



**Guidance for Making
Suspicious Activity Reports
(and Other Disclosures) to the
Financial Intelligence Unit
Updated - June 2024**



**Isle of Man
Financial Intelligence Unit**
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1. Introduction

This guidance is produced by the Isle of Man Financial Intelligence Unit (FIU) to assist persons submitting suspicious activity reports (SARs) to the FIU under the Proceeds of Crime Act 2008¹ (POCA) and the Anti-Terrorism and Crime Act 2003² (ATCA). It also includes guidance on disclosing other information to the FIU under the Financial Intelligence Unit Act 2016³ (FIU Act), and financial sanctions breaches.

This guidance complements the relevant sections of the Anti-Money Laundering & Countering the Financing of Terrorism Handbook (the AML/CFT Handbook) issued by the Isle of Man Financial Services Authority (<https://www.iomfsa.im/media/3215/december-2023-handbook-clean.pdf>) and the guidance in relation to the Gambling (anti-Money Laundering and Countering the Financing of Terrorism) Code 2019 issued by the Isle of Man Gambling Supervision Commission (<https://www.isleofmangsc.com/gambling/anti-money-laundering-guidance/>).

Please note that this guidance does not constitute legal advice, and the FIU cannot provide legal advice. If you have any concerns in relation to the issues dealt with in this guidance you should seek your own independent legal advice.

If you have any other queries relating to this guidance, or to the submission of SARs and/or other disclosures, please contact the FIU at FIU@gov.im or +44 (0) 1624 686000.

1.1 The FIU

The FIU's statutory functions (set out at section 5 of the FIU Act) are:

- Receiving, gathering, analysing, storing and sharing information about financial crime (whether in the Island or elsewhere)
- Assisting with the prevention and detection of crime, and in particular, financial crime (whether in the Island or elsewhere)
- Cooperating with law enforcement agencies
- Contributing to the reduction of crime, and in particular, financial crime and to the mitigation of its consequences

1.2 SARs and Other Disclosures

A SAR is a report made to the FIU informing it that certain activity (usually, but not always, that of a customer or client) causes knowledge or suspicion of money laundering, or belief or suspicion of terrorist financing.

SARs and other disclosures received by the FIU are an essential part of the global fight against terrorism and financial crime.

Persons conducting business in the regulated sector (as defined in schedule 4 of POCA) are required under POCA and ATCA to submit SARs in respect of information that comes to them in the course of their business, if they know or suspect, or have reasonable grounds for knowing or suspecting, that a person is engaged in (or attempting) money laundering, terrorist financing or proliferation financing. Failing to disclose such matters is a criminal offence.

¹ https://legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/2008/2008-0013/ProceedsofCrimeAct2008_15.pdf

² https://legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/2003/2003-0006/Anti-TerrorismandCrimeAct2003_8.pdf

³ https://legislation.gov.im/cms/images/LEGISLATION/PRINCIPAL/2016/2016-0005/FinancialIntelligenceUnitAct2016_1.pdf

Persons outside the regulated sector who obtain information in relation to money laundering in the course of their trade, profession, business or employment may also have an obligation to submit a SAR to the FIU. They too may commit an offence if they know or suspect, or have reasonable grounds for believing, that a person is engaged in (or attempting) money laundering, terrorist financing or proliferation financing and they fail to submit a SAR.

An 'other disclosure' is a report (other than a SAR under POCA or ATCA) made to the FIU in relation to financial sanctions breaches, or information provided to the FIU under section 24 of the FIU Act. Section 24 of the FIU Act provides that any person may disclose information to the FIU for the purpose of the exercise by the FIU of its functions (outlined above at paragraph 1.1).

Where there is suspicion of money laundering, terrorism offences or proliferation financing, a SAR must be made under POCA or ATCA (not under section 24 FIU Act.)

(SARs and other disclosures are collectively referred to in this document as 'disclosures'.)

1.3 Information Required - SARs

Schedule 4 of the Proceeds of Crime (Prescribed Disclosures) Order 2015⁴ sets out how SARs must be submitted, and the information which must be included in a SAR.

1.4 'Suspicion'

A person suspects, or has reasonable grounds for suspecting, that another person is engaged in money laundering, terrorism offences or proliferation financing, when they recognise that this is a possibility which is not over-imaginative or unrealistic.

