

ANNUAL REPORT 2010

*UNUSUAL TRANSACTIONS REPORTING CENTER
NETHERLANDS ANTILLES*



CONTENTS

CONTENTS	1
PREFACE	3
1. GENERAL	4
1.1.1. SUMMARY (Compliance with article 3 and other articles of the National Ordinance Reporting of Unusual Transactions)	4
1.2. ACHIEVEMENTS 2010.....	7
1.3. Organization of the FIU.....	8
1.3.1. The Supervision Department	9
1.3.2 Seminars and training for and by the FIU	10
2. CASES & TYPOLOGIES	11
2.1 Sanitized cases disseminated in 2010.....	11
3. STATISTICS AND CURRENT REPORTING TRENDS	14
3.1 Collecting, registering, processing and analyzing data	14
3.1.1. Local Banks.....	17
3.1.2. Offshore Banks.....	18
3.1.3. Trust Companies.....	19
3.1.4. Money Remitters	20
3.1.5. Customs.....	20
3.1.6. Casinos.....	22
3.1.7. Credit Unions.....	22
3.1.8. Life Insurance Companies.....	23
3.2 Requests of the Reporting Center for additional information from the Reporting Entities.....	24
3.3 Reporting behavior reporting entities	25
3.4 Transactions per island	26
3.5 Execution of article 3 (letters a and b) and article 6 of the National Ordinance Reporting of Unusual Transactions regarding the furnishing of data.....	29
3.5.1 Disseminating data to the Public Prosecutor Office and to the Law Enforcement Agencies.....	29
3.5.2 Requests to furnish data received from law enforcement agencies.....	30
3.5.3 Conducting investigations into the field of money laundering and terrorism financing by the Reporting Center.....	31

4. Cooperation	32
4.1. The Reporting Institutions.....	32
4.1.1. The Designated Non Financial Businesses and Professions (DNFBP).....	32
4.2 LAW ENFORCEMENT MEETINGS.....	32
4.3. The Supervisory authorities.....	33
4.4. The Minister of Finance.....	33
4.5. Cooperation in the Kingdom of the Netherlands	33
5. INTERNATIONAL COOPERATION.....	34
5.1. International exchange of information.....	34
5.2. Caribbean Financial Action Task Force (CFATF)	35
5.3. The Egmont Group.....	35
6. TACTICAL ANALYSIS TRAINING COURSE	35
7. PRIORITIES FOR THE YEAR 2011	36
ANNEXES.....	37
Annex 1: National Ordinance articles	37
Article 1	37
Article 3	39
Article 6	40
Article 7	41
Article 12.....	41
Annex 2: Countries with signed MoUs.....	42
Annex 3: List of figures and tables.....	43
Figures.....	43
Tables	43

PREFACE

Pursuant to article 3 section i, of the National Ordinance Reporting Unusual Transactions, I hereby respectfully submit the Annual Report and Statistics of the Unusual Transaction Reporting Center of the Netherlands Antilles/Curaçao (the Reporting Center/FIU) for the year 2010 to the Minister of Finance, with notification to the Minister of Justice. This report details our activities and our contributions in the fight against money laundering and terrorism financing for the period January 1st, 2010 to December 31st, 2010. Most priorities set out in our annual report of 2009 were met. The year 2010 was highlighted among other things by the establishment of the autonomous countries Curacao and Sint Maarten within the Kingdom of the Netherlands. The National Ordinance Reporting of Unusual Transactions (O.G. 1996, no. 21) and the National Ordinance on Identification of Clients when rendering Services (N.G. 1996, no. 23), were amended to incorporate the designated non-financial businesses and professions (“DNFBP”) in the respective laws. As of May 15th, 2010 these amended laws came into effect and the DNFBP’s became designated subjects under AML/CFT supervision by the FIU (MOT).

In 2010 several informative and training sessions were held by the Reporting Center for the different reporting entities including the new reporting entities in Curaçao, Bonaire, Sint Maarten, Sint Eustatius and Saba.

In May of 2010 the Reporting Center organized a very successful Tactical Analysis Training for the Reporting Center of Sto. Domingo which was attended by their analysts, legal counselors and the Heads of the FIU. This training was also attended by the Dominican Customs, Law Enforcement Agencies and the Judiciary.

Finally, much of the work of the Reporting Center before October 2010 had to do with the establishment and running of the Reporting Center of Sint Maarten.

Kenneth V. Dambruck LL.M. CAMS CFE
Head Reporting Center Netherlands Antilles/Curaçao

1. GENERAL

When processing unusual transactions, the Reporting Center takes into account the incoming date of the transactions (the date the transactions were registered at the Reporting Center) as the starting point. By doing so all transactions registered by the Reporting Center in the relevant year, will be taken into account and consequently a more accurate view can be given of the work of the Reporting Center in that year. With regard to the furnishing or dissemination of suspicious transactions to the law enforcement agencies and the Public Prosecutor Office (PPO), the date these transactions were disseminated, applies.

A summary of the work of the Reporting Center is given in the next paragraph, whereby the relevant articles in the National Ordinance Reporting of Unusual Transactions (O.G. 1996, no. 21) is used as a guideline. As such the reader can easily ascertain the compliance of the Reporting Center with the law in executing its work and also observe the current trends in reporting unusual transactions. The relevant articles can be found in the annexes at the end of this annual report.

The graphs and statistics and the comparisons with the year 2009 are given in paragraph 3.1.

1.1.1. SUMMARY (Compliance with article 3 and other articles of the National Ordinance Reporting of Unusual Transactions)

In article 3 of the National Ordinance Reporting Unusual Transactions (NORUT) the legal tasks of the Reporting Center, are indicated. Therefore an impression of the work of the Reporting Center in 2010 is given in this summary, using the different sections in this article, while the extent of compliance with the relevant articles of the National Ordinance Reporting of Unusual Transactions is indicated at the same time.

Pursuant to article 3, letter "a" and letter "c"; receiving and analyzing data and notification of the reporting entities:

The Reporting Center received a number of 15,998 unusual transactions in 2010 which were confirmed to the reporting entities. That is a decrease of 20.17% in reports compared to 2009, in which year the Reporting Center received a number of 20,042 unusual transactions.

This decrease is mainly the result of a considerable decrease in reports from the local banks. The casino sector, customs, credit unions, life insurance sector and trust sector also showed a slight decrease in reports in 2010.

Of the reports sent to the Reporting Center, the majority 84.096% was based on objective indicators. Compared to the year 2009, it constitutes a minor decrease of approximately

0.27% in reports on the basis of an objective indicator. At the same time the percentage of the reports based on a subjective indicator has increased from 15.64% in 2009 to 15.91% in 2010. The Reporting Center will continue to stress the importance of reporting subjectively to the reporting entities.

The decreasing trend in transactions from the money remitting sector in the previous years, has stopped however. After receiving only 1,285 reports in 2009, in 2010 a total of 2,046 reports were received from this sector, which constitutes an increase of 59,22%.

The local bank sector remains the sector from which the most reports of unusual transactions are received. This has to do among other things with the many objective indicators banks can make use of. The reports from the local banks decreased from 17,707 in 2009 to 12,911 in 2010.

Offshore banks on the other hand showed an considerable increase of 157% in reports received; while in 2009 131 reports were received from the offshore banks, in 2010 this augmented to 337 reports.

In 2010 Customs reported 599 transactions against 612 in 2009.

In 2010 there was again a substantial decrease in reports received from the trust sector, 33 reports against 61 reports in 2009.

In 2010 the Reporting Center once again had several meetings with the Public Prosecutor in order to make the furnishing of suspicious transactions to the Public Prosecutor's Office (PPO), more effective. The Reporting Center also attended meetings with the Law Enforcement agencies every other six weeks. The aim of these meetings is to discuss matters of common interests and look for ways to enhance the work of the different agencies to work together on projects in the fight against Money Laundering/Terrorism Financing (ML/TF).

Pursuant to article 3, letter "b"; data furnished to the Public Prosecutor:

After analyses by the Reporting Center, a total of 1,742 transactions were furnished to the PPO in 2010. This is a decrease of 55,67% compared to the year 2009, in which year 3,930 suspicious transactions were disseminated to the PPO. For further details, please be referred to paragraph 3.5.1.

In the year 2010, 74 investigations with regard to money laundering and terrorism financing on the basis of tactical analyses were started by the Reporting Center. Please be referred to paragraph 3.5.1. for further details .

Information with regard to the number of convictions in relation to money laundering and terrorism financing concerning the year 2010, has not been received at the moment of conclusion of this report.

Pursuant to article 3, letter “d”; AML/TF Developments:

To obtain and maintain the necessary knowledge, which is imperative to keep oneself informed of the newest developments in the field of money laundering and terrorism financing and into the improvements of the methods to prevent and detect money laundering and terrorism financing, the Reporting Center participated in several seminars and trainings. Please be referred to paragraph 1.3.2. for further information.

Pursuant to article 3, letter “e”; contacts with the “Bank van de Nederlandse Antillen”:

In 2010 the Reporting Center continued its cooperation as a member of the working group in charge of the amendment of the National Ordinance Reporting of Unusual Transactions and the National Ordinance Identification when rendering financial services, under chairmanship of the Anti Money Laundering Committee, (CiWG), chaired by staff employees of the Bank van de Nederlandse Antillen (also called: Central Bank). The Central Bank, after allowing personnel of the Reporting Center to follow a traineeship program at the Central Bank in 2009, cooperated with the Reporting Center in 2010 by sharing experience and knowledge with regard to the functioning of their Supervision Department.

Pursuant to article 3, letter “f”; supplying information:

The Reporting Center organized approximately 20 presentations and training sessions for the reporting entities in 2010. The Reporting Center also participated in informative meetings organized by, among others, the Ombudsman and the General Association of Legal Counselors of Curaçao. The Reporting Center was again represented in several interviews with regard to its work. The reporting obligation for the new reporting entities (the designated non-financial businesses and professions; DNFBP's) was announced in different newspapers. Several informative sessions were also held for the new reporting entities. For a more extensive review of these meetings and presentations, please be referred to chapter 4 of this report.

Pursuant to articles 5 and 6:

The Reporting Center received 49 requests for information from Law Enforcement agencies and sent out 140 requests for information to Law Enforcement agencies in 2010.

Pursuant to article 7; international exchange of information:

The Reporting Center sent out 47 requests for information to foreign FIUs in 2010. The Reporting Center in its turn received 56 requests for information from foreign Financial Intelligence Units (FIUs). To be able to exchange information with foreign FIUs, pursuant to the national legislation of the Netherlands Antilles, a Memorandum of Understanding (MoU), is no longer needed. Since the amendment of the NORUT in May 2010, the FIU can exchange information with all recognized Egmont FIUs without signing an MOU, unless the

laws of the jurisdiction of the foreign FIU require the signing of an MoU (article 7 paragraph 2 NORUT). Further details will be given in paragraph 5.1.

Pursuant to article 12; requesting additional information:

A total of 62 requests for additional information were sent by the Reporting Center to reporting entities. The requested information was needed with regard to own investigations of the Reporting Center and in some cases to assist law enforcement agencies and/or foreign Reporting Centers (FIUs) in their investigations with regard to money laundering and terrorism financing. Most reporting entities complied with the request and reacted within the given time period of five workdays. Those that couldn't send in the relevant information within the given time period, asked for and received an extended time period, within which the requested information was received by the Reporting Center.

