

Butterworths Money Laundering Law

Bulletin Editor
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This Bulletin covers material available from 1 January to 31 March 2014.

UK NEWS

HM Treasury

Advisory notice

On 18 February 2014 HM Treasury issued the latest in a series of advisory notices regarding the risks posed by unsatisfactory money laundering controls in a number of jurisdictions.

The advice replaces all previous advisory notices issued by HM Treasury on this subject.

The full text of the notice can be found here:

<https://www.gov.uk/government/publications/money-laundering-and-terrorist-financing-controls-in-overseas-jurisdictions-advisory-notice/money-laundering-and-terrorist-financing-controls-in-overseas-jurisdictions-advisory-notice>

https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/255118/Advisory_Notice_October_2013.pdf.

Financial Sanctions

A consolidated list of asset freeze targets designated by the United Nations, European Union and United Kingdom under legislation relating to current financial sanctions regimes was updated on 24 March 2014; it is available (together with any later updates) here:

<https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>.

FCA

FCA publishes statement regarding money laundering

‘All FSMA-authorized firms must put in place systems and controls to prevent financial crime, which includes money-laundering.

All FSMA-authorized firms, with the exception of mortgage brokers, general insurers and general insurance brokers, are also subject to our specific anti-money laundering (AML) rules and guidance in SYSC 3.2.6 AR – SYSC 3.2.6 JG (for insurers and managing agents) and SYSC 6.3 (for other firms). In addition, all firms subject to the Money Laundering Regulations 2007 must put in place systems and controls to identify, assess and mitigate money laundering. It is an offence if firms do not disclose suspicions of money laundering.

The FCA’s role

We regulate and supervise firms’ compliance with their legal and regulatory anti-money laundering obligations. If a firm is found to not be sufficiently compliant with their obligations, we can take enforcement action. Although we are not the primary prosecutor for money laundering offences, we can prosecute such offences.

We also issue regulatory guidance on how firms can comply with their legal and regulatory AML obligations.’

Standard Bank PLC fined £7.6m for failures in its anti-money laundering controls

The Financial Conduct Authority (FCA) has fined Standard Bank plc (Standard Bank) £7,640,400 for failings relating to its anti-money laundering (AML) policies and procedures over corporate customers connected to politically exposed persons (PEPs).

This is the first AML case the FCA, or its predecessor the Financial Services Authority, has brought focused on commercial banking activity. This is also the first AML case to use the new penalty regime, which applies to breaches committed from 6 March 2010. Under the new regime larger fines are expected.

Tracey McDermott, director of enforcement and financial crime, said:

‘One of the FCA’s objectives is to protect and enhance the integrity of the UK financial system. Banks are in the front line in the fight against money laundering. If they accept business from high risk customers they must have effective systems, controls and practices in place to manage that risk. Standard Bank clearly failed in this respect.’

Standard Bank is the UK subsidiary of Standard Bank Group, South Africa’s largest banking group. Standard Bank Group is an international banking group with extensive operations in 18 African countries and operations in 13 other countries outside of Africa.

Between 15 December 2007 and 20 July 2011, Standard Bank failed to comply with Regulation 20(1) of the Money Laundering Regulations because it failed to take reasonable care to ensure that all aspects of its AML policies were applied appropriately and consistently to its corporate customers connected to PEPs.

As with any financial services activity, commercial banking business can be used to launder money, particularly in the layering or integration stages of the money laundering process. In order to prevent financial crime, banks operating in this sector must have effective AML systems and controls in place ensuring that all the participants in commercial banking transactions are subjected to effective and appropriate due diligence. This is particularly important where the transaction involves PEPs or other high risk customers.

Guidance issued by the Joint Money Laundering Steering Group provides that where a corporate customer is known to be linked to a PEP, such as through a directorship or shareholding, it is likely that this will put the customer into a higher risk category, and that enhanced due diligence (EDD) measures should therefore be applied. During the relevant period, Standard Bank had business relationships with 5,339 corporate customers of which 282 were linked to one or more PEPs.

The FCA reviewed Standard Bank's policies and procedures and a sample of 48 corporate customer files, all of which had a connection with one or more PEPs. The results of this review highlighted serious weaknesses in the application of Standard Bank's AML policies and procedures.

