



Effective date: 27 December 2016

**GUIDELINES FOR FINANCIAL INSTITUTIONS AND
DESIGNATED NON-FINANCIAL BUSINESSES AND PROFESSIONS
GUIDELINES NO. FIU/G-1/2015/1**

**GUIDELINES ON THE OBLIGATION TO SUBMIT A CASH TRANSACTION REPORT (CTR)
UNDER SECTION 16 OF THE CRIMINAL ASSET RECOVERY ORDER, 2012**



1. INTRODUCTION

- 1.1. These Guidelines are made pursuant to section 30(c) of Criminal Asset Recovery Order, 2012 [CARO].
- 1.2. These Guidelines provide guidance to assist all Financial Institutions and Designated Non-Financial Businesses and Professions (FIs and DNFBPs) and dealers in high value goods (DHVGs) on the obligation to report cash transactions as required under section 16 of CARO. Please also refer to Specific Guidelines for FIs, DNFBPs and DHGVs as follows:
 - 1.2.1 Specific Guideline for Banks and Finance Companies in **Appendix 1**;
 - 1.2.2 Specific Guideline for Advocates and Solicitors, Notaries, Other Independent Legal Professions and Accountants in **Appendix 2**;
 - 1.2.3 Specific Guideline for Money Changer and Remittance Companies in **Appendix 3**;
 - 1.2.4 Specific Guideline for Trust and Company Service Providers in **Appendix 4**; and
 - 1.2.5 Specific Guideline for Motor Vehicle Dealers in **Appendix 5**.
- 1.3. FIs, DNFBPs and DHVGs play a vital role in detecting money laundering and terrorism and financing activities. To achieve this aim, CARO imposes several AML/CFT requirements including the reporting of cash transactions to the Financial Intelligence Unit (FIU), Brunei Darussalam Central Bank.
- 1.4. Cash Transaction Reports (CTRs) serve as a valuable tool in tracking and investigating financial crimes. The information provided in CTRs can be used to follow the money trail and provide support in cases related to money laundering and other financial crimes.
- 1.5. These Guidelines shall take immediate effect.

2. WHEN TO REPORT?

- 2.1. All CTRs are to be submitted online no later than **five (5) working days** (this also applies to resubmission) from the date of the transaction.
- 2.2. A CTR is required for the following transactions:
 - 2.2.1. Single cash transaction of B\$15,000 and above or its equivalent in foreign currency; and
 - 2.2.2. Several (two or more) cash transactions that appear to be linked amounting to B\$15,000 and above or its equivalent in foreign currency that occur within 24 hours.
- 2.3. Non-cash related transactions such as online payment, credit card transactions, payment by cheque and telegraphic transfer are not to be reported in a CTR.



2.4. Examples of cash transactions:

- 2.4.1. Cash deposit via counter/office or Cash Deposit Machine (CDM);
- 2.4.2. Cash & Cash cheque withdrawal via counter/office or the Automated Teller Machine (ATM);
- 2.4.3. Cash payment for products and services via counter/office/ATM/CDM such as property, credit card payment and Hire Purchase;
- 2.4.4. Buying or selling foreign currency in cash; and
- 2.4.5. Exchange of large to small denomination bills and vice versa.

3. WHAT ARE LINKED TRANSACTIONS?

- 3.1. Linked transactions are two or more cash transactions amounting to B\$15,000 and above, or equivalent in a foreign currency, made within 24 hours of the same calendar date.
- 3.2. Linked transactions that should be reported in one CTR include two (2) or more “one-way” transactions where the institution either receives or releases cash only. Cash transactions are not considered linked where “two-way” transactions occur, that is where an institution receives and releases cash.

Example of linked one-way transactions:

Aisyah makes a cash deposit of B\$6,000 over the counter at 10.30am, then comes back to the counter to make another cash deposit of B\$5,000 at 11.30am. She then makes another cash deposit amounting B\$4,500 into her account at 3.00pm in the afternoon. In this case, the institution receives three (3) cash transactions within 24 hours; therefore one (1) CTR should be submitted for all three (3) transactions.

Example of two-way transactions:

Ibrahim makes a cash deposit of B\$8,000 and a withdrawal of B\$7,000 within 24 hours. In this case, the institution receives and releases cash, therefore a CTR should not be reported in this situation.

