

**CAYMAN ISLANDS**



**Proceeds of Crime Act  
(2020 Revision)**

**ANTI-MONEY LAUNDERING (CLASS A  
AND CLASS B BANK THRESHOLD  
REPORTING) REGULATIONS, 2022**

**(SL 3 of 2022)**

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# ANTI-MONEY LAUNDERING (CLASS A AND CLASS B BANK THRESHOLD REPORTING) REGULATIONS, 2022

(SL 3 of 2022)

In exercise of the powers conferred by section 145(1) of the Proceeds of Crime Act (2020 Revision), the Cabinet, on the recommendation of the Anti-Money Laundering Steering Group, the Monetary Authority and the Financial Reporting Authority, makes the following Regulations —

### Citation

1. These Regulations may be cited as the Anti-Money Laundering (Class A and Class B Bank Threshold Reporting) Regulations, 2022.

### Definitions

2. (1) In these Regulations —

“**bank**” means a person carrying on banking business;

“**banking business**” means the business of receiving (other than from a bank or trust company) and holding on current, savings, deposit or other similar account money which is repayable by cheque or order and may be invested by way of advances to customers or otherwise;

“**beneficiary**” means the natural or legal person or legal arrangement who is identified by the originator as the receiver of a requested wire transfer;



“**Class A bank**” means a bank which holds an “A” licence in accordance with section 6(5)(a) of the *Banks and Trust Companies Act (2021 Revision)*;

“**Class B bank**” means a bank which holds a “B” licence or a Restricted “B” licence in accordance with section 6(5)(b) or (d) of the *Banks and Trust Companies Act (2021 Revision)*, respectively;

“**legal arrangement**” means a trust or partnership or other entity created between parties which lacks separate legal personality;

“**originator**” means a person, whether natural or legal, who places an order with a financial institution for the transmission of a wire transfer;

“**reporting period**” means the calendar month in respect of which a Class A bank or Class B bank must provide a report in respect of threshold transfers in accordance with regulation 3;

“**threshold transfer**” means a single wire transfer sent or received by a Class A or Class B bank where the total amount of money transferred is equal to or exceeds one hundred thousand United States dollars;

“**Transaction Reference Number**” means the unique identifier issued by a financial institution which allows a wire transfer to be traced back to the originator; and

“**wire transfer**” means any transaction carried out on behalf of an originator, who may be either a person or legal arrangement, by electronic means, through a financial institution, with a view to making money available to a beneficiary at a beneficiary financial institution irrespective of whether the originator and the beneficiary are the same person.

- (2) In these Regulations a reference to —
- (a) the word “**originator**” includes a “**payer**” as defined by regulation 2(1) of the *Anti-Money Laundering Regulations (2020 Revision)*; and
  - (b) the word “**beneficiary**” includes a “**payee**” as defined by regulation 2(1) of the *Anti-Money Laundering Regulations (2020 Revision)*.

### Reporting requirements for Class A and Class B banks

3. (1) A Class A bank and Class B bank shall provide to the Financial Reporting Authority, on a monthly basis, a report in respect of threshold transfers carried out within the reporting period.
- (2) A Class A bank and Class B bank shall submit the report under paragraph (1) no later than the last business day of the month following the end of each reporting period, unless prior written approval for an extension has been granted by the Financial Reporting Authority.
- (3) A report under paragraph (1) shall be submitted in such form as the Financial Reporting Authority may determine and shall contain the following information —



- (a) the particulars specified in paragraph (4) or the statement referred to in paragraph (5); and
  - (b) any other information which the Financial Reporting Authority may require pursuant to section 4(2)(aa) of the Act.
- (4) A report under paragraph (1) shall contain the following particulars in respect of each threshold transfer —
- (a) the date of the transfer;
  - (b) the Transaction Reference Number;
  - (c) whether the transfer is incoming or outgoing;
  - (d) the currency of the money being transferred;
  - (e) the amount of the transfer and its equivalent in United States dollars where the transfer of funds was not denominated in United States dollars;
  - (f) any information or directions provided by the originator to the beneficiary in relation to the threshold transfer and any other details relating to the instructions given by the originator to carry out the wire transfer;
  - (g) in relation to the originator —
    - (i) the originator's name;
    - (ii) the originator's account number; and
    - (iii) at least one of the following —
      - (A) the legal name and address of the financial institution of the originator; or
      - (B) the Bank Identifier Code (BIC), the Fedwire Routing Number or American Bankers Association (ABA) Code of the financial institution of the originator; and
  - (h) in relation to the beneficiary —
    - (i) the beneficiary's name;
    - (ii) the beneficiary's account number; and
    - (iii) at least one of the following —
      - (A) the legal name and address of the financial institution of the beneficiary; or
      - (B) the Bank Identifier Code (BIC), the Fedwire Routing Number or American Bankers Association (ABA) Code of the financial institution of the beneficiary.

- (5) Notwithstanding paragraphs (1) and (4), where a Class A bank or Class B bank does not carry out a threshold transfer within the reporting period, the Class A bank or the Class B bank shall submit a nil report which states that it has not carried out any threshold transfers within the reporting period.
- (6) A Class A bank or Class B bank which fails to submit a report in accordance with this regulation commits an offence and is liable on summary conviction to a fine of five thousand dollars.
- (7) A Class A bank or Class B bank which knowingly or recklessly provides to the Financial Reporting Authority, any information which is false or misleading in a material particular, commits an offence and is liable on summary conviction to a fine of ten thousand dollars.

**Made in Cabinet the 18th day of January, 2022.**

**Kim Bullings**  
*Clerk of the Cabinet*