1.2. ACHIEVEMENTS 2010

In our annual report of 2009 we set out to achieve certain objectives in the year 2010.

These objectives can be categorized under the following denominators:

- Prepare for the new constitutional changes in the Kingdom of the Netherlands

The FIU has organized several informative sessions and trainings for all reporting entities on the 5 islands of the Netherlands Antilles and also for the island governments with regard to the constitutional change and the FIU in the year 2010. The FIU has also worked on the drafting of the necessary amendments of the law with regard to the new constitutional situation.

- Making the Supervisory Department operational and traineeships of the future auditors.

The Supervisory Department for DNFBP became operational and a schedule was drawn up with the Central Bank to train the auditors of the FIU with regard to on- and off-site supervision.

- Cooperation with the Customs department to improve the system for reporting of cross border cash transportations.

Several meetings were organized with Customs with a view to establishing a so called Reporting Kiosk, making it more efficient for travelers to report to Customs and Customs thereafter forwarding the relevant reports to the FIU.

- Improve reporting behavior of the financial institutions.

Reporting entities were contacted with regard to their reporting behavior and to verify the reasons of possible non compliance with the laws.

- Develop an online reporting system.

An online reporting system is in the process of being developed and will become operational in the year 2011.

- Prepare for the FATF evaluation

Since 2007 the FIU has been preparing for the upcoming CFATF evaluation.

1.3. Organization of the FIU

The Head of the Reporting Center is in charge of the daily operations. The Reporting Center falls directly under the Minister of Finance. In 2010, next to the Head, the personnel of the Reporting Center consisted of an Office Manager, an assistant to the supervision department, an administrative/data assistant, 2 tactical/operational analysts, and one Legal counselor/Policy officer, also in charge of international policy and finances.

In December 2010 another tactical and operational analyst and an IT-analysts were engaged by the Reporting Center. The Supervision department consisted of four supervisors, of which two senior legal counselors.

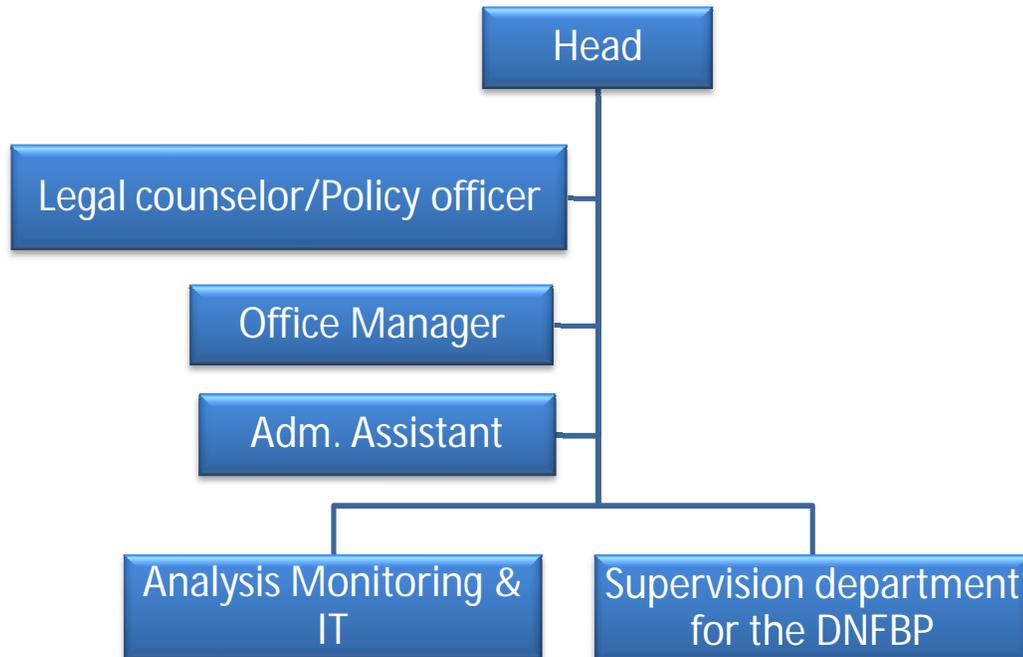


Figure 1. Organizational Chart

1.3.1. The Supervision Department

In 2010 the Reporting Center continued to receive technical assistance from the 'Bureau Financieel Toezicht' (the Netherlands Supervisory Authority for some of the designated non-financial businesses and professions). With the assistance of experienced DNFBP auditors from the Netherlands, the Reporting Center conducted six pilot investigations. These investigations were meant as a learning process, for both the Reporting center and the DNFBPs. In 2010, the Reporting Center has issued sector-specific AML/CFT directives (Provisions and Guidelines) for the DNFBPs (lawyers, civil law notaries, accountants, tax advisors, administrative offices, real estate agents, car dealers and jewelers). The Provisions and Guidelines issued by the Reporting Center provide the institutions under its supervision with assistance to implement and comply with the National Ordinance on the Reporting of Unusual Transactions (NORUT) and the National Ordinance on Identification when rendering Services (NOIS) requirements. In addition, the Reporting Center provided in 2010 guidance in the form of seminars and consultations to the DNFBPs which are under

its supervision. During these sessions information was provided on the NOIS and NORUT requirements.

1.3.2 Seminars and training for and by the FIU

Training continues to be a very important and obligatory issue in the fight against money laundering and combating the financing of terrorism. During 2010 the personnel of the Reporting Center attended the following seminars, meetings and trainings:

- The annual International Conference on ML/TF in Miami.
- The annual Egmont Working Group trainings.
- The Egmont Plenary meetings.
- The annual CFATF Plenary and Heads of FIU meeting.
- CFATF/ FATF Joint Typologies Training in Cayman Islands
- Compliance Course III.
- The 'RST' Conference.
- Training from representatives of the trust sector
- Training from representatives of the tax advisors sector
- Training how to investigate via Internet
- Conference on Financial tracking

The Reporting Center, on the other hand, held 20 training and informative sessions for the reporting institutions spread out over the financial sector and the DNFBP, their representatives and personnel in 2010. In these trainings the focus was mostly on the reporting obligation, the reporting procedure and the correct use of indicators when reporting.

2. CASES & TYPOLOGIES

Cases regarding ML/TF can easily be remembered in our relatively small community. That is one of the reasons we will not be going into too much detail with regard to transactions which have been indicated as suspicious transactions by the Reporting Center and disseminated to the PPO.

The transactions sent to the PPO as suspicious transactions were based among others on the following typologies:

1. The fact that the transactions were not in line with the normal profile of the subject;
2. The fact that the subject gave different and incomplete addresses during the transactions;
3. The fact that multiple money transfers by money remitters is considerably more expensive than bank transfers;
4. The fact that the subject had preference for transactions below the upper limit amount, giving rise to the presumption that he thus wanted to evade reporting;
5. The fact that the subject apparently operated in a network with subjects who had criminal records;
6. The fact that the subject received money from various senders;
7. The fact that the subjects appeared in the database of a foreign FIU with suspicious transactions;
8. The fact that the subject received money through the use of straw men;
9. The fact that the exchange of cash money in a money laundering cycle is often done in order to break the paper trail;
10. The fact that although the money was earned in Latin America, the cash amount was in EURO.

2.1 Sanitized cases disseminated in 2010

Case 1

The database of the MOT showed that a St. Maarten resident, had made several transactions in only a short time. About ANG 230,000.00 was transferred to beneficiaries in Curaçao and abroad. The reporting entity indicated these transactions as possibly money laundering and/or terrorism financing. Further investigation showed that the subject received his money from a company X, based in St. Maarten. In turn, company X received substantial sums of money from company Y in Europe. It appeared that in the past, company X was several times under investigation by various law enforcement agencies and foreign FIUs. In these criminal investigations, company X was suspected to be helpful in laundering criminal funds.

Typologies:

- Trade based money laundering

ML/TF indicators:

- The deposit of large sums money on a local account and subsequent transfers to accounts in a foreign country
- The use of an impersonal account and complex structures to break the paper trail
- The use of individuals acting on behalf of third parties (straw man)
- The fact that a legal entity deposit money on the account of a subject, who was previously investigated
- The frequency in which the transactions were done, in a certain period of time
- The fact that the name of the legal entity appeared in a foreign investigation
- The fact that the subject also might have been involved in a money laundering investigation
- The reporting of a transaction based on a subjective (-211) indicator
- The use of large amounts of money, which was irregular to the accounts normal activities during a certain period of time
- Drug-related investigation

Case 2

During a search in the MOT database, we came across a subject (X) with unusual transactions, involving large sums on his account. This led the compliance officer to the conclusion that there were grounds to assume that the transactions might be related to money laundering. As a result of this an investigation was started. X, with the Dutch nationality, had during the years 2007 till 2009, thirteen unusual transactions registered to his name in the MOT database. Three of these transactions were reported on the basis of a subjective indicator (-211, grounds that lead to suspicion on money laundering).

X had transferred a large amount of EURO's to his local account. The bank indicated this as irregular wire transfers to his account. X cashed in different cheques, issued by several Third-Party Foundations (TPF's). X sometimes took part of the cash money with him and deposited the rest of it on several of his own other bank accounts. On other occasions he would take the entire amount along with him.

It is confirmed that a lot of dealings went through TPF's (notary), were a total amount of NAF. 582,635.00 was cashed. The execution of financial transactions through TPF's makes it very complicated to determine the actual client. X applied for a mortgage for the amount of NAF. 45,000.00, which was rejected because he could not substantiate his source of funds (SOF). To get the mortgage, X gave up a house with a value of NAF 8,500.000.00 as collateral. Again, he could not substantiate the SOF/or ownership of the house, so his application was denied.

Furthermore a Dutch business D-BV did a transfer for the amount of NAF. 179.346,00 to X's account, without specifying the reason for the transfer. X was very vague when giving his address. Further analysis in the MOT database showed that X's wife had also an unusual transaction, where she received money from a subject who was involved in a police investigation, presumably in connection with the laundering of narco related money. It involved an amount of 9,500.00 Euros, through use of beneficiaries and enrolment in fencing. The money was deposited on an account of X's wife which had been inactive for a long time. Because of that she was also involved in the investigation.

Typologies

- Money laundering through the use of the real estate sector
- Money laundering through the use of DNFBP's (notary and real estate)

ML/TF-indicators

- Unusual transactions through bank services (deposit on an account that was inactive for a long time)
- Transaction not fitting the bank profile of the subject
- Cash payments, to avoid paper trail
- Transfer of large unusual sums of foreign currency on own accounts
- Currency exchange/cash conversion
- Making use of the services of a notary for payments and transfers through mortgages, by buying and selling of real estate property
- Cashed cheques for large amounts
- Unusual deposits on own accounts
- Unusual sum of cash-withdrawal
- Not enough information about SOF/assets
- Not giving enough information with regard to buying and selling of property (CDD/KYC)
- Vague and inconsistent with regard to address information
- Involvement in a police investigation (money laundering/narco related) and earlier conviction
- Connection to a drug related case
- Subject in suspicious transactions

3. STATISTICS AND CURRENT REPORTING TRENDS.

Pursuant to article 3 and other relevant articles of the National Ordinance Reporting of Unusual Transactions, the duties of the Reporting Center, are dealt with in this chapter, while the relevant statistics and current reporting trends are indicated here.

3.1 Collecting, registering, processing and analyzing data

A total of 15,998 unusual transactions were received in 2010. This is a decrease of 20,18% compared to 2009, when 20,042 transactions were received. This can be mainly attributed to the decrease in reports received from the Local Banks but also due to the fact that since October 10th, 2010 the Reporting Center had only been receiving reports from the reporting entities in Curacao.