4. HOW TO REPORT A CTR?

- 4.1. All CTRs are to be submitted online through the Integrated Financial Intelligence System (IFIS) website (<https://ifis.bdcdb.gov.bn>) using one (1) of the following methods:

- 4.1.1. **Completing an online form:** Compliance officers can complete a CTR form by filling in the CTR information manually on the IFIS website.

Technical requirements are included in the Reporting Instructions for IFIS Website document provided upon registration with IFIS; or

- 4.1.2. **Uploading XML files:** CTR information can be uploaded in bulk/batch via the IFIS website. This option allows FIs, DNFBPs and DHVGs to extract cash transaction information directly from their database and submit automatically to IFIS by



converting the information into an XML format. This option is recommended for reporting entities expecting to report large numbers of CTRs daily. A limit of 5MB is set for each upload.

XML Script specifying the necessary fields (both mandatory & optional) for this option is available upon request from the FIU to all reporting institutions.

- 4.2. FIs, DNFBPs and DHVGs are encouraged to submit multiple transactions of B\$15,000 and above or its equivalent in foreign currency that occur within 24 hours by different customers, compiled into a single CTR for submission to IFIS, as outlined in paragraph 5.4.7 of the Reporting Instructions for IFIS Website document.
- 4.3. All FIs, DNFBPs and DHVGs should be registered with IFIS. If your institution is not yet registered, please contact IFIS helpdesk at 2382614 or email ifis@bdcdb.gov.bn.

5. WHAT TO INCLUDE IN A CTR?

- 5.1. All mandatory fields in the CTR form are to be completed.
- 5.2. The following technical information should be present in submitting a CTR:
 - 5.2.1. For individuals – Full name, identity card number (government-issued document such as national identity card and passport), date of birth, nationality, occupation and employer name;
 - 5.2.2. For corporations – Full name, date and place of incorporation, and if possible, details of beneficial owners/directors and shareholders (such as their full name and national identity card number); and
 - 5.2.3. For accounts – Account name, account number, account type, and details of signatory.
- 5.3. Transaction details including amount involved, type of transactions (deposit, withdrawal, etc.), source and beneficiary of transaction and date of transactions.
- 5.4. Do not include 'Unknown' and unnecessary characters such as , [] @ # \$ % ^ & * in the account number fields.

6. EXEMPTIONS TO CASH TRANSACTION REPORTING

- 6.1. FIs, DNFBPs and DHVGs are not required to report CTRs for cash received/withdrawn by the following persons:
 - 6.1.1. the Government of Brunei Darussalam – Ministries and Departments only;
 - 6.1.2. Brunei Darussalam Central Bank;
 - 6.1.3. Statutory Body; or
 - 6.1.4. A financial institution licensed by Brunei Darussalam Central Bank. (For an updated list, please refer to <https://www.bdcdb.gov.bn/regulatory/list-of-bdcdb-licensees-and-approved-entities>.)



- 6.2. Any attempted cash transaction amounting to B\$15,000 or above, or equivalent in foreign currency is not required to be reported.

7. GUIDANCE ON RESUBMISSION

- 7.1. In the event of a resubmission is required due to a rejection, there is no requirement to create a new report. FIs, DNFBPs and DHVGs will receive a message on the IFIS web message board stating the rejection reason. The report may be edited and resubmitted after selecting the option 'Revert Status to Online' at the bottom of the screen. This will send the report back to the 'Not Submitted Web Reports' list.
- 7.2. Using the same report allows for easy tracking of resubmission of rejected reports.

8. SUSPICIOUS TRANSACTION REPORT

- 8.1. Large or frequent cash transactions can be a red flag for potential illicit activities. CTR reporting helps financial institutions identify unusual or suspicious patterns or cash transactions that may warrant further investigation.
- 8.2. In addition to submitting a CTR, should there be reasonable grounds to suspect that a cash transaction of B\$15,000 or above, or equivalent in foreign currency could be related to a money laundering or terrorist financing offence, a suspicious transaction report (STR) should be submitted to the FIU.

9. HOW TO CONTACT THE FIU

- 9.1. These Guidelines will be reviewed on a periodic basis. If you have any comments or suggestions to improve this paper, or for further information on CTR submission, please contact the FIU:

Address	Financial Intelligence Unit Brunei Darussalam Central Bank Level 7, Ministry of Finance and Economy Building Commonwealth Drive Bandar Seri Begawan BB3910 Brunei Darussalam
E-mail Address	fiu@bdcb.gov.bn
Telephone No.	+673 238 2614

**MANAGING DIRECTOR
BRUNEI DARUSSALAM CENTRAL BANK**