

Anti-Money Laundering & Terror Financing Policy

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RISDA-Bangladesh

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1. Policy Statement:

RISDA-Bangladesh (“the Organization”) has zero-tolerance for Money Laundering (ML) and Terror Financing (TF). The Organization is committed to preventing the proceeds of crimes derived from ML and TF, the policy will guide the Organization to fulfill the regulatory requirements set out in the Government of Bangladesh’s Money Laundering Prevention Act, 2012. In addition, adherence to this policy is a great enabler for the Organization as it secures the self-interest of the Organization by earning its good reputation to its stakeholders and the Government of Bangladesh. Even more, the Organization will comply with the anti-money laundering and anti-terror financing requirements of the development partners.

The Organization will invest its resources to the best possible extent to curb this ill-gotten practice by the means of procedures set out in this policy. The policy, along with other relevant organizational policies, will assist the Organization to uphold its vision and mission. The Organization will ensure regular enforcement and review of the policy so that it does not exceed the thresholds over which it is permitted to operate in Bangladesh.

2. Purpose:

As ML, together with TF, is a growing concern all over the world, the fight against the menace requires the collective engagement of multi-parties on many fronts. Therefore, the active participation of NGOs as reporting organizations, has been included in the Government of Bangladesh’s Money Laundering Prevention Act, 2012.

Though many NGOs have adapted effective internal control mechanisms based on their wide-ranging experience and expertise in Bangladesh, still many others are vulnerable to ML- and TF-related abuse. The policy is designed to preserve the best interest of the Organization.

In response to the above scenario, the purposes of the policy are to-

- establish a general framework for the Organization to fight against money laundering (ML) and terror financing (TF).
- restrict persons and entities (organizations) exploiting the Organization through ML and TF.

3. Definitions of the Terms:

3.1. Money Laundering: In the policy, ‘Money Laundering’ means the definition stated in Bangladesh’s Money Laundering Prevention Act (MLPA), 2012. The policy will utilize the definition of ‘Money Laundering’ as stated in Section 2(v) of the MLPA, 2012: “Money laundering” means –

- (i) knowingly moving, converting, or transferring proceeds of crime or property involved in an offense for the following purposes: -
 - a) concealing or disguising the illicit nature, source, location, ownership or control of the proceeds of crime; or
 - b) assisting any person involved in the commission of the predicate offense to evade the legal consequences of such offense;
- (ii) smuggling money or property earned through legal or illegal means to a foreign country; knowingly transferring or remitting the proceeds of crime to a foreign country or remitting or bringing them into Bangladesh from a foreign country with the intention of hiding or disguising its illegal source; or

- (iii) concluding or attempting to conclude financial transactions in such a manner so as to reporting requirements under this Act may be avoided;
- (iv) converting or moving or transferring property with the intention to instigate or assist in committing a predicate offense;
- (v) acquiring, possessing or using any property, knowing that such property is the proceeds of a predicate offence;
- (vii) performing such activities so as to the illegal source of the proceeds of crime may be concealed or disguised;
- (viii) participating in, associating with, conspiring, attempting, abetting, instigating, or counseling to commit any offenses mentioned above.

3.2. Smuggling of Money or Property: According to the Section 2(a) of the MLPA, 2012: “Smuggling of money or property” means-

- (i) transfer or holding money or property outside the country in breach of the existing laws in the country; or
- (ii) refrain from repatriating money or property from abroad in which Bangladesh has an interest and was due to be repatriated; or
- (iii) not bringing into the country the actual dues from a foreign country, or paying to a foreign country in excess of the actual dues.

3.3. Proceeds of Crimes: According to Section 2(c) of the MLPA, 2012: “Proceeds of crime” means any property obtained or derived, directly or indirectly, from a predicate offense or any such property retained or controlled by anybody.