There may be an aspect of a transaction or activity that is at odds with normal expectations and therefore raises suspicion, whether through inference, sight of documents, clients' comments, or professional insight and experience. Typically, suspicion will arise when something unusual is identified and subsequent research or checking confirms that there are abnormal or contradictory factors. Definite knowledge or evidence of facts is not required for suspicion (or reasonable grounds for suspicion) to arise.

Receipt of a court order made under POCA, or a request under section 18 of the FIU Act, should be a trigger, or 'red flag' event, causing a review of the relevant client relationship(s) and client(s) conduct. If the review gives rise to further suspicions of money laundering, terrorist financing or proliferation financing, a SAR should be made to the FIU. There is no need to submit a SAR if the only information is the fact of the court order having been made and/or served upon the reporter (sometimes referred to as 'defensive reporting'.)

1.5 SARs to be submitted 'as soon as is practicable'

POCA and ATCA require SARs to be submitted 'as soon as is practicable'. This will vary, depending upon the circumstances, but in most cases time is of the essence and there should be a valid reason for any delay. It is particularly important that the FIU receives information in relation to terrorism **without delay** and this should be afforded the utmost priority.

The AML/CFT Handbook includes the following useful guidance:

As soon as practicable:

- Further information is being gathered to assist the FIU to identify a person or the whereabouts of criminal property.
- The circumstances of suspicion are being investigated to determine whether they constitute grounds for disclosure.

⁴ <http://www.tynwald.org.im/business/opqp/sittings/Tynwald%2020142016/2015-SD-0327.pdf>

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- The relevant person has received specific instructions from the FIU which must be processed before the disclosure is submitted.
- Holidays and non-work days prevent the disclosure from being made.
- Ongoing discussions with the FIU are determining the format of the disclosure.
- Ongoing discussions with the FIU are determining whether a disclosure is justified.
- The organisation is experiencing a disaster and systems are temporarily unavailable to the MLRO and deputies.
- The MLRO and deputies are unavailable under extraordinary and unexpected circumstances.
- A large number of cases where suspicious transactions may need to be processed has unexpectedly occurred and the relevant person's systems are gearing up to handle them. (The Authority would expect a dialogue between the relevant person and the FIU in this instance).
- Legal advice is being sought on the correct procedure for complying with the AML/CFT requirements.
- The FIU are unavailable to receive the disclosure.

Not as soon as practicable:

- MLRO unavailable and no deputy appointed.
- No MLRO or deputy available (for example, both persons on annual leave).
- Confusion exists over the reporting requirements.
- An investigation into whether a report should be made has stalled.
- Workload is preventing reports from being made quickly enough and the relevant person is chronically understaffed.
- All reports must be done manually and there is insufficient resource.
- Internal sign-off by management is blocking reporting (note that relevant persons should ensure that MLROs are able to report directly to the FIU without interference from management).
- The MLRO has multiple duties and other work is preventing access to the MLRO workload.
- Preferred channel (say internet or electronic submission) not available and preference not to report until preferred channel becomes available again.

2. Submitting a SAR to the FIU

2.1 The Regulated Sector – Themis Online Reporting

In order to comply with the Proceeds of Crime (Prescribed Disclosures) Order 2015, SARs made by businesses in the regulated sector, and authorised disclosures under section 154 of POCA (see paragraph 3.1), **must** be made using the electronic form available on the website <https://disclosures.gov.im/>.

The website is that of the FIU's secure online reporting system, **Themis**, which should also be used by businesses in the regulated sector for making disclosures under ATCA, under section 24 of the FIU Act, and in relation to financial sanctions.

The FIU has a dedicated support team, available on +44 (0)1624 686000 during office hours (9am – 5.00pm (GMT), Monday to Friday), to deal with Themis queries. Further information relating to Themis, including a guide for users, is available on the FIU website.

2.2 Outside the Regulated Sector

Persons who wish to submit a SAR to the FIU but are not within the regulated sector should contact the FIU on +44 (0)1624 686000 or via the FIU email address: fiu@gov.im

Where there are particular sensitivities or concerns about submitting a SAR, the FIU should be contacted on +44 (0)1624 686000.

