



GUIDELINES ON FIT & PROPER CRITERIA FOR COMPLIANCE OFFICERS

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1. Definitions

Alternate Compliance Officer means the person appointed in terms of section 34 (3) of the AML/CFT Act 2020

AML/CFT Act means the Anti-Money Laundering and Countering the Financing of Terrorism Act 2020

AML/CFT Regulations means the Anti-Money Laundering and Countering the Financing of Terrorism Regulations 2020

Compliance Officer means the person appointed in terms of section 34 (1) of the AML/CFT Act 2020

Financial Intelligence Unit means the unit established under section 10 of the AML/CFT Act 2020

Reporting Entity for the purposes of these guidelines, means an entity or persons specified under Part C of the First Schedule (except entities at serial numbers 7 and 8) of the AML/CFT Act

Senior Official means an individual employed directly with the reporting entity under a contract of employment, who:

- (a) is a member of managerial staff;
- (b) holds a position that requires him/her to be answerable to the board of the reporting entity; or
- (c) has responsibilities that include direct involvement in the reporting entity's management or may influence policy decision-making process

2. Acronyms and Abbreviations

ACO	Alternate Compliance Officer
AML/CFT	Anti-Money Laundering/Countering the Financing of Terrorism
AML/CFT Act	Anti-Money Laundering and Countering the Financing of Terrorism Act 2020
AML/CFT Regulations	Anti-Money Laundering and Countering the Financing of Terrorism Regulations 2020
CO	Compliance Officer
FIU	Financial Intelligence Unit

3. Scope and Application of this Guideline

- 3.1. These guidelines are issued by the Financial Intelligence Unit (“FIU”), pursuant to section 57 (2) of the Anti-Money Laundering and Countering the Financing of Terrorism Act 2020, (“AML/CFT Act”), with the aim to set out the criteria that would apply in considering ‘fitness and propriety’, when used in the context of individuals who hold, or wish to hold, the position of Compliance Officer (“CO”) or Alternate Compliance Officer (“ACO”) within reporting entities specified in Part C of the First Schedule (except entities at serial numbers 7 and 8) of the AML/CFT Act.
- 3.2. These guidelines also provide information on the FIU’s expectations and the processes involved, for both the reporting entity and the FIU, in ascertaining whether an individual is fit and proper. Reporting entities are encouraged to self-assess their application prior to submitting same to the FIU.
- 3.3. The requirements and processes provided in these guidelines will be subjected to ongoing reviews, and may be updated to reflect any new developments that occur in the AML/CFT Act, AML/CFT Regulations or any other relevant legislations.
- 3.4. These guidelines do not apply to reporting entities specified under Part A, Part B and serial numbers 7 and 8 of Part C of the AML/CFT Act. These reporting entities

should refer instead to the fit and proper guidance issued by the Central Bank of Seychelles and the Financial Services Authority, as appropriate.

- 3.5. For the avoidance of doubt, the FIU emphasizes that the contents of these guidelines are to provide general information and guidance, and should be read in conjunction with relevant provisions of the AML/CFT Act. It is not intended to constitute legal advice from the FIU nor is it intended to replace the AML/CFT Act. If you are unsure about your legal obligations, you should seek independent legal advice.

4. Introduction

- 4.1. The compliance function of a reporting entity plays a critical role in the effective implementation of the AML/CFT procedures and systems of the reporting entity. Therefore, in order to ensure compliance with the AML/CFT Act and the AML/CFT Regulations, the proposed appointee must be competent and suitable to perform the duties and responsibilities of the Compliance Officer (“CO”) or the Alternate Compliance Officer (“ACO”). This would also serve to assist with deterring criminals from using the services and products of the reporting entity for money laundering and terrorist financing activities.
- 4.2. Section 34 (1) of the AML/CFT Act provides the obligation for all reporting entities to appoint a CO within 30 days from the commencement of the AML/CFT Act or commencement of its operations, who shall be responsible for ensuring the reporting entity’s compliance with the AML/CFT Act and the AML/CFT Regulations.
- 4.3. Section 34 (3) of the AML/CFT Act provides the obligations for all reporting entities to appoint a senior official at management level as an ACO who shall be responsible to act in the absence of the CO.
- 4.4. Reporting entities specified under Part C of the First Schedule (except entities at serial numbers 7 and 8) of the AML/CFT Act, shall lodge a fit and proper application for the FIU’s consideration prior to the formal appointment of the CO or ACO. A

formal appointment may only be made following the FIU's determination that the relevant individuals have been determined fit and proper. No individual shall hold the position of CO or ACO, unless approved by the FIU.