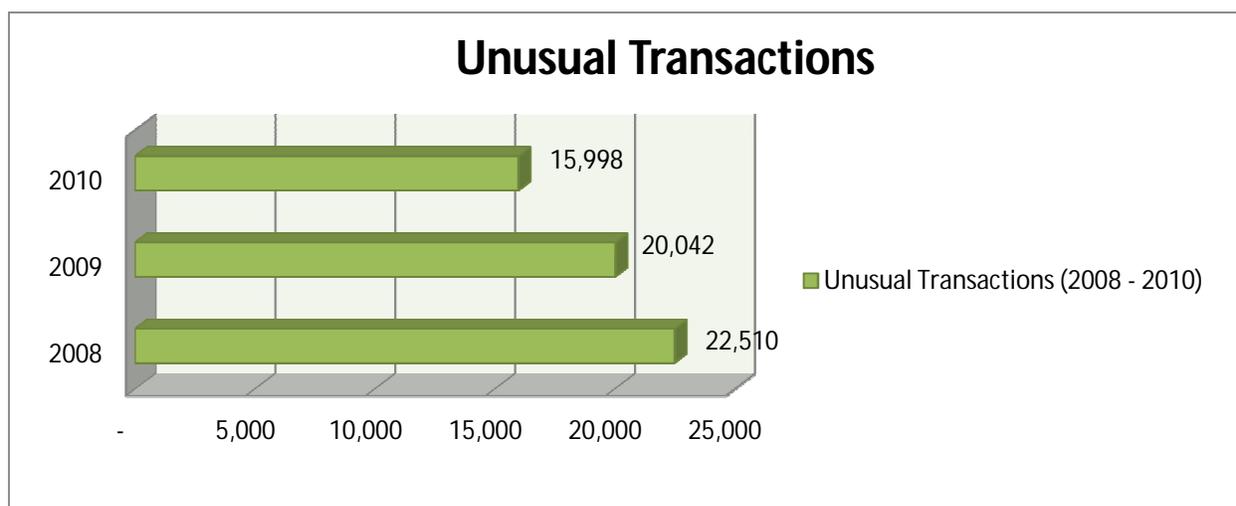


Figure 2 : Total received unusual transactions (2008-2010)

The relation between the unusual transactions and the suspicious transactions, which have been disseminated to the PPO in the years 2008 until 2010, is shown in table 1.

Year	Unusual		Suspicious	
	Qty.	Value(in ANG.)	Qty.	Value (in ANG.)
2010	15,998	3,193,142,461	1,742	408,768,648
2009	20,042	3,785,221,545	3,930	228,902,215
2008	22,510	5,864,112,513	3,008	294,410,319

Table 1 : Unusual versus Suspicious transactions (2008-2010)

In 2010 a decrease in the number of the disseminated suspicious transactions, compared to previous years, is noticeable. A number of 1,742 suspicious transaction was disseminated to the PPO, while in 2009 this number totaled up to 3,930 suspicious transactions. This can be seen as a direct consequence of the fact that the analyst department was functioning with only 2 analysts throughout the whole year almost. In 2010 the Reporting Center once again had meetings with the PPO with regard to feedback on transactions disseminated to his office. However the issue with regard to the archives not being automated, had not been solved completely yet.

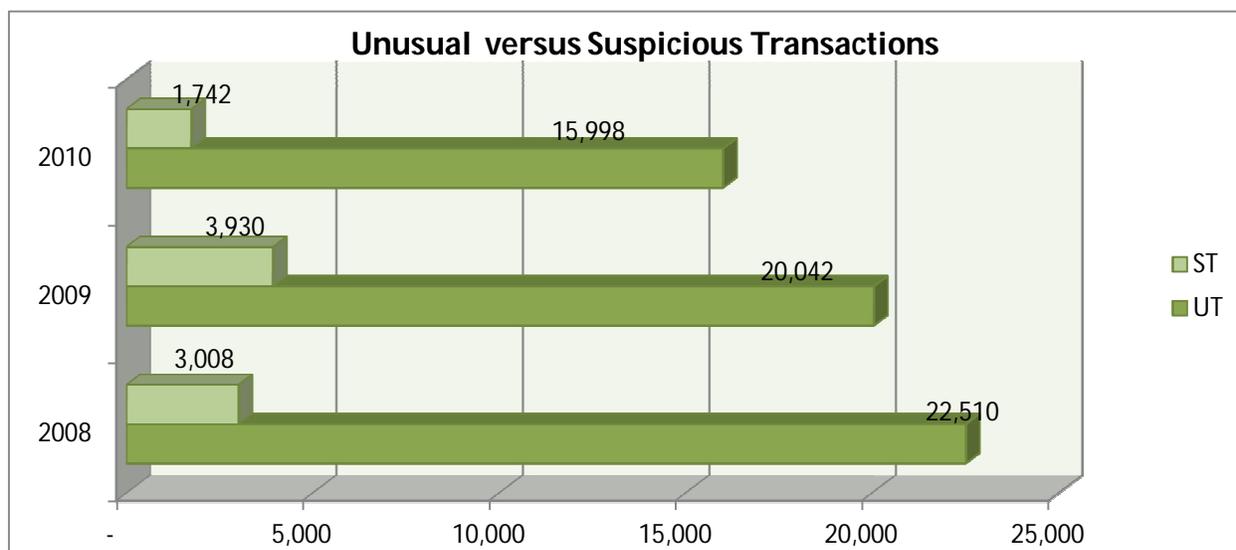


Figure 3 : Unusual versus Suspicious transactions (2008 – 2010)

In the following table an overview of the executed and intended transactions, within the total number of transactions received by the Reporting Center, is given.

When a transaction is discontinued (intended transaction) the reporting entity is nevertheless obliged by law to report these intended transactions to the Reporting Center, depending on the relevant indicator. The data or information that you can obtain from intended transactions can play a very important role in investigations (locally or internationally) with regard to money laundering and or terrorism financing.

	2010		2009		2008	
	Qty.	Value (in ANG.)	Qty.	Value (in ANG.)	Qty.	Value (in ANG.)
Executed	15,572	3,143,116,430	19,774	3,766,131,060	22,163	5,210,805,927
Intended	426	50,026,031	268	19,090,485	347	653,306,586
Total	15,998	3,193,142,461	20,042	3,785,221,545	22,510	5,864,112,513

Table 2 : Total executed and intended unusual transactions (2008-2010)

The relation between objective and subjective indicators is shown in figure 4. The Reporting Center will continue to stress the importance of reporting subjectively for its investigations.

The use of subjective indicators increased with 0.27% from 15.64% in 2009 to 15.91% in 2010.

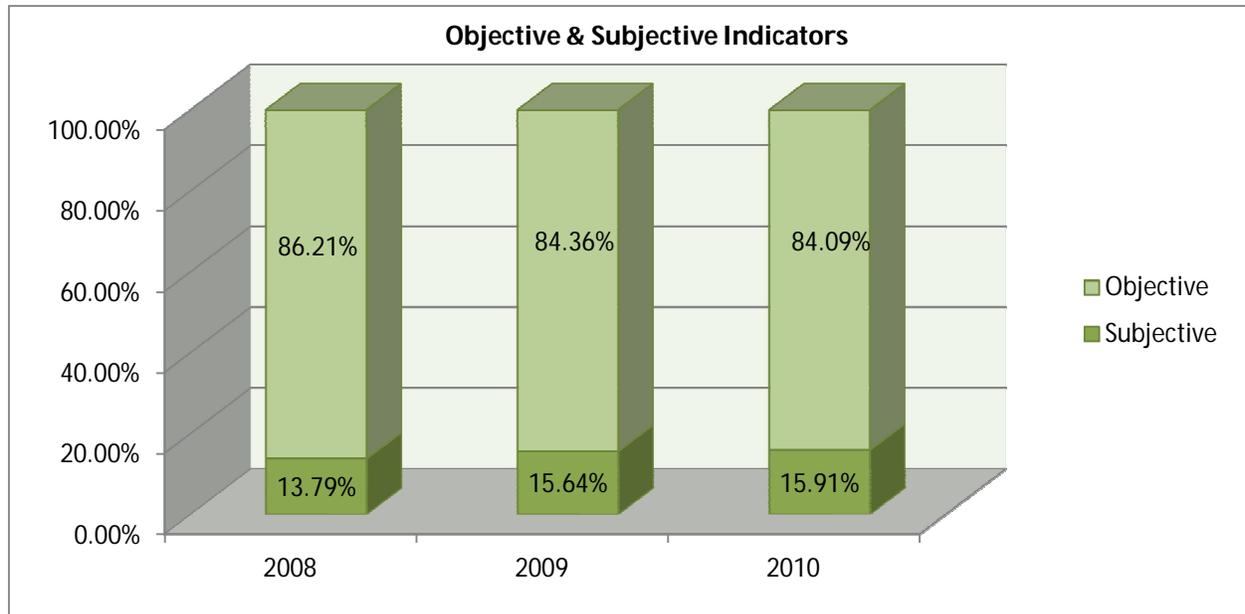


Figure 4 : Unusual transactions by objective and subjective indicators (%) (2008 – 2010)

As can be seen in table 3, the decrease in 2010 in the number of the reported unusual transactions can be mainly contributed to the local banks sector.

Reporter Type	2010				2009			
	Qty.	%	Value (in ANG.)	%	Qty.	%	Value (in ANG.)	%
Others	-	0.00%	-	0.00%	1	0.00%	1,544,400	0.00%
Local Banks	12,911	80.70%	2,275,594,285	71.27%	17,707	80.70%	2,654,743,228	71.27%
Casinos	4	0.03%	113,268	0.00%	33	0.03%	2,024,679	0.00%
Central Bank	1	0.01%	40,200	0.00%	2	0.01%	10,500	0.00%
Creditcard Companies	1	0.01%	6,464	0.00%	-	0.01%	-	0.00%
Offshore Banks	337	2.11%	550,946,707	17.25%	131	2.11%	170,193,632	17.25%
Customs	599	3.74%	298,593,608	9.35%	612	3.74%	287,258,860	9.35%
Credit Unions	45	0.28%	1,307,288	0.04%	63	0.28%	1,061,847	0.04%
Life Insurance	21	0.13%	2,459,318	0.08%	147	0.13%	18,196,200	0.08%
Money Remitters	2,046	12.79%	13,557,485	0.42%	1,285	12.79%	7,997,031	0.42%
Trust Companies	33	0.21%	50,523,838	1.58%	61	0.21%	642,191,167	1.58%
Total	15,998	100%	3,193,142,461	100%	20,042	100%	3,785,221,544	100%

Table 3 : Unusual transactions by reporter type (2009 – 2010)

3.1.1. Local Banks

Most reports received in 2010 came from the banking sector. Of the 15,998 unusual transactions received, 12,911 came from the local banks. The reports of the local banks are mainly based on objective indicators (84,91%), however there is a slight increase in the use of subjective indicators. The Reporting Center will keep giving trainings to the local banks in the use of subjective indicators.

