

Introducing a new Report Type on goAML

Suspicion of Cash Restriction Breach Report (SCRBR)



The Use of Cash (Restriction) Regulations

Malta introduced the Use of Cash (Restriction) Regulations (S.L. 373.04) (the Regulations) on 9th March 2021 with the aim of strengthening the fight against money laundering. The Cash Restriction Section within the FIAU is entrusted to monitor and ensure compliance with the Regulations as empowered under Article 16(1)(m) of the Prevention of Money Laundering Act (Cap 373 of the Laws of Malta) (the PMLA) and Regulation 10(1) of the Regulations.

The Regulations prohibit making or receiving payments or carrying out transactions **in cash amounting to, or exceeding €10,000**, when purchasing or selling the below **high-value goods**:



Sea-craft



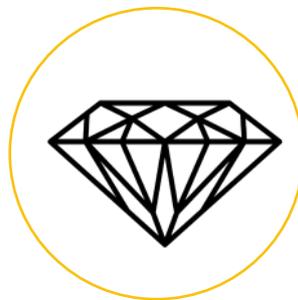
Works of art



Motor-vehicles



Immovable property

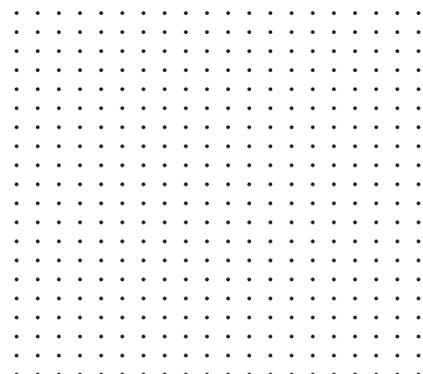


Jewellery,
precious metals,
precious stones,
and pearls



Antiques

The limit for cash transactions when purchasing or selling the items listed above is therefore, €9,999.99.



New Report Type: Suspicion of Cash Restriction Breach Report (SCRBR)

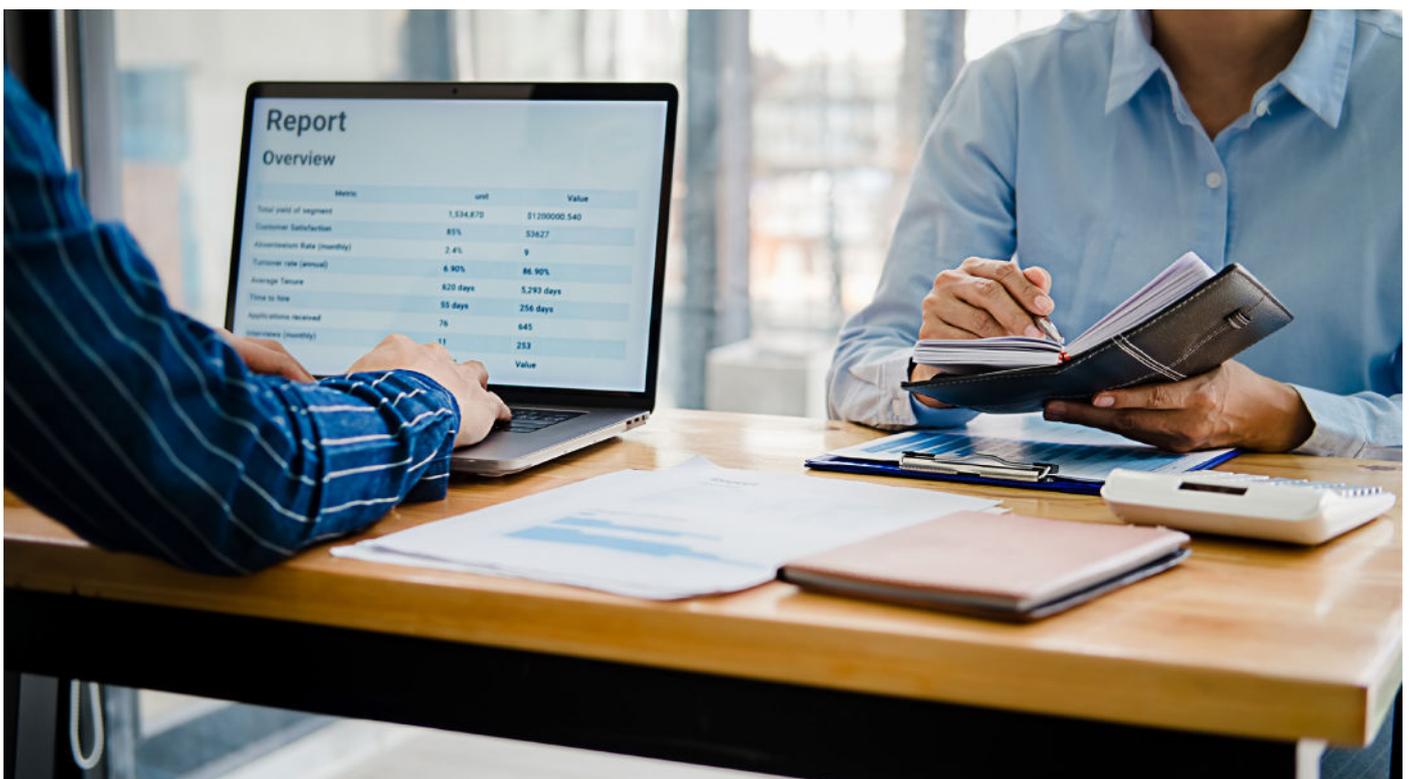
The SCRBR will be introduced on goAML as of **1st January 2024**. The main purpose of the SCRBR is for subject persons to report known or suspected breaches of the Cash (Restriction) Regulations directly to the Cash Restriction Section within the FIAU.

