

Practical guides on avoiding a referral to the JFSC

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With the JFSC taking – and wanting to be seen to be taking – an increasingly robust approach, many regulated firms are looking for clear guidance on how best to understand and implement increasingly complex regulatory requirements.

Regulatory matters have assumed even more prominence this month, following a £550,000 fine this month for a Jersey trust company for failing to ensure that, in practice, its anti-money laundering (AML) policies and procedures were being applied effectively and consistently.

In this series of user-friendly guides, our regulatory team walk you through the key topics of how to avoid a referral, what to do if you are referred, how best to identify and manage conflicts of interest and how your firm should approach AML to ensure compliance.

Our unrivalled multi-disciplinary regulatory team advises across the spectrum of regulatory work, from front-end regulatory advice on the corporate and fund formation side, to advising on contentious regulatory matters and economic crime issues. Clients benefit from our wide-ranging expertise, including that of counsel Daniel Maine who spent nine years working at the Financial Conduct Authority, and James Angus who acts as external counsel to the Economic Crime and Confiscation Unit. If you would like further support in this area, please get in touch.

How to avoid being referred to JFSC Enforcement – and what to do if you are

No firm wants to find itself facing a referral to the JFSC's Enforcement division. On a positive note, there are a number of steps that a firm can take now to minimise the prospects of a referral to Enforcement.

Individual accountability: expectations of senior management in JFSC-regulated firms

Internationally there has been an increasing focus by regulators on promoting individual accountability within financial services businesses, and it is reasonable to assume that the JFSC will take a similar approach. It is therefore important that senior management of regulated firms ensure they understand what is expected of them, and that they are alive to the (potentially serious) risks to which they are exposed if they fail to meet the JFSC's high standards.

Counting the cost of poor anti-money laundering controls

On 9 April 2019 the UK's Financial Conduct Authority confirmed that it has imposed a fine of £102,163,200 on an international bank for failing to comply with anti-money laundering (**AML**) requirements over the period 24 November 2009 to 31 December 2014. Given the clear similarity in approach between the UK's and Jersey's AML regimes and the JFSC's recent focus in this area, this decision offers firms a reminder of the importance of their obligations and the need to ensure that their AML systems and controls are in practice fit for purpose.

Identifying and managing conflicts of interest: guidance for JFSC-regulated companies

Ensuring that regulated firms identify and manage conflicts of interest (**Col**) appropriately is a matter of constant focus for regulators. Ultimately the guiding principle for managing Cols is clear: firms must ensure they are acting with integrity and in the interests of their clients.

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