

Module	Anti-Money Laundering and Counter Financing of Terrorism
Jurisdictions	Singapore
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Module Application

Does your organisation conduct business transactions or activities where interactions may create a risk of, or appear to involve, money laundering and terrorist financing (for example, the Monetary Authority of Singapore (MAS) imposes certain compliance requirements and controls in order to detect and deter illegal operations through the country's financial networks and each type of organisation or financial institution has a separate set of Guidelines or Regulations)?

Is the organisation in an industry that is particularly susceptible to money laundering and terrorist financing or any operations in the European Union that would require the organisation to adopt the European Anti-Money Laundering Directive (AMLD)?

Module Scope

The *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module informs the Singaporean organisation of their legislated legal anti-money laundering and counter financing of terrorism obligations. The module also demonstrates effective practical advice and assistance to the organisation to implement procedures and processes that will ensure compliance and regulatory accountability throughout all levels of the Singaporean entity.

The *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module advises the Singaporean organisation of the processes and procedures they need to implement to ensure compliance with all legal and regulatory obligations. Core legal and regulatory obligations are based on considerations of the broad questions determining;

- › Decision making;
- › Accountability;
- › Stewardship;
- › Direction; and
- › Control

To fulfil its purpose the module focuses on providing practical assistance to the Singaporean organisation establishing and maintaining a robust foundational framework that determines;

- › How the organisation will function;
- › Who is the responsible decision maker;
- › What matters are relevant to the decision-making process; and
- › Whether the desired outcome has been achieved.

As entities, their employees and authorised individuals are all expected to be familiar with the broad landscape of legal obligations to which they are subject as well as more specific obligations relevant to the particular sector they are operating in, the *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module should be subscribed by all Singaporean organisations, their employees and authorised individuals. The aim of the module is to equip the subscriber with knowledge of their obligations when operating within Singapore and the circumstances in which these obligations are relevant to the Singaporean organisation. The module also provides the subscriber with the skills they require to establish relevant systems and processes to ensure compliance throughout their organisation.

The broad scope of the *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module is to provide answers to these questions;

- › What are our legal obligations?
- › From where are our legal obligations derived?
- › How can we ensure that we are complying with our legal obligations?
- › What are the consequences if we are not complying with our legal obligations?

The *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module covers all legislated legal obligations of Singaporean organisations and demonstrates practical assistance and guidance to ensure that these obligations are complied with through the prevention and maintenance of anti-money laundering and counter financing of terrorism practices throughout the organisation.

The module fulfils this objective by comprehensively covering three areas;

- › Legislation and guidelines;
 - › Obligations; and
 - › Consequences
1. The legislative and regulatory landscape from which the primary legal obligations are derived;
 - › Monetary Authority of Singapore Act 1970 (Cap. 186) (SNG);
 - › Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992 (Cap. 65A) (SNG);
 - › Financial Advisers Act 2001 (Cap. 11) (SNG);

- Terrorism (Suppression of Financing) Act 2002 (Cap. 325) (SNG);
 - Precious Stones and Precious Metals (Prevention of Money Laundering and Terrorism Financing) Act 2019 (SNG);
 - Monetary Authority of Singapore Act 1970 (Cap. 186) (SNG);
 - Securities and Futures Act 2001 (Cap. 289) (SNG);
 - Terrorism (Suppression of Financing) Act 2002 (Cap. 325) (SNG);
 - United Nations Act 2001 (Cap. 339) (SNG);
 - Variable Capital Companies Act 2018 (SNG);
 - Overseas acts and regulations;
 - Various other National and International standards and directions.
2. The specific areas where legal and regulatory obligations apply to the Singaporean organisation;
- Dealing with counter-terrorism financing;
 - Monitoring of terrorist property;
 - Disclosure in terrorism financing;
 - Tipping-off; and
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 - AML onboarding and transaction monitoring;
 - Risk assessments & awareness;
 - Know your customer and customer due diligence;
 - Politically exposed persons;
 - Adverse media screening; and
 - Governance and execution.
 - MAS Notices and Guidelines;
 - Financial advisers and financial institutions;
 - Banks and merchant banks;
 - Capital markets intermediaries;
 - Trustees and trust companies;
 - Credit card or charge card licensees; and
 - The anti-money laundering regime;
 - Money laundering.

- › Compliance requirements;
 - › Data privacy and the Cloud;
 - › Suspicious transaction reporting;
 - › Fit and proper person requirements;
 - › Training requirements;
 - › Effective internal audits;
 - › Record keeping;
 - › Risk-based assessment; and
 - › Payment sanctions screening.
 - › International regulation and compliance;
 - › Financial Action Task Force (FATF);
 - › European Anti-Money Laundering Directive (AMLD); and
 - › United Nations Act (UN regulations).
 - › MAS enforcement;
 - › Detection of misconduct and breaches of laws;
 - › Deterrence; and
 - › Business and market conduct.
 - › Customer verification processes;
 - › Identification of customers that are not natural persons; and
 - › Verification and reliability of information and documentation.
3. Anti-Money Laundering and Counter-Terrorism Financing legislations in Singapore impose a fine and imprisonment upon conviction of a money laundering offence. Significant consequences can apply to Singaporean organisations, their employees and authorised individuals found to have breached or not complied with anti-money laundering and counter financing of terrorism legal obligations. The *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module covers specific consequences in detail. They can include monetary penalties, disciplinary measures and even terms of imprisonment for individuals found to have committed serious criminal offences.

The *ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM* module does not cover a particular individual or entity and case laws for those who were found guilty of a money laundering offence.

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