3. Consent of the FIU to Carry Out Specified Activities

3.1 Requesting Consent - Overview

A SAR made under POCA or ATCA (but not a disclosure under the FIU Act, or a disclosure in relation to a UK/IOM financial sanctions breach) may include a request for the consent of the FIU to carry out a specified activity or transaction, which the reporter suspects may be a money laundering or terrorist financing offence. In effect, the reporter is requesting a defence to a money laundering or terrorist financing offence (under POCA or ATCA) in advance of carrying out a specific act which may constitute such an offence.

A SAR which contains a request for consent, and which is made in accordance with section 154 of POCA, is an 'authorised disclosure'. When an authorised disclosure is made, the FIU may, within 7 working days starting with the first working day after the SAR is received:

- a) give consent to do what would otherwise be a prohibited act;
- b) **not** give notice that consent is refused (sometimes referred to as 'implied consent'); or
- c) refuse to give consent.

By granting consent, the FIU is solely providing a defence to money laundering or terrorist financing offences under POCA and ATCA. Consent does not:

- Imply approval of the proposed act(s), persons, corporate entities or circumstances contained within the disclosure
- Should not be taken as a statement that the property in question does or does not represent criminal property
- Does not absolve the person submitting the SAR from their professional duties of conduct or regulatory requirements, such as those under the AML/CFT Code 2019
- Does not provide a defence against other criminal offences relating to the proposed activity or transaction, such as those under the AML/CFT Code 2019
- Does not oblige or mandate the person submitting the SAR to undertake the proposed activity or transaction
- Does not override the private law rights of any person who may be entitled to the property specified in the SAR

A person is treated as having consent if the FIU does not give notice that consent is refused within the 7 working day period (the Notice Period). This is sometimes referred to as 'implied consent'. The consent of the FIU means that the person carrying out the prohibited act specified in the authorised disclosure has a defence to a money laundering offence under POCA.

Where the FIU determines that, in the circumstances of the case, it should not provide a defence and consent is refused, the reporter must not carry out the activity or transaction for a further period of 31 calendar days (known as the moratorium period), or (if earlier) until further notified by the FIU.

If the SAR does not include enough detail for the FIU to make an informed decision in relation to consent (for example, the full remitter and beneficiary details are not provided in relation to a proposed payment) the reporter will be notified that they have **not** made an authorised disclosure (within the meaning of section 154 of POCA) as soon as possible. The Notice Period does not begin until an authorised disclosure is made, and

therefore in these circumstances the reporter does not have implied consent upon the expiry of seven working days.

3.2 How to Request Consent

Consent requests must be submitted via Themis using the 'Consent' tab.

When submitting a request for consent under POCA **all** of the information set out in the Proceeds of Crime (Prescribed Disclosures) Order 2015 in relation to the submission of a SAR should be included. In addition, the following information is required –

- Clearly state your suspicions of money laundering or terrorist financing.
- The information or other matter which gives the basis for your knowledge or suspicion;
- A description of the property that you know, suspect or believe is criminal property; and
- A detailed explanation of the prohibited act for which you need a defence. Where relevant (and if known) full beneficiary and remitter details, including bank and account details and the amount to be transferred should always be provided.
- If requesting consent to enter into an arrangement, please ensure you have clearly described the services you will be undertaking as part of the proposed arrangement.

The above information should also be included in a request for consent under ATCA (as well as any other relevant information).

3.3 The Notice Period and the Moratorium Period

3.3.1 Notice Period

POCA sets out the Notice Period which is the statutory **7 working day period** in which the FIU makes a decision in relation to a request for consent. The day the disclosure is submitted is Day 0. The FIU will analyse the consent request and will consult with other domestic and international law enforcement agencies as required. During this period the activity that is the subject of the request should not be carried out. To do so may amount to committing a money laundering offence.

If the FIU receives a request for consent which contains insufficient information for a decision to be made, the reporter will (as soon as possible, and in any event within 7 working days) receive a letter notifying them that the SAR is not an authorised disclosure (within the meaning of section 154 of POCA). (See paragraph 3.4.)

If the FIU neither grants nor refuses consent within the Notice Period, the reporter has implied consent at the end of the 7 working days (i.e. on day 8). This means that the person effectively has a defence against money laundering offences in relation to the specified prohibited activity or transaction.

3.3.2 Moratorium Period

POCA

Should a request for consent be refused, the FIU will notify the reporter in a letter issued via Themis. The Moratorium Period begins on the day of notification of refusal being issued; this is Day 1 of the Moratorium Period. The Moratorium Period extends for **31 calendar days** following notice of refusal. During this time law enforcement and/or the Attorney General's Chambers will be working to take enforcement action against the criminal property identified (for example, making an application to court for a restraint order under POCA).