3.4. Predicate Offence: According to the Schedule 2(cc) of the MLPA, 2012: “Predicate offense” means the offenses mentioned below, by committing which within or outside the country, the money or property derived from is laundered or attempt to be laundered, namely. Please see **Annex-1: List of Predicate Offences.**

3.5. Suspicious Transaction: Suspicious Transaction has been defined in both MLPA, 2012 and Anti-Terrorism Law (ATA), 2009. Please see **Annex-2: Definition of Suspicious Transaction.**

4. Compliance Mechanism to fight and mitigate ML and TF Activities:

The compliance mechanism of the Organization has been developed in line with the Bangladesh Bank’s guidelines developed for NGO/Non-Profit Organization (NPO) based on MLPA, 2012. So, the following contents have been articulated based on the texts of Bangladesh Bank’s guidelines.

4.1. Management Commitment: The Organization’s SMT including Executive Director has commitment to development and enforcement of the policy for complying with the regulations of the relevant government bodies (Bangladesh Financial Intelligence Unit/BFIU of Bangladesh Bank and The Anti-Corruption Commission/ACC) under MLPA, 2012 and ATA, 2009.

As per Bangladesh Bank’s guidelines for NGO/NPO Sector, the Executive Director will communicate clearly to all employees on an annual basis through a ‘letter of commitment’ depicting Anti-Money Laundering (AML) and Combating Terror Financing (CTF) objectives of

the Organization.

4.2. Appointment of CAMLCO and Formation of AML/CTF Compliance Unit: As per the Bangladesh Bank's guidelines for NGO/NPO Sector, the Organization will nominate a senior officer as Chief AML/CTF Compliance Officer (CAMLCO) under the Executive Director at its Head Office. The CAMLCO, as a contact person, will be responsible for communicating with Bangladesh Financial Intelligence Unit (BFIU) of Bangladesh Bank. The Organization will provide the BFIU with the name, designation, contact and e-mail address, and telephone and fax number of the CAMLCO. Whenever there is a change, the BFIU will be immediately communicated by the Organization.

4.3. Risk Based Approach: As per the Bangladesh Bank's guidelines for NGO/NPO Sector, the Organization will assess the risks for beneficiaries (person, group of persons or organization etc.), countries, geographic areas, products, services, transactions or delivery channels. Then, it will take appropriate steps to curb or mitigate the risks.

4.4. Customer Due Diligence: As per the Bangladesh Bank's guidelines for NGO/NPO Sector, the Organization will apply due diligence in its following actions:

4.4.1. The Organization, when receiving foreign aid/grant/donation, will collect correct and complete information of identification of its direct beneficiaries (person, group of persons or organization etc.) who receive cash/goods/services amounting more than 10 (ten) thousand taka in a year. As per the Bangladesh Bank's guidelines for NGO/NPO Sector, identification information refers to formal name and other names used to identify the person, parents' name, date of birth, nationality, occupation, present and permanent address. If, the Organization implements projects through partner NGO, it will incorporate clauses in the project agreements that partners will preserve beneficiaries' information and fund shall not be used for ML/TF.

4.4.2. The Organization will collect correct and complete information of identification with supporting documents of those customers who have been sanctioned loan Tk. 75.00 (seventy-five) thousand or above and those who have deposited more than 50.00 (fifty) thousand or above with the Organization under its credit program. The Organization will verify the authenticity of the information through field visit and other means.

4.4.3. The Organization will allow donor organizations to collect information regarding projects and goals, physical presence, operating history, sources of the Organization's income such as official grants, private endowments and commercial activities.

4.5. Preservation of Information and Documents: As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will do the followings for information and document preservation.

4.5.1. The Organization will preserve direct beneficiaries' information for five years. The Organization will also preserve micro credit customer's information along with records of transaction for at least five years from the date of closure of the relationship with the customer.

4.5.2. The Organization will preserve information related to its goals, objectives and activities in details in its head office and branch/project offices. The Organization will make the information publicly available.

4.5.3. The Organization will collect and preserve the correct and complete information of identification of those who control or direct the activities of the Organization (senior officers, EC members or others) in details. The Organization will make the information publicly available.