This meant that it did not consistently:

- carry out adequate EDD measures before establishing business relationships with corporate customers that had connections with PEPs; and
- conduct the appropriate level of ongoing monitoring for existing business relationships by keeping customer due diligence up to date.

The FCA considers these failings to be particularly serious because:

- Standard Bank provided loans and other services to a significant number of corporate customers who emanated from or operated in jurisdictions which have been identified by industry recognised sources as posing a higher risk of money-laundering;
- Standard Bank identified issues relating to its ability to conduct ongoing reviews of customer files early in the relevant period, but failed to take the necessary steps to resolve the issues; and
- the FCA has previously brought action against a number of firms for AML deficiencies and has stressed to the industry the importance of compliance with AML requirements.

The weaknesses in Standard Bank's AML systems and controls resulted in an unacceptable risk of Standard Bank being used to launder the proceeds of crime.

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Standard Bank and its senior management co-operated with the FCA investigation and have taken significant steps at significant cost towards remediating the issues identified, including seeking advice and assistance from external consultants.

Standard Bank settled at an early stage of the investigation and qualified for a 30% discount on its fine. Without the discount the fine would have been £10.9 million.

HMRC

No news to report in this quarter.

OFT

OFT fines three estate agents a total of £246,665 for breaching money laundering regulations

Three estate agents based in London, Northamptonshire and Cardiff have been fined a total of £246,665 by the Office of Fair Trading (OFT), for failing to comply with the Money Laundering Regulations 2007.

The Regulations are designed to prevent businesses from being used for money laundering or terrorist financing purposes and require regulated businesses to, for example, apply risk sensitive policies and procedures on the verification of customer identity, record keeping, training staff and reporting suspicious activity to the National Crime Agency (NCA).

Hastings International UK Ltd (Hastings) is an estate agent with two premises in south London and was fined £47,966.

Jackson Grundy Ltd (Jackson Grundy) operates its estate agency business from ten premises and was fined £169,652. The company's head office is in Duston, Northampton.

Cardiff-based Jeffrey Ross Ltd (JRL) had two premises in the city during the OFT investigation period and was fined £29,000.

The failures in all three cases were significant and widespread and include:

- Failures to apply adequate customer due diligence measures when carrying out estate agency work.
- Failures to conduct ongoing monitoring of business relationships.
- Failures to establish and maintain appropriate policies and procedures on adequate record-keeping, internal controls or risk assessments.
- Failures to train relevant employees in how to recognise and deal with transactions and other activities which may be related to money laundering and terrorist financing (ML/TF).

Kate Pitt, OFT Deputy Director of Anti-Money Laundering, said:

‘The Money Laundering Regulations are designed to detect, deter and disrupt financial crime. We fined these three estate agents as they were

failing to comply fully with the regulations, and so were more vulnerable to money laundering or terrorist financing activity.’

Hastings and Jackson were fined by the OFT on 26 March 2014 and have until 24 April 2014 to appeal. JRL was fined on 19 March 2014 and has until 17 April 2014 to appeal.

On 31 March 2014, the OFT’s AML powers and responsibilities in respect of estate agents passed to HM Revenue & Customs.

SFO

LIBOR: Three former ICAP brokers to be charged

Criminal proceedings by the Serious Fraud Office have commenced against three former employees at ICAP plc, Danny Martin Wilkinson, Darrell Paul Read and Colin John Goodman, in connection with the manipulation of London Interbank Offered Rate (LIBOR).

It is alleged they conspired to defraud between 8 August 2006 and 7 September 2010.

This brings to nine the number of people facing charges in respect of LIBOR. The investigation continues.

‘Boiler Room’ fraudster sentenced to additional six years

Rahul Natwar Patel has been sentenced today at Margate Magistrates’ Court to six years imprisonment for failure to pay a confiscation order. Rahul Patel who was resident in Spain was originally sentenced to seven years imprisonment by Ipswich Crown Court in July 2010 for conspiracy to defraud.

NCA

Orders published to prevent criminals returning to a life of crime

These include Serious Crime Prevention Orders, Financial Reporting Orders and Travel Restriction Orders, all of which are designed to frustrate criminals’ ability to engage in illegal activity. Restrictions might include use of only one mobile phone, possessing no more than £1000 in cash, surrendering their passport and providing financial information at regular intervals.

