



## Administrative Measure 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 AML/CFT penalties established by the Board of Governors of the FIAU.

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

### **DATE OF IMPOSITION OF THE ADMINISTRATIVE MEASURE:**

20 August 2021

### **RELEVANT FINANCIAL BUSINESS CARRIED OUT:**

Credit Institution

### **SUPERVISORY ACTION:**

Monitoring order issued in terms of the Prevention of Money Laundering Act (PMLA)

### **DETAILS OF THE ADMINISTRATIVE MEASURE IMPOSED:**

Administrative Penalty of €18,000

### **LEGAL PROVISIONS BREACHED:**

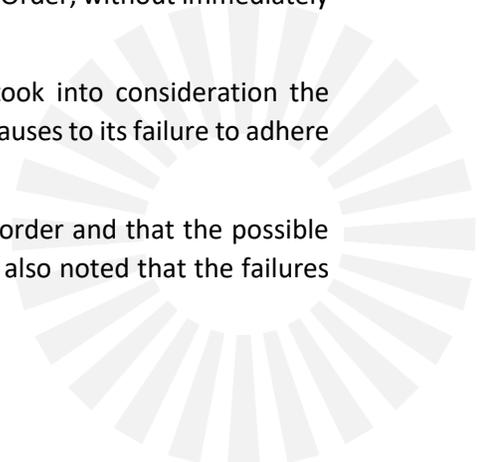
- Article 30C of the PMLA and Section 5.9 of the Implementing Procedures (IPs)

### **REASONS LEADING TO THE IMPOSITION OF THE ADMINISTRATIVE MEASURE:**

On 19 February 2021 the FIAU imposed, a monitoring order (Order) upon the Bank which required it to immediately inform the FIAU of any request/s received for transactions and banking operations exceeding €10,000 in relation to a natural person and a legal person respectively. Despite this Order, in virtue of a list of transactions dated 9 March 2021, FIAU officials noted that the Bank had processed three outward transactions pertaining to the persons mentioned within the Order, ranging between €12,000 - €20,000 and therefore exceeding the €10,000 threshold established in the Monitoring Order, without immediately informing the FIAU about this.

In its deliberations, the Compliance Monitoring Committee (Committee) took into consideration the Bank's shortcomings as well as its representations, which explained the root causes to its failure to adhere to this Order.

The Committee reiterated the importance and seriousness of a monitoring order and that the possible repercussions of failing to adhere to the same cannot be underestimated. It also noted that the failures



identified, especially from the root causes indicated by the Bank itself in its representations, demonstrated that the Bank was not ensuring that its staff was made aware of the consequence of non-compliance to such monitoring orders. The Bank was expected to ensure that it had the necessary resources, both human as well as technological to comply with monitoring orders imposed by the FIAU.

Consequently, the Bank was found in breach of Article 30C of the PMLA and Section 5.9 of the IPs. In determining the appropriate administrative measure to be imposed, the Committee took into consideration the size of the Bank's operations and its activities. The Committee further considered the importance of the obligation breached as well as the repercussions of not abiding with a monitoring order issued by the FIAU, including the impact such failure may have had to any analytical review being carried out by the FIAU's Intelligence Analysis Section.

The Committee concluded that a total penalty of €18,000 is hereby being imposed upon the Bank for its failure to adhere to Article 30C of the PMLA and Section 5.9 of IPs. The Committee as part of an ongoing follow-up directive also directed the Bank to provide an overview of the remedial actions undertaken by the Bank, as indicated in its representations, during a meeting to be held between FIAU officials and the Bank's representatives.

**24 August 2021**