4.5.4. The Organization will preserve the audited financial statements (of the Organization and of each project/component) of the previous 5 (five) years with a detailed break up of income and expenditures, and with supporting documents.

4.5.5. The Organization will collect and verify the identification information, relevant experience, other involvements and supporting documents (copies of National ID, passport, academic and experience certificates etc.) of the selected candidates before/after recruitment. Identification information refers to the formal name and other names used to identify the person, photograph, parents' name, spouse's name, date of birth, nationality, present and permanent address. Besides that, the Organization will also verify information from the references given by the candidate in their job application/resume.

4.6. Transaction through Banking Channel: As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will apply the following stipulations in all transactions:

4.6.1. The Organization will maintain a bank account in the name of the organization with a nearby scheduled bank branch. All customers' transactions of the Organization involving Tk.10, 000/ (Ten thousand) and above shall be routed through a banking channel.

4.6.2. The Organization will maintain only one bank account for receiving donations/grants. As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will maintain separate bank accounts for separate projects only after receiving the donation/grant through the bank account opened for receiving funds.

4.6.2. The Organization will operate its bank accounts only with joint signatures by at least two officials as approved by an appropriate authority.

4.6.3. The Organization will ascertain the identity of the depositors/withdrawers when cheque deposits or withdrawals to or from its accounts have been issued.

4.7. Fund Utilization as Approved by Regulatory Authority: As per the Bangladesh Bank's Guidelines for NGO/NPO, the Organization will apply the following provisions in fund utilization:

4.7.1. The Executive Committee of the Organization must ensure that all funds are utilized in a manner that is consistent with the stated goals, objectives and activities of the organization which have been approved by the regulatory authority. The Organization will conduct an Independent Audit annually.

4.7.2. The Organization will follow generally accepted accounting principles in its accounting practice.

4.8. Meeting and Training on AML/CFT: As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization's senior management will conduct a meeting at least once in every 3 (three) months on AML/CTF strategy and activities of the organization.

The Organization will arrange a training program or send its officers (at least senior management, finance and program staff) for training on AML/CFT issues as well. The records of the meeting and training conducted will also be maintained.

4.9. Restriction on Receiving Fund from Certain Persons/Organizations/ Country: As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will not receive any fund from any person or organization or their directly or indirectly related organizations that are listed under the resolutions of United Nation Security Council (Resolution 1267, 1373, 1540 and their successor resolutions) 7. The Organization will freeze the fund of that sort and report to BFIU without delay.

The Organization will apply Enhanced Due Diligence (EDD) before receiving fund from any person/organization of the countries which are listed under the High Risk and Non-Co- operative

Jurisdictions of Financial Action Task Force (latest 'FATF Public Statement'). Furthermore, the Organization will collect the correct and complete identification information and supporting documents of its donors.

4.10. Clearance for Foreign Donation: As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will obtain clearance from appropriate authority for receiving foreign aid/grant/donation/loan, preserve the relevant documents and would not return any portion of the donation to the donor without the prior approval of the appropriate authority.

4.11. Reporting of Suspicious Transaction Report (STR)/Suspicious Activity Report (SAR): As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will comply with the STR/SAR reporting aspects following the below-mentioned steps:

4.11.1. The Organization will ensure appropriate monitoring system to stop the misuse of the fund received for the purpose of ML or TF by any customer. The CAMLCO on behalf of the Organization will, as per MLPA, 2012 and ATA, 2009, submit STR/SAR to Bangladesh Bank. Please see **Annex-3: Activity Report (STR/SAR) Format (For suspicious NGO/NPO Customers)**.