Career criminals often regard prison as an interruption which rarely marks the end of their involvement in organised crime. This is why the NCA has a policy of lifetime management. Once a criminal is on the radar they will stay on it.

The NCA rigorously enforces these orders and takes action if people breach the terms. By publishing data on criminals who are subject to these orders the NCA want to make it easier for other organisations and the public to report breaches.

Publication of orders is considered carefully and on a case by case basis. Those judged to meet the right criteria appear on the NCA website.

Cash and diamonds seized in international money-laundering raids

A suspected network of specialist money launderers, which helped criminals hide millions of pounds, has been targeted in an international operation coordinated by the NCA.

Over 250 officers in the United Kingdom, South Africa, Bulgaria and Spain carried out raids in February.

Cash totalling around £500,000 and diamonds worth approximately £100,000 were seized following searches of safety deposit boxes and properties across London. Five men and three women were arrested and interviewed.

Dozens of addresses were searched in the other countries and six people have been detained.

The NCA believes those arrested have laundered millions of pounds, through a complex web of offshore bank accounts and property investments, for overseas-based criminals involved in the supply of drugs.

NCA Operations Manager Ed Thomson said:

‘Tacking criminal finances is key to cutting serious and organised crime.

Drug traffickers need to launder their profits but doing it can be their Achilles heel. If we can get between them and their money they are unable to fund their lifestyles or invest in further drug deals. The disruption to their activity is huge.

We believe our multi-agency operation has dismantled the money laundering arm of a well-established organised crime group we are targeting as part of an ongoing investigation.’

The large quantities of financial records and digital material seized during the searches will now be analysed by NCA experts.

The NCA has received assistance from the South African Police, the State Agency for National Security and Office of the Prosecutor General in Bulgaria, and the Spanish National Police.

Those arrested in the United Kingdom were a 72-year-old-year-old man and a 60-year-old woman from Richmond Park; a 55-year-old man and a 49-year-old woman from East Sheen; a 58-year-old man from Maida Vale; a 39-year-old woman from St John’s Wood; a 55-year-old man from Pinner; and a 65-year-old man from Bushy.

International money launderers jailed

A professional money launderer whose activities were linked to numerous separate investigations and the arrest of more than 50 people across Europe has been sentenced to eight-and-a-half years in prison.

Roger Budgen, aged 46 from Rhyl in North Wales, was the ringleader of an international drugs and money laundering group.

Following the NCA's investigation, his wife Caroline Hartery (41) was also sentenced to 18 months in prison (suspended for two years) with 200 hours community service for laundering criminal proceeds, alongside a trio of associates; Paul Beament (four years, four months sentence) and Dean Conyers (two years) for conspiracy to supply cannabis and Peter Dolan (18 months) for supplying cannabis and possessing cocaine.

Budgen and his wife had deposited more than £300,000 into their bank accounts despite not declaring any income for over ten years.

He also coordinated an international money laundering system where he linked criminals across Europe so that thousands of pounds could be illegally transferred from the continent into the UK.

The group used a number of tactics in an attempt to avoid law enforcement detection, including:

- Communicating via a number of mobile phones
- Using public telephone boxes for particularly sensitive conversations
- Adopting code words, such as 'scratch' for cash, 'pollen' for cannabis and 'sweat' for Scottish bank notes.

They used the serial numbers on banknotes as 'passcodes' to validate their couriers' identities and ensure cash was handed over to the right person. The holder of a cash haul would be given the serial number on a £5 note via a text message. The collecting criminal would be in possession of the actual £5 note displaying that number.

In some cases the criminal cash was credited to Euro top-up cards and spent abroad, including in the Netherlands and Spain where Budgen and his wife spent a considerable amount of time.

Simon Flowers, Branch Commander NCA Wales, said:

'This was a professionally managed crime group who used a range of tactics to try and avoid law enforcement. But as today's sentence shows we were able to follow their criminal activity across Europe and bring them to justice.

Budgen was well established within the international criminal community, and had built up a wide network of criminal associates throughout the UK and Europe.

He was clearly the controller of this group, not only overseeing the supply of cannabis and hiding criminal proceeds, but connecting criminals across Europe to professional money launderers.'

The case began in 2010 when investigations revealed the full extent of Budgen's criminal connections. It led to numerous separate operations being launched across Europe and the arrest of more than 50 people for a range of crimes including drug trafficking and money laundering.

