



FINANCIAL INTELLIGENCE ANALYSIS UNIT

# Administrative Penalty Publication Notice

This notice is being published by the Financial Intelligence Analysis Unit (FIAU) in terms of Article 13C of the Prevention of Money Laundering Act (Cap. 373) and in accordance with the policies and procedures on the publication of AML/CFT penalties established by the Board of Governors of the FIAU.

This notice provides select information from the FIAU's decision imposing the administrative penalty, and is not a reproduction of the actual decision.

**DATE OF IMPOSITION OF THE ADMINISTRATIVE PENALTY:**

28 December 2017

**SUBJECT PERSON:**

Financial Planning Services Limited (C3608)

**RELEVANT FINANCIAL BUSINESS CARRIED OUT:**

Investment Service Provider

**LEGAL PROVISION / GUIDANCE BREACHED:**

Paragraph 12 of the Guidance Note on the Investment Registration Scheme 2014 issued by the FIAU on the 22 July 2014 and subsequently amended on the 31 July 2014

**REASONS LEADING TO THE IMPOSITION OF THE ADMINISTRATIVE PENALTY:**

In eight cases Financial Planning Services Limited (the Company) failed to take all reasonable measures possible to establish the source of funds or assets being registered under the Investment Registration Scheme 2014 (the Scheme).

Acting as a registration agent for the Scheme constituted a high risk service. Although in these eight cases the Company demonstrated sound knowledge of the background and profile of the applicants who submitted the application for registration under the Scheme, the Company was still required to take additional measures to establish the provenance of the funds and/or assets being registered so as to counter the risk that the Scheme be abused by criminals for the purposes of moving funds.

In the instances where the applicants had declared that the funds or assets being registered were derived from inheritance, the Company did not obtain any additional information and/or documentation to support the applicant's declaration. The same was found to be the case in the instances where the applicants had declared that the funds and/or assets that had been generated from the operation of their businesses or from other sources as the Company merely relied on the applicant's statements.

In view of the high risk nature of the services rendered by the Company when it acted as agent to the Scheme, together with the substantial value of the funds and assets registered in these eight cases, the FIAU considered the Company's failure to constitute a serious breach of the Company's obligations under the Guidance Note on the Investment Registration Scheme 2014.

**TOTAL VALUE OF ADMINISTRATIVE PENALTY:**

*Fifteen Thousand (€15,000)*

**22 January 2018**