4.11.2. The Organization will report through STR or SAR form if it suspects any partner NGO/NPO's (donor or recipient) involvement with or got a request from them to carry out such activities which are contrary to the existing AML/CFT law and rules of the country. **Please see Annex-4: Suspicious Transaction/Activity Report (STR/SAR) Format (For suspicious NGO/NPO)**

If the Organization or any person of the Organization is involved with terrorism or financing in terrorism activities, organized crime; or is involved with corruption and bribery, fraud, forgery, or any other (predicate) offences and the money or property earned from them is laundered or attempted to be laundered, such incidents will also be reported in Suspicious Transaction/Activity Report (STR/SAR) Format (For suspicious NGO/NPO). **Please see Annex-4.**

When the Organization submits an STR/SAR to BFIU or where it is known that a customer or any transaction is under investigation by any authority, the Organization should not destroy any records related to the customer or transaction till the conclusion of the case even though the five- year time limit may have been elapsed.

4.12. Providing Information, Documents and Compliance: As per the Bangladesh Bank's guidelines for NGO/NPO, the Organization will provide information and documents as requested by BFIU within the stipulated time and ensure compliance of its (along with other regulatory authorities) directions issued time to time.

4.13. Penalties for Non-compliance: The Organization will also remain vigilant to escape any penalty derived from non-compliance. According to section 25 (2) of MLPA, 2012, if any reporting organization violates the directions mentioned in sub-section (1) of section 25 of MLPA, 2012, Bangladesh Bank can punish the organization. **Please see Annex-5(1): Punishment for Non-Compliance under MLPA, 2012.**

In addition to the above-mentioned provisions there are also some provisions of penalties in section 23 of MLPA, 2012. **Please see Annex-5(2): Punishment for Non-Compliance under MLPA, 2012.** Section 16(3) under ATA, 2009, if any reporting agency fails to comply with the provision under sub-section (1) [of section 16], the Bangladesh Bank can punish the organization. Please see Annex-5(3): Punishment for Non-Compliance under ATA, 2009.

5. The Scope of the Policy:

The policy applies to the following individuals and entities:

5.1. Every authorized person acting for, or on behalf of, the Organization is responsible for maintaining the highest standards of conduct, which includes compliance with this policy.

5.2. This policy applies to all individuals working at all levels and grades, including senior managers, officers, employees (whether permanent, fixed-term or temporary), consultants, contractors, trainees, seconded staff, homeworkers, casual workers and agency staff, volunteers, interns, agents, sponsors, or any other person associated with the Organization, or any of the Organization's subsidiaries, wherever located (collectively referred to as **workers**¹ in this policy).

5.3. Any breach of this policy could constitute a serious disciplinary, contractual and/or criminal matter for the individual concerned and may cause serious damage to the reputation and standing of the Organization.

5.4. The policy has been adopted by the Head Office and is to be communicated to all current and future workers to ensure their commitment to it. All workers are required to familiarize themselves and comply with this policy, including any future updates that may be issued from time to time by the Organization. Training on compliance with this policy will be provided to all workers of the Organization.

6. Compliance with the Laws and Regulations:

The policy will comply with the Bangladeshi laws pertaining to money laundering, terrorism and extremism, and terror financing. The laws include the Money Laundering Prevention Act (MLPA), 2012, Anti-Terrorism Act (ATA), 2009 and instructions or circulars issued by the Bangladesh Financial Intelligence Unit (BFIU) of Bangladesh Unit.

Compliance-related responsibilities of the policy constitute those mentioned in section 25(1) & section 2(z) of MLPA, 2012 and section 16 of ATA, 2009. Please see **Annex-6: Responsibilities of All Reporting Organizations for the Prevention of Money Laundering**.

This policy will be considered together with relevant policies of the Organization such as Anti-Fraud, Anti-Bribery and Anti-Corruption Policy, Code of Conduct and Financial Management Policy etc.

¹ For the avoidance of doubt, use of the term 'worker' does not imply any particular employment status.

