and the Central Authority Unit to ensure that terrorist funds which are identified by a competent authority or by a Reporting Entity are frozen immediately and without delay.

The FIUTT also developed a SOP which outlines the responsibilities of Reporting Entities in the process to ensure an immediate freeze of terrorist assets. The SOP is on the FIUTTs' website.

The "Compliance Examination Manual" was also reviewed and amended to include the FIUTT's expanded remit to monitor for compliance with CFT measures.

## CHAPTER VII – PARTICIPATION IN INTERNATIONAL FORA

The FIUTT was represented at the following international Meetings and Conferences during the period under review:

### 1. CFATF

- **CFATF XXXIV Plenary of Officials and Council of Ministers** which was held in Margarita, Venezuela from November 21 – 25, 2011. The delegation, which was led by the Minister in the Ministry of National Security, the Honourable Colin Partap and included the Director and Deputy Director of the FIUTT, the Assistant Director of the AML/CFT Compliance Unit, of the Ministry of National Security and a representative of the CBTT.



*From L to R: Assistant Director of the AML/CFT Compliance Unit, of the Ministry of National Security; Mr. Nigel Stoddard, Deputy Director, FIUTT; and Ms. Susan Francois, Director, FIUTT.*

PICTURE 6

Representatives of the T&T Delegation at the **CFATF XXXIV Plenary of Officials and Council of Ministers**

- **CFATF XXXV Plenary** was held in San Salvador, El Salvador during May 21 – 25, 2012. The delegation comprised the Director of the AML/CFT Compliance Unit of the Ministry of National Security, the Director (Ag.) of the FIUTT, and CBTT and Customs & Excise Division representatives.

At this Plenary, the CFATF conducted a workshop on the FATF's revised Recommendations and implementation issues for the 4th round of Mutual Evaluations.

## CHAPTER VII – PARTICIPATION IN INTERNATIONAL FORA (Continued)

PICTURE 7



*Group Photo of CFATF Delegates*

PICTURE 8

### Trinidad and Tobago Delegation at CFATF XXXV Plenary



*From L to R: Mr. Nigel Stoddard, Ag. Director, FIUTT, Ms. Sherene Murray- Bailey, Director AML/CFT Unit, Ms. Maxine Hypolite-Bones, CBTT and Ms. Michelle Pantor-Francis, CBTT.*

At the meeting with the Heads of FIUs, the Director (Ag.) provided an update on the progress of the FIUTT.

### 2. Egmont Group of FIUs

The FIUTT was not invited to the Egmont Meetings for the period under year since its membership application is still being reviewed. The FIUTTs' sponsors, the Bahamas FIU and the British Virgin Islands FIA, represented the FIUTT's interests and responded to queries raised by the LWG of Egmont.

The enactment of the Miscellaneous Provisions (Financial Intelligence Unit of Trinidad and Tobago and Anti-Terrorism) Act, 2012, in August 2012, resolved the issues raised by the LWG of Egmont. It is expected that the FIUTT's application will be positively reviewed at the next Egmont Plenary in 2013.

### 3. The FATF

- **FATF Special Plenary Meeting**, held in Paris, France during the period January 9 – 13, 2012 on the revision of the FATF recommendations. The delegation included the Director and a staff member of, the AML/CFT Compliance Unit of the Ministry of National Security and the Director of the FIUTT.
- **FATF Plenary Meeting**, held in Paris, France during the period February 13 – 17, 2012. The delegation included the Director and Deputy Director of the FIUTT and the Director and Legal Officer of the AML/CFT Compliance Unit of the Ministry of National Security. The FIUTT provided an update on Trinidad and Tobago's progress in addressing the strategic AML/CFT deficiencies identified by the FATF-ICRG.

## CHAPTER VII – PARTICIPATION IN INTERNATIONAL FORA (Continued)

- **Face to Face Meeting with Co-Chairs of the FATF-ARRG**, Miami, Florida, on May 17– 18, 2012. The delegation comprised the Director (Ag.) of the FIUTT and the Director of the AML/CFT Compliance Unit, Ministry National Security. An update of Trinidad and Tobago's progress in rectifying the strategic deficiencies identified by the ARRG was given.
- **The FATF Plenary meeting of FATF-XXIV** was held in Rome, Italy during the period June 18 – 22, 2012. The delegation comprised the Director of the AML/CFT Compliance Unit, Ministry of National Security and the Director of the FIUTT.

Trinidad and Tobago was successful in showing sufficient progress in addressing its AML/CFT deficiencies and as a result the FATF agreed to an On-site visit by the ARRG in August 2012.

- **Face to Face On-site Meeting with Co-Chairs of the FATF-ARRG of the FATF** held in Port of Spain, Trinidad and Tobago during the period August 28 - 29, 2012. The FIUTT's 5-member team, which comprised the Director, Deputy Director, Analyst and two Compliance Officers, met with the delegation. The FIUTT was called upon to answer questions on implementation of its responsibilities under the AML/CFT laws.





## CHAPTER VIII – PROJECTIONS FOR THE YEAR 2013

### 1. Staffing

In order to strengthen its analytical, supervision and legal functions the FIUTT intends to work with the Ministry of Finance and the Economy to fill its remaining vacancies.

A Legal Officer needs to be recruited to enhance the Unit's compliance capabilities. It is obligatory that the Compliance and Outreach Division be fully staffed to enable the FIUTT to carry out its AML/CFT compliance monitoring, enforcement and outreach activities.

The Analytical Division, which is at the heart of any FIU, needs to build its full technical capacity for the FIUTT to increase its analysis of STRs/ SARs.

### 2. Enhancing Staff Skills

The FIUTT recognises the need for on-going training for its staff to ensure that they are au courant with evolving ML/FT techniques. Training will enhance staff skills for more effective performance of statutory responsibilities, thereby contributing to achievement of the FIUTT's goals. The FIUTT expects its staff to benefit from assistance proffered by several international agencies.

The FIUTT would continue its partnership with the LEAs on joint training programmes for intelligence analysis and ML/FT investigations. In order to ensure effective investigations and prosecutions the analytical and investigative arms need to fully appreciate the linkages between ML/FT and the predicate offences from which illicit funds are generated.

### 3. IT Projections

As a technology driven organisation, the FIUTT plans to continue with its ICT initiatives in 2013 in the following ways:

- Redesign the FIUTT's website. The increasing volume of published information, has resulted in the need to provide a more user-friendly website easily scalable to meet the future needs of the FIUTT's stakeholders.
- Develop a secure electronic reporting system for the submission of confidential information. The objective is to enable the Reporting Entities to submit reports online to the FIUTT which will then be committed electronically to the FIUTT's database. This will eliminate the need for manual data capture.
- Enhance the online registration option to provide a more user-friendly online registration process, to better serve the needs of Supervised Entities.
- The FIUTT's much anticipated IDMS is expected to come on stream in 2013. The IDMS will drive the business processes of the FIUTT and will be pivotal to its operations. The IDMS will provide opportunities for significant returns on investment as business processes become automated; operations will be streamlined and made more secure and efficient; Business Intelligence will be made easier and more readily available and Document Management will be improved.