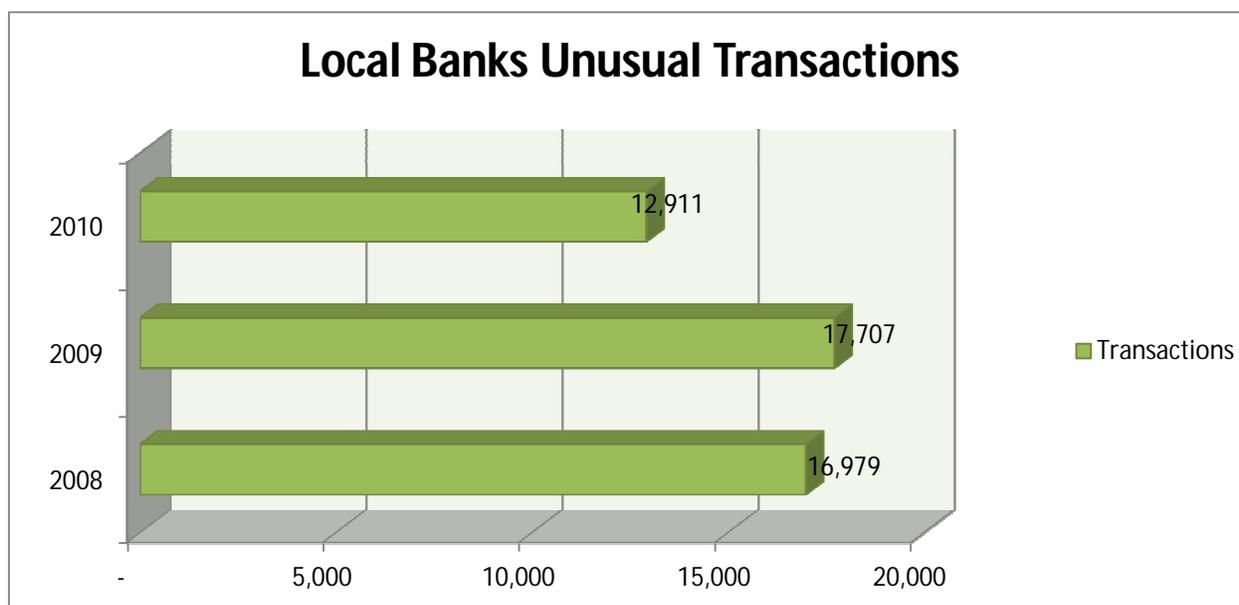


Figure 5 : Unusual transactions from Local Banks (2008 – 2010)

An overview of the executed and intended transactions of the local banks is given in table 4.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty	Value
Executed	12,704	2,252,115,845	17,538	2,642,479,180	16,827	1,710,376,710
Intended	207	23,478,440	169	12,264,048	152	28,096,676
Total	12,911	2,275,594,285	17,707	2,654,743,228	16,979	1,738,473,386

Table 4 : Executed and intended transactions Local Banks (2008 – 2010)

3.1.2. Offshore Banks

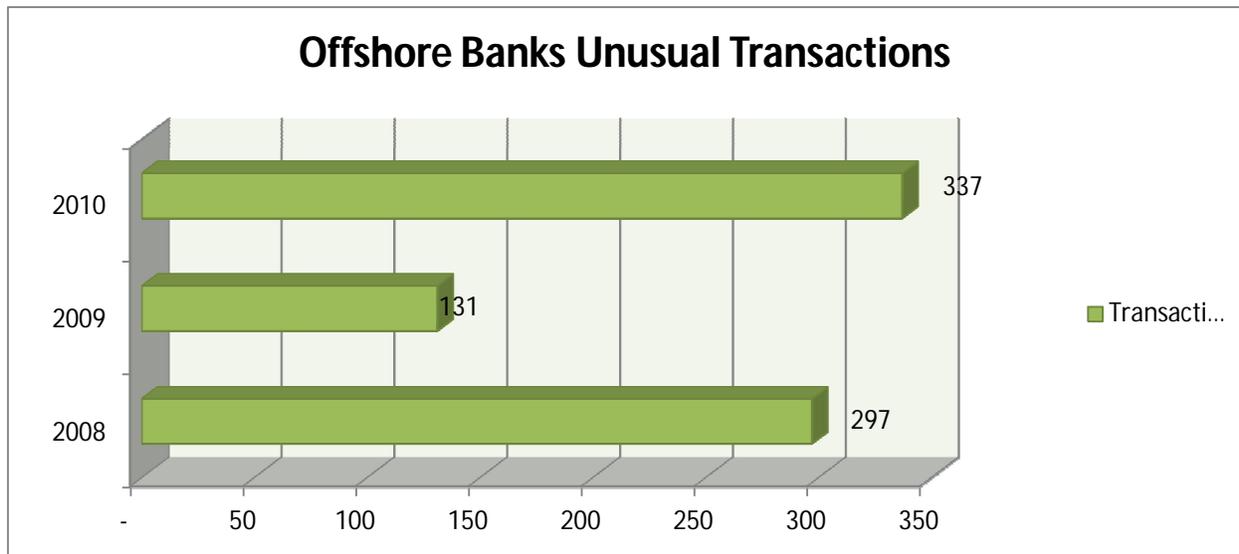


Figure 6: Unusual Transactions from Offshore Banks (2008 – 2010)

An overview of the executed and intended transactions of the offshore banks is given in table 5.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty	Value
Executed	123	524,402,572	42	163,565,377	119	1,590,537,773
Intended	214	26,544,135	89	6,628,255	178	999,846
Total	337	550,946,707	131	170,193,632	297	1,591,537,619

Table 5: Executed and intended transactions Offshore Banks (2008 – 2010)

3.1.3. Trust Companies

The unusual transactions received from the trust sector underwent a decrease of 45,90% in 2010. Although in previous years this sector reported primarily by using subjective indicators, in 2010 we see a drastic decrease in reports from the trust sector, based on subjective indicators. Reporting based on a subjective indicator however, continues to be of the utmost importance for the analytical work by the Reporting Center, because in that case the reports are particularly based on the opinion of the reporting entity regarding the situation surrounding the reported transactions.

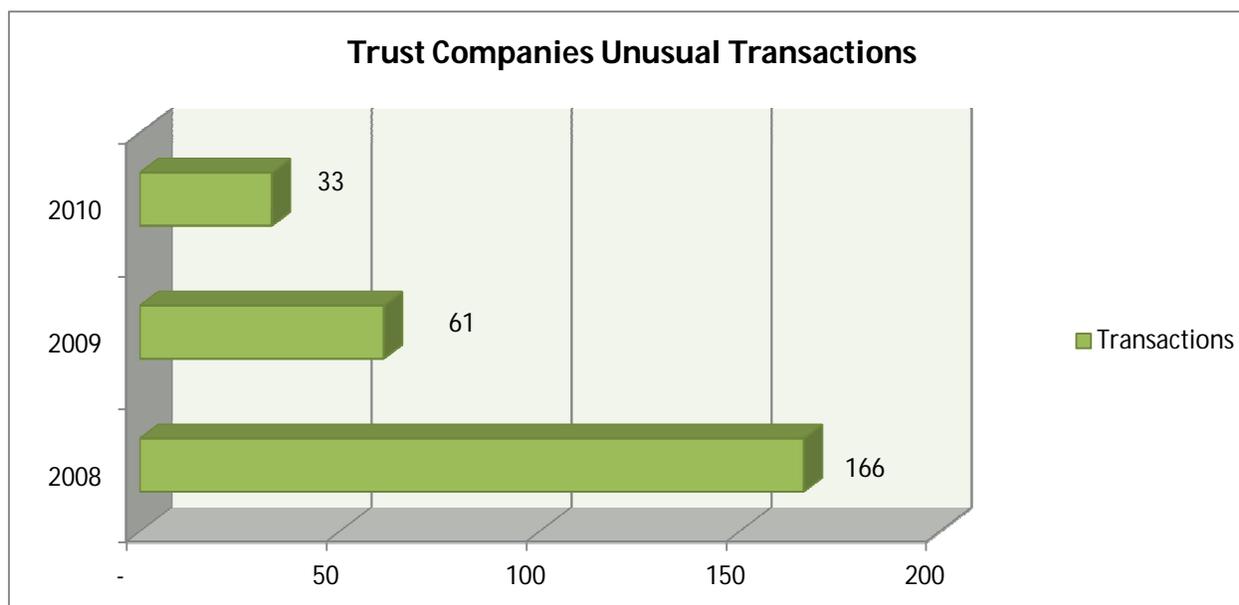


Figure 7 : Unusual transactions from Trust Companies (2008 – 2010)

In table 6 an overview of the executed and intended transactions of the trust companies is given.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	31	50,523,838	58	642,191,167	151	1,572,533,738
Intended	2	-	3	-	15	624,202,242
Total	33	50,523,838	61	642,191,167	166	2,196,735,980

Table 6 : Executed and intended transactions Trust Companies (2008 – 2010)

3.1.4. Money Remitters

After decreasing considerably in 2009, in 2010 the transactions received from the money remitting sector increased with approximately 761 transactions.

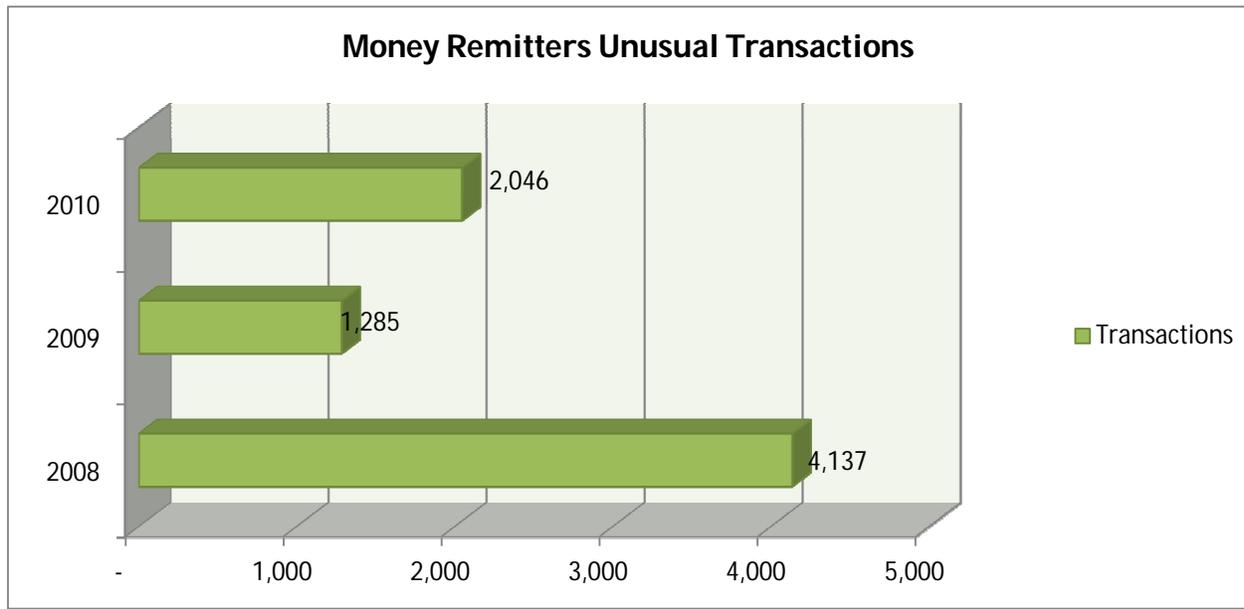


Figure 8 : Unusual transactions from Money Remitters (2008 – 2010)

An overview of the executed and intended transactions of the money remitters is given in table 7.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty	Value
Executed	2,043	13,554,029	1,278	7,956,945	4,135	28,407,379
Intended	3	3,456	7	40,086	2	7,822
Total	2,046	13,557,485	1,285	7,997,031	4,137	28,415,201

Table 7 : Executed and intended transactions Money Remitters (2008-2010)

3.1.5. Customs

Persons entering or leaving one of the island territories of the Netherlands Antilles are, pursuant to the National Ordinance Obligation to Report Cross-Frontier Money Transportations, under the obligation to report money for a value of ANG. 20,000 or more, (approximately US\$ 10,000) which they carry with them, to the import and excise duties officials. These officials are thereafter under the obligation to report these transactions to the Reporting Center without delay.

