



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 (PMLA) and in accordance with the policies and procedures on the publication of anti-money laundering/financing of terrorism (AML/CFT) penalties established by the Board of Governors of the FIAU.

This Notice provides selected information from the FIAU's decision imposing the respective administrative penalties and is not a reproduction of the actual decision.

DATE OF IMPOSITION OF THE ADMINISTRATIVE MEASURE:

22 July 2021

RELEVANT ACTIVITY CARRIED OUT:

Real Estate

SUPERVISORY ACTION:

Compliance Review carried out in 2020

DETAILS OF THE ADMINISTRATIVE MEASURE IMPOSED:

Administrative Penalty of €26,500 in terms of Regulation 21 of the Prevention of Money Laundering and Funding of Terrorism Regulations (PMLFTR)

LEGAL PROVISIONS BREACHED:

Directive issued in terms of Article 26(2)(b) of the PMLA

REASONS LEADING TO THE IMPOSITION OF THE ADMINISTRATIVE MEASURE:

Breach of directive issued in terms of Article 26(2)(b) of the PMLA

In line with the FIAU's functions in terms of Article (16)(1)(c) of the PMLA, the FIAU's Supervision Section informed the Company through a Notification letter dated 24 June 2020 that an offsite compliance examination was scheduled to be carried out. Through this letter and in line with the ordinary course of proceedings applied by the FIAU in relation to compliance reviews, the Company was requested to provide the FIAU with a list of information and documentation in anticipation of the compliance review. The Company was instructed to provide this information and documentation by no later than the 1st of July 2020.

The Company however failed to cooperate and provide any of the requested information and documentation within the stipulated timeframes. Despite the FIAU granting the Company an extension to the deadline which was originally stipulated, the Company failed again to comply with the newly established deadline. The Committee also noted that the Company was given another possibility to make amends and rectify its conduct with the submission of its representations. However

even with such submission, the Company fell short in providing the information and documentation requested.

The Committee highlighted the importance that subject persons cooperate fully with the FIAU at all times, including through the provision of all requested information and documentation within stipulated time frames. The FIAU tried to understand the Company's position and attempted to meet the Company representative to explain and outline the process to be followed and extended the deadline by which the Company could have submitted the requested documentation and information. Despite this, the Company still failed to collaborate and cooperate with the Authority. Indeed, none of the requested documentation and information was ever submitted. Consequently, the compliance review expected to be carried out by the FIAU could never be completed.

The Committee considered that the reasons brought forward by the Company to not provide the necessary information and or/documentation were frivolous and could not justify the Company's non-adherence to the request made by the FIAU. The Committee considered that through its failure to comply with this request, it had interfered with the FIAU's ability to fulfill its supervisory function.

The decision of the Committee is also based on the consideration of the importance of the obligations that the Company breached, together with the serious repercussions of these failures. Finally, the Committee took into account the size of the Company in relation to other subject persons providing similar services in Malta.

In view of the above factors, the Committee determined that the Company was in breach of a lawful order given by the FIAU in terms of Article 26(2)(b) of the PMLA.

22 July 2021