## CHAPTER VIII – PROJECTIONS FOR THE YEAR 2013 (Continued)

- Acquire a modern, state-of-the-art Data Centre facility to promote security, availability of data and business continuity.
- Associations in the construction of CPs for their members. Enforcement action will be taken as necessary.

### 4. AML/CFT Awareness

The FIUTT will continue partnering with Supervised Entities in training and awareness activities to ensure that they clearly understand the mandatory nature of their AML/CFT legal obligations. It will extend its outreach to those professionals “in training” such as law and accounting students so that they will be aware of their obligations as attorneys-at-law and accountants.

### 5. Compliance

FIUTT’s efforts will also be directed at improving the implementation of AML/CFT obligations through monitoring and enforcement. The focus will be on the requirement to develop and implement a CP, a critical area of weakness. The FIUTT will continue to provide guidance to assist

### 6. National Risk Assessment

Trinidad and Tobago is expected to conduct a national AML/CFT risk assessment exercise in accordance with Rec. 1 of the FAFT’s revised 40 Recommendations. The FIUTT expects to participate in this exercise. The outcome of the exercise will determine the sector and activities which are most vulnerable to ML/FT, so that the FIUTT, as well as Reporting Entities, could deploy their resources more efficiently.

### 7. Analysis

The FIUTT intends to further develop synergies amongst the local and foreign authorities which share AML/CFT information in order to increase tactical analysis and strategic analysis.



# GLOSSARY

## MONEY LAUNDERING

Money laundering is the process by which illegally obtained funds are given the appearance of having been legitimately obtained. The process may involve one or more of the following methods:

- **Placement**

*Illegal funds or assets are first brought into the financial system. This 'placement' makes the funds more liquid using a variety of techniques, which include depositing cash into bank accounts and using cash and other instruments to purchase assets.*

- **Layering**

*To conceal the illegal origin of the placed funds and thereby make them more useful, the funds must be moved, dispersed and disguised. The process of distancing the placed funds from their illegal origins is known as 'layering'. These include using multiple banks and accounts, having professionals act as intermediaries and transacting through corporations and trusts. Funds may be shuttled through a web of many accounts, companies and countries in order to disguise their origins.*

- **Integration**

*Once the funds are layered and distanced from their origins, they are made available to criminals to use and control as apparently legitimate funds. The laundered funds are made available for activities such as investment in legitimate or illegitimate businesses, to fund further criminal activity or spent to enhance the criminal's lifestyle.*

*At this stage, the illegal money has achieved the appearance of legitimacy.*

## TERRORIST FINANCING

Terrorist financing may involve funds raised from legitimate sources, such as personal donations and profits from businesses and charitable organizations, as well as from criminal sources, such as the drug trade, the smuggling of weapons and other goods, fraud, kidnapping and extortion. Therefore funds derived from legitimate as well as illegal activities can be used for or to facilitate terrorist activities.

## GENERAL ML/FT SUSPICIOUS INDICATORS

- Transactions take place for which there appears to be no logical business or other economic purpose, particularly when this is through or from locations of concern, such as countries known or suspected to facilitate money laundering activities.
- The client cannot provide satisfactory evidence of identity.
- Situations where the source of funds cannot be easily verified.
- Situations where it is very difficult to verify customer information.
- Frequent change of ownership of same property in unusually short time period with no apparent business, economic or other legitimate reason & between related persons.
- Client wants to re-sell Property shortly after purchase at a significantly different

## GLOSSARY

purchase price, without corresponding changes in market values in the same area.

- Client wishes to form or purchase a company whose corporate objective is irrelevant to the client's normal profession or activities, without a reasonable explanation.
- The client sets up shell companies with nominee shareholders and/or directors
- The client has companies with capital in the form of bearer shares.
- Client repeatedly changes Attorneys within a short period of time without any reasonable explanation.
- Client purchases property in names of other persons or uses different names on Offers to Purchase, closing documents and deposit receipts.
- Client deposits large amount of cash with you to make payments and investments on his behalf.
- Client negotiates a purchase but wants to record a lower value on documents, paying the difference "under the table" (inadequate consideration).
- Client's documents such as identification, income statements or employment are

provided by an intermediary who has no apparent reason to be involved, (intermediary may be the real client).

- Client gives power of attorney to a non-relative to conduct large transactions (same as above).
- Transaction involves legal entities and no relationship seen between the transaction and the business activity of the buying company, or the company has no business activity (Shell Company).
- Client requests the firm to act as his agents in obtaining high sum bankers' drafts, cashiers' cheques and other cash equivalent or near cash monetary instruments or in making wire transfers to and from other bank or FIs (anonymity).
- Divergence from the type, volume or frequency of transactions expected in the course of the business relationship.

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# APPENDIX A

## GUIDANCE NOTE PROCEDURES FOR REPORTING TERRORISTS' FUNDS

### Anti-Terrorism Act, Chap. 12:07

#### INTRODUCTION

The *Anti-Terrorism Act* (the ATA) is designed to assist in combating terrorism and the financing of terrorism. To achieve these aims the ATA places obligations on Financial Institutions and on Businesses and Professionals (Listed Businesses, defined in section 2 of the Proceeds of Crime Act), so that they do not unwittingly hide or move terrorists' funds.

This guidance note is intended to provide assistance to Financial Institutions and Listed Businesses (Reporting Entities) regarding their obligations under section 22AB of the ATA as amended to report Terrorists' Funds immediately and without delay to the Financial Intelligence Unit (the FIUTT).

#### LEGAL OBLIGATIONS

The FATF's Recommendation 6 of the revised 40 Recommendations requires each country to implement measures to freeze, without delay, funds or other assets of terrorists, those who finance terrorism and terrorist organisations in accordance with the United Nations resolutions relating to the prevention and suppression of the financing of terrorist acts.

Each country must also adopt and implement measures, inclusive of legislative reform, which would enable the competent authorities to seize and confiscate property that is the proceeds of, or used in, or intended or allocated for use in the financing of terrorism, terrorist acts or by terrorist organisations.

To this end, section 22AB (a) and (b) of the ATA as amended requires a Reporting Entity to report to the FIUTT when it knows or has reasonable grounds to believe there are funds <sup>1</sup> in the Reporting Entity or in Trinidad and Tobago which belong to an individual or entity:

- that is designated as a terrorist entity by the Security Council of the United Nations ("a designated entity"); or
- that is listed on the consolidated list circulated by the FIUTT ("listed entity").

