



4th NATIONAL ANTI MONEY LAUNDERING CONFERENCE 2013

Expectations of Law Enforcement Authorities on the Role
of
Financial Institutions in Detecting Money Laundering

20 November 2013



INTRODUCTION

2013 has been a successful year for the Anti Money Laundering regime with four (4) convictions in major Money Laundering Cases.

- | | | |
|----|----------------------------|-----------------------|
| 1. | State vs Doreen Singh | 6 years imprisonment |
| 2. | State vs Robin Surya Shyam | 12 years imprisonment |
| 3. | State vs Neel Hem Raj | 5 years imprisonment |
| 4. | State vs Faiyaz Khan | Pending sentence |

This is an indication the level of collaboration amongst the LEA and FI's.

INTERPRETATION OF FI'S FTR ACT 2004



The business or activities of :

- Banks
- Insurance Company.
- FX Dealers
- A trustee or manager of a unit trust
- A legal practitioner or an accountant when preparing or carrying out transactions for clients.

A FI must, as soon as practicable after forming that suspicion, but no later than 2 working days, report the transaction or attempted transaction to the Unit.

For an individual – to a fine not exceeding \$30,000 or to a term of imprisonment not exceeding 5 years or both.

http://aml51base.demo.sas.com:8780/SASentCaseManagement/PreviewReport.do?command=previewReport& - Windows Internet Explorer

1 / 5 92.2%

Suspicious Activity Report

March 2011

Previous editions will not be accepted after September 30, 2011

ALWAYS COMPLETE ENTIRE REPORT (see instructions)

FRB:	FR 2230	OMB No. 7100-0312
FDIC:	671006	OMB No. 3064-0077
OCC:	8010-S,8010-1	OMB No. 1557-0160
OTS:	1601	OMB No. 1550-0003
NCUA:	2362	OMB No. 3133-0094
TREASURY:	TD F 90-22-47	OMB No. 1506-0001

1 Check box below only if correcting a prior report.
☐ Corrects Prior Report (see instruction #3 under "How to Make a Report")

Part I Reporting Financial Institution Information

2 Name of Financial Institution International Bank		3 EIN 5 6 4 8 9 5 6 9 7
4 Address of Financial Institution 1001 Main St		5 Primary Federal Regulator a <input type="checkbox"/> Federal Reserve d <input type="checkbox"/> OCC b <input checked="" type="checkbox"/> FDIC e <input type="checkbox"/> OTS c <input type="checkbox"/> NCUA
6 City Cary	7 State N C	8 Zip Code 2 7 5 1 3 -
9 Address of Branch Of fice(s) where activity occurred 4657 Anywhere St.		<input type="checkbox"/> Multiple Branches (include information in narrative, Part V)
10 City Chicago	11 State I L	12 Zip Code 6 0 8 0 4 -
13 If institution closed, date closed MM / DD / YYYY		
14 Account number(s) affected, if any a _____ Closed? <input type="checkbox"/> Yes <input type="checkbox"/> No b _____ <input type="checkbox"/> Yes <input type="checkbox"/> No		c _____ Closed? <input type="checkbox"/> Yes <input type="checkbox"/> No d _____ <input type="checkbox"/> Yes <input type="checkbox"/> No

Part II Suspect Information

☐ Suspect Information Unavailable

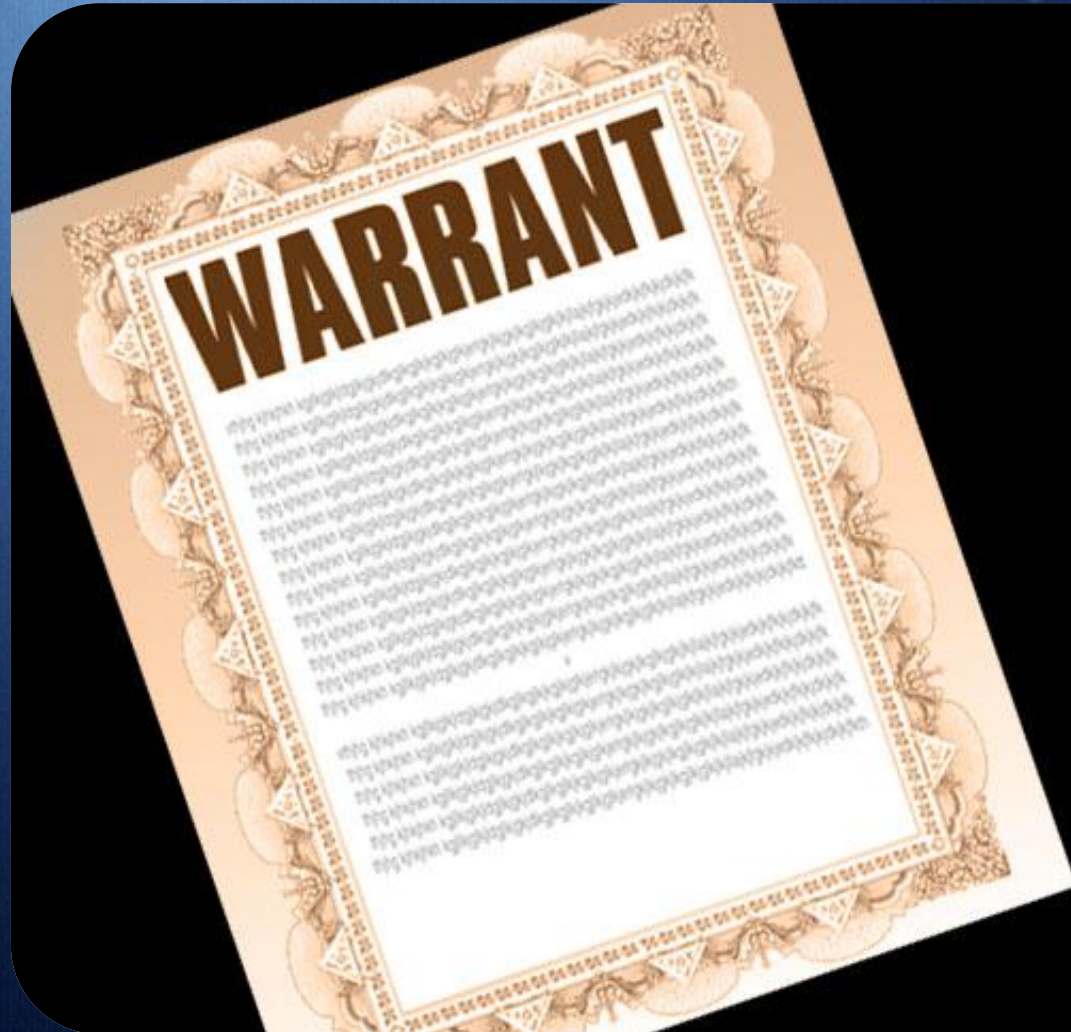
15 Last Name or Name of Entity SULLIVAN	16 First Name ELAINE	17 Middle
18 Address 6120 W OGDEN AVE	19 SSN, EIN or TIN 3 0 0 2 1 9 0 7 2	
20 City 6120 W OGDEN AVE	21 County (Enter 3 digit code) 3 0 0 3 1 3 0 1 3	
22 State SOUTH CAROLINA	23 ZIP CODE 29101	24 COUNTRY USA

