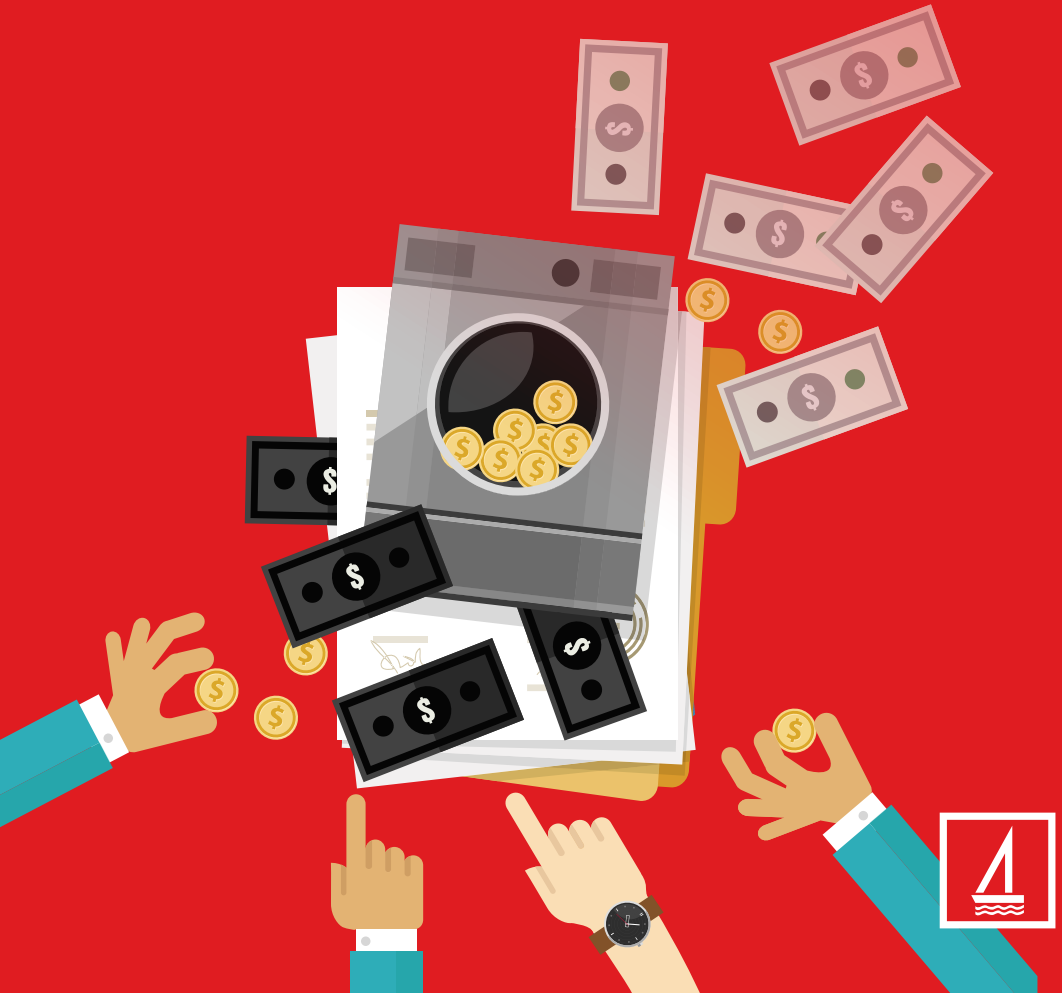


# PREVENTING FINANCIAL CRIME

WE ALL HAVE TO FOLLOW THE LAW



# PREVENTING FINANCIAL CRIME – WE ALL HAVE TO FOLLOW THE LAW

Bank of Maldives is committed to providing the highest levels of customer service and we have been working hard to meet the standards you have a right to expect as a valued customer of our bank.

We recognize that at times the level of information we ask of you with regard to the establishment and running of your bank account may seem excessive. This leaflet explains the reasons why we – and all banks – are obliged to gather this information.

To protect our customers as well as the bank and the banking system from financial crimes, we must comply with the country's laws and regulations on Preventing Money Laundering and Terrorism Financing. We must ensure the bank is not used for money laundering, terrorism financing, or for any other illegal purpose.

## HOW THE CRIME OF MONEY LAUNDERING TAKES PLACE

### 1 PLACEMENT

Placement of funds derived from crime



Criminals put **DIRTY MONEY** into legitimate financial institutions

### 2 LAYERING

Layering of those funds in order to disguise their origins



Transfers between different accounts

### 3 INTEGRATION

Integration of funds into the mainstream economy



This may involve a **FINAL BANK TRANSFER**

**The amount of money laundered globally each year is  
between \$800 billion and \$2 trillion.**

-UNITED NATIONS OFFICE ON DRUGS AND CRIME

## **LAWS AND REGULATIONS**

Bank of Maldives must follow the law. In addition, the Bank is supervised and regulated by the Maldives Monetary Authority (MMA), the country's central bank. MMA closely monitors financial institutions' adherence to laws and regulations. The Prevention of Money Laundering and Financing of Terrorism Act (10/2014) prohibits money laundering and terrorism financing in the Maldives.

As a responsible financial institution, Bank of Maldives has in place detailed and clear policies and procedures setting out the standards relating to Preventing Money Laundering and Terrorism Financing, which must be followed by our employees.

## **WHAT ARE WE REQUIRED TO DO?**

As mandated by the **Prevention of Money Laundering and Financing of Terrorism Act**, all banks, including Bank of Maldives, must:

- **Acquire valid Personal or Business Information from all our customers and beneficial owners\***
  - You are required to provide an initial Information Form and to advise us of certain information based on the nature, conduct and/or behavior of your account. The bank will ensure information is kept confidential.
- **Confirm income and expenditure details of customers**
  - These details are required in order for the bank to assess the volume of transactions that will likely be conducted through your account.
  - This information must be provided, if requested, to MMA's Financial Intelligence Unit.

*\* "Beneficial owner" means the natural person who ultimately controls a customer, or the person on whose behalf a transaction is being conducted, or the person who exercises ultimate effective control over a legal person or arrangement.*

- If you refuse to give the required information, we are no longer allowed to permit you to operate your account(s) with us and, where appropriate, we must send a report to MMA's Financial Intelligence Unit advising of this refusal.
- **Verify the source of funds and purpose of a transaction when:**
  - You carry out a single transaction\* of an amount equivalent to 50,000 (fifty thousand) Maldivian Rufiyaa or above, or its equivalent in foreign currencies, whether conducted as a single transaction or through several transactions that appear to be linked.
  - There is a suspicion of money laundering or financing of terrorism activities, regardless of the amount.
  - You conduct a domestic or international transfer of funds.
  - A deposit amount exceeds your declared income.
  - Doubts exist about the veracity or adequacy of information you have provided to us now or in the past.
- **Refuse transactions**
  - If we cannot fulfil our due diligence obligations under the applicable laws and regulations, we must not establish or continue our relationship with you or proceed to complete any transactions with you. If warranted, we must also submit a suspicious transaction report to MMA's Financial Intelligence Unit.

*\* Single transaction is a transaction that is carried out with a party who does not have a business relationship with the bank*