In 2010 Customs shows a small decrease in reported transactions. From 612 reports in 2009 to 599 reports in 2010.

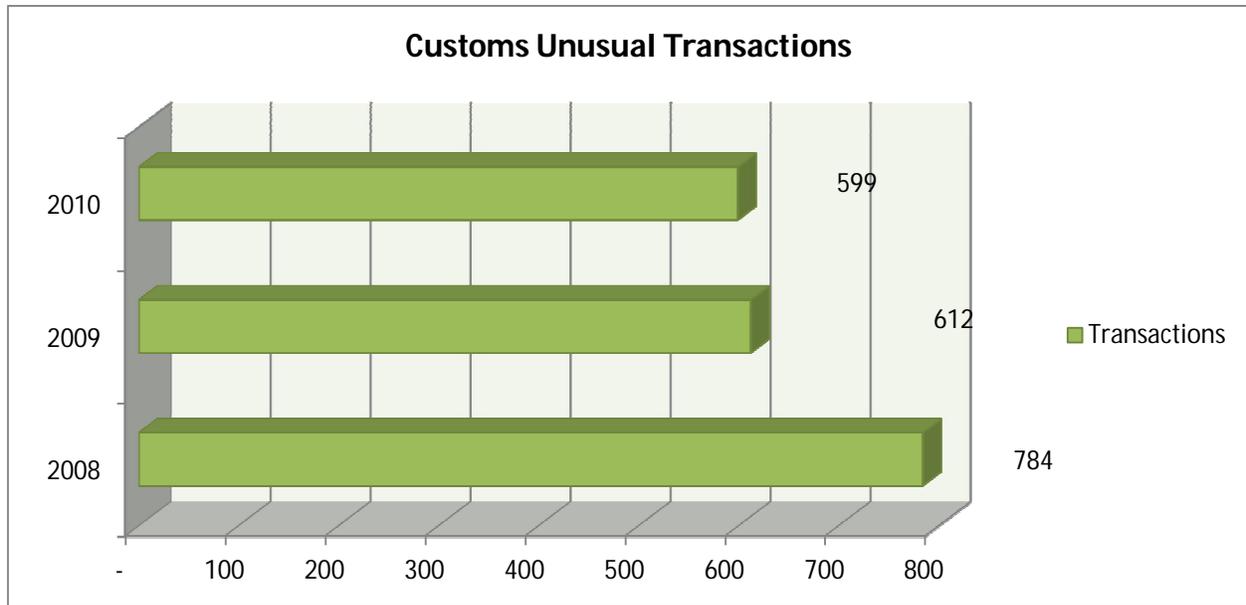


Figure 9: Unusual transactions from Customs (2008 – 2010)

An overview of the executed transactions of Customs is given in the following table.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	599	298,593,608	612	287,258,860	784	302,471,894
Intended	-	-	-	-	-	-
Total	599	298,593,608	612	287,258,860	784	302,471,894

Table 8 : Executed transactions Customs (2008 – 2010)

3.1.6. Casinos

In 2010 the reports from casinos decreased to 4 reports received. The Reporting Center will monitor the reporting behavior of casinos more intensely in the coming year.



Figure 10 : Unusual transactions from Casinos (2008 – 2010)

An overview of the executed and intended transactions of the casinos is given in the following table.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	4	113,268	33	2,024,679	52	4,000,382
Intended	-	-	-	-	-	-
Total	4	113,268	33	2,024,679	52	4,000,382

Table 9 : Executed and intended transactions Casinos (2008-2010)

3.1.7. Credit Unions

In 2010 the Reporting Center received a total of 45 unusual transaction reports from the credit unions. The Reporting Center will monitor the reporting behavior of this sector more and will also organize informative and training sessions for this sector this coming year. Almost all the reports received by credit unions were based on subjective indicators.

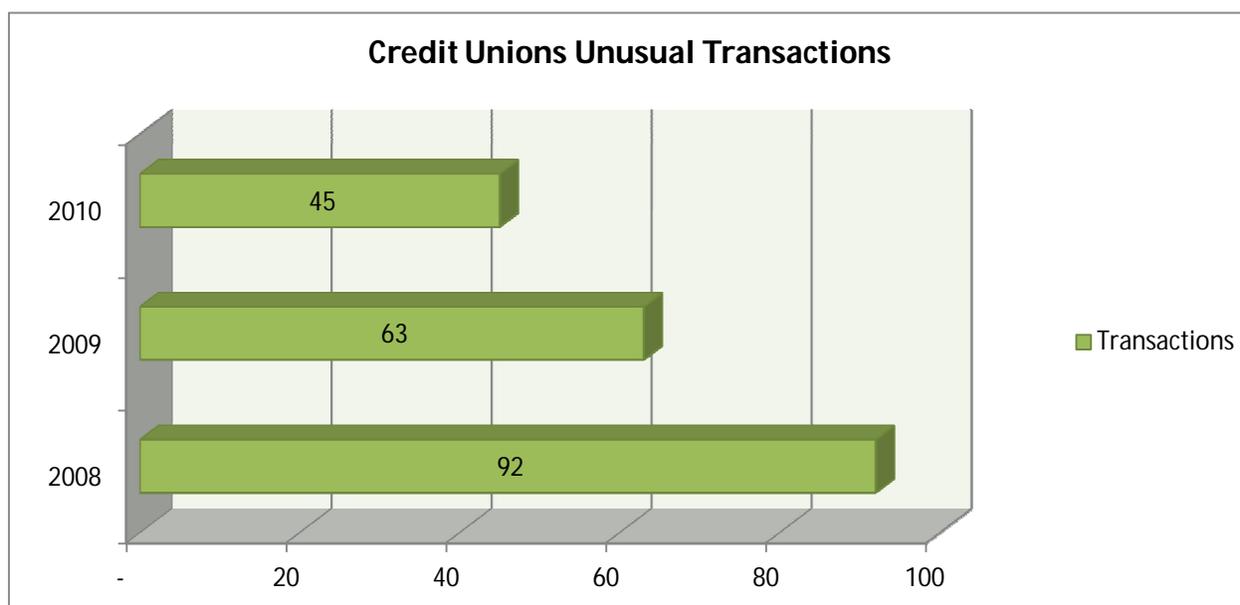


Figure 11 : Unusual Transactions from Credit Unions (2008 – 2010)

An overview of the executed and intended transactions of the credit unions is given in table 10.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	45	1,307,288	63	1,061,847	92	2,459,291
Intended	-	-	-	-	-	-
Total	45	1,307,288	63	1,061,847	92	2,459,291

Table 10 : Executed and intended transactions Credit Unions (2008-2010)

3.1.8. Life Insurance Companies

In 2010 a number of 21 reports were received from the life insurance companies. This is a decrease of 61.9 % compared to 2009, in which year a total of 147 reports were received. The Reporting Center has organized various training sessions for this sector over the past few years. The Reporting center will focus more on the reporting behavior of this sector in the coming year.

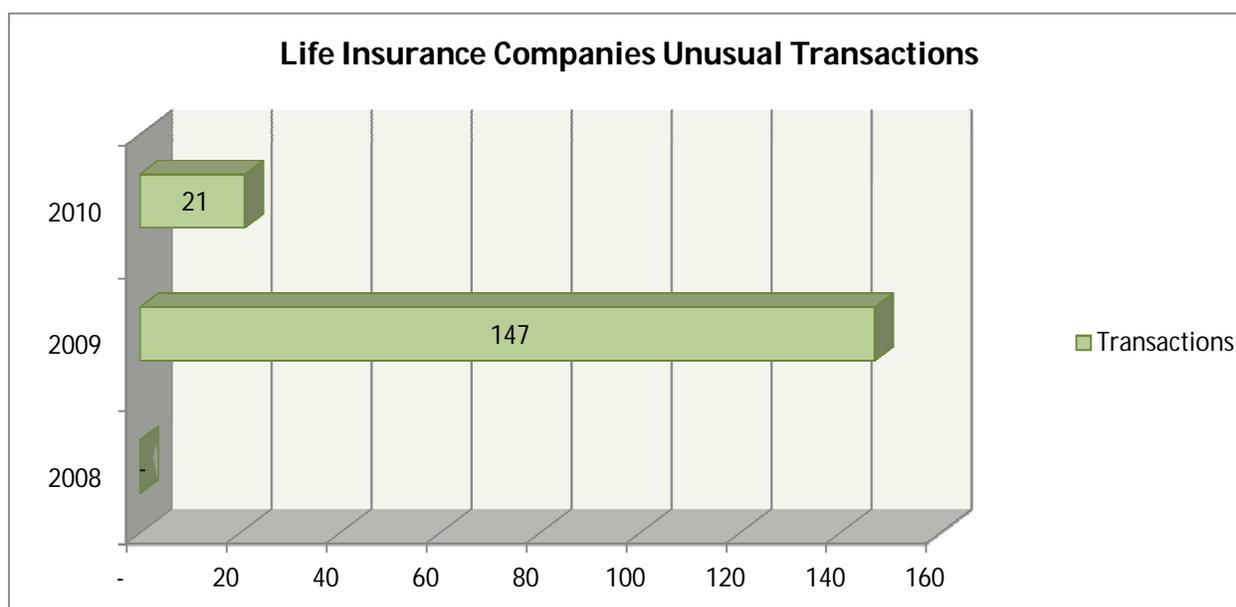


Figure 12 : Unusual transactions from Life Insurance Companies (2008- 2010)

An overview of the executed and intended transactions of the life insurance sector is given in table 11.

	2010		2009		2008	
	Qty.	Value	Qty.	Value	Qty.	Value
Executed	21	2,459,318	147	18,196,200	-	-
Intended	-	-	-	-	-	-
Total	21	2,459,318	147	18,196,200	-	-

Table 11 : Executed and intended transactions Life Insurance Companies (2008 – 2010)

3.2 Requests of the Reporting Center for additional information from the Reporting Entities

The Reporting Center is, pursuant to article 12 of the National Ordinance Reporting of Unusual Transactions, entitled to ask further data or information from the party having reported. The party from whom this data or information has been requested is obliged by law to furnish the Reporting Center with such data or information in writing, within the term stated by the Reporting Center.

Further data or information is needed when there are omissions in the reports received from the reporting entities or when information is needed for ongoing investigations.

In 2010 the Reporting Center sent 62 requests for further information to reporting institutions.

These requests were sent to the following sectors:

Banks	: 46
Money Remitters	: 15
Trust	: 1

A total of 19 letters to correct omissions in received reports, were sent out to the following reporting sectors:

Banks	: 18
Credit Unions	: 1

Various reporting entities from the following sectors have been approached by the FIU with regard to their reporting behavior.