This guidance note sets the procedure a Reporting Entity must follow under section 22AB. This guidance note does not address obligations on Quarterly Terrorists Reports (QTR) under section 33 (3) or Suspicious Transaction/Activity Reports (STR/SAR) under sections 22AB (d) and 22C (3).

#### Step 1

#### REPORTING ENTITY'S OBLIGATION

A Reporting Entity is required to consult the UN 1267 List and the Consolidated List to verify whether any designated entity or listed entity has funds in the financial institution or listed business.

- After consulting the Lists, if the Reporting

<sup>1</sup> Under section 2 of the ATA "property" or "funds" means assets of any kind, whether tangible or intangible, moveable or immovable, however acquired and legal documents or instruments in any form, including electronic or digital, evidencing title to, or interest in, such assets, including but not limited to bank credits, travellers cheques, bank cheques, money orders, shares, securities, bonds, drafts, letters of credit whether situated in Trinidad and Tobago or elsewhere, and includes a legal or equitable interest, whether full or partial, in any such property;"



## APPENDIX A (Continued)

Entity knows or has reasonable grounds to believe that a designated entity or listed entity has funds in Trinidad and Tobago, the Reporting Entity **MUST IMMEDIATELY WITHOUT DELAY** take the following action:

- a. Orally, via telephone inform the FIUTT, that they have funds belonging to an individual or legal entity falling into a category identified above; and
  - b. Complete the **TERRORIST FUNDS REPORT (the "FIU TFR form")** [available on the website <http://www.fiu.gov.tt/>]; and
  - c. Submit the completed **FIU TFR form** electronically, by the secure reporting system established by the FIUTT; or
  - d. Submit the completed **FIU TFR form** in hard copy by hand in a sealed envelope.
2. If a designated entity or listed entity attempts to enter into a transaction or continue the business relationship, the Reporting Entity :
    - a. **MUST NOT** enter into or continue the business transaction or the business relationship; and
    - b. **MUST** submit a **SUSPICIOUS TRANSACTION/ACTIVITY REPORT (STR/SAR)** to the FIUTT.

### **UNDER NO CIRCUMSTANCES SHOULD A REPORTING ENTITY ENTER INTO OR CONTINUE A BUSINESS TRANSACTION OR BUSINESS RELATIONSHIP WITH A DESIGNATED OR LISTED ENTITY.**

#### **Step 2 FIUTT'S ACTION**

1. The FIUTT will immediately and without delay verify that the name submitted by the Reporting Entity is currently recorded on the United Nations Security Council List of designated entities or the consolidated List and communicate its findings to the Reporting Entity in the following manner:
  - a. orally via telephone; and,
  - b. electronically, by the secure reporting system established by the FIUTT, or
  - c. by submitting a report in writing by facsimile, or registered mail or hand delivery.
2. The FIUTT **MAY INSTRUCT** the Reporting Entity in writing to suspend the processing of the transaction in accordance with section 22E of the ATA for a period not exceeding five (5) working days.
3. The Reporting Entity may apply to the Court to discharge the FIUTT's instructions but until such time the FIUTT's instructions remain in force.
4. The FIUTT will immediately and without delay inform the Attorney General of the name submitted by the Reporting Entity



## APPENDIX A (Continued)

which will be recorded on the United Nations Security Council List of designated entities or the consolidated List.

### Step 3

#### ORDER OF THE COURT

1. Immediately after being informed by the FIUTT of the name submitted by the Reporting Entity the Attorney General would make an application to the Court for an Order in accordance with section 22B (2) of the ATA.
2. The Court may by Order under section 22B (3) of the ATA declare the entity to be a listed entity under the ATA and freeze the funds of the listed entity.
3. Immediately after declaring the entity to be a listed entity, the Registrar of the Court will cause the Order to be served on the Reporting Entity and the FIUTT.
4. **Immediately**, upon service of the Order, the Reporting Entity **MUST** take action to freeze the funds in accordance with the terms of the Order.
5. The Attorney General will publish the Order in the Gazette and in two (2) daily newspapers.
6. The FIUTT would maintain a consolidated list of all Orders and circulate same to all Reporting Entities. The list will be circulated via email, on the FIUTTs' website and by other electronic means.

### Step 4

#### REVIEW AND REVOCATION OF THE COURT ORDERS

1. The entity in respect of which an Order has been made under section 22B (3) of the ATA may apply for a review of the Order within sixty days after the date of publication and shall also notify the Attorney General of the application.
2. The Court would determine on the basis of the information available whether or not the Order should be revoked, and may make an Order for revocation.
3. Every six months the Attorney General will:
  - a. review all Orders made under section 22B(3) of the ATA;
  - b. apply to the Court for the revocation of the Order if he determines that the circumstances under which the Order was made no longer exist; and
  - c. publish the Order for the revocation in the Gazette and in two (2) daily newspapers.

#### ADDITIONAL RESOURCES

A list of known terrorist individuals and entities are available on the following web sites:

[www.un.org/sc/committees/1267/aq\\_sanctions\\_list.shtml](http://www.un.org/sc/committees/1267/aq_sanctions_list.shtml),  
[www.un.org/sc/committees/1267/pressreleases.shtml](http://www.un.org/sc/committees/1267/pressreleases.shtml), or  
[www.fiu.gov.tt](http://www.fiu.gov.tt)

Guidance on detecting terrorist activity is available at:

<http://www.fatf-gafi.org/documents/guidance/guidanceforfinancialinstitutionsindetectingterroristfinancing.html>

## APPENDIX B

## GUIDANCE NOTE ON SUSPICIOUS TRANSACTION/ACTIVITY REPORTING STANDARDS

## PART I

## INTRODUCTION

This Guidance Note is intended to provide assistance to Financial Institutions and Listed Business (Reporting Entities) in meeting their obligations to make a Suspicious Transaction or Suspicious Activity Report (STR/SAR) to the Financial Intelligence Unit (the FIU). These obligations are imposed under section 55 (3) of the Proceeds of Crime Act (the POCA) and section 22AB (d) and 22C (3) of the Anti-Terrorism Act (the ATA). This Guidance Note includes information on who must file, when to file, how to complete the STR/SAR form set out in the Third Schedule of the POCA and the procedure for submission to the FIU.

STRs/SARs play a crucial role in the fight against money laundering and terrorism financing and the FIU is committed to ensuring that Reporting Entities in the Republic of Trinidad and Tobago file STRs/SARs of the highest quality.

The Guidance Note should be read together with the POCA, the ATA, the Financial Obligations Regulations, 2010 (the FOR) and the Financial Obligations (Financing of Terrorism) Regulations, 2011.

## PART II

## REPORTING ENTITIES' OBLIGATIONS UNDER THE AML/CFT LAWS

### 1. Who is required to report a Money Laundering or Financing of Terrorism transaction or activity?

Section 55 (3) of the POCA, section 22AB (d) and section 22C (3) of the ATA.