Where it is established that there is no likelihood of restraint or other action within the 31 calendar days, the FIU is likely to consent to the specified activity or transaction at that point. The FIU seeks regular updates from its overseas financial intelligence and law enforcement partners during this period, and will notify the reporter as soon as possible should it become aware that action is unlikely in relation to the property.

Where consent to carry out the specified activity or transaction is refused, the person submitting the authorised disclosure **does not have a defence** to one of the principal money laundering offences in POCA until the Moratorium Period has ended without any further action (such as a restraint order) being taken.

ATCA

Under ATCA, where the FIU refuses consent to a specified activity or transaction, **there is no moratorium period**. The reporter has no defence against committing an offence under ATCA until the consent request is granted by the FIU. Decisions under ATCA are kept under regular review following refusal.

3.4 Insufficient Information for Consent

If insufficient information is provided, the FIU will be unable to consider the request for consent and the SAR will not amount to an authorised disclosure under POCA. This means that a valid request for consent has not been made, and the Notice Period does not apply. There is therefore no 'implied consent' upon the expiry of 7 working days. The FIU will (as soon as possible, and in any event within 7 working days) issue a letter (via Themis) notifying the reporter that the SAR is not an authorised disclosure within the meaning of section 154 of POCA.

That letter will also set out the additional information which must be added to the SAR in order for it to be considered as an authorised disclosure. As outlined above, the Notice Period does not begin until an authorised disclosure is made. Therefore, if they do not add the necessary information to the SAR, so that it becomes an authorised disclosure, the reporter will not have implied consent upon the expiry of seven working days, and will not have a defence against money laundering offences.

The Themis User Guide⁵ includes information about amending disclosures and adding consent requests.

Example – Insufficient Information for Consent

The FIU will be unable to consider a request for consent to close an account, where no information is given regarding the transfer and destination of any funds held in that account.

The FIU will not consider requests for consent in relation to matters that amount to operational commercial decisions.

Example – Operational Commercial Decisions

The FIU will be unable to consider a request for consent to take on a client who is a Politically Exposed Person. This will depend upon the risk assessment and risk appetite of the individual business.

3.5 Retrospective Consent

Where the FIU receives a disclosure which appears to have been intended to be an authorised disclosure, but which is made after the specified prohibited act has been carried out, the reporter will be notified in writing that the circumstances do not meet the requirements under POCA and that this is therefore not a matter for consent.

⁵ <https://fiu.im/themis-guide/>

3.6 Transactions Less than the Threshold Amount

Section 156 of POCA allows deposit-taking bodies to deal with transactions or activities with a value of £250 or less, where there is a suspicion of money laundering, without seeking the consent of the FIU.

Where deposit-taking bodies wish to deal with a series of regular transactions with a value greater than £250, without seeking the consent of the FIU in relation to each transaction, the consent of the FIU may be sought for the specified series of transactions. Such requests should be submitted via Themis as consent requests and should contain all of the required information identified above for consent requests. In addition, the threshold amount for which consent is sought, together with details of the transactions or activities to which the consent relates and their frequency must be identified, together with the suspicions of money laundering.

3.7 'Business as Usual'

POCA provides that consent may be given to do "a prohibited act". A request for consent must give sufficient detail about the prohibited act in question to allow for proper consideration by the FIU. A request for consent to commence or maintain a business relationship (sometimes referred to as 'Business as Usual (BAU)' consent) is too wide; it may encompass a number of unspecified prohibited acts. Consent of this nature therefore cannot be given by the FIU. However, as outlined above, it is possible to submit one SAR with a request for consent for a number of, or a category of, transactions. A request of this nature must be sufficiently detailed with regard to matters such as the nature, number, regularity, and duration of the transactions. It may assist to create a table or attach a spreadsheet of the transactions for which consent is requested.

Example – Consent for Regular Payments

Given sufficient detail, the FIU could consider giving consent for regular mortgage payments to be debited from an account.

4. Submitting a Quality SAR

4.1 Businesses in the Regulated Sector

Themis requires or allows a reporter to complete a number of fields. Completing all the relevant fields in detail will result in a quality SAR, which will streamline the process for both the FIU and the reporter. This is critically important in cases where a defence to the money laundering offences under POCA is requested, as if there is insufficient information supplied at the time of the initial request, the requestor may create unnecessary time pressure.