- Bank
- Casinos
- Credit card companies
- Insurance companies[and brokers]
- Money remitters
- Specialized credit institutions
- Trust companies and service providers

The approach was based on:

- the reporting behavior of the concerned sector during the past five years;
- reporting behavior is very low to non-existent,
- a strong decrease in the reports received from this particular sectoring behavior.

This approach was based on a research of the FIU in order to find out:

- which sector is encountering difficulties with regard to their reporting of unusual transactions;
- if they are aware of the indicators in their sector and their use; and
- if they are aware of the relevant typologies regarding money laundering.

The results will serve as indicators for the FIU when setting up its list of priorities for the year 2011.

3.3 Reporting behavior reporting entities

The average reporting time period is the difference between the transaction date and the date the report was received by the Reporting Center, the incoming date.

Pursuant to the National Ordinance Reporting Unusual Transactions, unusual transactions should be reported without delay to the Reporting Center. This has always been interpreted as being within 48 hours. On their request, it has been agreed with the Associations of the onshore banks and the offshore banks that reports based on subjective

indicators should be reported within 48 hours after reaching the conclusion that there is an unusual transaction. For reports based on objective indicators the time period to report will in principle be 5 workdays. The reason being that banks report large numbers of unusual transactions based on an objective indicator. Extension of the reporting period due to organizational or unforeseen reasons is always possible. Aforementioned policy with regard to the reporting period will be applicable to the other sectors as well. A more detailed overview of the reporting period policy can be seen on the website of the Reporting Center, under Section: Reporting.

In 2010 the bank sector reported in accordance with the above-mentioned guidelines. The other sectors are improving their reporting behavior with regard to the reporting period, however this issue will be brought to their attention in the trainings sessions by the Reporting Center.

3.4 Transactions per island

An overview of the number of unusual transactions reports distributed over the several island territories per reporting type is given in the table below. You can see a downward trend in reports received from most island territories.

2008					
Sector	Curaçao	Bonaire	St. Maarten	St. Eustatius	Saba
Local Banks	10,459	658	5,748	27	87
Offshore Banks	297	-	-	-	-
Customs	784	2	357	-	-
Money Remitters	1,915	-	27	-	-
Casinos	25	-	-	-	-
Central Bank	-	-	-	-	-
Credit Card Companies	3	-	-	-	-
Trust Companies	129	-	37	-	-
Life Insurance Companies	-	-	-	-	-
Credit Unions	92	-	-	-	-
Total	13,704	658	8,034	27	87

Table 12 : Unusual transactions by Island by Reporter type (2008/Qty.)

2009					
Sector	Curaçao	Bonaire	St. Maarten	St. Eustatius	Saba
Local Banks	10,240	773	6,606	33	62
Offshore Banks	131	-	-	-	-
Customs	402	1	206	2	1
Money Remitters	798	-	487	-	-
Casinos	21	-	12	-	-
Central Bank	2	-	-	-	-

Credit Card Companies	-	-	-	-	-
Trust Companies	56	-	2	-	-
Life Insurance Companies	122	3	22	-	-
Credit Unions	63	-	-	-	-
Total	11,832	777	7,335	35	63

Table 13 : Unusual transactions by Island by Reporter type (2009/Qty.)

2010					
Sector	Curaçao	Bonaire	St. Maarten	St. Eustatius	Saba
Local Banks	7,441	433	4,948	31	58
Offshore Banks	337	-	-	-	-
Customs	264	-	331	-	4
Money Remitters	928	9	1106	-	3
Casinos	4	-	-	-	-
Central Bank	1	-	-	-	-
Credit Card Companies	1	-	-	-	-
Trust Companies	32	-	1	-	-
Life Insurance Companies	14	-	7	-	-
Credit Unions	45	-	-	-	-
Total	9,067	442	6,393	31	65

Table 14 : Unusual transactions by Island by Reporter type (2010/Qty.)

In the next tables an overview of the value involved with the unusual transaction reports, distributed over the several island territories per reporting type, is given. You can see a decrease in the value of the unusual transactions reported by all the island territories. This decrease in the value of the unusual transactions can be contributed to specifically the offshore banks, the trust companies and money remitters.

2008					
Sector	Curaçao	Bonaire	St. Maarten	St. Eustatius	Saba
Local Banks	1,242,912,375	63,234,218	429,682,305	1,594,194	1,050,294
Offshore Banks	1,591,537,619	-	-	-	-
Customs	302,471,894	-	-	-	-
Money Remitters	13,562,002	-	14,853,199	-	-
Casinos	656,249	-	3,344,133	-	-
Central Bank	-	-	-	-	-

Credit Card Companies	18,760	-	-	-	-
Savings Banks	-	-	-	-	-
Trust Companies	2,180,848,478	-	15,887,502	-	-
Life Insurance Companies	-	-	-	-	-
Credit Unions	2,459,291	-	-	-	-
Total	5,334,466,668	63,234,218	463,767,139	1,594,194	1,050,294

Table 15 : Unusual transactions by Island by Reporter type (2008/ANG.)

2009					
Sector	Curaçao	Bonaire	St. Maarten	St. Eustatius	Saba
Local Banks	2,068,424,815	107,963,041	475,521,476	1,783,602	1,050,294
Offshore Banks	170,193,632	-	-	-	-
Customs	53,956,517	46,483	231,580,317	1,203,418	472,125
Money Remitters	4,673,030	-	3,324,001	-	-
Casinos	718,079	-	1,306,600	-	-
Central Bank	10,500	-	-	-	-
Credit Card Companies	-	-	-	-	-
Savings Banks	-	-	-	-	-
Trust Companies	637,741,167	-	4,450,000	-	-
Life Insurance Companies	13,624,975	266,409	4,304,816	-	-
Credit Unions	1,061,847	-	-	-	-
Other	1,544,400	-	-	-	-
Total	2,951,948,962	108,275,933	720,487,210	2,987,020	1,522,419

Table 16 : Unusual transactions by Island by Reporter type (2009/ANG.)

2010					
Sector	Curaçao	Bonaire	St. Maarten	St. Eustatius	Saba
Local Banks	1,798,628,198	61,230,468	414,282,972	899,919	552,728
Offshore Banks	550,946.707	-	-	-	-
Customs	36,679,451	-	261,291,667	-	622,490
Money Remitters	6,237,363	54,674	7,246,048	-	19,400
Casinos	113,268	-	-	-	-
Central Bank	40,200	-	-	-	-
Credit Card Companies	6,464	-	-	-	-
Savings Banks	-	-	-	-	-
Trust Companies	50,511,238	-	12,600	-	-
Life Insurance Companies	1,584,692	-	874,626	-	-

Credit Unions	1,307,288	-	-	-	-
Other	-	-	-	-	-
Total	2,446,054,869	61,285,142	683,707,913	899,919	1,194,618

Table 17 : Unusual transactions by Island by Reporter type (2010/ANG.)

	2010	
Island	Qty.	Value in ANG.
Bonaire	11	99,005
Curaçao	1,473	398,186,873
St Maarten	258	10,482,767
Total	1,742	408,768,648

Table 18 : Suspicious transactions per island (2010)

3.5 Execution of article 3 (letters a and b) and article 6 of the National Ordinance Reporting of Unusual Transactions regarding the furnishing of data

Pursuant to article 6 of the National Ordinance Reporting of Unusual Transactions and the relevant indicators, the Reporting Center is obliged to furnish data to the authorities and officials of the law enforcement agencies, when there is a reasonable presumption that a certain person is guilty of money laundering and/or terrorism financing or of a criminal offence at the root thereof.

Further details with regard to the dissemination of information and the furnishing of data will be given in paragraphs 3.5.1. and 3.5.2.

3.5.1 Disseminating data to the Public Prosecutor Office and to the Law Enforcement Agencies

Contrary to other jurisdictions where suspicious transactions or suspicious activity reports are received, the Reporting Center receives unusual transactions from the reporting entities. The law indicates when a transaction can be considered as unusual by making use of indicators: objective and subjective indicators. An objective indicator states explicitly when a transaction should be considered as unusual, irrespective of who is executing the transaction, without respect of persons. The subjective indicator on the other hand leaves it to the perception of the reporting entity (the compliance officer), to report, based among other things on its knowledge of the client, knowledge of the business of the client, the transaction profile of the client, international lists of terrorists, politically exposed persons,

etc. The indicator might also give guidance in this regard. After receiving these unusual transactions, the analysts of the Reporting Center analyze them to see whether there is a suspicion of ML/TF after which these suspicious transactions are disseminated to the Public Prosecutor Office (PPO.)

The suspicious transactions of the different reporting entities altogether that were disseminated to the PPO after analyses by the Reporting Center are indicated in figure 13. Dissemination of information by the Reporting Center takes place via requests received from the law enforcement agencies (by way of the PPO), via own investigations, via update-disseminations (when certain transactions have previously been disseminated) and when a foreign FIU requests the Reporting Center authorization to furnish the data received to their public prosecutor and law enforcement agencies.

In 2010 a number of 1,742 transactions were disseminated to the Public Prosecutor Office. Of the 1,742 suspicious transactions sent to the PPO, 182 transactions were based on own investigations conducted by the Reporting Center in 2010 and 1560 transactions were from investigations of the Reporting Center of previous years. The decrease in disseminated suspicious transactions can be contributed mainly to the fact that in 2010 only 2 analysts were working at the Reporting Center.

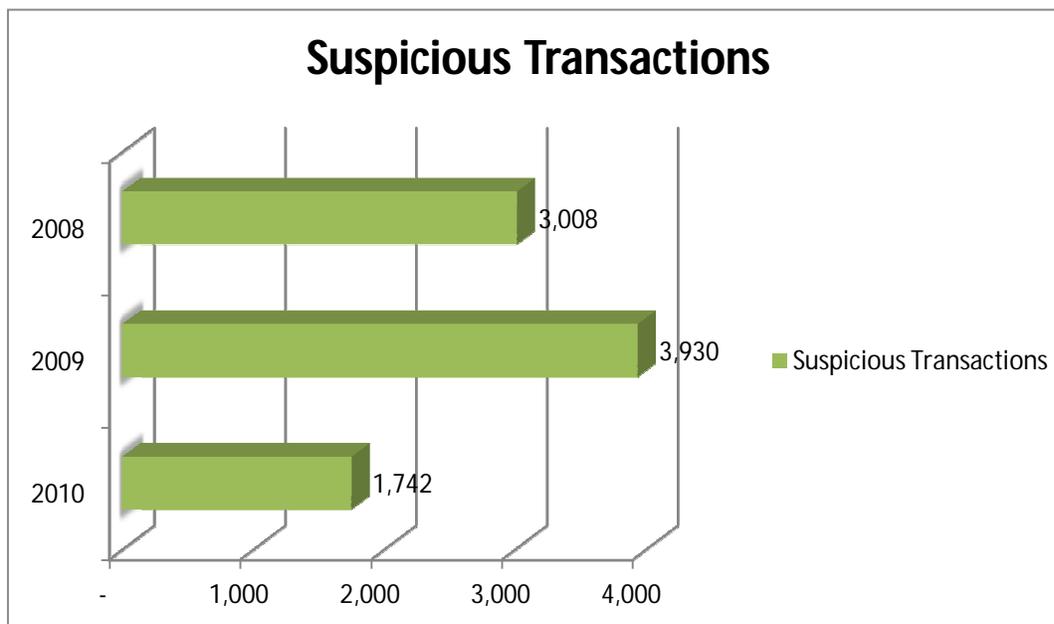


Figure 13 : Suspicious Transactions (2008-2010)

3.5.2 Requests to furnish data received from law enforcement agencies

The Reporting Center received 49 requests for information from the law enforcement agencies in 2010, based on article 6 of the NORUT. These requests were answered in an

average of ten workdays by the Reporting Center. The requests in question involved numerous transactions. The table below indicates which law enforcement agency requested information during 2010 and the number of these requests.