EXPECTATION OF FIJI POLICE FORCE



- *Search Warrants*

- FI's Complainant
- Response Time
- Processes
- Authority of SW



INTERNAL INVESTIGATION



- Takes priority than Police investigation.
- Reporting time frame.
- Interrogation of suspects/ witnesses.
- Disclosure of information/ Tipped off.



DUE DILIGENCE



- Remittance of funds off shore
 - Multiple transaction in excess of FJD500.
 - Same Sender.
 - Use of different branches of Fx dealers.
 - Systems fails to red flag these transactions.
 - Third party transactions.
 - Collusion

Illegally obtained funds are easy remitted off shore where we don't have jurisdiction over it.



Cont.



- Vetting of Reserve Bank Approval

- Enhance due diligence of applications.
- Granted to students.
- Unemployed person.
- Verification of documents.

Offenders defeats the systems and processes in place and again are able to remit laundered funds off shore.

FAILURE TO REPORT STR



Funds negotiated by structuring defeating the threshold.

Date	Particulars	Amount
13/5/2011	Chq Deposit	\$9,753.00
17/5/2011	Chq Deposit	\$9, 753.00
23/5/2011	Chq Deposit	\$9, 753.00
24/5/2011	Chq Deposit	\$9, 753.00
25/5/2011	Chq Deposit	\$9, 753.00

FI fail to report a STR.

Cont.



STAMP
DUTY
PAID

28-2-2012

Pay Eleagi Kisi or Bearer

The sum of Four thousand three hundred \$ 4365-00

forty five dollars only

Shirine Madden

011073 03900

IN LIMIT
NS (SOL)

19-3-2012

Pay Fig'en Gaston or Bearer

The sum of One thousand three hundred \$ 1342-35

forty two dollars 35 cents only

Shirine Madden

011163

- Fictitious payee names inserted.
- Total of 181 similar cheques negotiated.
- About \$600, 000.00 laundered.
- Unique alterations

HP Kasabia -

Ha! Pai Kasabianara

Carpenters Motors -

Carspogtersia Motgrisia

Marsh Ltd -

Marsha Litidia



POLICE STATEMENT

- Unwilling to provide.
- Limited information.
- Fails to explain the terminology , process and procedures.
- Fear of court proceedings.

CCTV



- All ATM outlets and teller area to have CCTV.
- Retention of footage for ample time.
- Best undisputed evidence in court.
- Viewing.
- Quality Video
- Implement a system where the footage of the person conducting the transaction is captured.



TRAINING



- To Front line staff.
- Keeping abreast:
 - Emerging trends of ML.
 - Methods of Laundering Funds
 - Stages of Money Laundering and how and where it occurs.
 - Emphasis on loyalty & integrity .



NETWORKING



- FPF is embarking on intelligence led policing therefore intelligence is important and can only be obtained through networking.
- Monthly meeting or formation of working groups.
- Sharing of information/intelligence on need to know basis.



CONCLUSION



Protecting Fiji from Money Laundering is everybody's responsibility, therefore it is vital to have networking amongst the LEA's and FI's to combat this financial crime, Money Laundering.

Detection of ML at early stages is vital as it enable LEA's to respond quickly and restrain the Proceeds of Crime before it is disposed or remitted abroad.

Countries which are not compliant with ML legislations and FATF standards has lot of negative impacts such as economy, investor confidence and sanctions.

Let put our hands together and protect our beloved country from Money Laundering.



THE YOUNG TURKS

JPMorgan Chase & Co.

DEPARTMENT OF JUSTICE

JUSTICE AT LAST?

CENK UYGUR

THE YOUNG TURKS | @CENKUYGUR

TYT MEMBERSHIP.COM



QUESTIONS