4.1.1 Narrative

The main text fields '**Summary**' and, where the reporter is requesting consent (see paragraph (3)) '**Details of Request**', are for the narrative of the circumstances which have led to suspicion and the submission of a SAR. These text fields should provide a chronological account of the relationship between the reporter and the subject(s) of the disclosure, and the specific event(s) or information that have given rise to the suspicion or knowledge of money laundering or terrorist financing. The narrative should inform the FIU:

- Who is doing something suspicious
- What they are doing
- Who they are doing it with
- When they are or were doing it
- How they are or were doing it
- Where they are or were doing it
- Why they are or were doing it

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Full details of any property or funds, including, where possible, their value and current location, must also be included (see paragraph 4.1.6 - Supporting Documentation).

4.1.2 Subject(s)

The narrative may refer to a number of natural and legal persons, which may include the following:

- Clients and associates
- Companies, their officers and beneficial owners
- Trusts, and their settlor(s), trustee(s), protectors and beneficiaries

It is important that every natural and legal person relevant to the narrative is uniquely identified and submitted as a 'subject'. This enables the FIU to carry out searches and link SARs to related matters. The details which will amount to unique identifiers must be entered in their respective sub-headings;

- a) Personal details (including full name, date of birth/date established, nationality, address(es) including post codes);
- b) Contact details;
- c) Other details (including details of identification documents and details of known bank accounts or other financial details); and
- d) Further information about the subject (including status (e.g. as a politically exposed person (PEP)), occupation, beneficial ownership, and so on).

The person making the disclosure may not have a suspicion about each subject they identify, but all natural and legal persons referred to in the SAR **must be** identified as subjects in the '**Subject Details**' field. The FIU does not assume that all persons identified in this way are suspected of wrongdoing. The discloser's suspicions are identified from the information provided in the '**Summary**' and '**Details of Request**' sections.

Example SAR – Subjects

"Client John Smith (DOB 01.01.1970) has reported theft from his account with account number 123456. There is no suspicion of wrongdoing on the part of Mr Smith, who appears to be the victim of theft, the proceeds of which appear to have been laundered."

The reporter has provided information which will allow the FIU to search for other matters related to the customer, whilst clearly identifying that the Bank does not suspect him of wrongdoing.

Similarly, where the subject is a company, the directors, other relevant officers, beneficial owners and individuals who exercise control of that company should be identified, even where directors are employees of another entity (including the employer of the reporter) providing services to that company. These individuals should be shown with their business address and contact details.

4.1.3 Suspicion

The narrative within the '**Summary**' and '**Details of Request**' fields should contain sufficient information for the FIU to understand the reason for the suspicion. All SARs and other disclosures should contain a detailed explanation of the reason for the knowledge or the suspicion giving rise to the disclosure. The disclosure must contain sufficient information for a reader with no prior knowledge of the subject and activities to fully understand the reasons for suspicion.

If suspicion has arisen because an activity or event deviates from what is usual for the client or type of business, an explanation of the difference between the usual activity and the suspicious activity or event should be included.

4.1.4 Financial Transactions

When suspicion relates to a financial transaction, the disclosure should include the type of transaction and relevant details of both the sender and the receiver of the funds. It should also include the destination and originating bank details (including, but not limited to, sort codes, account numbers, correspondent bank details, and so on). If the sort code is a generic one, covering more than one jurisdiction, the location of the bank account(s) should be clearly identified in the summary.

It is important to accurately record the date on which the transaction has occurred or will occur and to specify the type of transaction.

4.1.5 Previous SARs

If the subject has been the subject of a previous SAR, the previous SAR reference number should be included. Each individual SAR must contain a suspicion and all relevant details, even where the reference number for a previously submitted SAR is included.

4.1.6 Supporting Documentation

Themis allows supporting documentation (e.g. KYC documents, bank statements, copies of related media articles, and so on) to be uploaded as an Excel file, word document, PDF or image. Open source articles must be attached as PDFs. Hyperlinks should not be used as the information they are intended to provide, can be changed or deleted at the source.