Cash seizures have so far totalled more than £1m alongside substantial criminal assets, several thousand kilos of cannabis and multiple kilos of cocaine, amphetamine and mephedrone.

Bribery

FCA Statement on Anti-Bribery and Corruption

On 29 January 2014 the FCA published a statement on this subject.

Authorised and FSMA-authorised firms have a regulatory obligation to put in place and maintain policies and processes to prevent bribery and corruption and to conduct their business with integrity.

The statement can be found here: <http://www.fca.org.uk/about/what/protecting/financial-crime/anti-bribery-and-corruption>.

EU First Anti-Corruption Report

The EU Anti-Corruption Report shows that both the nature and level of corruption, and the effectiveness of measures taken to fight it, vary from one Member State to another. It also shows that corruption deserves greater attention in all Member States.

Risk and Compliance expert Mark Dunn from LexisNexis notes ‘this first Anti-corruption report from the European Commission paints a bleak picture. EU Member States have in place most of the necessary legal instruments and institutions to prevent and fight corruption. However, the results they deliver are not satisfactory across the EU. Anti-corruption rules are not always vigorously enforced and systemic problems are not tackled effectively enough. As a result, corruption alone is estimated to cost the EU economy EUR 120 billion per year.’

The report may be found here:

http://ec.europa.eu/dgs/home-affairs/e-library/documents/policies/organized-crime-and-human-trafficking/corruption/docs/acr_2014_en.pdf.

Vast fines and EU blacklisting for companies guilty of financial crime

It was reported by the Daily Telegraph on 3 February 2014 that companies and banks which fail to prevent fraud and bribery activities by their staff could face huge fines and be blacklisted from European contracts under a proposed amendment to the Bribery Act. A bribery conviction would bar a company from bidding for certain contracts under EU rules.

Besso Ltd fined for anti-bribery and corruption systems failings

The FCA has fined Besso Ltd £315,000 for a failure to take reasonable care to establish and maintain effective systems and controls for countering the risks of bribery and corruption.

The FCA found that Besso, a general insurance broker, operated a weak control environment surrounding the sharing of commissions with third parties which gave rise to an unacceptable risk that they could be used for corrupt purposes.

Tracey McDermott, the FCA's director of enforcement and financial crime, said:

'Despite receiving two visits from us, and numerous industry wide warnings, Besso failed to ensure that they had proper systems and controls in place to counter the risks of bribery and corruption in their business activities.

Firms must play their part in preserving the integrity of the UK financial system, including taking all steps necessary to prevent financial crime. Where we find firms failing to do so, we will take action.'

Besso's rule breaches occurred between 14 January 2005 and 31 August 2011. In particular Besso:

- had limited bribery and corruption policies and procedures in place between January 2005 and October 2009. It introduced written bribery and corruption policies and procedures in November 2009, but these were not adequate in their content or implementation;
- failed to conduct an adequate risk assessment of third parties before entering into business relationships;
- did not carry out adequate due diligence on third parties to evaluate the risks involved in doing business with them;
- failed to establish and record an adequate commercial rationale to support payments to third parties;
- failed to review its relationships with third parties, in sufficient detail and on a regular basis, to confirm that it was still appropriate to continue with the business relationship;
- did not adequately monitor its staff to ensure that each time it engaged a third party an adequate commercial rationale had been recorded and that sufficient due diligence had been carried out; and
- failed to maintain adequate records of the anti-bribery and corruption measures taken on its third party account files.

Besso agreed to a settlement at an early state of the FCA investigation and therefore qualified for a 30% discount. Were it not for this discount, the financial penalty would have been £450,000.

The FCA is currently undertaking a thematic review of smaller general insurance brokers' anti-bribery and corruption systems and controls. Although the FCA said that they have noted some improvements from previous assessments, they are still finding weaknesses in this area.

Other Financial Crime News

FCA publishes a statement regarding fraud

Fraud falls within the FCA's statutory objective of reducing the risk of financial crime and also impacts on our consumer protection objectives. The full statement can be found here: <http://www.fca.org.uk/about/what/protecting/financial-crime/fraud>.

FCA publishes a statement regarding sanctions

The UK financial sanctions regime plays an important part in delivering the Government's foreign policy objectives. It is also used by the Government to prevent and suppress the financing of terrorism and terrorist acts. The FCA's role is to ensure that the firms it supervises have adequate systems and controls to comply with the UK financial sanctions regime. The full statement can be found here: <http://www.fca.org.uk/about/what/protecting/financial-crime/sanctions>.

