



## **CENTRAL BANK OF THE BAHAMAS**

---

# **GUIDANCE NOTES FOR THE COMPLETION OF THE ANTI-MONEY LAUNDERING (AML) DATA RETURN FOR BANKS AND TRUST COMPANIES**

---

**DECEMBER 2021**

# Table of Contents

- 1. Overview of the Anti-Money Laundering Data Return ..... 3**
- 2. Filing Instructions for the Anti-Money Laundering Data Return ..... 3**
  - Submission Protocols ..... 4
- 3. Form Overview ..... 4**
  - a. Statement on Client Database..... 4**
    - Table A ..... 4
    - Table B ..... 6
    - Table C ..... 6
    - Table D ..... 6
  - b. Account Activity ..... 6**
  - c. Statement on Suspicious Transactions ..... 9**
  - d. Cash ..... 10**
  - e. Staff Training..... 10**

## 1. Overview of the Anti-Money Laundering Data Return

The Anti-Money Laundering (AML) Data Return submitted to the Central Bank of The Bahamas (“the Central Bank”) will be used to (i) analyze trends and (ii) evaluate emerging financial crime risks of supervised financial institutions (SFIs) within the bank and trust companies sector.

These Guidance Notes serve as a companion tool to the AML Data Return and provide SFIs with an overview of the filing and reporting instructions.

A copy of the AML Data Return, Guidance Notes and Supplemental Form are placed on the Central Bank’s website for ease of access and reference by SFIs. These documents may be located on the website as follows: **Log onto:** [www.centralbankbahamas.com](http://www.centralbankbahamas.com)

- Navigate to **Core Functions**
- Navigate to **Bank Supervision**
- Select **Downloadable Forms**
- Select **AML Data Return for Banks and Trust Companies**

The guidance notes give a brief description of each of the forms that make up the return. The guidance notes also provide clarification on the data that is to be entered in the various rows and columns. In some cases, the forms are self-explanatory.

The submission of the AML Data Return is a requirement of **all banks and trust companies, exclusive of nominee trust companies, those that solely conduct group business or whose licence has been downgraded to non-active status.**

SFIs are expected to have appropriate procedures in place to ensure that all completed returns are completed with accuracy and submitted on a timely basis. Breakdowns in internal controls, staff shortages and vacations are not considered compelling reasons for late and erroneous filings. Therefore, it is imperative that SFIs ensure that all applicable sections of the return are fully completed in a timely manner to avoid any unnecessary penalties.

## 2. Filing Instructions for the Anti-Money Laundering Data Return

All banks and trust companies are required to upload the completed return to the ORIMS Portal at <https://orimsportal.centralbankbahamas.com>. A copy of the completed “**Attestation**” form should be signed by a member of the Board of Directors or Senior Official I and the Money Laundering Reporting Officer. This form should be scanned and uploaded as a PDF document into the ORIMS Portal.

Please also note the following:

- The Return should **not** be altered as this can cause errors in submission.
- Any questions regarding the interpretation of the explanations outlined in this document should be sent to [amlanalytics@centralbankbahamas.com](mailto:amlanalytics@centralbankbahamas.com).

### Submission Protocols

- All banks and/or trust companies are required to complete, upload and submit the AML Data Return no later than **February 28** of each year.
- Only submissions **sent via the ORIMS Portal will be accepted**.
- Attestations should be uploaded into the ORIMS Portal and are to properly state the SFI name, code and the end of the reporting period (i.e. Dec20 should be inputted for data submitted for the year 2020).
- Currency value data should be rounded to the **nearest thousands (no decimals)**.
- **Any and all amendments** to be made to subsequent submissions are to be requested via the ORIMS portal. The reason for re-submission is required to be clearly stated or articulated. Where resubmissions are requested, the bottom section of the Attestation form should be completed and uploaded with the re-submitted Return.

Late and erroneous filings will incur a penalty of \$250 per day until such time that the Guidelines have been amended to reflect the proposed change to erroneous filings - a fixed penalty of \$500 or \$1,000 as determined by the Central Bank<sup>1</sup>.

## 3. Form Overview

### a. Statement on Client Database

This report form provides a breakdown of SFIs' client database. Data should **only** be entered in the white cells; all other cells contain formulas and are protected. Dollar value data should be rounded to the **nearest thousands of dollars (no decimals)**.

The following list of categories provides a guide to users by (i) item number (ii) description of the information (as it appears on the form), and (iii) additional guidance on reporting, where necessary. Categories that do not require direct input are shaded.

Intercompany or related-party balances should **not** be included.

#### Table A

This table captures the nationality of the customers of a SFI, along with associated financial data. The basis for populating this table is the total value of customer balances (on- and off-balance sheet). The country with the highest value of customer balances should be reported first and the other countries should be reported in descending order. SFIs should populate the table based on the following:

- i. Country
  - Use the drop-down menu to indicate the top 20 countries that are representative of the nationality of the institution's customers (i.e. beneficial owners or settlors).

---

<sup>1</sup> Refer to the Central Bank's Guidelines for the Administration of Monetary Penalties.

