06 May 2022

PUBLIC NOTICE

Cayman Islands Monetary Authority Fines Sterling Asset Management International Limited CI$299,050.00

The Cayman Islands Monetary Authority (the "Authority") has imposed discretionary administrative fines totalling **CI$299,050.00** on Sterling Asset Management International Limited (the "Company") pursuant to the provisions of sections 42A and 42B of the Monetary Authority Act (2020 Revision) (as amended) for breaches of the Anti-Money Laundering Regulations (2020 Revision) (as amended) (the "AMLRs").

The administrative fines were imposed for the Company's failure to comply with the legislative requirements of the AMLRs including the following:

(1)   Failing to identify ultimate beneficial ownership;
(2)   Failing to understand the purpose and nature of business relationships;
(3)   Failing to verify source of wealth and/or source of funds;
(4)   Failing to apply Enhanced Customer Due Diligence measures; and
(5)   Failing to conduct and document all appropriate sanctions checks.

The above findings were as a result of an onsite inspection. Similar findings were also identified during a previous AML/CFT audit.

This case highlights the importance of registered persons having in place effective anti-money laundering/countering the financing of terrorism/proliferation financing ("AML/CFT/PF") policies and procedures which are appropriate, effective and fully implemented to ensure compliance with the jurisdiction's AML/CFT/PF and regulatory frameworks, thus avoiding the risk of entities being used as a conduit for money laundering, terrorist financing and any other financial crime.

The Authority is committed to enhancing the Cayman Islands' AML/CFT/PF regime and through its on-site, off-site, and other monitoring processes it will continue to exercise vigilance in that regard. We will also continue to treat breaches of the jurisdiction's AMLRs or regulatory acts with particular seriousness and take the appropriate enforcement or other actions where necessary.