Requesting Instance	2010	2009	2008
BAB	7	8	0
BFO	13	19	10
HARM ¹	0	0	12
KONINKLIJKE MARECHAUSSEE	3	0	0
KPB	1	0	0
KPC-DGC	1	0	0
OM	1	0	0
RIJKSRECHERCHE OF THE NETHERLANDS	1	0	0
RST	22	22	9
Other	0	2	6
Total	49	51	37

Table 19 : Requests for information by local law enforcement agencies (2008-2010)

On the other hand the Reporting Center sent out 140 requests for information, based on article 5 of the NORUT, to the different law enforcement agencies.

3.5.3 Conducting investigations into the field of money laundering and terrorism financing by the Reporting Center

The Reporting Center initiated 74 investigations in 2010, to determine whether there was a suspicion of money laundering and/or terrorism financing. Of these 74 investigations, 10 investigations resulted in a suspicion of ML/TF and were sent to the PPO. After analyses upon receipt of transactions and receipt of local and international requests, a total of 1,742 transactions were disseminated to the Public Prosecutor office, of which 182 transactions were based on own investigations regarding the year 2010. As a result of among others these investigations, that were based on tactical analyses, the Reporting Center sent out 140 requests for information to the Law Enforcement Agencies in 2010.

¹ As of October 1st, 2009, the law enforcement agency known as HARM was incorporated in the BFO.

4. Cooperation

For the Reporting Center it is very important to effect an efficient cooperation with all the actors in the reporting chain. Good communication and an expeditious exchange of information within the reporting chain are very essential. A good interaction between the Reporting Center, the Minister of Finance and the Minister of Justice, the reporting institutions, the law enforcement agencies, the office of the Public Prosecutor and supervisory authorities, are imperative conditions in the fight against money laundering and terrorism financing.

4.1. The Reporting Institutions

In 2010 the Reporting Center again held numerous training and informative sessions for the reporting institutions, their representatives and personnel. Several trainings were organized where the focus was on the correct use of indicators when reporting. Information sessions were also held for the Association of Legal Counselors of the Netherlands Antilles and the Caribbean Ombudsman Association. The Reporting Center participated again this year in an informative meeting organized by the Association of Compliance Officers of the Netherlands Antilles. Furthermore, trainings and presentations were held for reporters of the bank sector, the insurance sector and the trust sector.

4.1.1. The Designated Non Financial Businesses and Professions (DNFBP)

The National Ordinance Reporting of Unusual Transactions was amended to include among other things, the non-financial sector under the reporting obligation to the Reporting Center. In 2010 the Reporting Center held, jointly with the Central Bank, informative meetings with the lawyers, notaries, accountants, tax consultants, jewelers, real estate agents, administrative offices, car dealers and their representatives (future/new reporters or non-financial sector) in Sint Maarten and Curaçao. In these meetings the Reporting Center elaborated on their upcoming reporting obligation, the use of indicators and reporting guidelines in their respective fields.

4.2 LAW ENFORCEMENT MEETINGS

In 2010 the Reporting Center continued with its meetings (every other six weeks) with the law enforcement agencies, including the PPO, Customs and the Tax office. These agencies are the main consumer of information furnished by the Reporting Center. Information of the Reporting Center is made available to the law enforcement agencies after the Reporting Center has completed its own investigations and upon request by the law enforcement agencies. The Reporting Center is obliged by law to furnish the requested information whenever, after thorough analyses by its analysts, there is a suspicion of money laundering and/or terrorism financing.

4.3. The Supervisory authorities

The “Bank van de Nederlandse Antillen” (the Central Bank) is the supervisory body for the Financial Sector, the Gaming Control Board is the supervisory body for the Casinos and in 2010 the Reporting Center became the supervisory body for the DNFBP’s. During this year the Reporting Center assisted in presentations and trainings organized by the Central Bank and the Gaming Control Board for the reporting entities.

4.4. The Minister of Finance

The directly responsible Minister for the Reporting Center is the Minister of Finance. The Reporting Center had several meetings with the Minister of Finance regarding among other things, recruiting of more personnel, possible assistance to the FIU of Sint Maarten, the constitutional changes in the Netherlands Antilles and more spacious accommodation for the Reporting center.

4.5. Cooperation in the Kingdom of the Netherlands

In 2010 the Reporting Center continued to receive assistance from the “Bureau Financieel Toezicht” of the Netherlands in further making the Supervisory Department for the non-financial businesses and professions operational. With their assistance the Reporting Center conducted six trial audits, whereby some of the new reporting groups participated as pilot groups.

5. INTERNATIONAL COOPERATION

As money laundering, terrorism and the financing thereof are global in nature, international cooperation constitutes an essential component in the fight against these criminal activities.

5.1. International exchange of information

Pursuant to article 7 of the National Ordinance Reporting of Unusual Transactions the international exchange of information shall only take place on the strength of a treaty or an administrative agreement, e.g. a Memorandum of Understanding (MoU).

In 2010 the Reporting Center executed 2 MoU's with the following countries:

- Canada
- Qatar

A total of 49 MOUs have been completed with other countries up to the year 2010.

During 2010 the Reporting Center received 56 requests for information from foreign FIUs. FIU Belgium has again sent in the most requests, followed by Anguilla. The requests for information regarded among other things: reported transactions, financial information on natural and legal persons and police information on subjects; both natural persons and legal entities. This information can only be used as intelligence by the foreign FIU. For other uses the foreign FIU, pursuant to the signed MoU, needs the authorization of the requested Reporting Center. The Reporting Center sent out 47 requests for information to other FIUs. This year again, most requests from the Reporting Center were requests to the FIU of the Netherlands. During 2010 no spontaneous information was sent to international FIUs.

The following table indicates the countries from which a request for information was received. With the amendment of the law in 2010, the Reporting Center is now able to exchange information with FIUs that are members of the Egmont Group without the need of a MOU, as long as the national legislation of the country in question doesn't require the signing of a MoU in order to be able to exchange information.

2010			
Country	Requests	Country	Requests
Albania	1	Jersey	1
Anguilla	5	Montenegro	1
Argentina	1	The Netherlands	4
Bahrain	1	Nigeria	2
Belgium	16	Sint Kitts & Nevis	1
Bermuda	1	Sint Vincent & The Grenadines	1

Brazil	1	Slovakia	2
Croatia	4	Surinam	2
Cyprus	1	Venezuela	1
FinCen	4	Total	56
Finland	1		
France	3		
Greece	2		

Table 20 : Total FIU requests received during the year 2010

5.2. Caribbean Financial Action Task Force (CFATF)

In 2010 the Reporting Center attended the CFATF Plenary meeting in Sto. Domingo, where Curaçao was the Chairman of CFATF. And the Reporting Center also attended the CFATF Plenary XXXII and XVI Ministerial Meeting in the Caymans.

5.3. The Egmont Group

The Egmont Group is the association of the international group of Financial Intelligence Units (FIUs), established to promote and enhance international cooperation in anti-money laundering and counter-terrorism financing. All member FIUs are required to attend the Egmont Plenary and are recommended to attend the working group meetings of Egmont. The Reporting Center is an active member in the Training Working Group of the Egmont and also participates in the Legal, IT and Outreach Working Groups. This reporting year the Reporting Center attended the Plenary of Egmont, which was held in Colombia. The attendance of the Egmont Plenary is obligatory for all FIUs.

6. TACTICAL ANALYSIS TRAINING COURSE

After organizing Tactical Analysis Trainings (TAT) in Sint Maarten and Suriname for analysts and other interested parties from several Caribbean countries, Nigeria, Mexico and the Netherlands in the previous year, in 2010 the Reporting Center on request of the FIU of Sto. Domingo organized a 2 day TAT for their analysts, legal counsellors, the Head of the Reporting Center of Sto. Domingo, Customs, Judiciary, and public prosecutors.

7. PRIORITIES FOR THE YEAR 2011

For the coming year the Reporting Center intends to work on the following matters with a view to comply with its legal duties of preventing and detecting money laundering and terrorism financing and the underlying criminal offences. The following list is not exhaustive.

- Initialize audits of the Supervisory Department, for the new reporting entities, which fall under the supervision of the Reporting Center
- Continue to inform and prepare the new reporting entities with regard to their reporting obligation
- Give assistance if necessary, to the Reporting Center of Sint Maarten
- With a view to the upcoming FATF evaluation, continue organizing awareness training programs for the personnel of the Reporting Center, to make them aware of the typologies of money laundering and terrorism financing. Continue organizing informative sessions for the personnel of the Reporting Center with regard to the Mutual Evaluation
- Continue working more closely with the Customs department on the reporting of cross border cash transportations. Continue giving information on the work of the Reporting Center, the reporting forms and continue discussions with Customs in order to have the reports sent electronically to the Reporting Center
- Evaluate the new online reporting system "CORSYS"
- Evaluate the amendment of the National Ordinance Reporting of Unusual Transactions (O.G. 1996, no. 21), the new indicators and the amendment of the National Ordinance on Identification of Clients when rendering Services (N.G. 1996, no. 23).
- Attend the Strategic Analysis Courses, organized by the Egmont Group
- Search for more spacious accommodation for the Reporting Center

ANNEXES

Annex 1: National Ordinance articles

NATIONAL ORDINANCE of 10 February 1996 on the duty to report unusual transactions noted during financial service provision (National Ordinance Reporting of Unusual Transactions) (O.G. 1996, no. 21). The National Ordinance Reporting of Unusual Transactions entered into force on 1 October 1997, (O.G. 1997, no. 252 and was lastly amended by Act of 26 October 2009, O.G. 2009, no. 65)

Article 1

1. In this Act and the provisions based on it, the following words shall have the following meanings:
 - a. **service:** performing the following in or from the Netherlands Antilles:
 - 1° taking securities, banknotes, coins, government notes, precious metals or other values into custody;
 - 2° opening an account on which a balance in funds, securities, precious metals or other values can be held;
 - 3° renting a safe-deposit box;
 - 4° making a payment with regard to cashing coupons or comparable documents of bonds or comparable negotiable instruments;
 - 5° concluding a contract of insurance, as referred to in article 1, first paragraph, under a., of the Insurance Industry Supervision Act and also providing the related intermediary services;
 - 6° making a payment, pursuant to a contract of insurance, as referred to under 5°;
 - 7° crediting or debiting an account, or having an account credited or debited on which a balance in funds, securities, precious metals or other values can be held;
 - 8° exchanging guilders or foreign currencies;
 - 9° entering into an obligation for payment, for the holder of a credit card, to the person who has accepted showing that credit card by way of payment, insofar as it is not a credit card that can only be used at the enterprise or institution that has issued this credit card or at an enterprise or institution that belongs to the same economic unit in which the legal persons and companies are related organizationally;
 - 10° taking receipt of funds or monetary instruments in the framework of monetary transfers in order to make these funds or monetary instruments payable elsewhere or have them made payable whether or not in the same form, or, in the framework of a monetary transfer, paying funds or monetary instruments or making such payable, after these funds or monetary instruments have been made available whether or not in the same form;

11° offering prices and premiums, which can be competed for against payment of a value that is more than an amount to be determined by the Minister, in the framework of:

- a. the operation of games of hazard, casinos and lotteries;
- b. the operation of offshore games of hazard.