7. Annexes:

Annex-1: Predicate Offences:

According to the Schedule 2(cc) of the MLPA, 2012, the 'Predicate Offences' includes the following:

- (1) corruption and bribery;
 - (2) counterfeiting currency;
 - (3) counterfeiting deeds and documents;
 - (4) extortion;
 - (5) fraud;
 - (6) forgery;
 - (7) illegal trade of firearms;
- Money laundering Prevention Act
- (8) illegal trade in narcotic drugs, psychotropic substances and substances causing intoxication;
 - (9) illegal trade in stolen and other goods;
 - (10) kidnapping, illegal restrain and hostage taking;
 - (11) murder, grievous physical injury;
 - (12) trafficking of women and children;
 - (13) black marketing;
 - (14) smuggling of domestic and foreign currency;
 - (15) theft or robbery or dacoity or piracy or hijacking of aircraft;
 - (16) human trafficking;
 - (17) dowry;
 - (18) smuggling and offences related to customs and excise duties;
 - (19) tax related offences;
 - (20) infringement of intellectual property rights;
 - (21) terrorism or financing in terrorist activities;
 - (22) adulteration or the manufacture of goods through infringement of title;
 - (23) offences relating to the environment;
 - (24) sexual exploitation;
 - (25) insider trading and market manipulation using price sensitive information relating to the capital market in share transactions before it is published for general information to take advantage of the market and attempting to manipulate the market for personal or institutional gain;
 - (26) organized crime, and participation in organized criminal groups;
 - (27) racketeering; and
 - (28) any other offence declared as predicate offence by Bangladesh Bank, with the approval of the Government, by notification in the official Gazette, for the purpose of this Act.

Annex-2: Definition of ‘Suspicious Transaction’:

According to Section 2(z) of the MLPA, 2012, “suspicious transaction” means such transactions –

- (i) which deviates from usual transactions;
- (ii) of which there is ground to suspect that, (1) the property is the proceeds of an offence, (2) it is financing to any terrorist activity, a terrorist group or an individual terrorist;
- (iii) which is, for the purposes of this Act, any other transaction or attempt of transaction delineated in the instructions issued by Bangladesh bank from time to time;

According to Section 2(16) of ATA, 2009,

“Suspicious transaction” means such transaction –

- (i) which is different from usual transactions;
- (ii) which invokes presumption that - (a) it is the proceeds of an offence under this Act, (b) it relates to finances of terrorist activities, a terrorist person or entity;
- (iii) which is any other transactions or an attempt for transactions delineated in the instructions issued by the Bangladesh Bank from time to time for the purposes of this Act;

Annex-3: Activity Report (STR/SAR) Format (For suspicious NGO/NPO Customers).

Suspicious Transaction/Activity Report (STR/SAR) Format
(For suspicious NGO/NPO Customers)

A. Reporting Organization:	
1. Name of the NGO/NPO:	
2. Detail Address of Head Office/ Country Office:	
B. Suspected for (put tick mark):	
1. Money laundering	
2. Terrorist financing	
C. Details of Report:	
1. Date of Sending Report:	
2. Name of the NGO Project/Program where the person is a beneficiary:	
3. Address of the NGO Project Office:	
D. Details of Customer/Beneficiary	
1. Name:	
2. Father's Name:	
3. Mother's Name:	
4. Date of Birth:	
5. Occupation:	
6. Address:	
7. Nationality:	
E. Reasons for considering the activity/transaction as suspicious/unusual:	
F. Has your NGO taken any action in this context? If yes, give details	
G. Attached Documents:	
1.	
2.	

[Please add additional information if you feel necessary]

Signature of CAMLCO:

Name: Designation:

Phone:

E-mail:

Annex-4: Suspicious Transaction/Activity Report (STR/SAR) Format (For suspicious NGO/NPO)

Suspicious Transaction/Activity Report (STR/SAR) Format
(For suspicious NGO/NPO)

A.	Reporter's Detail:	
	1. Name of the Reporter:	
	2. Detail Address:	
	3. Organization:	
B.	Suspected for (put tick mark):	
	1. Money laundering	
	2. Terrorist financing	
C.	Details of Report:	
	1. Date of Sending Report:	
	2. Name of the Suspected NGO/NPO:	
	3. Address of the Suspected NGO/NPO:	
	4. (a) License No. & Date: (b) Licensing Authority:	
	5. Projects/Activities of the NGO	
	6. Name of the Key Persons with Designation of the NGO:	
	7. Name of the Suspected Persons with Designation of the NGO: (with their father's & mother's na	
D.	Reporter's Relation with the Suspected NGO/NPO (if any):	
E.	Reasons for considering the activity/transaction as suspicious/unusual:	
F.	Nature of Suspicious Activity/Transaction and Reasons for Considering it as suspicious:	
G.	Attached Documents:	