The POCA and the ATA require that a STR/SAR be made to the FIU by reporting entities when they know or have reasonable grounds for suspicion of money laundering or financing of terrorism.

Reporting entities are:

#### (a) Financial Institutions:

- (i) a bank licensed under the Financial Institutions Act;
- (ii) a financial institution licensed under the Financial Institutions Act;
- (iii) a building society registered under the Building Societies Act;
- (iv) a society registered under the Cooperative Societies Act;
- (v) an insurance company registered under the Insurance Act;
- (vi) a person licensed under the Exchange Control Act to operate an exchange bureau;



## APPENDIX B (Continued)

- (vii) a person licensed under the Securities Industry Act as a dealer or investment adviser;
  - (viii) a person who is registered to carry on cash remitting services under the Central Bank Act;
  - (ix) a person who carries on postal service;
  - (x) an entity providing mutual funds;
  - (xi) development banks, trust companies, mortgage companies; or
  - (xii) any other person declared by the Minister by Order, subject to negative resolution of Parliament, to be a financial institution for the purpose of this Act; and
- (b) Listed Business** means a business or professional listed in the First Schedule of the POCA:
- (i) Real Estate - Any natural or legal person, partnership or firm carrying on the business of buying, selling or leasing land and any interest in land or any, buildings thereon and appurtenances thereto.
  - (ii) Motor Vehicle Sales - Any natural or legal person, firm or partnership, carrying on the business of selling or leasing new or used motor vehicles as defined under the Motor Vehicles and Road Traffic Act.
  - (iii) Money or Value Transfer Services- A financial service that accepts cash, cheques, other monetary instruments or other stores of value in one location and pays a corresponding sum in cash or other form to a beneficiary in another location by means of a communication, message, transfer or through a clearing network to which the money value service belongs.
  - (iv) Gaming House- Any such business registered under the Gambling and Betting Act.
  - (v) Pool Betting- Any such business registered under the Gambling and Betting Act.
  - (vi) National Lotteries On-Line Betting Games.
  - (vii) The business of lotteries operated in accordance with the National Lotteries Act.
  - (viii) Jewellery - A business licensed under the Precious Metals and Precious Stones Act.
  - (ix) A Private Members' Club - A club within the meaning of the Registration of Clubs Act.
  - (x) An Accountant, an Attorney-at-law or other Independent Legal Professional - when performing the following functions on behalf of a client:
    - buying and selling of real estate;
    - managing of client money, securities and other assets;
    - management of banking, savings or d) organization of contributions for the creation, operation or management of companies, legal persons or arrangements; (e) buying or selling of business entities.
  - (xi) An Art Dealer - An individual or company that buys and sells works of any category of art.
  - (xii) Trust and Company Service Providers – persons who prepares for and carries out transactions for a client in relation to the following activities:

## APPENDIX B (Continued)

- acting as a formation agent of legal persons;
- acting as (or arranging for another person to act as) a director or secretary of a company, a partner of a partnership or a similar position on relation to other legal persons;
- providing a registered office, business address or accommodation, correspondence or administrative address for a company a partnership or any other legal person or arrangement;
- acting as (or arranging for another person to act as) a nominee shareholder for another person.
- 

### 2. Attorney-at-law or other Independent Legal Professional

An Attorney-at-law or other Independent Legal Professional is not required to report any information they receive or obtain from a client in privileged circumstances. However, no information or other matter required to be reported under section 55 (3) shall be treated as coming to an attorney-at-law in privileged circumstances if it is communicated or given with a view to furthering a criminal purpose.

## PART III

### TIME TO SUBMIT A STR/SAR TO THE FIU

A STR/SAR must be sent to the FIU as soon as possible but in any event within fourteen (14) days of the date on which the Reporting Entity's personnel

(the Compliance Officer) knew or formed the suspicion that:

- (a) funds being used for the purpose of a transaction are the proceeds of a specified offence, or
- (b) funds for a transaction are linked or related to or to be used in whole or in part for the financing or terrorism; or
- (c) a designated or listed entity is attempting to transact business.

Reporting entities should ensure that their internal systems support the timely filing of STRs/SARs and avoid unnecessary delay.

## PART IV

### WHAT IS A SUSPICIOUS TRANSACTION/ACTIVITY

1. Suspicion of money laundering or financing of terrorism requires a degree of satisfaction that may not amount to belief, but should extend beyond mere speculation and be based on some foundation that money laundering or terrorist financing has occurred or is about to occur.

Suspicion involves a personal and subjective assessment. Reporting Entities have to assess whether there are reasonable grounds to suspect that a transaction is related to money laundering offence or a financing of terrorism offence.

2. In this regard Reporting entities are required to pay special attention to:

- (a) business transactions with individuals, corporate persons and financial institutions in or from other countries which do not or insufficiently comply with

## APPENDIX B (Continued)

- the recommendations of the Financial Action Task Force;
- (b) a transaction which is complex, unusual or large,<sup>1</sup> whether completed or not;
  - (c) unusual patterns of transactions; and
  - (d) insignificant but periodic transactions which have no apparent or visible lawful purpose.
3. A transaction includes:
- (a) the receiving or making of a gift. The sum of money involved in the transaction is irrelevant. There is no monetary threshold for making a report of a suspicious transaction;
  - (b) a one-off transaction. This means any transaction other than one carried out in the course of an existing business relationship;
  - (c) two or more one-off transactions which appear to be linked;
  - (d) a transaction which is attempted i.e. which is not completed.
4. Reporting Entities may become suspicious because the customer activity deviates from the normal activity for that customer, business or sector. Reporting Entities must therefore understand what the normal activity is for each customer and how this transaction differs from that.
5. When considering making a suspicious transaction report, the Reporting Entities should consider all the circumstances of the transaction. Relevant factors include your knowledge of the customer's business, financial history, background and behaviour. As a general principle, any transaction that causes a reporting entity to have a feeling of apprehension or mistrust about the transaction should be closely examined and the entity should consider filing a STR/SAR.
6. Finally, Reporting Entities should bring together all the relevant factors. Some factors may seem individually insignificant, but taken together may raise the suspicion of money laundering or the financing of terrorism.
- 7. Distinction between knowledge and suspicion**
- Having knowledge means actually knowing something to be true and can be inferred from surrounding circumstances. Suspicion of money laundering or financing of terrorism on the other hand, requires a degree of satisfaction that may not amount to belief, but should extend beyond mere speculation and be based on some foundation that money laundering or terrorist financing has occurred or is about to occur.
- In the case of either knowledge or suspicion, a STR/SAR shall be filed with the FIU.

## PART V

### HOW TO IDENTIFY A SUSPICIOUS TRANSACTION OR SUSPICIOUS ACTIVITY

1. The Red Flags below are some general indicators which may be helpful in identifying a suspicious transaction/activity. ***The presence of one or more of these indicators does not necessarily mean that a Money Laundering or Financing of Terrorism is in fact taking place.*** The Reporting Entity, upon the examination of the Transaction, must build its conclusions on an objective basis and consider carefully all related conditions and evidence.