“Nationality” in this context refers to the country a person is from, not the country where they currently reside.

- SFIs that have customers from more than 20 countries should include the aggregate of the data for all of the other countries in the last or 21<sup>st</sup> row and select “Other” for the country.
  - Where a customer is a government entity, select the relevant country. For publicly traded companies, select the entity’s country of incorporation.
- ii. # of Customers
- The number of natural persons from the selected country who are settlors or beneficial owners, inclusive of beneficial owners of privately-held companies. In cases where a customer has more than one nationality, SFIs may attach a separate summary report with the nationalities and associated information for these customers.
- iii. # of Relationships
- The number of relationships the SFI has with beneficial owners or settlors from the respective country should be populated.
- iv. # of Accounts
- The number of active and inactive accounts associated with the customers from the selected country. Where a SFI does not offer bank accounts, these cells should be left blank.
  - Bank accounts that a customer has with another institution that are managed by a SFI should **not** be included in this figure.
  - In cases where SFIs offer bank accounts, both # of Relationships and # of Accounts should be completed.
  - This column is not to be completed by pure trust companies.
- v. Deposits
- The value of all deposit balances customers from the selected country have with your institution.
  - This column is not to be completed by pure trust companies. For these SFIs, the value of deposit balances that customer has with other institutions should be recorded under Off-Balance Sheet/Fiduciary Assets.
- vi. Loans
- The value of all loans customers from the selected country have received from your institution.

- vii. Off-Balance Sheet/Fiduciary Assets
  - The value of all off-balance sheet or fiduciary assets associated with the customers from the selected country, which should include but not be limited to assets under administration, assets under management and assets under custody.
  - The value of all trust assets should be reported here.
  - Off-Balance Sheet/Fiduciary Assets should exclude any values reported under “Deposits”.

### Table B

The number of relationships and accounts should be broken down into the four categories: low risk, medium risk, high risk and PEPs.

The number of PEPs should be indicated separately and **not** be included in any of the other risk categories. The number of **domestic** PEPs is a subgroup of the number of PEPs, and is not included in the total.

### Table C

The totals in this table should correspond to the number of PEPs reported in Table B.

### Table D

This table captures the distribution of SFIs’ account holders between natural persons and legal structures. Provide a breakdown of the number of accounts, value of deposits and value of loans by natural persons and legal structures and vehicles.

This table is not to be completed by pure trust companies.

## **b. Account Activity**

All dollar values should be rounded to the **nearest thousands of dollars (no decimals)**. Data should only be entered in the white cells; all other cells contain formulas and are protected.

Each of the white cells must contain some value. A “0” should be entered where an item may not be applicable to your institution.

Note: References to “accounts” below should be interpreted as “relationships” when reporting for trust companies.

### A. Account Activity

- i. Accounts opened
  - The number of accounts opened during the reporting year, along with the value of these accounts as at 31<sup>st</sup> December of the reporting year.

ii. Account opening rejected

- The number of account opening applications that were rejected during the reporting year, along with the value of the potential business lost.

- *of which: AML/CFT related rejections*

Indicate the number of the account opening applications that were rejected due to AML/CFT issues, along with the value of the potential business lost.

iii. Accounts closed

- The number of accounts closed during the reporting year, along with the value of these accounts prior to being closed.

- *of which: AML/CFT related closures*

Indicate the number of the accounts that were closed due to AML/CFT issues, along with the value of these accounts prior to being closed.

iv. Unverified accounts

- The number of accounts (operating or blocked) where the identity of the facility holder has not undergone the required verification procedures in line with the AML/CFT Guidelines during the onboarding process, along with the value of these accounts as at 31<sup>st</sup> December of the reporting year.

- *of which: blocked*

Indicate the number of unverified accounts that are blocked, along with the value of these accounts as at 31<sup>st</sup> December of the reporting year.

v. Inactive accounts

- The number of accounts where no customer-initiated activity has taken place for a period of at least one year but less than seven years, along with the value of these accounts as at 31<sup>st</sup> December of the reporting year.

vi. Dormant accounts

- The number of accounts where no customer-initiated activity has taken place for a period of seven years, along with the value of these accounts as at 31<sup>st</sup> December of the reporting year.

SFIs may refer to the [Guidelines for the Administration and Ultimate Transfer of Dormant Accounts to the Central Bank of The Bahamas](#) for further information.

vii. Accounts frozen/blocked by court order

- Self-explanatory

## **B. Transaction Monitoring & Reporting**

Data should only be entered in the white cells; all other cells contain formulas and are protected.

