**General Circular N0 2022/07**

**17th May 2022**

**Guidelines on Keeping Under Surveillance**

**Accounts reported in Suspicious Transactions Reports,**

1. The Head of Compliance will coordinate with Branch Managers in the implementation of these guidelines, assist them as appropriate and ensure compliance.
2. From time to time, the Financial Intelligence Unit (FIU) may inform us to keep the accounts reported in Suspicious Transaction Reports (STRs), under surveillance. when deemed necessary.
3. We are required to closely monitor the reported accounts informed by the FlU to be Kept Under Surveillance for a period of three months, unless specified otherwise and submit a report to the FlU within three working days from the end of the period of three months or the end of the specified period on whether the reported suspicious transactions are continuing or not.

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1. Upon the lapse of the three-month period, if we do not receive instructions to the contrary from the FlU or instructions to extend the period of surveillance upon lapse of the aforementioned three-month or specified period, we can treat such Suspicious Transaction Reports have exited the keep under surveillances requirement.
2. Notwithstanding the above, we should immediately report to the FlU any special circumstances of which several examples are listed below, that would occur during the three months period or specified period, stated above.
3. Customer requests to close the reported account
4. Significant deposits / withdrawals to / from the reported account not in line with the declared profile.
5. Change in the pattern / emergence of new trends (this does not encompass the continuity of the previously identified transaction pattern/trend).
6. Change of ownership /control of the reported account.
7. Significant changes in Know Your Customer/Customer Due Diligence details.
8. In the event of an escalation of the reported suspicion, an immediate action should be taken by us to report the further suspicion.
9. We should follow the instructions given by the FlU after reporting the activities of the reported account at the end of the above-mentioned three- month period.

Please note that the above guide lines were issued by the Director, Financial Intelligence Unit of the Central Bank of Sri Lanka to License Finance Companies for compliance, with immediate effect.

**HEAD OF COMPLIANCE CEO/ EXECUTIVE DIRECTOR**