<sup>1</sup> A large transaction is a transaction the value of which is TT\$90,000 or more.



## APPENDIX B (Continued)

Red Flags which point to a transaction being related to the Financing of Terrorism are similar to those relating to money laundering. In fact, it is possible that a transaction could be related to both. For example, funds to be used for terrorist activity could be the proceeds of criminal activity as well as from legitimate sources.

### 2. Red Flags pointing to Financing of Terrorism<sup>2</sup>

#### *Behavioural Indicators:*

- (a) The parties to the transaction (owner, beneficiary, etc.) are from countries known to support terrorist activities and organizations.
- (b) Use of false corporations, including shell-companies.
- (c) Inclusion of the individual or entity in the United Nations 1267 Sanctions list.
- (d) Media reports that the account holder is linked to known terrorist organizations or is engaged in terrorist activities.
- (e) Beneficial owner of the account not properly identified.
- (f) Use of nominees, trusts, family members or third party accounts.
- (g) Use of false identification.
- (h) Abuse of non-profit organization.
- (d) hide the source and intended use of the funds.
- (e) Transactions which are inconsistent with the account's normal activity.
- (f) Deposits were structured below the reporting requirements to avoid detection.
- (g) Multiple cash deposits and withdrawals with suspicious references.
- (h) Frequent domestic and international ATM activity.
- (i) No business rationale or economic justification for the transaction.
- (j) Unusual cash activity in foreign bank accounts.
- (k) Multiple cash deposits in small amounts in an account followed by a large wire transfer to another country.
- (l) Use of multiple, foreign bank accounts.

### 3. Red Flags pointing to Money Laundering

#### *Indicators linked to the financial transactions:*

- (a) The use of funds by the non-profit organization is not consistent with the purpose for which it was established.
- (b) The transaction is not economically justified considering the account holder's business or profession.
- (c) A series of complicated transfers of funds from one person to another as a means to
- (a) The client cannot provide satisfactory evidence of identity.
- (b) Situations where it is very difficult to verify customer information.
- (c) Situations where the source of funds cannot be easily verified.
- (d) Transactions in countries in which the parties are non-residents and their only purpose is a capital investment (they are not interested in living at the property they are buying).
- (e) Frequent change of ownership of same property in unusually short time periods with no apparent business, economic or other legitimate reason and between related persons.

<sup>2</sup> Adapted from "FIUs and Terrorists Financing Analysis - A review by the Egmont Group of sanitised cases related to Terrorist Financing" [www.egmontgroup.org/library/download/58](http://www.egmontgroup.org/library/download/58)



## APPENDIX B (Continued)

- (f) Client wants to re-sell Property shortly after purchase at a significantly different purchase price, without corresponding changes in market values in the same area.
- (g) Client wishes to form or purchase a company whose corporate objective is irrelevant to the client's normal profession or activities, without a reasonable explanation.
- (h) The client sets up shell companies with nominee shareholders and/or directors.
- (i) Client repeatedly changes Attorneys within a short period of time without any reasonable explanation.
- (j) Client purchases property in names of other persons or uses different names on offers to purchase, closing documents and deposit receipts.
- (k) Client deposits a large amount of cash with you to make payments which are outside of the client's profile.
- (l) Client negotiates a purchase but wants to record a lower value on documents, paying the difference "under the table", (inadequate consideration).
- (m) Client's documents such as identification, statement of income or employment details are provided by an intermediary who has no apparent reason to be involved, (the intermediary may be the real client).
- (n) Client gives power of attorney to a non-relative to conduct large transactions (same as above).
- (o) Transaction involves legal entities and there is no relationship seen between the transaction and the business activity of the buying company, or the company has no business activity.
- (p) Client requests the firm to act as his agent in obtaining high sum bankers' drafts, cashiers' cheques and other cash equivalent

or near cash monetary instruments or in making wire transfers to and from other banks or financial institutions, (anonymity).

- (q) Divergence from the type, volume or frequency of transactions expected in the course of the business relationship.

### 4. Impact on the Business Relationship/ Transaction after Forming a Suspicion

The law does not require a Reporting Entity who has filed a STR/SAR to end or terminate their financial relationships with the reported individual or entity except in the two (2) following circumstances:

- (a) where satisfactory evidence of identity has not been obtained; or
- (b) where a designated or listed entity attempts to enter into a transaction or continue the business relationship.

In all other cases Reporting Entities should be aware that the decision to continue the business relationship after filing a STR/SAR should be based on commercial or risk containment reasons. However, a decision to terminate the business relationship must also ensure that the customer is not alerted to the filing of the STR/SAR which would constitute the offence of tipping off.

## PART VI

### HOW TO MAKE A SUSPICIOUS TRANSACTION/ACTIVITY REPORT

1. The prescribed STR/SAR form in the Third Schedule of the POCA should be used by Reporting Entities. The STR/SAR form is available on the FIU's website [www.fiu.gov.tt](http://www.fiu.gov.tt) and a word document can also be made available by

## APPENDIX B (Continued)

emailing the FIU at [fiutt@gov.tt](mailto:fiutt@gov.tt) for a Microsoft word form.

It is essential that Reporting Entities complete all relevant fields in the form with accurate information.

### 2. Contents of the STR/SAR

The value of an STR depends on the quality of information it contains. A STR/SAR should set out in a clear manner the basis for knowledge or suspicion of Money Laundering or Financing of Terrorism.

Reporting Entities should include as much relevant information about the customer, transaction or activity that it has available from its records.

In Part VII "Suspicious Activity Information/explanation/description", a detailed explanation as to why the Reporting Entity is filing a suspicious transaction report should be given.

The information about the transaction and what led to your suspicion is important in completing the STR/SAR. Provide as many details as possible including anything that made you suspect that it might be related to Money Laundering, Financing of Terrorism, or both. It is not critical for the Reporting Entity to determine whether the offence is one or the other, it is the information about your suspicion that is important, not the distinction between Money Laundering and Financing of Terrorism offences.

### Supporting documents

You are to describe supporting documentation and retain copies. Where necessary you should also enclose photocopies of documents facilitating the transaction and identifying the party or parties to the transaction.

**Note: The STR/SAR is to be completed after the Customer leaves. It must not be completed in the presence of the customer. The customer should not be Told that a STR/SAR would be made or has been made to the FIU.**

### 3. STR/SAR Submission to the FIU

STRs/SARs must be reported, in order of priority, by the following methods:

- (a) Hand delivered in a **SEALED** envelope and stamped "**CONFIDENTIAL**" addressed to:

The Director  
Financial Intelligence Unit of Trinidad and Tobago  
Level 25, Tower D  
International Waterfront Complex  
1A Wrightson Road,  
Port of Spain  
Trinidad and Tobago;

- (b) Registered post addressed to the Director at the above address;
- (c) Electronically, by secure reporting system to be advised by the FIU; or
- (d) By Facsimile to (868) 627 7018 and contact the FIU by telephone at (868) 625-8351 prior to submission.



