

**Circular
(FI/1/2014)**

Financial Institutions and Designated Non-Financial Businesses and Professions

1- Article (12) of the Anti-Money Laundering and Combating the Financing of Terrorism (AML/CFT) Law no. (106) of 2013 stipulates that financial institutions and designated non-financial businesses and professions (DNFBPs) shall report to the KwFIU without delay any transaction or attempted transaction, regardless of the value thereof, if they suspect or have reasonable grounds to suspect that such transaction involves proceeds of crime or funds related or linked to or to be used for money laundering or terrorism financing.

2- Article (13) of the aforementioned Law stipulates that financial institutions and DNFBPs, their directors and employees are prohibited from disclosing to a customer or any other person about the report which is mentioned in the previous Article, or any information related to the KwFIU or to any money laundering or terrorism financing investigation. This shall not preclude disclosures or communications between directors and employees of the financial institution or DNFBP, in addition to lawyers, competent authorities, and the public prosecution.

3- Article (35) of the same Law stated to punish by imprisonment for up to three years and a fine of no less than KD 5,000 and up to KD 500,000, or by one of these two penalties, , whoever deliberately or by gross negligence the following:

- a- Violation of the provision of Article (12) concerning the delivery of false report or data or information or conceals facts which should be disclosed; or
- b- Anyone disclose information to a third party in violation of the first paragraph of article (13). and in the case where a legal person commits any of the offenses stated in the previous paragraphs, a fine of no less than KD 5,000 and up to 1 million KD shall be imposed.

4- The KwFIU formalized a Suspicious Transaction Report (STR) Form to be to be used for providing information to KwFIU about suspicious transactions. In addition to a guide aimed at assisting financial institutions and DNFBPs in completing the STR form. The guide identifies the adopted method and timeframe to send STRs to KwFIU and clarifies the type of information required in each section of the form.

5- The KwFIU has also provided a list of indicators to assist financial institutions and DNFBPs in identifying suspicious transactions. These forms are available on the website of the Unit (www.kwfiu.gov.kw) as indicated below:

- a- The KwFIU guide to complete STR forms for financial institutions and DNFBPs
- b- Indicators for banks to assist in identifying suspicious transactions
- c- Suspicious Transaction Report Form for Banks

6- Financial institutions and DNFBPs shall send their STRs in Arabic in accordance with the above clarifications to the following address:

**The Kuwait Financial Intelligence Unit
Ministries Complex, Block 7 - Third Floor
State of Kuwait**

**President
Talal Ali Al Sayegh**

Date: 6 Dhul Qaada 1435 AH
1 September 2014 AD