



AML/CFT reminder for Irish funds and their management companies

What follows is a reminder of certain anti-money laundering (**AML**) and countering the financing of terrorism (**CFT**) action points for Irish funds and their management companies.

Central Register of Beneficial Ownership for ICAVs & Unit Trusts

On 25 June 2020 the Minister For Finance signed the EU (Modifications of Statutory Instrument 110 of 2019) (Registration of Beneficial Ownership of Certain Financial Vehicles) Regulations 2020 (the **New Regulations**), which assigned responsibility to the Central Bank of Ireland (the **CBI**) to maintain a central register of beneficial ownership of certain corporate and other legal entities (the **Central Register**).

Under the New Regulations, the CBI will be responsible for maintaining a central register of beneficial ownership in respect of Unit Trusts, ICAVs and credit unions.

Action Points:

All ICAVs and Unit Trusts in existence before 25 June 2020 must file relevant information on their beneficial owners with the Central Register maintained by the Central Bank by 25 December 2020.

All ICAVs and Unit Trusts which come into existence on or after 25 June 2020 have six months from the date of “coming into existence” to file the relevant information with the Central Register.

Move to upfront Customer Due Diligence (CDD)

On 6 September 2019, the CBI published the final version of its Anti-Money Laundering (**AML**) and Countering the Financing of

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Terrorism (**CFT**) Guidelines for the Financial Sector (the **Guidelines**). The Guidelines emphasise that while an account may be opened prior to CDD being completed, transactions may not be carried out by or on behalf of the customer or beneficial owner until CDD is complete.

In its engagements with industry participants the Central Bank has made clear its expectation that an 'upfront' model of CDD must be applied by Irish funds/ their management companies and that no subscriptions for shares/units in Irish investment funds should be issued until CDD is complete.

Action Points:

Irish funds/ their management companies should liaise with the Administrator to ensure that an 'upfront' model of CDD is applied. This may necessitate changes to the application forms and prospectuses of the Irish fund.

New Procedures for submitting STRs to the Irish Revenue Commissioners

There is a dual reporting requirement for designated persons to submit suspicious transactions reports (**STRs**) to both the Financial Intelligence Unit of the An Garda Síochána's (**FIU**) and the Revenue Commissioners (**Revenue**). On 7 September 2020, Revenue introduced new procedures for submitting STRs to it.

Reporting Entities and Money Laundering Reporting Officers (**MLROs**) are required to submit STRs to Revenue using only the Revenue's Online Service (**ROS**). Reporting entities and MLROs are able to save the online file created through ROS in order that it may also be uploaded to the FIUs GoAML system.

Action Points:

Irish funds/ their management companies should ensure that their MLROs have registered on ROS for STR reporting purposes. In order to do so, MLROs will require; (1) ROS login details and a valid ROS digital certificate; (2) the FIU Organisation ID, which is available on An Garda Síochána GoAML website; and (3) a ROS sub-user certificate for STR reporting.

Further details on the new procedures can be accessed [here](#).

Annual review of AML/CFT policies and procedures and annual Board training

The Central Bank expects that Irish investment funds and their management companies formally review and approve, at least annually, their AML/ CFT policies and procedures. Similarly business risk assessments are required to be reviewed at least annually.

In addition, Irish investment funds and their management companies are required to ensure that; (1) AML/CFT training is given to all Board members and other staff on at least an annual basis, as well as to new recruits during the year and (2) the AML/CFT training includes an assessment or examination during the training session. If the training does not contain an assessment or examination, firms must be in a position to demonstrate the effectiveness of training and staff understanding of such training.

Action Points:

Irish investment funds and their management companies to ensure:

- Annual review of AML/ CFT policies and procedures has been completed;
- Annual business risk assessment has been completed;
- Annual training has been completed.

Dillon Eustace offers an interactive e-learning AML/CFT training course which can be accessed [here](#).

If you have any queries about the information contained in this article, please contact the authors or your usual Dillon Eustace contact.

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