## APPENDIX B (Continued)

The method of delivery of a STR/SAR will depend on the circumstances of the report.

The FIU may specify additional modes, which may be used for submitting STRs/SARs by Notification published in the Gazette and in two newspapers in daily circulation in Trinidad and Tobago.

The Reporting Entity may, in limited circumstances, make a STR/SAR via telephone [(868) 625-8351] where the Reporting Entity believes the immediate attention of the FIU is required i.e. urgent cases. Such urgency could arise:

- (a) where a Reporting Entity's impression of a transaction has gone beyond suspicion and amounts to knowledge or belief that the transaction involves money laundering or financing of terrorism;
- (a) where there is belief of an imminent crime; or
- (a) to avoid flight of assets out of Trinidad and Tobago which may be irrecoverable.

In each case that an oral report is made it should be followed as soon as practicable by a written report.

#### 4. FIU Procedures upon the Receipt of a STR/SAR

Upon the receipt of a STR/SAR, the FIU will provide feedback in form of a written acknowledgement letter to the Reporting Entity's Compliance Officer within thirty (30) days from the day received. The FIU may also require a Reporting Entity to produce specific information that the FIU may reasonably require to conduct its analysis. Reporting Entities should be cooperative in this regard.

The FIU will also provide further written feedback on the STR/SAR that:

- a. an intelligence report was sent to the Law Enforcement Agency (LEA) for investigation;

- b. the LEA has advised that the investigation has been closed;
- c. the STR/SAR has been filed for intelligence purposes; or
- d. the suspect has been charged with/ convicted of an offence.

## PART VII

### HOW TO COMPLETE A STR/SAR FORM

This guidance is provided to assist Reporting Entities in preparing the STR/SAR reporting form.

#### 1. General Guidelines

All fields on the STR/SAR form should be filled out. No field is to be left blank. Insert the letters "N/A" (not applicable) where information requested does not relate to your reporting.

The space marked "*Your Reference No.*" at the top right hand corner of the STR/SAR form is for the Reporting Entity's unique identifier given to each STR/SAR submitted to the FIU. All reports to the FIU should be sequentially numbered and that number written in this space.

**Dates** – Dates should be entered using the format "dd/mm/yy," where "dd" is the day, "mm" is the month and "yy" is the year. Zero (0) should precede any single digit number. If the month or day is not available or unknown, enter zeros in the space for "mm" and "dd." For example, 00/01/11 indicates an unknown day in January 2011.

**Numbers** – Monetary amounts should be entered using the format "\$0,000,000". (Round UP, to the nearest whole dollar.) All amounts should be reported in currency in which the transaction was conducted in (TTD, USD, £, €, ¥, etc.).

## APPENDIX B (Continued)

### 2. Specific Guidelines

#### Item 1

- (a) Initial Report – If you are filing a report on the subject for the first time, check the box at the top of the report (line 1(a).
- (b) Corrected Report - If you are correcting a previously filed report, check the box at the top of the report (line 1(b). Complete the report in its entirety and include the corrected information in the applicable boxes. Then describe the changes that are being made in Part VII, (Suspicious Activity Information/Explanation/Description), line (j).
- (c) Supplemental Report – If you have previously filed an initial report and the subject has conducted another suspicious transaction that requires a report being filed, check the box at the top of the report (line 1 (c)). Complete the report in its entirety.

#### PART I -- REPORTING FINANCIAL INSTITUTION INFORMATION OR RELEVANT BUSINESS

**Item 2 -** Name of Financial Institution or person or company - You should enter the full legal [Trade] name of the financial institution (FI) or listed business (LB).

**Item 3 -** Address of Financial Institution or person or company - Enter the street address of the FI or LB shown in Item 2.

**A street address is required; a Post Office (P.O.) Box number must not be used.**

**Item 4 -** Address of Branch Office(s) where activity occurred - If the location of the suspicious activity is different from that provided in Item 3, enter the street address of the branch or office **where the activity occurred**. Otherwise, enter “same as Item 3 above.” If the suspicious activity

occurred at more than one branch, include this information in Part VII, “Suspicious Activity Information/ Explanation/ Description”.

**Item 5 -** Asset size of Financial Institution or person or company engaged in a relevant business activity - Enter a dollar value of the total asset size of the Reporting Entity.

**Item 6 -** If Institution or relevant business activity closed, date closed – If the FI has closed, enter the date of closure by using the method for entering dates described at the beginning of these Guidelines. [dd/mm/yy].

**Item 7 -** Account Number(s) affected (if any) - Enter the numbers of any account(s) that were affected by the suspicious activity. If more than four accounts are affected, provide the additional account numbers in Part VII. If no account is affected, enter “N/A.”. For each account listed indicate whether the account is still open or has been closed and the date.

**Item 8 -** Have any of the Institution’s or relevant business accounts related to this matter been closed? - If yes, check (a) and enter the account number(s) and enter the date of closure by using the method for entering dates described at the beginning of these Guidelines. [dd/mm/yy]. If no, check (b).

#### PART II -- SUSPECT INFORMATION

**If no information about the Suspect is available, indicate in Part VII “Suspect Information Unavailable”. This will alert the FIU that this information has not been inadvertently omitted.**





## APPENDIX B (Continued)

### Items

#### 9, 10

#### and 11 - Name of Individual or Entity

- If the suspicious activity involves an individual, enter his or her last name in Item 9, first name in Item 10 and middle initial in Item 11. If there is no middle initial, enter "N/A" in Item 11.
- If both formal and alias names are established, enter the full legal name in Items 9, 10 and 11 and the alias name(s) in Part VII, the Narrative.
- If the suspicious activity involves an organization (entity), enter its name in Item 9 and enter "N/A" in Items 10 and 11.
- If the FI or LB has knowledge of a separate "trading as" name, in Part VII, in the Narrative, also enter the individual or organization's name, followed by the phrase "T/A." and the name of the business. For example, *John R. Smith T/A Smith Auto Sales or Johnson Enterprises T/A PJ's Pizzeria.*
- If there is more than one suspect you need to complete a "Part II" for each suspect. Attach additional copies of page 1 to report the additional suspects.

**Item 12 - Address** - Enter the permanent street address, include any apartment or suite numbers of the person identified in Items 9, 10 and 11. If the individual or organization is from a foreign country, enter the foreign country address as well as the local address.

