

You must report CTRs to the FIU no later than the end of 5 working days after the day in which the transaction was conducted.

For further guidance refer to:

- ◆ **Enforceable Guideline 3—Reporting Cash Transactions of \$10,000 and above by Paper**

## Internal Controls and Systems

Other measures that your business must implement are:

- Develop and implement internal policies and procedures to comply with the FTR Act.
- Regularly review your compliance with your internal anti-money laundering and terrorist financing policies and procedures.
- Implement adequate recruitment procedures to screen potential employees.
- Have regular training for staff on anti-money laundering and terrorist financing issues and legislative requirements.

## Anti-Money Laundering Compliance Officer

You must appoint a person to the position of AML Compliance Officer who will be responsible for your business' compliance with the FTR Act and Regulations.

The AMLCO is nominated by your Director by completing the AMLCO Nomination Form.

You can find this form on the FIU website link: [www.fijifiu.gov.fj/Publications/Other-Document.aspx](http://www.fijifiu.gov.fj/Publications/Other-Document.aspx)

## FIU Enforceable Guidelines & Policy Advisories

The FIU Enforceable Guidelines & Policy Advisories further explains specific requirements of the FTR Act and Regulations.



FIU Enforceable Guidelines link: [www.fijifiu.gov.fj/Pages/Guidelines-and-Policy-Advisories/Guidelines.aspx](http://www.fijifiu.gov.fj/Pages/Guidelines-and-Policy-Advisories/Guidelines.aspx)

FIU Policy Advisories link: <https://www.fijifiu.gov.fj/Pages/Guidelines-and-Policy-Advisories/Policies-advisories-on-the-FTR-Act.aspx>

## FTR Act & FTR Regulations

FTR Act: [www.fijifiu.gov.fj/Law-Regulations/FTR-Act.aspx](http://www.fijifiu.gov.fj/Law-Regulations/FTR-Act.aspx)

FTR Regulations: [www.fijifiu.gov.fj/Law-Regulations/FTR-Regulations.aspx](http://www.fijifiu.gov.fj/Law-Regulations/FTR-Regulations.aspx)

## Penalties

Failure to comply with your obligations above will incur severe penalties under the FTR Act and Regulations.



For example, for failing to report STRs or CTRs:

Individual: fine not exceeding \$30,000 or a term of imprisonment not exceeding 5 years or both.

Body corporate: fine not exceeding \$150,000

### Fiji Financial Intelligence Unit [FIU]

The Financial Intelligence Unit (FIU) is a statutory agency of the Fijian Government. The Fiji FIU is responsible for implementing and enforcing the FTR Act and Regulations. For further information on these requirements, contact the FIU on the details below.

Financial Intelligence Unit (FIU)  
Tower Level 5  
Reserve Bank of Fiji  
Pratt Street  
Suva  
FIJI

Phone: +679 322 3333  
Fax: +679 331 6454  
E-mail: [info@fijifiu.gov.fj](mailto:info@fijifiu.gov.fj)  
Website: [www.fijifiu.gov.fj](http://www.fijifiu.gov.fj)



**FijiFIU**

Fiji Financial Intelligence Unit



## YOUR ROLE IN COMBATING MONEY LAUNDERING IN FIJI



REAL ESTATE  
AGENTS /BUSINESSES  
& FTR ACT

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# YOUR ROLE IN COMBATING MONEY LAUNDERING IN FIJI — REAL ESTATE AGENTS

## Money laundering



The process of disguising money obtained from criminal, unlawful or illicit activities, by making the money appear clean and from a legitimate source.

The crime of money laundering continues to be a growing area of concern. Real estate agents or businesses are a category of the non-financial business sector that may come across persons engaging in money laundering activities.

Therefore, the purpose of this brochure is to help you understand the potential money laundering risks surrounding the real estate sector and your role in preventing and/or detecting money laundering in Fiji.

In Fiji, **your role** in combating money laundering is provided under the **Financial Transaction Reporting (FTR) Act and Regulations**.

Your key obligations are as follows:

1. Identify and verify your clients;
2. Establish source of funds;
3. Monitor your clients transactions;
4. Maintain proper clients records;
5. Report suspicious transactions and suspicious clients to the FIU;
6. Report cash and bank cheque transactions to the FIU;
7. Implement appropriate internal controls and systems to protect your business from being used for money laundering and terrorist financing purposes

## Client Identification and Verification / Know Your Client (KYC)



You must identify your clients and verify their identity using reliable identification documents. You must also ensure that your client engagement files are opened and maintained in the true name of the client.

For further guidance refer to:

- ◆ **Enforceable Guideline 4 of 20 August 2009 - Customer Identification & Verification**

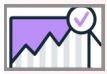
## Establish Source of Funds

When conducting client identification and verification, you must also establish the source of funds of your client.

For further guidance refer to:

- ◆ **Section 11(b) of the FTR Act**
- ◆ **Section 7(a)(vi) & Section 18(2) of the FTR Regulations**

## Monitor your Clients transactions



You must monitor your client's transactions for any complex, unusual or large transactions; unusual patterns of transactions or activities.

For further guidance refer to:

- ◆ **Enforceable Guideline 1 of 26 October 2007 – Suspicious Transactions**

## Maintain proper Clients records



You must establish and maintain records of your clients' identity, transactions and records of all reports of transactions made to the FIU. Any enquiries made to your business by the FIU and other law enforcement agency must also be recorded.

For further guidance refer to:

- ◆ **Policy Advisory 7/2007- Record Keeping**

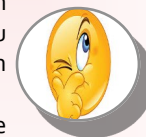
## Report transactions to the Financial Intelligence Unit (FIU)



You must report the following types of transactions to the FIU:

### Suspicious Transactions Report (STR)

You must report to the FIU any transaction (including attempted transactions) which you reasonably suspect is related to the commission of a money laundering offence; a financing of terrorism offence; any other serious offence (including tax evasion and unexplained wealth).



Put simply, a suspicious transaction is a transaction which is

inconsistent with a client's known legitimate business or personal activities or with the normal business for that type of client.

### Examples of Suspicious transactions:

- ◆ A purchaser pays for a deposit on a property using large amount of cash.
- ◆ A client (seller) unexpectedly offers to pay generous commission or fees.
- ◆ A client (property-owner) frequently changes his/her instruction to an agent on how to handle property rental payments.
- ◆ A purchaser uses a different name on the contract, agreements or deposit receipts, etc.
- ◆ A client purchases the property in the name of a nominee other than his/her spouse e.g. in the name of a business associate or a relative.
- ◆ A client purchases many properties within a short period of time and does not seem to be particular of the location, condition etc. of each property.
- ◆ A client purchases a property without inspecting or enquiring much about the property.
- ◆ A client is reluctant to disclose any beneficial owner or third party information who may be involved in the property transaction.

You must report STRs to the FIU no later than the end of 2 working days after forming a suspicion or the receipt of information.

For further guidance refer to:

- ◆ **Enforceable Guideline 1—Suspicious Transactions**
- ◆ **Enforceable Guideline 2—Reporting Suspicious Transactions by Paper**

### Cash Transactions Report (CTR)

You must report all cash transactions of \$10,000 or more including equivalent amounts in foreign currency to the FIU.



Cash includes currency, bank drafts, **bank cheques**, bearer bonds, traveler's cheques, postal notes and money orders.