- 4.5. The CO is required to be a resident of Seychelles and must be physically present at the official place of business of the reporting entity in Seychelles. This is also applicable for the ACO when assuming the responsibility in the absence of the CO.

5. Guiding Principles

The application and approval process for the appointment of a CO and an ACO is guided by five core principles.

5.1. Responsibility of the Reporting Entity

5.1.1. Whilst the FIU is empowered under section 34 (1) of the AML/CFT Act to determine whether an individual is "fit and proper", Regulation 11 (4) of the AML/CFT Regulations, places the primary responsibility on the reporting entity to be fully satisfied with the proposed appointee's fitness and propriety (i.e. that the proposed CO or ACO have the relevant qualities, experience and skills) prior to the submission of an application of the intended appointment of the individual to the FIU.

5.1.2. Therefore, reporting entities must ensure that whenever it submits a "fit and proper" application to the FIU, it has conducted the necessary due diligence and assessment of the individual being nominated and is of the opinion that the individual meets the fit and proper criteria specified herein.

5.1.3. As part of the application, reporting entities must ensure that complete applications are submitted to the FIU so as not to cause undue delays in the assessment and approval process. This includes a cover letter, the completed **Compliance Officer/Alternate Compliance Officer Application Form**

([CO/ACO Application Form](#)) and all requisite documents supporting the application.

5.1.4. Individuals who have been determined fit and proper by the FIU during the preceding 6 months from the date of submission of a new application, may be subject to a streamlined procedure in relation to submission of the requisite documents to support the application. However, the submission of the application form is mandatory for all applications.

5.2. Responsibility of the FIU

5.2.1. The purpose of assessing the fitness and propriety of the CO and ACO is to ensure that reporting entities have appointed a CO or ACO who will ensure the reporting entity's compliance with the AML/CFT Act and ensure the effective implementation of the internal AML/CFT policies, procedures and controls within the reporting entity.

5.2.2. Furthermore, it assists in preventing individuals who may pose a risk to the proper functioning of the compliance arrangement of a reporting entity from being appointed in such function or from continuing to discharge their function as CO or ACO when their fitness and propriety is questioned.

5.3. Assessment based on proportionality

5.3.1. Whilst assessing the suitability of the individual being appointed as the CO or ACO of a reporting entity, the fit and proper criteria will be applied while considering the size of the reporting entity, the nature of its business and the complexity of its business model.

5.3.2. This does not imply that the requirements will be lowered, however, the approach applied to review the application may differ based on the size, nature and complexity of the business.

5.3.3. It must be noted that an individual who has been determined “fit and proper” by the FIU (or another Supervisory Authority) for a reporting entity, will not automatically be “fit and proper” for another reporting entity. Therefore, in cases where a “fit and proper” individual wishes to be employed by another reporting entity, a new application must be made by the new employing reporting entity to the FIU for assessment and approval.

5.3.4. The assessment will be conducted in a professional manner and will ultimately depend on supervisory judgement. Upon submitting the application, the applicant has agreed to the scrutiny of the assessment process. The FIU will maintain all records related to the process in a secure manner and the entire process shall be properly documented by the FIU.

5.4. Due process and fairness

5.4.1. Recognizing that the decision of the FIU may impact the proposed appointee and the reporting entity, the FIU will take all reasonable steps to ensure that the right of the applicant is in no way infringed.

5.4.2. In line with Regulation 8 (1) (f), the reporting entity has the right to appeal the decision of the FIU as per the procedures prescribed under Regulation 20 of the AML/CFT Regulations.

5.4.3. The FIU has the duty to make informed decisions on the basis of information that can be considered as material and relevant for the assessment process, whilst weighing the factors that are both in favour and against the proposed appointee.

5.4.4. The assessment process is strictly confidential.

5.5. Ongoing Supervision

5.5.1. In line with its supervisory function, the FIU has the mandate to assess the implementation of AML/CFT systems, procedures and controls by the reporting entity and enforce compliance with the provisions of the AML/CFT Act.

5.5.2. As such, ongoing supervisory activities conducted by the FIU, may provide additional input on the fit and proper assessment of the proposed CO to be appointed, especially with regards to the collective suitability of the CO.

5.5.3. Based on deficiencies identified as part of its supervisory activities, the FIU, in line with section 60 (4) (d) of the AML/CFT Act, may impose suspension or withdrawal of the capacity of the CO to be fit and proper.