**Item 13 - Date of Birth** - If an individual is named in Items 9 - 11, enter his or her date of birth by using the method for entering dates

described at paragraph 6.1. [dd/mm/yy]. If an organization, enter either in (a) the company or business registration number; (b) its VAT registration number or (c) Board of Inland Revenue (BIR) number.

**Item 14 - Telephone Number** - Enter the home telephone number, including the area code for the individual entered in Items 9 - 11. In 14(a) enter the cellular number, including the area code for the individual entered in Items 9 - 11.

**Item 15 - Telephone Number** - Enter the business telephone number, including area code of the individual or organization entered in Items 9 - 11.

**Item 16 - Occupation** - Fully identify the occupation, profession or business of the person on whose behalf the transaction(s) was conducted. *For example, secretary, shoe salesman, carpenter, attorney, housewife, restaurant owner, liquor store clerk, etc. Do not use non-specific terms such as merchant, self-employed, businessman, etc.*

**Item 17 - Forms of Identification for Suspect** - Check appropriate box for the form of identification provided by the suspect and use the lines provided to give specific data such as driver's license or passport number and issuing authority.

For box d, "other," provide a brief explanation in the space provided. If more space is required, enter the information in Part VII.

**Item 18 - Relationship to Financial Institution** - Check each box that identifies the suspect relationship with the FI or LB. More than one box may be checked. If



## APPENDIX B (Continued)

the “other” box is checked, provide a brief explanation on the adjacent blank space. If more space is required, enter the information in Part VII.

### PART III -- SUSPICIOUS TRANSACTION/ SUSPICIOUS ACTIVITY REPORT

**Item 19 - Date of suspicious transaction or activity** - Enter the first known date of suspicious transaction or activity. If multiple or related activity is conducted by the suspect during the reporting period, the FI or LB may report all activity on one STR/SAR form. Enter the date of the initial activity and the last occurrence date in Part VII of the form. The first known date is a mandatory field.

**Item 20 - Dollar amount involved** - Enter the dollar amount involved in the suspicious activity. If less than a full dollar is involved, round it to the next highest dollar. An aggregated total of all transactions for multiple or related suspicious activities by the same individual or organization within the same reporting period may be shown in this field. The break- out of this total may then be listed in Part VII.

### PART IV – (Deleted by Act No. 10 of 2009)

### PART V – PREPARER INFORMATION

#### Items

**21 to 23 -** Enter the name of the person who prepared the information. It would be extremely helpful if the individual identified in this section has specific knowledge of the underlying facts.

**Item 24 - Title** - Enter the position in the FI or LB held by the preparer of the information.

**Item 25 - Phone Number** - Enter a phone number, including area code, where the preparer can be reached.

**Item 26 - Date Prepared** - Enter the date the STR/ SAR was prepared.

### PART VI – CONTACT FOR ASSISTANCE (If different than preparer of information in Part V)

#### Items

**27 to 29 - Contact Person’s Name** - Enter the name of the person who can be contacted for additional information. It would be extremely helpful if the individual identified in this section has specific knowledge of the underlying facts.

**Item 30 - Title** - Enter the contact person’s title or occupation in the FI or LB.

**Item 31 - Phone Number** - Enter a phone number, including area code, where the contact person can be reached.

**Item 32 - Institution** - If the STR/SAR is not being filed by a FI or LB, enter the name of the government agency or organization.

### PART VII -- SUSPICIOUS ACTIVITY INFORMATION/ EXPLANATION/DESCRIPTION

Part VII of the STR/SAR is **critical**. The care with which it is written may determine whether or not the described conduct and its possible criminal nature are clearly understood.

Provide a complete chronological account of what is unusual, irregular or suspicious about the transaction. The narrative should include the material indicated in the Form but you should also include any other information that you believe is necessary to better enable the FIU to understand the transaction you are reporting. If necessary, continue the narrative on a copy of this page of the STR/SAR.



## APPENDIX B (Continued)

**Remember that any supporting documentation such as spreadsheets, photocopies of cancelled checks or other documents, surveillance photos, etc., must be retained at the financial institution for a period of 6 years.** Please indicate in Part VII what documentation is being retained.

### PART VIII

#### ADDITIONAL INFORMATION RELATING TO STR/SAR SUBMITTED TO THE FIU

##### 1. Request for further information

The Director may, having regard to the intricacy of a case make a request for additional information from the Reporting Entity or from any other FI or LB in order to facilitate the exercise of its powers under the Act.

##### 2. Tipping Off/ Confidentiality

As a Reporting Entity, you are not allowed to inform anyone, including the client/customer, about the contents of a STR/SAR or even that you have made such a report. It is an offence under the POCA and the FIU Act. Additionally, it is suggested that you should be wary of requesting any information that you would not normally request during a normal transaction which may alert your client that you are making a suspicious transaction report.

##### 3. Immunity

No criminal or civil proceedings can be brought against the financial institutions or listed business and your employees, staff, directors, owners or other representatives as authorised by law; for making a report in good faith concerning a suspicious transaction. This protection also extends to information provided voluntarily to FIU because of your suspicions of money laundering or financing of terrorism activity.

##### 4. Penalties

Penalties apply for failure to comply with the suspicious transaction/activity reporting obligations. Failure to report a suspicious transaction could lead to, on summary conviction, to a fine of TT\$500,000 and up to two years imprisonment, and on indictment, to a fine of TT\$3,000,000 and up to seven years imprisonment. Failure to provide further information upon request by the FIU is an offence which could lead to, on summary conviction to a fine of \$500,000 and a further fine of \$25,000 for each day of default, and on indictment to a fine of \$1 million and a further fine of \$50,000 for each day of default.

##### 5. For feedback on or clarification about this Guidance Note contact:-

###### Director

Financial Intelligence Unit

Level 25, Tower D

International Waterfront Complex

1A Wrightson Road

Port of Spain

Trinidad and Tobago W.I.

Telephone: (868) 625-8351

Fax: (868) 627-7018

Email: [fiufeedback@gov.tt](mailto:fiufeedback@gov.tt) or [fiutt@gov.tt](mailto:fiutt@gov.tt)

## APPENDIX C

### GUIDELINE FOR THE COMPLETION OF FIU ELECTRONIC REGISTRATION FORM RG1 FOR SUPERVISED ENTITIES

The Financial Intelligence Unit (FIU) in its request for financial information from Supervised Entities is providing in this guideline the procedure for the completion of the electronic Registration Form RG1.

The FIU wishes to assure Supervised Entities of its secure environment for the submission of information using a Secure Socket Layer (SSL) protocol providing communication security with enabled encryption.

To register electronically with the FIU, each Supervised Entity is required to create a Registration Profile.

#### Creating a Profile

To register a business with the FIU a unique profile must be created. This profile is to be created only once but can subsequently be amended if necessary. To create the profile, or login to an existing account, click on the [Click Here](#) link of the webpage.

