

**MEMO# 12305**

July 19, 2000

## **FINCEN RELEASES MONEY LAUNDERING ADVISORIES**

[12305] July 19, 2000 TO: BANK AND TRUST ADVISORY COMMITTEE No. 17-00  
BROKER/DEALER ASSOCIATE MEMBERS No. 9-00 COMPLIANCE ADVISORY COMMITTEE No.  
26-00 INTERNATIONAL MEMBERS No. 11-00 SEC RULES MEMBERS No. 47-00 TRANSFER  
AGENT ADVISORY COMMITTEE No. 33-00 RE: FINCEN RELEASES MONEY LAUNDERING  
ADVISORIES Last week, the US Department of the Treasury's Financial Crimes Enforcement  
Network (FinCEN) released advisories relating to fifteen countries because of weaknesses in  
their anti-money laundering regimes.<sup>1</sup> The advisories were issued to inform US banks and  
other financial institutions, including investment companies and broker-dealers, of the  
"serious deficiencies" in the counter-money laundering systems of these countries. FinCEN  
recommends that all US banks and other financial institutions should carefully consider,  
when dealing with transactions originating in or routed to or through these countries, or  
involving entities organized or domiciled or persons maintaining accounts in these  
countries, how the deficiencies in the counter-money laundering controls affect the  
possibility that those transactions are being used for illegal purposes. Copies of the  
advisories are available on the Institute's members' website at <http://members.ici.org2> and  
the FinCEN web site at <http://www.treas.gov/fincen>. In considering the FinCEN advisories  
and reviewing their own counter-money laundering policies and procedures, Institute  
members may want to refer to the Institute's compliance paper "Money Laundering  
Compliance for Mutual Funds."<sup>3</sup> Robert C. Grohowski Assistant Counsel 1 The advisories  
relate to the Bahamas, the Cayman Islands, the Cook Islands, Dominica, Israel, Lebanon,  
Liechtenstein, the Marshall Islands, Nauru, Niue, Panama, the Philippines, Russia (the  
Russian Federation), St. Kitts & Nevis, St. Vincent & the Grenadines. 2 The members'  
website is password-protected; staff at Institute member firms may request access codes  
by filling out the enrollment form on the website. 3 Investment Company Institute, Money  
Laundering Compliance for Mutual Funds (May 1999). This paper is available on the  
Institute's members' website at <http://members.ici.org>.