[Please add additional information if you feel necessary]

Signature:

Name:

Phone:

E-mail:

Annex-5(1): Punishment for Non-Compliance under MLPA, 2012:

According to section 25 (2) of MLPA, 2012, if any reporting organization violates the directions mentioned in sub- section (1) of section 25 of MLPA, 2012, Bangladesh Bank may:

(1) impose a fine of at least taka 50 (fifty) thousand but not exceeding taka 25 (twenty-five) lacs on the reporting organization; and

(2) in addition to the fine mentioned in clause (a), cancel the license or the authorization for carrying out commercial activities of the said organization or any of its branches, service centers, booths or agents, or as the case may be, shall inform the registration or licensing authority about the fact so as to the relevant authority may take appropriate measures against the organization.

Annex-5(2): Punishment for Non-Compliance under MLPA, 2012:

In addition to the above- mentioned provisions there are also some provisions of penalties in the section 23 of MLPA, 2012. These are:

- (1) If any reporting organization fails to provide with the requested information timely under this section, Bangladesh Bank may impose a fine on such organization which may extend to a maximum of Taka 5 (five) lacs at the rate of Taka 10 (ten) thousand per day and if any organization is fined more than 3(three) times in 1(one) financial year, Bangladesh Bank may suspend the registration or license of the organization or any of its branches, service centers, booths or agents for the purpose of closing its operation within Bangladesh or, as the case may be, shall inform the registration or licensing authority about the fact so as to the relevant authority may take appropriate measures against the organization.
- (2) If any reporting organization provides with false information or statement requested under this section, Bangladesh Bank may impose a fine on such organization not less than Taka 20 (twenty) thousand but not exceeding Taka 5 (five) lacs and if any organization is fined more than 3(three) times in 1(one) financial year, Bangladesh Bank may suspend the registration or license of the organization or any of its branches, service centers, booths or agents for the purpose of closing its operation within Bangladesh or, as the case may be, shall inform the registration or licensing authority about the fact so as to the relevant authority may take appropriate measures against the said organization.
- (3) If any reporting organization fails to comply with any instruction given by Bangladesh Bank under this Act, Bangladesh Bank may impose a fine on such organization which may extend to a maximum of Taka 5 (five) lacs at the rate of Taka 10 (ten) thousand per day for each of such non compliance and if any organization is fined more than 3(three) times in 1(one) financial year, Bangladesh Bank may suspend the registration or license of the organization or any of its branches, service centers, booths or agents for the purpose of closing its operation within Bangladesh or, as the case may be, shall inform the registration or licensing authority about the fact so as to the relevant authority may take appropriate measures against the said organization.
- (4) If any reporting organization fails to comply with any order for freezing or suspension of transaction issued by Bangladesh Bank under clause (c) of sub-section 23(1) of MLPA, 2012, Bangladesh Bank may impose a fine on such organization not less than the balance held on that account but not more than twice of the balance held at the time of issuing the order.
- (5) If any person or entity or reporting organization fails to pay any fine imposed by Bangladesh Bank under sections 23 and 25 of this Act, Bangladesh Bank may recover the fine from accounts maintained in the name of the relevant person, entity or reporting organization in any bank or financial institution or Bangladesh Bank, and in this regard if any amount of the fine remains unrealized, Bangladesh Bank may, if necessary, make an application before the court for recovery and the court may pass such order as it deems fit.
- (6) If any reporting organization is imposed fine under sub-sections 23 (3), (4), (5) and (6), Bangladesh Bank may also impose a fine not less than Taka 10 (ten) thousand but not exceeding taka 5 (five) lacs on the responsible owner, directors, officers and staff or persons employed on contractual basis of that reporting organization and, where necessary, may direct the relevant organization to take necessary administrative actions.