6. **Preliminary Assessment for Appointment of Compliance Officer**

When identifying the most suitable candidate to be appointed as the CO, the reporting entity must have due regard to the requirements of the AML/CFT Act and AML/CFT Regulations. This includes taking into consideration the seniority of the applicant, his/her qualification and experience, and the specific duties and responsibilities required to be undertaken by the individual once appointed as the CO.

6.1. Seniority of the Applicant

6.1.1. The person being appointed as the CO shall be a senior official and must have sufficient level of authority and independence in the reporting entity's business to enable him or her to discharge the function of CO. This includes:

- (a) having the authority to make or have substantial influence to make decisions concerning AML/CFT matters;

- (b) being responsible for implementing and enforcing AML/CFT policies and strategies approved by the board of directors and/or controlling person;
- (c) having the independence required to objectively perform his or her duties without undue influence from other parties within the business; and,
- (d) have unrestricted access on demand to all books, records and employees of the business as may be necessary to fulfil his or her duties as the CO.

6.1.2. In accordance with Regulation 12 (2), the CO shall occupy a key position within the reporting entity but shall not be permitted to serve in any functional capacity such as a Chief Executive Officer, Deputy Chief Executive Officer, Chief Operating Officer, Chief Financial Officer or in an official Advisory Capacity unless otherwise authorised by the FIU.

6.1.3. Should the proposed CO of the reporting entity be serving in any of the functional capacity outlined under paragraph 6.1.2 of these guidelines, the reporting entity shall apply for exemption with the FIU.

6.1.4. Note that, all requests for exemption should be submitted in writing to the FIU, providing detailed justification for the request, together with any other information and documents that may be deemed relevant.

6.1.5. The FIU will consider each request, on a case-by-case basis, taking into consideration the nature of the business, the size of reporting entity and any other relevant factors before making its determination.

6.2. Minimum qualification and working experience

6.2.1. One of the core elements which is considered by the FIU for the approval of the CO, is the applicant's understanding of the business' vulnerability to

money laundering and terrorist financing risks, and the measures required to be implemented to mitigate such risks.

6.2.2. Whilst assessing an application for the approval of appointment of a CO, the FIU shall have due regard to the educational qualifications, working experience and skills of the applicant.

6.2.3. In accordance with Paragraph 2 of the First Schedule of the AML/CFT Regulations, a fit and proper applicant is expected to have at a minimum, the following:

- (a) knowledge of relevant legal requirements and controls (e.g. anti-money laundering, beneficial ownership and any other relevant laws);
- (b) familiarity with industry practices and professional standards;
- (c) liaison functionality;
- (d) awareness relative to integrity and professional ethics; and
- (e) the aptitude to participate and realize AML/CFT training provided by, or on behalf of, the FIU.

6.3. Responsibilities of the Compliance Officer

6.3.1. The primary responsibility of a CO, as outlined under section 34 (2) of the AML/CFT Act and Regulation 13 of the AML/CFT Regulations, is to implement policies and procedures to ensure the reporting entity's compliance with the AML/CFT Act and other relevant legislations.

6.3.2. The roles and responsibilities of the CO is summarized as per ***Appendix I***.

7. Preliminary Assessment for Appointment of Alternate Compliance Officer

- 7.1. Section 34 (3) of the AML/CFT Act requires that reporting entities also appoint a senior official at management level as an ACO, with the approval of the FIU, to act in the absence of the CO.
- 7.2. As the ACO will be undertaking the role and responsibility of the CO during his or her absence, the same criteria which is applicable to the CO as per section 6 of these guidelines, will also apply to the ACO.

8. Exemption for Appointment of Alternate Compliance Officer

- 8.1. Where a reporting entity is a sole trader / sole practitioner, he/she shall be the sole CO and the reporting entity shall not be required to appoint an ACO as provided for under Regulation 8 (2) of the AML/CFT Regulations.
- 8.2. In addition, in accordance with Regulation 8 (2) of the AML/CFT Regulations a reporting entity with less than five (5) staff members, may apply to the FIU to be exempted from appointing an ACO.
- 8.3. Request for exemption as per paragraph 8.2 must be submitted in writing, together with the application for approval of appointment of the CO of the reporting entity.
- 8.4. The FIU, in accordance with Regulation 8 (2), upon receipt of the written application, may exempt a reporting entity from the requirement to appoint an ACO taking into consideration the following factors:
 - a) the nature and complexity of the reporting entity's business;
 - b) the volume of services/transactions conducted on an annual basis;
 - c) the internal risk rating assigned to the reporting entity in line with the institutional risk assessment conducted by the FIU