FCA publishes a statement regarding obligation to report suspicious transactions

Firms arranging transactions in certain financial instruments are required to report suspicious transactions to the FCA without delay. A suspicious transaction is one in which there are reasonable grounds to suspect it might constitute market abuse, such as insider dealing or market manipulation. The full statement can be found here: <http://www.fca.org.uk/about/what/protecting/financial-crime/obligation-to-report-suspicious-transactions>.

BDO report reveals increased money laundering in the UK

- Reported Money laundering related to fraud offences surges 309% to £288m
- Fraud in Financial Services now accounts for 51% by value of all UK reported fraud
- Increase in legislation and compliance in Financial Services driving increase in reported fraud

New research from BDO LLP, the accountancy and business advisory firm shows that both the total value and number of reported cases of money laundering in the UK has surged in the UK.

The latest FraudTrack report, which examines all reported fraud cases over £50,000 in the UK, finds that the total value of reported money laundering related to fraud offences has risen to £288m compared to £70m in 2012 representing a total value increase of over 309% on the prior year. The actual number of reported money laundering cases meanwhile has also risen from 33 in 2012 to 39 in 2013.

The largest cases of reported money laundering include:

- £170m laundered through a bureau de change in Notting Hill

- £52m laundered by a courier in the East Midlands
- £20m laundered as part of a bogus marriage scam ring in London.

The report's author, Kaley Crossthwaite, Head of Fraud at BDO LLP, commented: 'Money laundering can take many different forms but the common thread is the supposed legitimate investment of illegal funds to conceal their source. The complexity of the investment can often make it very difficult to detect and, even when found, can take years and vast expense, often to the tax-payer, to unwind.'

Reported cases of money laundering have surged in 2013 both in terms of value and number of cases driven largely by criminal greed. This may be partly down to an increase in organised crime activity however the demand for transparency in the financial services sector is also surely playing a part. The laundering of ill-gotten gains is largely carried out through the financial services sector and the increased legislation and compliance imposed on largely unsuspecting businesses operating in this sector seem to be uncovering increasing numbers of illegal transactions that may have historically been swept under the carpet.'

Fraud in Financial Services

In terms of sectors, fraud in the Financial Services industry now accounts for 51% of all reported fraud in the UK by value and over 25% by number of reported cases. BDO's FraudTrack finds that while the total amount of fraud has fallen from £1.37bn in 2012 to £1.05bn in 2013, the total value of Financial Services fraud has risen from £473m in 2012 to £532m in 2013, with the number of frauds in the sector rising from 122 in 2012 to 132 in 2013. BDO believes that the increase in value and number of frauds reported in the sector can be attributed to increased regulation and compliance driving greater transparency.

BDO's Kaley Crossthwaite added: 'At face value, fraud in the Financial Services sector would appear to be on the march, however we need to give this context. We firmly believe that the ever increasing regulatory and compliance burden imposed on Financial Services firms by the FCA and PRA means that fraud which historically may not have been reported, but rather dealt with privately in-house, is now coming out driven by a growing demand for transparency.'

Additional findings from the report

The 2013 FraudTrack report also shows that while the overall number of cases recorded continued to increase from 413 in 2011 to 416 in 2012 and 525 in 2013, the average value of frauds has continued to fall from £5.1m in 2011 to £3.3m in 2012 and £2.0m in 2013.

Sector breakdown:

The top three industries most susceptible to fraudulent activity are:

- Finance and Insurance (£532m)

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- Public Administration (£150m)
- Other Services (except Public Administration) (£93m).

Types of fraudulent activity:

- 1) Money Laundering – £288m (27.4% of all activity)
- 2) Third party fraud – £209m (20.0% of all activity)
- 3) Unauthorised use/misuse of assets – £76.6m (14.1% of all activity)
- 4) Tax fraud – £142m (13.5% of all activity)
- 5) Employee fraud – £77.8m (7.4% of all activity)
- 6) Corruption – £75.8m (7.2% of all activity)
- 7) Mortgage fraud – £75.6m (7.2% of all activity)

Kaley Crossthwaite concluded: ‘It is very surprising that that the total value of fraud is down when the number of reported frauds has risen so steeply. Usually driven by greed, the consensus view is that fraud is increasing, but it is always very difficult to quantify given the general lack of reporting of fraud across different sectors in the UK. Unless it is easy to quantify and explain in court, many frauds do not get brought to trial.