4.1.7 Dual Reporting

Where the information provided to the FIU in a SAR has also been reported to a financial intelligence unit or law enforcement agency in another jurisdiction, your report should be made using the "Proceeds of Crime Act 2008 – Dual Reported" legislation option. The fact that the matter has been dual reported should be clearly stated, giving full details including when, how and to whom the report was sent. This information should be provided at the start of the narrative in the '**Summary**' field. If the accounts are domiciled, and the activity giving rise to suspicion has taken (or will take) place, outside of the IOM, but this has given rise to suspicion in the IOM, this should also be stated.

There will be times where additional information is requested, or it is necessary to provide an update on the submitted disclosure. In these cases, the 'further information' tab within the original disclosure record in Themis should be used.

4.1.8 Tipping Off

The offence of 'tipping off' occurs when a person in the regulated sector divulges that a disclosure has been made to the FIU, or that a money laundering investigation is underway. This may be particularly relevant when considering whether to take on a new client, or terminate an existing client relationship. If in any doubt, persons in the regulated sector should seek independent legal advice.

4.2 Outside the Regulated Sector

Some or all of the guidance outlined above in relation to the information required from businesses in the regulated sector will be applicable to other disclosures and should be considered by those outside the regulated sector who are required, or wish, to submit a disclosure to the FIU.

5. Disclosing Information to the FIU Under Section 24 of the FIU Act 2016

Section 24(1) of the FIU Act allows any person to disclose information to the FIU if the disclosure is made for the purposes of the exercise by the FIU of any of its functions. The disclosure will not breach any obligation of confidence owed by the person making the disclosure or any other restriction on the disclosure of information (however imposed). Disclosures of information under section 24 of the FIU Act should be made to the FIU via Themis (for persons in the regulated sector) or by contacting the FIU (for all other persons).

No disclosures of suspicious activity (including suspected tax evasion and declined business) can be made under this section by the regulated sector. A SAR under POCA and/or ATCA must be submitted.

All matters involving knowledge or suspicion of money laundering must be reported by persons in the regulated sector in accordance with POCA. All matters involving knowledge or suspicion of terrorism offences must be reported by persons in the regulated sector in accordance with ATCA.

There is no provision in law to request consent to do a prohibited act, or for the FIU to provide a defence against money laundering, under section 24 of the FIU Act.

6. Financial Sanctions

6.1 Financial Sanctions - General

Sanctions are prohibitions and restrictions put in place with the aim of maintaining or restoring international peace and security. The IOM Government maintains the implementation of international sanctions measures in the IOM, in line with such measures that have effect in the UK. They generally target specific individuals or entities, or particular sectors, industries or goods. There are also sanctions that target persons and organisations involved in terrorism. General guidance relating to financial sanctions issued by Customs and Immigration can be found on the Customs and Immigration website⁶.

Customs and Immigration Financial Sanctions Guidance provides general information in relation to financial sanctions. Further details on the financial sanctions regimes that have effect in the Island can be found on the Customs and Immigration website.

All persons in business or a profession in the Island, including financial institutions (FI), **must** check whether they maintain any account, or otherwise hold or control funds or economic resources, for individuals or entities named in the published lists having effect in the Island. If any assets are identified that person or financial institution must take the following actions:

- freeze the account, funds or economic resources
- report findings to the FIU via Themis

Any person or financial institution that suspects that a breach of financial sanctions has occurred **must** report this to the FIU as soon as practicable and co-operate in any verification of the information supplied, as required.

6.2 Financial Sanctions Related SARs

Previously, SARs in respect of financial sanctions were made to Customs and Immigration. Since 3 April 2018, such SARs must be made to the FIU. The FIU is responsible for the receipt, analysis and, where appropriate, dissemination of intelligence in respect of suspected sanctions breaches. (Customs and Immigration retains

⁶ <https://www.gov.im/categories/tax-vat-and-your-money/customs-and-excise/sanctions-and-export-control/>

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responsibility for investigating suspected breaches, and therefore any queries regarding sanctions (other than queries in relation to submitting a sanctions related SAR) should be directed to the Sanctions Officer at Customs and Immigration on **+44 (0) 1624 648109.**)

SARs related to sanctions should be submitted via Themis. It is important to note that **ONLY** breaches of UK sanctions should be reported to the FIU under the 'IOM/UK Sanctions Breach' option in the drop-down menu within the legislation section in Themis.