- 8.5. Where the FIU does not grant an exemption pursuant to a written application under Regulation 8 (2) of the AML/CFT Regulations, the reporting entity shall comply with the requirements of section 34 (3) of the AML/CFT Act.
- 8.6. Where the reporting entity no longer meets the criterion of Regulation 8(2) (i.e. the reporting entity has more than 5 staff), it shall, within 30 days therefrom, undertake the necessary procedures to appoint an ACO in accordance with section 34 (3) of the AML/CFT Act, taking into consideration the requirement specified under section 7 of these guidelines.
- 8.7. A reporting entity which meets the criterion for Regulation 8 (2) (i.e. the reporting entity has not more than 5 staff or is a sole trader) is not permitted to conduct its business at a lower regulatory standard and shall maintain the responsibility to adhere to established compliance measures and any other requirements established under law, or any other directives, guidelines or policies issued by the FIU.

9. Temporary Absence of the Compliance Officer

- 9.1. In accordance with Section 34 (3) of the AML/CFT Act, the ACO shall act in the absence of the CO.
- 9.2. Regulation 14 of the AML/CFT Regulations requires that the reporting entity immediately inform the FIU, in writing, as soon as the ACO assumes the functions of the CO, specifying the duration for which the CO is expected to be absent.
- 9.3. The ACO may assume the role of CO for up to an initial 90 days. In cases where the reporting entity needs to extend the term beyond the 90 days, the reporting entity shall submit a request to the FIU requesting an extension, providing clear justification thereof, and specifying the duration of the extension.

- 9.4. In the instance that a reporting entity has been exempted from having an ACO, where the reporting entity knows that the CO will be absent for up to five (5) consecutive days and it intends to continue to operate its business during the absence of the CO, the reporting entity must notify the FIU accordingly, no later than three (3) days into the absence of the approved CO.
- 9.5. Where the reporting entity knows that the CO will be absent for more than five (5), but less than ten (10) consecutive days, the reporting entity is required to provide the FIU with the details of a nominated person of substantial seniority to undertake the liaison functionality between the reporting entity and the FIU, no later than five (5) days into the absence of the approved CO.
- 9.6. Where the reporting entity knows that the CO will be absent for more than ten (10) consecutive working days, the reporting entity is required to nominate and submit an application for approval for another employee to be appointed as the ACO in accordance with Section 34 (3) of the AML/CFT Act and the procedures outlined within these guidelines.

10. Fit and Proper Assessment

- 10.1. All COs and ACOs are required to be and must remain fit and proper, as determined by the FIU, during the tenure of the respective position.
- 10.2. The FIU exercises judgment and discretion in determining whether an individual is fit and proper, whilst taking into consideration each application on its own merits for such appointments.
- 10.3. Furthermore, the FIU may have regard to current, past, and prospective matters when considering each application, to include, but not limited to, assessing money laundering and terrorist financing risks related to the business operations of the reporting entity, in line with Regulation 11 (2) of the AML/CFT Regulations.

10.4. In accordance with Regulation 11 (1) of the AML/CFT Regulations, applicants must be assessed as having satisfied all of the following minimum criteria initially and on an ongoing basis:

- (a) the person's probity, competence, experience and soundness of judgement for fulfilling the responsibilities of the relevant position;
- (b) the diligence with which the person is fulfilling or likely to fulfil those responsibilities;
- (c) the person's educational and professional qualifications, and membership of any professional or other relevant bodies;
- (d) the person's knowledge and understanding of the legal and professional obligations to be assumed or undertaken; and
- (e) any other relevant information as may be determined by the respective supervisory Authority.

A. Probity, Personal Integrity and Reputation

10.5. Probity, personal integrity and reputation are qualities that can be demonstrated over time and demand a disciplined and ongoing commitment to high ethical standards. Having individuals who act ethically, with integrity and are of good repute are essential for the overall reputation and integrity of our financial system.

10.6. In assessing the applicant's level of probity, integrity and reputation, the FIU will consider amongst other things whether the person;

- (a) is or has been the subject of any proceedings of a disciplinary or criminal nature, or has been notified of any impending proceedings or of any investigations which might lead to such proceedings;
- (b) has contravened any of the requirements and standards of a regulatory body, professional body, government or its agencies;

- (c) has been dismissed, asked to resign or has resigned from employment or from a position of trust, fiduciary appointment or similar position because of questions about his/her honesty and integrity;
- (d) has been associated, in ownership or management capacity, with a company, partnership or other business association that has been refused registration, authorization, membership or a license to conduct any trade, business or profession, or has had that registration, authorization, membership or license revoked, withdrawn or terminated.
- (e) has at any time shown a strong objection or lack of willingness to cooperate with regulatory authorities resulting in a failure or potential failure to comply with legal, regulatory and professional requirements and standards; and
- (f) has at any time shown strong objection or a lack of willingness to maintain effective internal control systems and risk management practices.