Contrary to this however, Financial Services would seem to be taking a lead with increasing regulatory demands for greater transparency in the sector leading to more fraud coming to light in this area.’

INTERNATIONAL NEWS

FATF

Money laundering and terrorist financing through trade in diamonds

The FATF and the Egmont Group of Financial Intelligence Units (FIUs) collaborated on a typologies research project to identify the ML/TF vulnerabilities and risks of the ‘diamond pipeline’, which covers all sectors in the diamond trade: production, rough diamond sale, cutting and polishing, jewellery manufacturing and jewellery retailers.

Based on research conducted, analysis of case studies collected by the project team and after consultation with the private sector, the report concludes that the diamonds trade is subject to considerable vulnerabilities and risks. The closed and opaque nature of the diamonds markets and the high value of diamonds combined with a lack of expertise in this area on the part of the authorities have left this industry susceptible to abuse by criminals.

The diamonds trade has existed for centuries. It has developed a unique culture and trade practices, which have their own characteristics and variations across countries and continents. However, the international diamond trade has changed in the last few decades:

- De Beers no longer holds the same all inclusive diamonds monopoly.

- A number of smaller diamond dealers have entered the market.
- Distribution channels have become more diverse.
- New trade centres have emerged with billions of dollars' worth of diamonds, and financial transactions go in and out of newly founded bourses and their ancillary financial institutions.
- Cutting and polishing has shifted (except for the most valuable stones) from Belgium, Israel and the US mainly to India and China, with smaller cutting centres emerging.
- Cash transactions are still prevalent but the usage of cash is diminishing.
- The internet, as in all other facets of life, is rapidly taking its place as a diamonds trading platform.

These significant changes in the 'diamonds pipeline' structure and processes raised the question of whether the risks and vulnerabilities remain the same and whether current AML/countering the financing of terrorism (CFT) standards and national regulations are sufficient to mitigate the different ML/TF risks and vulnerabilities identified in the research.

The case studies included in the report demonstrate the creative methods that criminals have used to exploit diamonds trade for the purpose of ML/TF. This report aims to help build awareness with the regulatory, enforcement and customs authorities as well as reporting entities about risks and vulnerabilities of the diamonds trade, and how to mitigate them.

Some of the risks and vulnerabilities of the diamonds trade, identified in this report are:

- ***Global nature of trade*** – The trade in diamonds is transnational and complex, thus convenient for ML/TF transactions that are, in most cases, of international and multi-jurisdictional nature.
- ***Use of diamonds as currency*** – Diamonds are difficult to trace and can provide anonymity in transactions.
- ***Trade Based Money Laundering (TBML)*** – The specific characteristics of diamonds as a commodity and the significant proportion of transactions related to international trade make the diamonds trade vulnerable to the different laundering techniques of TBML in general and over/under valuation in particular.
- ***High amounts*** – The trade in diamonds can reach tens of millions to billions of US dollars. This has bearing on the potential to launder large amounts of money through the diamond trade and also on the level of risks of the diamonds trade.
- ***Level of awareness*** – Law enforcement and AML/CFT authorities, including FIUs, have limited awareness of potential ML/TF schemes through the trade in diamonds.

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The report may be found here:

<http://www.fatf-gafi.org/media/fatf/documents/reports/ML-TF-through-trade-in-diamonds.pdf>.

FATF Public Statements, 14 February 2014

The latest FATF statements on high-risk and non-cooperative jurisdictions/ Improving Global AML/CFT Compliance: on-going process, were issued on 14 February 2014 and can be found here:

<http://www.fatf-gafi.org/media/fatf/documents/statements/Public-Statement-14-February-2014.pdf>

<http://www.fatf-gafi.org/media/fatf/documents/statements/Compliance-14-February-2014.pdf>.

