

MEDIA RELEASE



**Trinidad and Tobago Securities and
Exchange Commission
57-59 Dundonald Street
Port of Spain**

January 08, 2015

TTSEC gives guidance to registrants on AML/CFT requirements

In its role as the Supervisory Authority, the Trinidad and Tobago Securities and Exchange Commission, is responsible for ensuring that Broker-Dealers, Underwriters and Investment Advisers comply with laws related to Anti-Money Laundering/Combating the Financing of Terrorism (“AML/CFT”) and have a deep appreciation and full understanding of the AML/CFT requirements and the importance of implementing the relevant systems of internal controls.

In light of this, the Commission hosted an informative session for its securities market registrants titled *AML/CFT: The Money, the Law and You* on Wednesday January 07. Attendees included representatives from entities such as RBC Merchant Bank, ANSA Merchant Bank, Citicorp Merchant Bank, First Citizens Asset Management Limited, First Citizens Investment Services, Guardian Group, Republic Securities and other securities market players.

TTSEC Chairman, Professor Patrick Watson opened the morning’s session by clarifying money laundering and terrorist financing, its effect on Trinidad and Tobago and the world and the Commission’s role as “Supervisory Authority”. He also placed some much needed emphasis on the imminent Fourth Round Mutual Evaluation by the Caribbean Financial Action Task Force (CFATF) which will be conducted in mid-January 2015. He affirmed that “money laundering (“ML”) schemes in the securities sector normally involve transaction types associated with the integration and layering stages of ML. The activities of this sector’s participants principally involve the flow of value instruments both within the local economy and internationally. Consequently, we, as a Commission, are required to mitigate against the risk that the proceeds of criminal activity and funds intended for terrorist activities, become included in these capital flows.”

Also on the agenda included presentations on AML/CFT and the Securities Sector, the Role of the TTSEC in AML/CFT Regulation, Review of the Securities Sector’s National Risk Assessment and the AML/CFT Regulation: The Way Forward. These presentations were conducted by the TTSEC’s Advisor, Enforcement; Director, Legal Advisory and Enforcement; Director, Compliance and Inspections and General Counsel.

In bringing the morning’s session to an end, TTSEC Chief Executive Officer, C. Wainwright Iton, implored attendees to recognise the possible disastrous effects that money laundering and terrorist financing can have on our economy and our country’s reputation especially if we are intent on becoming the region’s premier financial centre. He also urged them to implement the necessary systems and internal controls which will assist in their entity’s efforts to treat with money laundering and terrorist financing.

The Commission will continue to use its website, external communiqués and other fora in order to effectively communicate on this burgeoning issue.

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About the CFATF Fourth Round Mutual Evaluation

CFATF conducts assessments or mutual evaluations of its members on a regular basis. The evaluators review a member-country's performance in relation to the Financial Action Task Force's (FATF) forty recommendations and eleven immediate outcomes. In doing so, they seek to judge a country's technical compliance with the forty recommendations and the effectiveness of its AML/CFT efforts that result from its implementation of the recommendations. Countries that are found deficient by mutual evaluations find themselves under intense pressure by the international community and may suffer increased costs in carrying out international trade in addition to a loss of international reputation. The last evaluation was conducted ten years ago and Trinidad and Tobago is the first Caribbean nation that will be assessed in January 2015.

About the TTSEC:

The TTSEC is an autonomous agency established by The Securities Industry Act, 1995 to regulate the securities market. That legislation was repealed and replaced by the Securities Act 2012 which is intended to provide further protection to the investor, promote integrity and transparency and foster the development of the securities market.

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