12° acting as an intermediary with respect to purchasing and selling real estate and rights to which real estate is subjected;

13° dealing in vehicles, precious stones, precious metals, ornaments, jewels or other matters of great value to be designated by Government Decree, providing for general measures, or acting thereby as an intermediary over an amount to be determined by the Minister that can be different for the various types of matters;

14° granting fiduciary services, including: providing management services whether or not against payment in or from the Netherlands Antilles for international companies, including at any rate:

- a. making natural or legal persons available as a manager, representative, administrator or other official for international companies;
- b. providing domicile and office facilities for international companies;
- c. establishing international companies or having such established, or liquidating such or having such liquidated by order of, but at the expense of third parties;

15° giving advice or giving assistance as a profession or trade by the natural person, legal person or company performing activities that, as a lawyer, civil-law notary or junior civil-law notary, accountant, tax adviser or as an expert in the juristic, tax or administrative field, or in practicing a similar legal profession or trade, when:

- a. purchasing or selling real estate;
- b. managing funds, securities, coins, government notes, precious metals, precious stones or other values;
- c. establishing and managing corporations, legal persons or similar bodies;
- d. buying or selling or taking over enterprises;

16° providing other services to be designated by Government Decree, providing for general measures;

b. client: the natural person or legal person to whom or for whom a service is rendered, and also in the case of a service, as referred to in the first paragraph, subparagraph a., under 5° and 6°, the person who pays the premium and also the person for whom that payment is made;

c. transaction: an act or system of acts of or for a client in connection with purchasing one or more services;

d. unusual transaction: a transaction that is considered as such on the basis of certain indicators, pursuant to article 10;

e. reporting: a reporting, as referred to in article 11;

f. Bank: the Bank of the Netherlands Antilles;

g. Reporting Office: the Reporting Office, as referred to in article 2;

h. Supervisor: the Bank, the supervisory organs or entrusted agencies, the Council for Electronic Games of Hazard. and also the Reporting Office, instituted

- to that end by the Executive Councils of the Island Territories in question, each with regard to Service Providers subjected to its supervision, in accordance with the distinction made in article 22h, first paragraph;
- i. commission:** the commission, referred to in article 16;
- j. money laundering:** a conduct, as made punishable in Title XXXA of the Second Volume of the Penal Code of the Netherlands Antilles;
- k. financing terrorism:** a conduct, as described in article 2 of the International Treaty for Combating the Financing of Terrorism (Trb. 2000, 12), realized in New York on December 9, 1999, committed by a natural person, a legal person or a company, or by or for or in connection with an organization, institution, company, person or a group of persons or population groups.
2. In connection with acts, as referred to in the first paragraph, subparagraph a., under 10^o, service is considered to be:
 - a. taking receipt of funds or monetary instruments in the framework of a premium payment, pursuant to a contract of insurance, in order to make these funds or monetary instruments, whether or not in the same form, payable or to have them made payable elsewhere to an institution which has been granted permission to conduct the insurance business in the Netherlands Antilles, pursuant to the Insurance Industry Supervision Act;
 - b. paying funds or making funds or monetary instruments available in the framework of a payment, pursuant to a contract of insurance, after these funds or monetary instruments have been made available elsewhere, whether or not in the same form by an institution where it is permitted to conduct insurance operations in the Netherlands Antilles, pursuant to the Insurance Industry Act.
 3. Not considered as services are activities, as referred to in the first paragraph, subparagraph b., under 15^o, which are related to the provision of the legal position of a client, its representation at law, giving advice before, during and after a legal action, or giving advice on instituting or avoiding a legal action, insofar as performed by a lawyer, civil-law notary, junior civil-law notary or an accountant, acting as an independent legal adviser.
 4. In connection with rendering services, as referred to in the first paragraph, subparagraph b., under 14^o, the provisions regarding international companies are fully applicable to enterprises that are not established under Netherlands Antilles law.

Article 3

The tasks of the Reporting Office are:

- a. collecting, registering, processing and analyzing the data that it obtains in order to consider whether these data could be of any relevance for preventing and tracing money laundering or the financing of terrorism and the underlying criminal offenses;
- b. providing data in accordance with the provisions laid down by or pursuant to this Act;

- c. informing the person who, in accordance with article 11, has reported in view of the correct compliance with the obligation to report, regarding the conclusion of the reporting. In that case, it is only notified whether the provision has taken place in accordance with subparagraph b.;
- d. conducting investigations into developments in the field of money laundering or the financing of terrorism and into improving the methods to prevent or trace money laundering or financing terrorism;
- e. giving recommendations, after consultation with the Supervisors or professional organizations in question, for the relevant business sectors regarding the introduction of fitting procedures for internal control and communication and other measures to be taken for preventing the use of relevant business sectors for money laundering or financing terrorism;
- f. giving information to the business sectors and professional groups, the persons and institutions that are entrusted with the supervision of the compliance with these Acts, the Public Prosecutions Department, the civil servants in charge of tracing offenses and to the public regarding the manifestations and the prevention of money laundering or the financing of terrorism;
- g. maintaining contacts with foreign police and non-police agencies, as stipulated by the authorities, that have a task that is comparable to that of the Reporting Office;
- h. maintaining contacts with and participating in meetings of international and intergovernmental agencies in the field of combating both money laundering and the financing of terrorism;
- i. presenting annually a report of its activities and of its intentions for the coming year to the Minister of Finance, and bringing this report to the notice of the Minister of Justice.

Article 6

1. The Reporting Office is obliged to provide the following data to the agencies and civil servants who are entrusted with tracing and prosecuting offenses:
 - 1° data from which a reasonable suspicion arises that a certain person is guilty of money laundering or an underlying offense or the financing of terrorism;
 - 2° data of which it can be reasonably presumed that they are relevant to tracing money laundering or the underlying offences or the financing of terrorism;
 - 3° data of which it can be reasonably presumed that they are relevant to preventing or tracing future offenses that can underlie money laundering or the financing of terrorism and which, in view of their seriousness or frequency, or the organized relationship in which they will be committed, produce a serious violation of the legal system.
2. The Reporting Office is authorized to supply information regarding the reporting conduct of the reporting institutions to persons and institutions that are entrusted with the compliance with this Act.

Article 7

1. By Act, providing for general measures, rules are set regarding the supply of data from the register of the Reporting Office and the conditions under which this can take place with police and non-police agencies appointed by government authorities in or outside the Kingdom that have a task that is comparable to that of the Reporting Office and with agencies in the Kingdom of which the tasks have interfaces with the activities of the Reporting Office.
2. The supply of information to agencies outside the Kingdom shall take place only on the basis of a treaty or an administrative agreement, unless it concerns an agency that is acknowledged by the Egmont Group as a member and which, pursuant to its national legislation, for the exchange of data with other agencies acknowledged as a member by the Egmont Group, is not obliged to conclude a written agreement.

Article 12

1. The Reporting Office is authorized to request further data or information from the one who has submitted a reporting, and also from the one who, by rendering a service, as referred to in article 1, first paragraph, subparagraph a., under 7°, is involved in a transaction on which the Reporting Office has collected data, in order to be able to assess whether the collected data should be supplied on the basis of its duties, referred to in article 3, under b.
2. The person who, in accordance with the first paragraph, has been requested to supply these data or information, is obliged to supply them to the Reporting Office in writing, and also orally in urgent cases in the opinion of the Reporting Office, within the term set by the Reporting Office.

Annex 2: Countries with signed MoUs

1. Andorra
2. Anguilla
3. Antigua & Barbuda
4. Argentina
5. Aruba
6. Bahamas
7. Barbados
8. Belgium
9. Belize
10. Bermuda
11. Bosnia & Herzegovina
12. Brazil
13. Bulgaria
14. Canada
15. Chile
16. Colombia
17. Croatia
18. Cyprus
19. Czech Republic (Tsjechië)
20. Dominican Republic
21. Estonia (Estland)
22. France
23. Grenada
24. Guatemala
25. Ireland
26. Isle of Man
27. Latvia
28. Lebanon
29. Macedonia
30. Mauritius
31. Mexico
32. Netherlands
33. Nigeria
34. Norway
35. Panama
36. Paraguay
37. Peru
38. Philippines
39. Portugal
40. Qatar
41. Slovenia
42. St. Kitts & Nevis
43. St. Vincent & the Grenadines
44. Suriname
45. Sweden
46. Taiwan
47. United Kingdom
48. United States
49. Venezuela

Annex 3: List of figures and tables

Figures

Figure 1: Organizational Chart.....	9
Figure 2 : Total received unusual transactions (2008-2010).....	14
Figure 3 : Unusual versus Suspicious transactions (2008 – 2010).....	15
Figure 4 : Unusual transactions by objective and subjective indicators (%) (2008 – 2010).....	16
Figure 5 : Unusual transactions from Local Banks (2008 – 2010).....	17
Figure 6: Unusual Transactions from Offshore Banks (2008 – 2010).....	18
Figure 7 : Unusual transactions from Trust Companies (2008 – 2010).....	19
Figure 8 : Unusual transactions from Money Remitters (2008 – 2010).....	20
Figure 9: Unusual transactions from Customs (2008 – 2010).....	21
Figure 10 : Unusual transactions from Casinos (2008 – 2010).....	22
Figure 11 : Unusual Transactions from Credit Unions (2008 – 2010).....	23
Figure 12 : Unusual transactions from Life Insurance Companies (2008- 2010).....	24
Figure 13 : Suspicious Transactions (2008-2010).....	30

Tables

Table 1 : Unusual versus Suspicious transactions (2008-2010).....	14
Table 2 : Total executed and intended unusual transactions (2008-2010).....	15
Table 3 : Unusual transactions by reporter type (2009 – 2010).....	16
Table 4 : Executed and intended transactions Local Banks (2008 – 2010).....	17
Table 5: Executed and intended transactions Offshore Banks (2008 – 2010).....	18
Table 6 : Executed and intended transactions Trust Companies (2008 – 2010).....	19
Table 7 : Executed and intended transactions Money Remitters (2008-2010).....	20
Table 8 : Executed transactions Customs (2008 – 2010).....	21
Table 9 : Executed and intended transactions Casinos (2008-2010).....	22
Table 10 : Executed and intended transactions Credit Unions (2008-2010).....	23
Table 11 : Executed and intended transactions Life Insurance Companies (2008 – 2010).....	24
Table 12 : Unusual transactions by Island by Reporter type (2008/Qty.).....	26
Table 13 : Unusual transactions by Island by Reporter type (2009/Qty.).....	27
Table 14 : Unusual transactions by Island by Reporter type (2010/Qty.).....	27
Table 15 : Unusual transactions by Island by Reporter type (2008/ANG.).....	28
Table 16 : Unusual transactions by Island by Reporter type (2009/ANG.).....	28
Table 17 : Unusual transactions by Island by Reporter type (2010/ANG.).....	29
Table 18 : Suspicious transactions per island (2010).....	29
Table 19 : Requests for information by local law enforcement agencies (2008-2010).....	31
Table 20 : Total FIU requests received during the year 2010.....	35



**UNUSUAL TRANSACTIONS REPORTING CENTER
of THE NETHERLANDS ANTILLES**

APNA Plaza, Schouwburgweg # 22

Willemstad, Curaçao.

Phone: +599(9) 462 6588 - Fax: +599(9) 462 6522

email: mot.na@gov.an
