



PORTCULLIS NOTICES

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SUPERVISORY CIRCULAR - THIRD PARTY RELIANCE TESTING FOR AGENTS/NOMINEES AND ELIGIBLE INTRODUCERS

The Cayman Islands Monetary Authority ("Authority") has provided an update on May 19, 2022 in which it reminds all regulated entities of their obligations in respect of the application of third-party reliance testing for a person acting as an agent/nominee (including nominee investors) ("Nominee") or eligible introducer ("EI") under Regulations 24 and 25 of the Anti-Money Laundering Regulations (2020 Revision) ("AMLRs") and the Guidance Notes on the Prevention and Detection of Money Laundering, Terrorist Financing and Proliferation Financing in the Cayman Islands, 5 June 2020 ("GNs").

Regulated entities are required to conduct third party reliance testing to satisfy that the EI or the Nominee has conducted the requisite Customer Due Diligence in accordance with the Regulations:

This includes-

1. Conducting third party reliance testing where an EI is being relied upon (under Regulation 25 of the AMLRs);
2. Obtaining a written assurance from the Nominee (in the form required in Regulation 24 of the AMLRs), which must confirm, amongst other things, that the Nominee will provide Identification and verification data without delay; and
3. Conducting third party reliance testing on the Nominee.

The Authority reiterates that, as set out under Regulations 24(3) and 25(3), the regulated entity relying on an EI or Nominee retains ultimate responsibility for compliance with the customer due diligence requirements under the AMLRs.

Should you need any further information, please email to contactAMLCFT@cima.ky.

For regulated entities, you are strongly encouraged to subscribe to the newsletter from the Authority for regulatory updates. Click [HERE](#) to subscribe to the Newsletter from CIMA RSS Feed!

Thank you for your attention to this matter.

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