#### New registration

For a new registration, click on the *Create New Profile tab*. Enter a valid e-mail address that is to be used for communication with the FIU. Enter a password and confirm the password. Click on the *Create New Profile button*. A response message from the FIU will be sent to the e-mail address provided acknowledging receipt of the registration, and a Registration Profile Number will be is-

sued. This number is the number associated with your Registration Profile Account and is apart and separate from the Registration Number that the FIU will issue after reviewing and approving the information submitted.

#### Registrant

To view an existing account, click on the *Login tab*. Enter your e-mail address and password. Click on the *Login* button.

#### Forgot Password

If a password is forgotten, a new password can be issued. Click on the *Forgot Password? Tab*. Enter the e-mail address used when the new profile was created and the Registration Profile Account number. Click on the *Reset Password* button. A message will be sent to the e-mail identified issuing a new password.

Once logged in, you can log out at any time using the *Logout* feature located at the top right of the form. It is strongly recommended that every time you log in you should log out and not just close the webpage.

**NOTE: IT IS THE RESPONSIBILITY OF THE SUPERVISED ENTITY TO SECURE THE INFORMATION USED IN THE LOGIN PROCESS.**



## APPENDIX C (Continued)

### How to complete the electronic registration form- Form RG1

1. You are required to complete Parts I to V of the Online Registration form.
2. Legislative restrictions require that you complete Part VI manually.
3. All addresses entered on the Form must be civic addresses – P.O. Box addresses are not accepted.
4. Company names must be typed in full: abbreviations and acronyms are not accepted. Enter the Company /Business Registration Number.
5. When entering phone numbers do not enter the “-” symbol.
6. Fields with a “\*” are mandatory and must be filled.
7. After you have completed Parts I to V you are required to verify the information, PRINT the form and then click SUBMIT.
8. A confirmation email containing a Registration Number will be sent to the email address you provided after you SUBMIT the form.
9. COMPLETE Part VI of the form you have printed. Ensure that the form is signed by the authorized person.
10. Forward the duly signed form to complete the registration process to:

The Director  
Financial Intelligence Unit  
Level 25, Tower D  
International Waterfront Complex  
1A Wrightson Road Port of Spain

Or Fax to: (868) 627-7018

11. AMENDMENTS: Use the form RG1 to inform the FIU of the following:

- Correction to a prior registration
- Change in ownership of the business
- Change in business/company name
- Change in location of registered office or principal place of business; OR
- Any other change in the particulars registered.

Complete the form in its entirety showing the amendments in **RED**

### Registration Form- RG1

#### General Comments

This form has five (5) Parts and each Part must be completed before being allowed to move on.

Placing the mouse over the blue and white question mark symbol at the *end* of some boxes provide some information relevant to the data being captured in that box.

Boxes that are marked as mandatory (\*) must be completed. Where the field is not applicable to you please enter N/A.

Where drop down boxes are provided, a selected option from that list must be chosen.

If when attempting to move to another Part, errors are identified in the boxes, or if a Part is not completely filled out, a notification message against a red background will be displayed informing that there is missing or incorrect data in the current Part. All boxes in error will be outlined in red. Complete or correct with the relevant data.

## APPENDIX C (Continued)

**NOTE: VERIFICATION AND VALIDATION OF DATA SUBMITTED TO THE FIU IS THE RESPONSIBILITY OF THE SUPERVISED ENTITY.**

### Part I

Part I allows for the identification of the type of transaction, for example an Initial Registration or a Correction. Select the appropriate type and click on the Save Progress and Continue button.

### Part II

Part II captures the Registrant's information. If the Registrant is an individual the boxes for Name of Legal Entity (Firm or Company or Business) and Registration Number will be disabled and will not allow data entry. If the Registrant is either a Business or a Company, the Surname and First Name boxes will be disabled.

If there are one or more branches for the Business this must be so indicated by identifying the number of branches and the location for each branch in the boxes provided.

When all data is entered click the Save and Continue button to move to the next Part. The Return To Previous Part button would allow a return to the preceding Part.

### Part III

Information on the Directors or Owners or Partners is captured in Part III. In instances where there are more than one person to be identified, enter the information for the first person. Click on the Save and Continue button and a message with the options of either Continuing to the Next Part or Adding Another Person will become available. Click Adding Another Person where there are other Directors or Partners in the Partnership.

When multiple persons are entered a list of said persons will be displayed at the bottom of Part III of the form. Options are then available to either remove a person's record or edit the record. If there is a need to update the record, click on the Edit link and amend the record as required. Ensure to click on the Update button for the changes to take effect.

**NOTE: FOR MULTIPLE PERSONS ENTERED, THE BOXES ON SCREEN IN PART III WILL BE DISPLAYED AS EMPTY AND THE ONLY WAY TO VIEW A PERSON'S RECORD IS TO SELECT THE EDIT OPTION.**

### Part IV

The Compliance Officer's information is entered in Part IV. Enter the information as guided above and click on the Save and Continue button. If there is a need to go back to the previous Part, click on the Return To Previous Part button.

### Part V

Part V captures information on the Beneficial Owner(s) for the business. Complete this Part following the same guidelines as set out in Part III in particular where there are multiple Beneficial Owners. The same option exists for entering multiple persons with the Add Another Beneficial Owner button and a list of said persons will be displayed at the bottom of the Part. If the Beneficial Owner is a company or other registered business, provide the individual's details. Complete all details for each Beneficial Owner. For Credit Unions or Co-corporative Societies, tick the Members box.

Preview Form RG1



## APPENDIX C (Continued)

After entering all the data, the completed RG1 is available for viewing before submission to the FIU.

Click on the Preview Completed Form button and verify the information entered for all Parts. If there is a need to amend the form, click on the Return to Edit button located at the top or bottom of the form and amend the form as required. Preview the form again and once satisfied with the information, click 'Yes' for Accept Registration and a Submit Registration button will be enabled. Click the Submit Registration button and a message will inform of a successful registration.

A confirmation message will be sent to the e-mail provided the Registration Account was created. An option to either open or save this form will be available.

**NOTE: IT IS RECOMMENDED THAT THE FORM BE SAVED TO YOUR COMPUTER FOR YOUR REFERENCE AND RECORDING KEEPING.**

For any further assistance that may be required, enquiries may be sent to the Information Technology Unit of the Financial Intelligence Unit at [fiufeedback@gov.tt](mailto:fiufeedback@gov.tt)

April 13, 2012







Enquiries relating to this report should be addressed to:

The Director  
Financial Intelligence Unit of Trinidad and Tobago  
Level 25, Tower D  
International Waterfront Complex  
1A Wrightson Road  
Port of Spain

Telephone + (868) 625-8351  
Fax + (868) 627-7018  
e-mail [fiufeedback@gov.tt](mailto:fiufeedback@gov.tt)  
Website [www.fiu.gov.tt](http://www.fiu.gov.tt)