



NOTICE

3 December 2018

Filing of REEFS Forms ("MLO-154-99") for Anti-Money Laundering ("AML") Officers to Funds Frequently Asked Questions ("FAQs")

The Cayman Islands Monetary Authority (the "Authority") outlines below, for your reference, its response to frequently asked questions relating to the filing of REEFS Forms for AML Officers to Funds:

1. How should the Authority be notified of a fund's AML Officer appointment(s) and where is this form located?

Answer: The Authority must be notified via the REEFS Portal which can be located at <https://reefs.cimaconnect.com/web/guest/home>. All CIMA regulated funds must complete the appropriate REEFS Request Form (MLO-154-99) in relation to the designation/appointment of the Money Laundering Reporting Officer ("MLRO"), Deputy Money Laundering Reporting Officer ("DMLRO") and the Anti-Money Laundering Compliance Officer ("AMLCO") (collectively the "AML Officers").

2. While attempting to notify the Authority of a fund's AML Officer appointment(s), there was a restriction in the drop-down list of funds on the REEFS portal, whereby the respective fund could not be located.

Answer: The service provider/organization may not be linked to the fund in REEFS. Therefore, evidence such as an offering document, directors' resolutions, or a consent letter, as appropriate, may be required in order to proceed.

3. While attempting to notify the Authority of a fund's AML Officer appointment(s), there was a restriction in the drop-down list of funds on the REEFS portal, whereby the respective fund could not be located. Can the AML Officer information be submitted to the Authority via email?

Answer: No. All CIMA regulated funds must complete the appropriate REEFS Request Form (MLO-154-99) in relation to the designation/appointment of the MLRO, DMLRO and AMLCO.

4. How is the progress and status of a REEFS filing for AML Officers confirmed?

Answer: The progress and status of the MLO-154-99 Form is visible within the REEFS portal. Once the MLO-154-99 Form has been completed, the status will indicate "Ready To Submit" in the "In-Progress Requests" Tab in REEFS. In order to make a successful submission to the Authority, the MLO-154-99 Form needs to be validated without error messages. If the validation was successful, the status will amend to "Submitted" and the MLO-154-99 Form will move from the "In-Progress Requests" Tab to the "Submitted Requests" Tab in REEFS. This will indicate that the Authority has received the electronic submission. Finally, the status will amend to "Processed" which will indicate the process is complete.

5. An error was made with the MLO-154-99 Form filing. How can this information be updated?

Answer: The Authority must be contacted to reject the filing in order for the errors to be corrected. Do not submit another MLO-154-99 Form, as the rejected MLO-154-99 Form may be located in the "In-Progress Requests" Tab in REEFS. Once the necessary changes are made, proceed to re-submit the same. Follow the process outline in Question 4 for confirmation of status.

6. Why was the MLO-154-99 Form rejected?

Answer: The MLO-154-99 Form may have been rejected due to the following:

- The MLRO and DMLRO designations are identical. Pursuant to section 33(2) of the Anti-Money Laundering Regulations (2018 Revision), A person carrying out relevant financial business shall designate a manager or official employed at managerial level as an **alternate** for the Money Laundering Reporting Officer who shall be referred to as the Deputy Money Laundering Reporting Officer and who shall in the **absence** of the Money Laundering Reporting Officer, discharge the functions of the Money Laundering Reporting Officer. The MLRO and DMLRO *cannot* be the same individual.
- A duplicate filing of the MLO-154-99 Form was submitted and the filing is being rejected in order to clarify which form is valid. Going forward, if an error is made during the filing of the MLO-154-99 Form, the Authority must be contacted to reject the filing in order for the errors to be corrected. Do not submit another MLO-154-99 Form. However, if there was a formal change in the appointed AML Officer(s), each filing must clearly reflect this, by advising whether the filing is a change or initial appointment.
- Discrepancies were found and clarification was necessary regarding an AML Officer's name and/or date of birth and/or Director Identification Number.

7. Why is the Cayman Islands Monetary Authority requesting additional information in relation to the submission of the MLO-154-99 Form:

Answer: Discrepancies were found and clarification was necessary regarding an AML Officer's name and/or date of birth and/or Director Identification Number. Therefore, supporting documentation has been/will be requested in order to avoid erroneous information being captured in our system/on a fund's records. (These documents may include Board of Director Resolutions, Resumes and/or Officer Biographies).

8. REEFS access is required in order to submit the relevant AML Officer appointments. Will the Authority issue login credentials to an overseas service provider?

Answer: No. Currently, REEFS access is only granted to **local** service providers. In instances where your organization does not have REEFS access, please note that another local service provider to the fund may have this access. The Authority recommends that the fund utilizes the local service provider that currently has REEFS access to ensure the filings are made before the deadline of 31 December 2018.

9. How does a local service provider which currently does not have access to REEFS obtain login credentials?

Answer: REEFS accounts are issued to **local** service providers who are licensed or otherwise approved and authorized by the Authority to obtain administrator access. If any of the aforementioned with physical presence in the Cayman Islands has not yet been granted REEFS access, the person who will be assigned as the administrator user may contact the Authority at contactinvestments@cimoney.com.ky.

10. Is there a penalty/fine for notifying the Authority of the AML Officers after the deadline of 31 December 2018 for regulated funds?

Answer: The Authority has the right to impose administrative fines for (AML) breaches and may pursue further enforcement action for delayed filings.

11. Is there a penalty/fine for appointing AML Officers after the deadline of 31 December 2018 for unregulated funds?

Answer: The Authority has the right to impose administrative fines for (AML) breaches and may pursue further enforcement action for delayed filings.

12. What is the timeline in which the Authority should be notified, should there be a change in AML Officer(s) and where Board Resolutions have been concluded?

Answer: Any changes to the appointed AML Officers requires the filing of a new MLO-154-99 Form via the REEFS Portal, within 21 business days of passing the Resolutions effecting the change(s).