Mutual Evaluation Reports

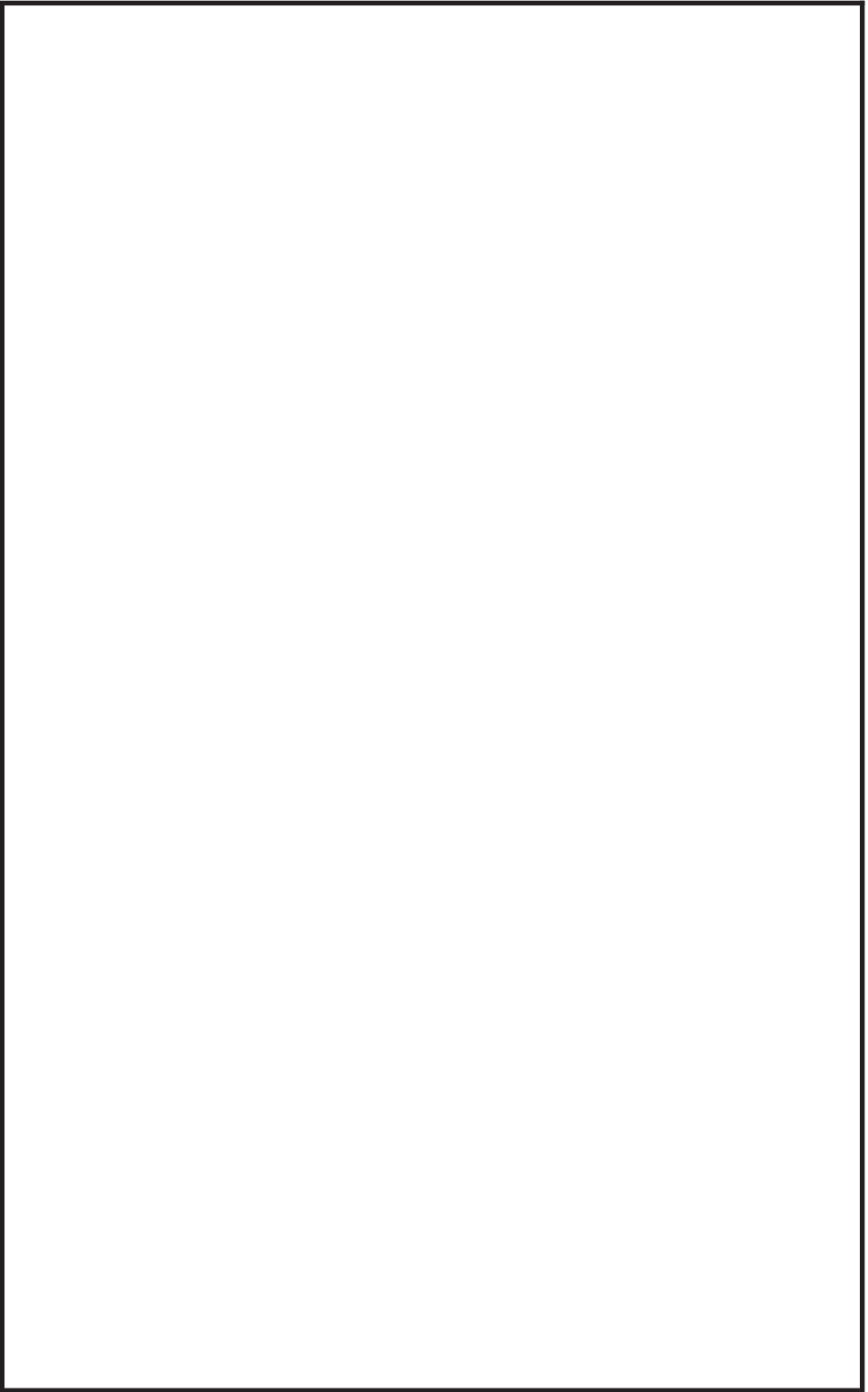
Several reports were issued during the quarter, a list may be found here:

<http://www.fatf-gafi.org/topics/mutualevaluations/>.

Germany: Deutsche Bank to hand over documents for Dubai investigation

It was reported by the Financial Times on 10 February 2014 that Deutsche Bank has agreed to hand over documents related to a Dubai investigation into AML and due diligence procedures. The decision, made at the Dubai International Financial Centre (DIFC) Courts concerns details of clients in its private wealth management division.

The bank has 28 days from 6 February to disclose information and minutes of meetings. The DIFC Courts said Deutsche Bank had broken disclosure requirements relating to the investigation that began in 2012.



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