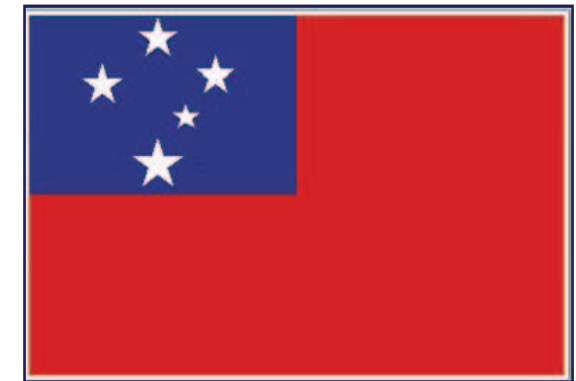




Obligations of Financial Institutions under the Money Laundering Prevention Act 2007

INFORMATION FOR
MONEY TRANSFER OPERATORS
AND FOREIGN EXCHANGE
DEALERS



For more information, contact the following address:

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This brochure describes how your business can help to reduce financial crime and money laundering in Samoa.



OBLIGATIONS OF FINANCIAL INSTITUTIONS?

Money Laundering Prevention Act 2007

The Money Laundering Prevention Act (“the Act”) places certain obligations on “financial institutions”. The definition of financial institutions includes most businesses that handle large amounts of money or high value items. Money transmission service providers are included in this category.

These obligations require money transmission service providers to:

- Verify the identity of customers;
- Maintain business records;
- Report certain transactions; and
- Implement a compliance regime

For more information than is contained in this brochure, you should refer to the Money Laundering Prevention Authority (“the Authority”) or obtain a copy of the Money Laundering Prevention (MLP) guidelines from the Samoa Financial Intelligence Unit (SFIU).

Why Is It Important To Comply With Your Obligation Under The MLP Act?

- You can help boost Samoa’s reputation as a country that is a safe place for investment and economic growth;
- You can provide information that is vital to police investigations; and
- There are serious penalties for financial institutions that fail to fulfil their obligations.



HOW TO HELP

Customer Identification

You must be satisfied of the true identity of a person or company who is seeking to enter a business relationship or carry out a transaction with your business.

To do this, you should ask new customers for documentation to establish their identity. Identification documents include:

- Drivers licences
- Passports
- Birth certificates
- Other identity documents outlined in the MLP guidelines.

The identity of a company can be established by asking to see the company’s Certificate of Incorporation and other documents listed in the MLP guidelines.

Reporting Obligations

You must report to the SFIU any transactions you suspect may be related to money laundering, the financing of terrorism or another serious offence.

Record Keeping

You must maintain records of:

- a person’s identity;
- business transactions and related documentation;
- all reports made to the SFIU; and
- all enquiries relating to money laundering and the financing of terrorism by the SFIU or a law enforcement agency.

These records must be kept for a minimum period of five (5) years.

Compliance Regime

You should put in place a system to assist employees to comply with the obligations under the MLP Act. This regime should include:

- the appointment of a compliance officer;
- the development of written compliance policies;
- implementation and documentation of an ongoing compliance training program for employees; and
- regular review of the effectiveness of internal policies.

EXAMPLES OF SUSPICIOUS TRANSACTIONS

The following scenarios may give reasonable grounds for suspicion:

- A client requests a transaction at a foreign exchange rate that exceeds the posted rate;
- A client wants to pay transaction fees that exceed the posted fees;
- A client exchanges currency and requests the largest possible denomination bills in a foreign currency;
- Client requests numerous cheques in small amounts and various names, which total the amount of the exchange.



Other examples of potentially suspicious transactions are included in the MLP guidelines available from the SFIU.