10.7. An affirmation to any of the questions outlined under *Section E – Fitness & Propriety* of the CO Application Form will not automatically mean an application will be rejected. The FIU shall treat each application on a case-by-case basis, taking into account the seriousness of, and circumstances surrounding, the matter and the explanation offered by the applicant.

B. Competency and Capability

10.8. The CO must be a senior official at management level or employee who has sufficient knowledge, skills and experience as prescribed under serial number 2 of the First Schedule of the AML/CFT Regulations to enable him/her to effectively fulfil his/her duties. The term “experience” hereinafter covers both professional and theoretical experience (knowledge and skills) gained through previous work experience, education and training.

10.9. In assessing the applicant’s level of competency and capability, the FIU shall consider factors such as, but not limited to:

- whether the person has past satisfactory experience in the nature of business being conducted;
- whether the person has the ability and appropriate level of experience to understand and perform the prescribed duties of the CO;
- whether the person is conversant with the requirements of the AML/CFT legislations and understands the obligations of the business in line with the requirements of the Act;
- whether the person understands the responsibilities to be assumed as the CO of the reporting entity;
- whether the person has a clear understanding of the affairs and activities of the business to enable him/her to respond to AML/CFT-related enquiries from the FIU about all aspects of the business operations.

11. The Application and Approval Process

11.1. An application for approval of a CO and/or ACO must be submitted by the reporting entity to the FIU comprising of the following documents:

- A covering letter addressed to the Director of the FIU;
- A completed Application Form;
- Copies of identification documents (National Identity Card or Passport Identification Page(s)), certified to be true copy of the original;
- Copies of Professional and Educational qualifications, certified to be true copy of the original;
- A résumé or curriculum vitae outlining the relevant qualifications and experience of the applicant. This should include the names, addresses and telephone numbers of previous employers;
- A police certificate or a sworn affidavit (where a certificate is not issued) as to the non-criminal record of the applicant for the past three years;

- At least one Professional Reference from a person who can speak to the experience and ability of the prospective CO or ACO;
- At least one Personal Reference from a person who can vouch for the individual's conduct and character
- A Bank Reference addressed to the Director of the FIU; and
- Any other supporting documents that the reporting entity deems relevant for the purposes of its application.

11.2. Reporting entities must ensure that any application submitted to the FIU is submitted in its entirety. If information provided is inaccurate or incomplete, the FIU will deem the application as incomplete, in which case it will not be accepted.

11.3. Upon receipt of an application from a reporting entity, the FIU shall confirm receipt within 2 working days of having received the Application Form and its supporting documents.

11.4. The FIU shall examine the application submitted and advise the reporting entity if any further information will be required to proceed with the application.

11.5. In accordance with Regulation 9 of the AML/CFT Regulations, the time taken by the FIU to approve the application of a CO and/or ACO shall not exceed 60 days, and this processing time shall be excluded from the 30-day appointment requirement under Section 34 (1) of the AML/CFT Act.

11.6. Where the FIU deems it appropriate to verify the information submitted to gain more assurance about specific elements of the applicant's fitness and propriety, a meeting may be conducted with the applicant. The meeting will provide an opportunity to better understand the applicant's practical experience and assess the applicant's level of knowledge and understanding of the legal and professional obligations to be assumed or undertaken.

- 11.7. Where a meeting is to be conducted, the reporting entity and the applicant will be given adequate notice in writing of the date, time and place of the requested meeting.
- 11.8. Upon completion of the assessment of the suitability of the CO/ACO, the FIU shall communicate its response, in writing, conveying the approval or rejection of the application.
- 11.9. A reporting entity may withdraw a fit and proper application at any time before the FIU has reached a decision, provided that written notification is made to the FIU. Where such a request is made, the application documents submitted shall not be returned to the reporting entity.
- 11.10. The Application and Approval Process is summarized as per **Appendix II**.
- 11.11. Where the applicant fails to satisfy the application requirements, the FIU shall also provide a written notice about the rejection, and the grounds on which the application was rejected, including any action required (if necessary) based on the results of the assessment.
- 11.12. In accordance with Regulation 8 (1) (f), a reporting entity aggrieved by the decision of the FIU has the right to appeal the decision as per the procedures prescribed under Regulation 20 of the AML/CFT Regulations.