For matters involving all other types of sanctions, (including the OFAC Designations List), where there is no suspicion of terrorist financing or money laundering, SARs should be submitted under section 24 of the FIU Act. If there is suspicion of terrorist financing or money laundering, the SAR should be reported under ATCA or POCA, as relevant.

Please contact the FIU on +44 (0) 1624 686000 before submitting a sanctions related SAR if you require additional guidance in relation to sanctions reporting.

It is not possible to request consent to do a prohibited act, or for the FIU to provide a defence against money laundering, under a Financial Sanctions Breach disclosure.

7. Tax Amnesty Schemes/ Voluntary Tax Compliance

Tax Amnesty Schemes generally involve a specific window of opportunity for someone to declare, and where necessary, repatriate funds to a jurisdiction in which they should have paid taxes in relation to undeclared foreign income or assets. The time period for regularisation may be over many months.

If the circumstances in which a client or customer decides to take advantage of a Tax Amnesty Scheme give rise to knowledge or suspicion that they have committed a tax evasion offence abroad, where the conduct would have been an offence if committed in the Isle of Man and where the proceeds have been received by or passed through a FI, a disclosure should be made to the FIU under POCA, regardless of the client's stated intentions with regard to the Tax Amnesty Scheme.

Providing a disclosure has been submitted via Themis in relation to the suspected tax evasion, and reported under Part 3 of POCA, then the FI has the facility to request a defence to the principal money laundering offences under sections 139, 140 and 141 of POCA in relation to the acts specified in the specific disclosure, for example, in relation to the removal of suspected criminal property from the Island in purported compliance with a Tax Amnesty Scheme.

If the client is retained on an ongoing basis, following satisfactory supporting evidence being provided to the FI, then an update could be provided to the FIU, via Themis under the original Themis reference number to advise of this fact, and to confirm that the original suspicion has now been negated.

Any updates or additional information should be added to the 'Further Information' tab within the specific Themis record, with any supporting documentation uploaded to the 'Documents' tab.

8. Reporting Fraud

The FIU is not part of the Isle of Man Constabulary. Complaints regarding domestic fraud (confirmed, attempted or suspected fraud) should be made to the Isle of Man Constabulary on telephone +44 (1624) 631212 and reports regarding off-Island fraud should be made to Action Fraud via www.actionfraud.police.uk or telephone 0300 123 2040.

Where the circumstances of the fraud result in knowledge or suspicion of money laundering or terrorist financing, a SAR must be submitted to the FIU (for example where bank detail(s)/account(s) have been hacked and monies have been paid away to an identifiable beneficiary account, or when an account holder is suspected to be involved in a fraudulent scam/ advance fee fraud and is in receipt of, or paid away monies suspected to be the proceeds of crime).

Guidance for Making SARs (and Other Disclosures) to the FIU

The SAR should record the fact that a crime report has also been made, identifying the agency to which the crime has been reported and providing any known reference number(s) for the crime report.

9. Confidentiality

Information received by the FIU, including information received within SARs, is held on the FIU's secure online system, Themis. Information may only be disclosed by the FIU for a permitted purpose, as defined in section 28(1) of the FIU Act. The use of information other than for intelligence purposes is granted by the FIU only upon request from the relevant law enforcement agency. By sections 25 and 26 of the FIU Act it is an offence for a person in receipt of information from the FIU to further disclose that information without the written consent of the FIU.

Any concerns about the inappropriate use of information provided to the FIU should be reported to the FIU's Supervisory Team on 01624 686000 or at fiu@gov.im

10. Feedback

The FIU is keen to increase the ways in which feedback may be provided to those persons who submit SARs to it in order to improve the quality of information provided to the FIU, and a new feedback process was introduced on 1 August 2023⁷ Regular telephone conversations are also held between the FIU and D/MLRO's to discuss specific SARs where the submission is lacking in detail or could be improved. The general level of details provided in the majority of SARs received is of a high standard.

If you have a specific SAR(s) where you would like feedback and this has not been provided then please contact the FIU.

11. Disclaimer

Whilst every effort has been made to ensure the accuracy of the information within this guidance, it is provided on the basis that neither the FIU nor its staff, either individually or collectively, accept any responsibility for any direct or indirect loss, damage, cost or expense of any kind arising from or in connection with the use by any person of any information contained within this guidance. Any use of the information contained within this guidance signifies agreement by the user to these conditions.

⁷ <https://www.fiu.im/media/1189/mlro-sar-feedback-guidance.pdf>