- i. Number of Unusual Transaction Reports
  - The number of reports of unusual or suspicious transactions/activities that were submitted internally to the MLRO
- ii. Number of Suspicious Transaction Reports
  - The number of Suspicious Transaction Reports (STRs) that were filed with the Financial Intelligence Unit (FIU) during the reporting period.
    - *of which: supplemental filings*  
Indicate the number of STR filings made to follow-up or provide further detail in respect of a previous disclosure.
  - The number of STRs reported must correspond to the Total STRs reported on the STRs tab.
- iii. Feedback from FIU on quality of STRs filed
  - The number of filed STRs on which feedback on the quality and usefulness of the reports was provided by FIU.
- iv. Average Number of Days taken to File a STR Once Identified
  - The number of calendar days taken during the reporting period to file a STR with the FIU once an unusual or suspicious transaction/activity is identified internally (i.e. from the initial point at which the unusual or suspicious transaction/activity was detected).
- v. Backlogs in Transaction Alerts
  - The number of transaction alerts that have not been actioned within the timeframe that is normally taken (i.e. not longer than 30 days).
- vi. Overdue Periodic Reviews
  - The number of periodic reviews of customer relationships that have not been completed within the timeframe prescribed in your institution's policies and procedures.
- vii. Positive Sanction Hits
  - The number of instances where a true positive match was identified from one of the sanctions lists.
    - *of which: transactions rejected*



Indicate the number of transactions rejected due to positive sanction hits.

- *of which: accounts closed*

Indicate the number of accounts that were closed due to positive sanction hits.

viii. False Positive Sanctions Hits

- The number of hits that were identified as a positive match but after a review were deemed not a true match.

### C. Other

Data should only be entered in the white cells; all other cells contain formulas and are protected.

i. Production Order Requests Received

- The number of Production Order Requests received from the FIU.

ii. Instances of Fraud

All fraud cases committed against the institution should be included.

- The data in the grey cell is automatically calculated. Input data in the following cells:

- *of which: attempted*

The number of instances where fraud was attempted, but was unsuccessful.

- *of which: actual occurrences*

The number of instances where fraud actually took place.

iii. Date of last Compliance Audit/Review

- Indicate the date of the last independent audit/review conducted on the Compliance Unit/Function that included AML/CFT and/or other financial crimes in its scope.

### **c. Statement on Suspicious Transactions**

All currency values should be rounded to the **nearest thousands (no decimals)**.

#### Sections 1-3

Under the subheadings of Money Laundering STRs, Terrorist Financing STRs and Proliferation Financing STRs, input the number and value of STRs filed by the rationale for which the report was filed.

Data should only be entered into the white cells; all other cells contain formulas and are protected.

#### **d. Cash**

**This section should NOT be completed by commercial banks.**

This form provides a breakdown of physical notes and coins received and held by SFIs either in The Bahamas or outside of The Bahamas. All values should be rounded to the **nearest thousands of dollars (no decimals)**. Please report all values in US Dollars.

Data reported in relation to cash deposits should only include those received from customers. The value of petty cash should only be included in the amount of cash on hand.

The supplementary cash acceptance form should also be submitted by SFIs, exclusive of commercial banks, which have taken in cash deposits during the reporting period. A copy of the SFI's cash handling policy should also be submitted. Both documents should be uploaded in the ORIMS Portal with the Attestation page.

##### *Inside The Bahamas*

This relates to notes and coins received and held on hand in The Bahamas.

##### *Outside The Bahamas*

This relates to notes and coins received in a country other than The Bahamas that are entered into the accounts of the local SFI. This applies, for example, where a SFI has a branch located outside of The Bahamas.

#### **e. Staff Training**

This form captures statistics related to AML/CFT related training and qualifications of employees of SFIs. Where applicable, the reported figures should include full time, part time, temporary and contractual employees; and should include management and junior staff, unless otherwise indicated.

Data should only be entered in the white cells; all other cells contain formulas and are protected.

- i. Number of Total Staff in your institution
  - The number of management and non-management employees, as at the end of the reporting period.
- ii. Number of Staff who participated in AML/CFT training during the last 12 months
  - The data in the grey cell is automatically calculated.
  - Input the breakdown of the number of staff who participated in AML/CFT training during the reporting period, by non-management and management.
  - Exclude the number of staff that were no longer employed with the institution as at 31<sup>st</sup> December.

- AML/CFT training relates to the on-going training related to AML/CFT policies and procedures and legislation.
- iii. Number of Persons on the Board of Directors of your institution
  - The number of board directors as at 31<sup>st</sup> December.
- iv. Number of Board Directors who participated in AML/CFT training during the last 12 months
  - The number of members of the Board of Directors that participated in AML/CFT training during the reporting period.
  - Exclude the number of directors that were no longer with the institution as at 31<sup>st</sup> December.
  - It is acceptable for branches of foreign banks to input “0” in this field.
- v. Number of Staff in your institution’s Compliance Unit
  - The number of staff in the institution’s compliance unit should include only the SFI’s **local** Compliance personnel.
- vi. Number of Staff in your institution with AML/CFT qualifications
  - The number of staff that have AML/CFT qualifications including those related to certifications such as the Certified Anti-Money Laundering Specialists (CAMS) designation and/or diplomas from the International Compliance Association (ICA) in Anti-Money Laundering, Governance, Risk, and Compliance or equivalent.
- vii. Date of last AML/CFT/CFP related training
  - Self-explanatory
  - Ensure the date is inputted in the format (dd/mm/yyyy)