Whilst the layout and components of the SCRBR are like those included in the more common reports (such as the STR or the SAR), the SCRBR has been carefully modified to suit this type of report, being clear and concise, whilst providing all necessary data required by the Cash Restriction Section.

The identity of the reporting entity and the source of information contained in the SCRBR will be treated as intelligence.

How will it work?

After submitting the SCRBR together with any relevant documentation, the Cash Restriction Section will process the information, prioritise and investigate accordingly. In the process of the investigation, the Cash Restriction Section may still request further documentation or information as empowered under article 30A of the PMLA and Regulation 10(2) of the Regulations.



How to file an SCRBR?

1. After logging in to goAML, select the drop-down arrow and choose the **Suspicion of Cash Restriction Breach Report**. Select **Create Report**.

Select a report type

STR

- (IRD) - Incoming Request Domestic
- Additional Information File
- DDR
- Miscellaneous Intelligence Received
- Politically Exposed Person
- STR
- Suspicion of Cash Restriction Breach Report**
- Suspicious Activity Report
- Terrorism Financing Report

Create Report

2. Provide details regarding the suspected Cash Restriction Regulations breach in the **Reason** and **Action** fields.

Suspicion of Cash Restriction Breach Report

Local Currency Code: **EUR** Reporting Entity: **FIAU - Cash Restriction** Entity ID: **1282** Report ID: **8094-0-0**

Reporting Entity Branch is req... Reporting Entity Reference * Reference Date FIU Reference

 28/11/2023

Reason is required!

Action is required!

3. In the **Attachments** tab, attach **any relevant supporting documentation**. This should include any bank statements and declarations, invoices, contracts, etc... as provided by the customer as evidence for the source from where the cash was obtained or else as reason for withdrawal, in the case of banks.

Attachments

Suspicion of Cash Restriction Breach Report

File Name	File Size
No records available	

4. In the **Indicators** tab, select all relevant indicators related to the transaction being reported. It is expected that every report has at least one of each of the below indicators, if applicable:
- Amount indicator – denoted by *Amount*.
 - Product indicator – denoted by *Prod*.
 - Reason for suspicion indicator – denoted by *RS* or *RT*

Indicators

Suspicion of Cash Restriction Breach Report

Select Indicators from the table below...

<input type="checkbox"/> Code ↑	Indicator
<input type="checkbox"/> Amount-01	EUR 0-10,000
<input type="checkbox"/> Amount-02	EUR 10,001-50,000
<input type="checkbox"/> Amount-03	EUR 50,001-100,000
<input type="checkbox"/> Amount-04	EUR 100,001-500,000
<input type="checkbox"/> Amount-05	EUR 500,001-1,000,000
<input type="checkbox"/> Amount-10	Amount not specified/ not available
<input type="checkbox"/> Prod-111	Physical Cash
<input type="checkbox"/> Prod-112	ATM (Domestic)- Deposit: Cash
<input type="checkbox"/> Prod-114	ATM (Domestic)- Withdrawal
<input type="checkbox"/> RS-42	Withdrawals (large amounts, multiple etc.) conducted quickly after deposits
<input type="checkbox"/> RS-8	High value purchases paid in cash
<input type="checkbox"/> RS-9	Large volume of deposits, not in line with customer's known profile
<input type="checkbox"/> RT-18	Physical transportation of cash
<input type="checkbox"/> RT-25	Cash-intensive undertaking

5. In the Activity tab, Report Parties section:
 - a. Select **Account** and add the details of the account used to deposit or withdraw cash, if applicable.