Annex-5(3): Punishment for Non-Compliance under ATA, 2009:

Section 16(3) if any reporting agency fails to comply with the provision under sub-section (1) [of section 16],

- the said reporting agency shall be liable to pay a fine, determined and directed by Bangladesh Bank, not exceeding taka 25 (twenty-five) lac and
- Bangladesh Bank may suspend the registration or license with intent to stop operation of the said agency or any of its branches, service centers, booths or agents within Bangladesh or, as the case may be, shall inform the registering or licensing authority about the subject matter to take appropriate action against the agency.
- Section 16(4) If the Board of Directors, or in the absence of the Board of Directors, the Chief Executive Officer, by whatever name called, of any reporting organization fails to comply with the provision of sub-section (2) [of section 16],
- the Chairman of the Board of Directors, or the Chief Executive Officer, as the case may be, shall be liable to pay a fine, determined and directed by Bangladesh Bank, not exceeding taka 25 (twenty-five) lac, and
- Bangladesh Bank may remove the said person from his office or,
- as the case may be, shall inform the competent authority about the subject matter to take appropriate action against the person.

Section 16(5) If any reporting agency fails to pay or does not pay any fine imposed by Bangladesh Bank under sub-section (3), or if the Chairman of the Board of Directors, or the Chief Executive Officer, by whatever name called, fails to pay or does not pay any fine imposed by Bangladesh Bank under sub-section (4), Bangladesh Bank may recover the amount from the reporting agency or from the account of the concerned person by debiting any account maintained by him in any bank or financial institution or in Bangladesh Bank, and in case of any unrealized or unpaid amount, Bangladesh Bank may, if necessary, apply before the concerned court for recovery

Annex-6: Responsibilities of All Reporting Organizations for the Prevention of Money Laundering:

According to Section 25(1) of MLPA, 2012, responsibilities of the reporting organizations in prevention of money laundering: –

(1) The reporting organizations shall have the following responsibilities in the prevention of money laundering, namely: -

- (a) to maintain complete and correct information with regard to the identity of its customers during the operation of their accounts;
- (b) if any account of a customer is closed, to preserve previous records of transactions of such account for at least 5(five) years from the date of such closure;
- (c) to provide with the information maintained under clauses (a) and (b) to Bangladesh Bank from time to time, on its demand;
- (d) if any doubtful transaction or attempt of such transaction as defined under clause (n) of section 2 is observed, to report the matter as “suspicious transaction report” to the Bangladesh Bank immediately on its own accord.

(2) If any reporting organization violates the provisions of sub-section (1), Bangladesh Bank may-

- (a) impose a fine of at least taka 50 (fifty) thousand but not exceeding taka 25 (twenty-five) lacs on the reporting organization; and
- (b) in addition to the fine mentioned in clause (a), cancel the license or the authorization for carrying out commercial activities of the said organization or any of its branches, service centers, booths or agents, or as the case may be, shall inform the registration or licensing authority about the fact so as to the relevant authority may take appropriate measures against the organization.

(3) Bangladesh Bank shall collect the sum of fine imposed under sub-section (2) in such manner as it may determine and the sum collected shall be deposited into treasury of the State.

According to Section 16 of Anti-Terrorism Act, 2009, responsibilities of all reporting organizations including NGO/NPOs to combat financing of terrorism are –

(1) Every reporting agency shall take necessary measures, with appropriate caution and responsibility, to prevent and identify financial transactions through it which is connected to any offence under this Act and if any suspicious transaction is identified, the agency shall spontaneously report it to Bangladesh Bank without any delay.

(2) The Board of Directors, or in the absence of the Board of Directors, the Chief Executive, by whatever name called, of each reporting organization shall approve and issue directions regarding the duties of its officers, and shall ascertain whether the directions issued by Bangladesh Bank under section 15, which are applicable to the reporting agency, have been complied with or not.