

LABUAN FINANCIAL SERVICES AUTHORITY
(LEMBAGA PERKHIDMATAN KEWANGAN LABUAN)

154/2013/ALL

27 December 2013

TO ALL LABUAN FINANCIAL INSTITUTIONS

Chairman
Association of Labuan Banks (ALB)
Labuan International Insurance Association (LIIA)
Association of Labuan Trust Companies (ALTC)
Labuan Investment Bank Group (LIBG)
All Fund Managers
All Money Brokers

Dear Sir/Madam,

GUIDELINES ON ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM ISSUED PURSUANT TO SECTION 83 OF THE ANTI-MONEY LAUNDERING AND ANTI-FINANCING OF TERRORISM ACT 2001 AND SECTION 4B OF THE LABUAN FINANCIAL SERVICES AUTHORITY ACT 1996

As part of Labuan FSA's continuous effort to enhance the existing measures to counter money laundering activities and financing of terrorism in Labuan IBFC, the following Guidelines have been formulated for compliance purposes.

- (i) Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) - Banking Sector
- (ii) Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) - Insurance and Takaful Sectors
- (iii) Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) - Trust Company Sector
- (iv) Guidelines on Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) - Capital Market and Other Business Sectors

2. The above Guidelines are formulated in accordance with the Anti-Money Laundering and Anti-Terrorism Financing Act 2001 (AMLATFA) and the Financial Action Task Force (FATF) 40 Recommendations issued and adopted by FATF in February 2012. These Guidelines are intended to ensure integrity and soundness of the Labuan IBFC and Malaysian financial system are safeguarded. These Guidelines

will be effective from **30 December 2013** and shall supersede the previous Guidelines issued in 2007 as follows:

- (i) Standard Guidelines on Anti Money Laundering and Counter Financing of Terrorism (AML/CFT)
- (ii) Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Sectoral Guidelines 1 for Offshore Financial Institutions Licensed and Registered under Offshore Banking Act 1990.
- (iii) Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Sectoral Guidelines 2 for Offshore Insurance and Insurance-Related Companies.
- (iv) Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Sectoral Guidelines 3 for Capital Market Industries.

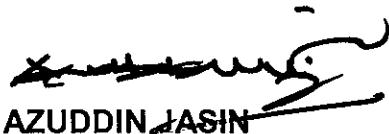
3. In this regard, all persons and licensed institutions mentioned above are hereby directed to comply with the requirements stipulated in these Guidelines pursuant to section 4B of the Labuan Financial Services Authority Act 1996 (LFSAA) effective from **1 February 2014**.

4. Any Labuan financial institution that fails to comply with this directive, which is issued under section 4B of the LFSAA, shall be guilty of an offence and shall be liable on conviction, to a penalty provided under section 4B (2) of the LFSAA.

5. Should you have any query on the above, please do not hesitate to contact Pn. Babelin Bellon (087-591 409) and/or Cik Siti Noor Hayane Omar (087-591 202) of Anti Money Laundering Compliance Unit, Labuan FSA.

Please be guided accordingly.

Yours sincerely,
For and on behalf of Labuan FSA



AZUDDIN JASIN
Director
Supervision and Enforcement Department