Activity

Suspicion of Cash Restriction Breach Report

Report Parties

+
@
Account

+
👤
Person

+
📄
Entity

+ Goods and Services

Account



<p style="color: red; font-size: 0.8em;">Significance is required!</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p style="color: red; font-size: 0.8em;">Reason is required!</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>		
<p style="color: red; font-size: 0.8em;">Account Number is required!</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Name</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Institution Name</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Branch</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>
<p><input type="checkbox"/> Non Banking Institution?</p> <p>Status Code</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p style="color: red; font-size: 0.8em;">Swift is required!</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Institution Code</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Account Type</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>
<p>Client Number</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Currency Code</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Beneficiary</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>IBAN</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>
<p>Account Comments</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Opened</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Closed</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>	<p>Beneficiary Comment</p> <input style="width: 100%; height: 20px; border: 1px solid #ccc;" type="text"/>

+ Entity

+ Signatory(ies)

- b. Select **Person** and add all the details of the person/s involved in the transaction which is suspected to be in breach of the Regulations. Details should include the name, surname and ID card number of the person/s involved. Any other relevant information would be beneficial.

Activity

Suspicion of Cash Restriction Breach Report

Report Parties

+
@
Account

+
👤
Person

+
📄
Entity

+ Goods and Services

Person



Significance is required!		Reason is required!	
<input type="text"/>	<input type="text"/>		
Title	Gender	First Name is required!	Last Name is required!
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Middle Name	Birth Date	Id Number is required!	Nationality 1
<input type="text"/>	<input type="text" value="dd/MM/yyyy"/>	<input type="text"/>	<input type="text"/>
Nationality 2	Residence	Occupation	Employer Name
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Source of Wealth	Passport Number	Passport Country	Person Comments
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

+ Employer Address

+ Employer Phone

+ Addresses

+ Email

+ Identification

+ Phones

- c. Select **Entity** and add the details of the entity involved in the transaction which is suspected to be in breach of the Regulations. The details should include the name of the company as well as the company registration number. Any other relevant information would be beneficial.

Activity Suspicion of Cash Restriction Breach Report

Report Parties

+ Account
+ Person
+ Entity

+ Goods and Services

Entity



Significance is required!		Reason is required!	
<input type="text"/>	<input type="text"/>		
Name is required!	Commercial Name	Incorporation Legal Form is required!	Business
<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>
Incorporation Number	Incorporation Date	Incorporation State	Incorporation Country Code
<input type="text"/>	<input type="text" value="dd/MM/yyyy"/>	<input type="text"/>	<input type="text"/>
Tax Number	Reg. Number	Entity Comments	<input type="checkbox"/> Business Closed?
<input type="text"/>	<input type="text"/>	<input type="text"/>	
Date Closed			
<input type="text" value="dd/MM/yyyy"/>			

+ Addresses

+ Involved Parties

+ Phones

6. In the **Activity** tab, **Goods** and **Services** section, select the drop-down arrow and choose an **Item Type**.
- The high value good which is the subject of the suspicious transaction must be selected when known, i.e., if it is being suspected that a person fully/partly purchased a vehicle in cash, then one should select **'Vehicle'**.
 - If more than one high value good has been sold or paid for in cash, multiple goods may be added.
 - If the high value good is not clearly identifiable, one may select **'Unknown'**.