12. Suspension or Withdrawal of “Fit and Proper”

- 12.1. An individual shall cease to be fit and proper if he or she fails to continue to satisfy the criteria set out within the AML/CFT Act, the AML/CFT Regulations and these guidelines.
- 12.2. Where the FIU has reasonable grounds to believe that an individual fails to continue to satisfy the fit and proper criteria, the FIU may, in accordance with Section 60 (4)

(d) of the AML/CFT Act, impose suspension or withdrawal of the capacity to be “fit and proper” of the CO or ACO.

12.3. The FIU shall give written notice to the reporting entity of its intention to suspend or withdraw the fit and proper capacity of the CO or ACO, stating the grounds for the suspension or withdrawal.

12.4. Unless the reporting entity, by written notice to the FIU within 14 days of the notification shows just cause as to why the “fit and proper” capacity should not be suspended or withdrawn, the FIU shall suspend or withdraw the “fit and proper” capacity of the CO or ACO and duly notify the reporting entity in writing.

12.5. In accordance with Regulation 10 (c) of the AML/CFT Regulations, where the “fit and proper” capacity of the CO or ACO has been withdrawn, it is the responsibility of the reporting entity to identify and appoint a suitably qualified candidate for appointment as CO or ACO, with the approval of the FIU, within 90 days from the date of withdrawal of the “fit and proper” capacity.

12.6. In accordance with Section 62 (1), a reporting entity aggrieved by the decision of the FIU has the right to appeal the decision as per the procedures prescribed under Regulation 20 of the AML/CFT Regulations.

13. Failure to Appoint a Compliance Officer

13.1. A reporting entity or an individual that contravenes any of the provisions of the AML/CFT Act and AML/CFT Regulations in relation to the appointment CO, presents grounds for the FIU to take relevant enforcement action against the reporting entity or the relevant person as provided for under the AML/CFT Act

13.2. Furthermore, pursuant to section 34 (4) of the AML/CFT Act, a reporting entity which fails or neglects to appoint a CO within a period of 30 days from the date of coming

into force of the Act or commencement of its operations, commits an offence and is liable on conviction to a fine not exceeding SCR 200,000.

13.3. In the event of any concern or uncertainty in respect to these guidelines, it is pertinent that reporting entities seek the necessary guidance from the FIU.

Appendix I – Roles and Responsibilities of the Compliance Officer

- (i) Act as the Liaison Officer between the reporting entity and the FIU in all matters relating to money laundering and terrorist financing activities and for compliance with the provision of the AML/CFT Act;
- (ii) Ensure effective implementation of the AML/CFT preventive measures through the identification, assessment and monitoring of the reporting entity's compliance with regulatory requirements and suitability of the internal procedures;
- (iii) Advise and report to the Board or senior managers (as applicable) on the reporting entity's compliance with regulatory requirements and suitability of the internal procedures. Where the CO is the sole senior manager, the report shall be submitted to the FIU;
- (iv) Ensure that the reporting entity maintains a manual of compliance policies, procedures and systems, which is updated as and when there are legislative changes or changes within the business' policies and procedures;
- (v) Ensure that the provisions of the AML/CFT Act, the reporting entity's policies and procedures are complied with by staff, and all instances of non-compliance are duly recorded;
- (vi) Receive and review reports of suspicious activities or transactions made by staff, and if sufficient basis exists, submit a Suspicious Transaction Report to the FIU in accordance with the AML/CFT Act;
- (vii) Where the reporting entity has more than five (5) employees, ensure that an AML/CFT programme is implemented to provide staff with AML/CFT awareness, including the policies and procedures implemented by the business;
- (viii) Participate in mandated AML/CFT-related training provided for by the FIU;

- (ix) Perform reviews of the compliance framework and make regular assessment reports to Board or senior managers (as applicable), identifying any deficiencies and making recommendations for any updates or revisions. Where there are no more than five (5) staff, the CO shall conduct self-assessments of the compliance framework and institute any necessary updates or revisions. Reports of the self-assessments are to be made available to the FIU upon request; and
- (x) Prepare and submit an Annual Compliance Report to the FIU. Where there are no more than five (5) staff, authorisation may be requested by the reporting entity, to defer the submission of the compliance report to a frequency that will be determined by the FIU.

Appendix II – Application and Approval Process