Activity

Suspicion of Cash Restriction Breach Report

Report Parties

+ Goods and Services

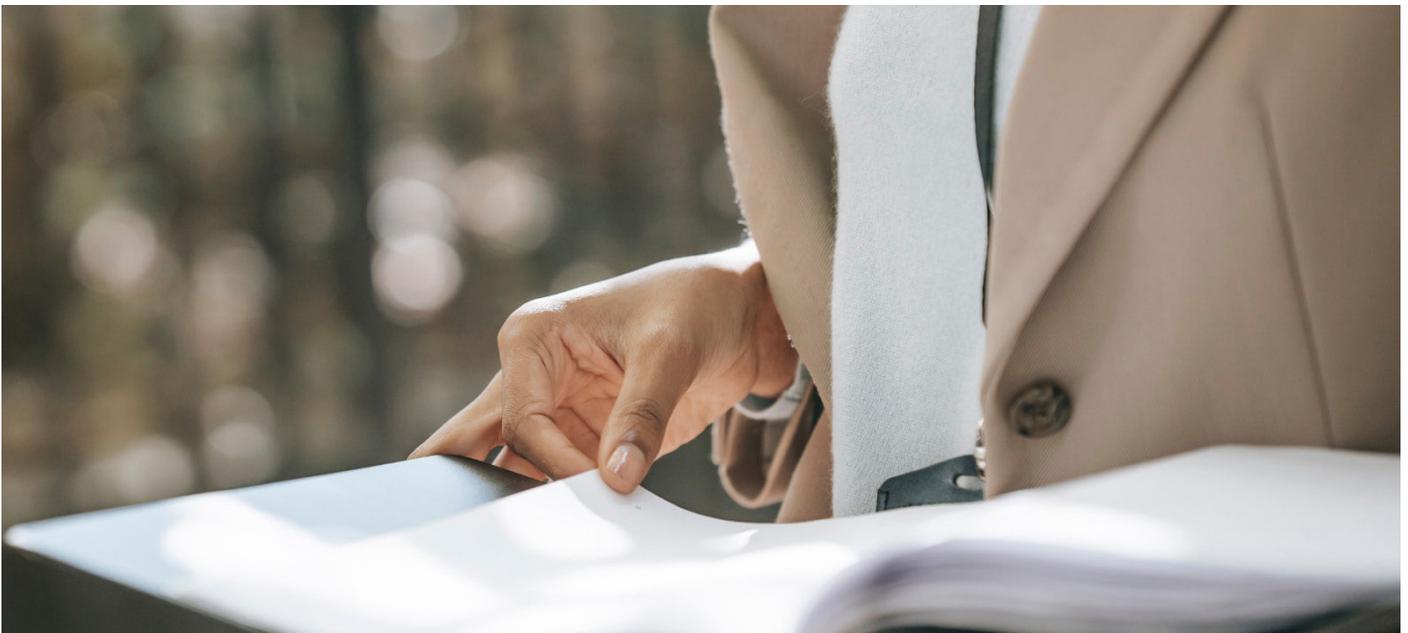
+ Goods and Services

Goods and Services

Item Type is required!

- Antiques
- Artwork
- Jewellery
- Precious Metals
- Property
- Unknown
- Vehicle
- Vessels

7. All available details pertaining to the high value good should be provided in the description section. The description should include as much detail as possible (such as address of property, vehicle registration number, vehicle make and model, seacraft number, etc).



When should you submit an SCRBR?

Below are various scenarios of when one would be expected to submit an SCRBR. The list is not exhaustive and in case of any difficulties you may contact the Cash Restriction Section by calling on 21 231 333 or else by sending an email on cashrestriction@fiaumalta.org.

Funds in cash not accepted by the Bank.

An individual visited a bank branch with the intention of depositing €19,000 in cash. During the process, the bank questioned the individual regarding the source of funds. The individual claimed that the cash represented proceeds from the sale of a boat and presented a Bill of Sale indicating a purchase price of €40,000. However, the bank suspected that this transaction could be in breach of the Regulations and refused to process the transaction. Therefore, the bank should submit an SCRBR including a copy of the Bill of Sale.

Attempt to deposit cash from donation.

An individual approached the bank to deposit €12,000 in cash into his bank account and stated that the funds were given to him as a donation from his mother. This was supported by a notarised donation agreement between the individual and his mother. The agreement stated that his mother had sold a garage and that the cash was derived from this sale. Both the notary and the bank should submit an SCRBR.

Change in the reason to withdraw the funds.

An individual approached a bank with the intention of withdrawing €18,000 in cash from his account for the purpose of purchasing a motor vehicle. However, upon being informed by the bank that his request was denied due to the Cash (Restriction) Regulations, the individual immediately altered his reason and instead requested the funds for home refurbishing. Thus, the bank proceeded to fulfil the individual's request. In this case the bank should submit an SCRBR explaining the client's intent.

Deposits through the Bank's ATM.

An individual deposited a sum of €23,000 in cash through an ATM into his bank account in one or more transactions. Following this transaction, the bank asked the individual to provide information regarding the source of the funds. The individual claimed that the cash was obtained from the sale of a motor vehicle, following which, the bank asked the individual to provide supporting documentation. The individual submitted a handwritten note, bearing the signatures of both the seller and buyer of the motor vehicle, as evidence. Therefore, the bank should submit an SCRBR detailing the event together with a copy of the supporting documentation.

Accountants could not trace payment of sale of property in Company's bank accounts.

A company sold three garages to a couple for €45,000. While preparing the accounts of the company, the accountants noticed that the proceeds from the sale of the garages could not be traced to the company's bank accounts. The accountants requested clarification on these funds, to which the company explained that the directors took the funds. This raised concern that the payment may have been effected in cash. The accountants should submit an SCRBR accordingly.

Change in the reason to withdraw the funds and additional withdrawals.

A couple holding a joint bank account visited a bank branch and requested to withdraw €20,000 in cash for the purpose of buying a garage. The bank cashier explained that such a transaction would be in breach of the Regulations. After a private discussion, the couple advised that they would keep the funds at their residence instead and the cashier proceeded with the transaction. Eventually the couple made further cash withdrawals through the branch and ATMs totalling to €9,600 in various transactions in the following 3 months. These actions raise concern and therefore the bank should submit an SCRBR.

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