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MEMORANDUM OF UNDERSTANDING

BETWEEN

FINANCIAL INTELLIGENCE UNIT, RMA

AND

ANTI-CORRUPTION COMMISSION OF
BHUTAN

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THIS MEMORANDUM OF UNDERSTANDING (hereinafter referred to as MOU) is entered between the Financial Intelligence Unit, Royal Monetary Authority of Bhutan, hereinafter referred as "FIU", and the Anti-Corruption Commission, hereinafter referred as the "ACC", in relation to the exchange and use of information between the two agencies under the Financial Services Act, 2011 (hereinafter referred as the "FSA 2011"). It is recognized that ACC is authorized to receive information from FIU under section 141 (f) of the FSA 2011.

NOW THEREFORE, for the purpose of sharing or exchanging necessary information on money laundering between the two agencies under Financial Services Act, 2011, the parties hereto agree as follows:

Article 1 – OBJECTIVES:

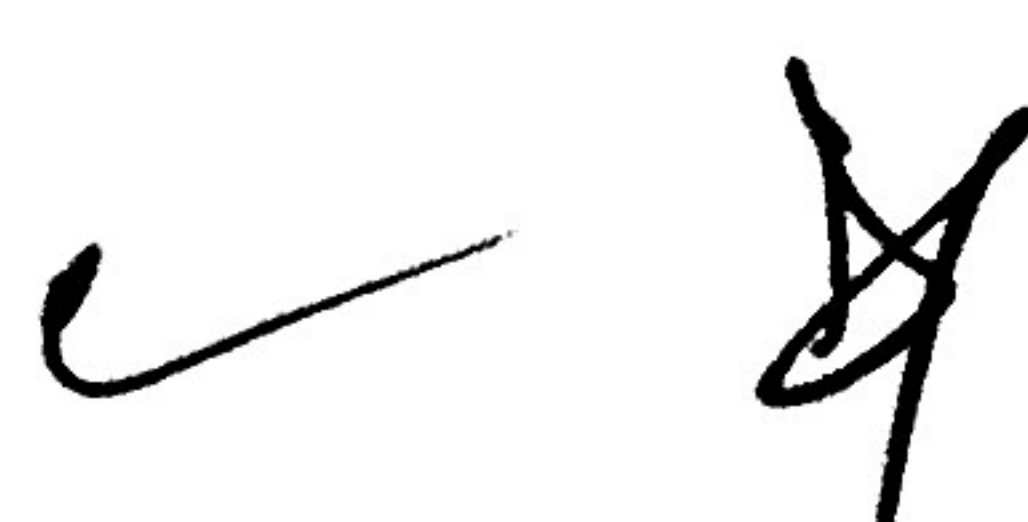
The objective of this MOU is to:

- a) The Parties shall assist each other by sharing intelligence and information on the basis of reciprocity and within the framework of each Party's legislation, to facilitate exchange of information and general cooperation involving money laundering, whether directly or indirectly.
- b) The Parties may provide feedbacks on the information and Intelligence shared with each other, on the basis of reciprocity, spontaneously or upon request, which may assist in the investigation of persons suspected of having engaged in money laundering.

Article 2 – AREA OF COOPERATION:

The area of cooperation may include, within their limits of their competence, the following:

1. FIU may share with the ACC, of its own accord or on a request made by the ACC, the relevant information available in its databases in accordance with section 141 of the FSA 2011.
2. The ACC shall make available to FIU:
 - a) Information about persons suspected to be involved in an offence under the FSA 2011 or other relevant laws in Bhutan concerning money laundering, corruption and related criminal activities.
 - b) Feedback on quality and usefulness of information shared by FIU may be used by FIU for typologies, red flag indicators, training and improvement in the quality of suspicious transaction reports, etc.
3. The Parties shall conduct a joint investigation as it deems fit, provided that, the parties bear their own cost for the expense incurred during the investigation.

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4. In case, the ACC requires information from a foreign FIU, a request shall be made to the FIU in EGMONT prescribed proforma in electronic format. The FIU shall provide the information sought with an undertaking by the ACC to abide by the conditions imposed by the foreign FIU on the use of information provided by the foreign FIU.

Article 3 - MAKING A REQUEST AND REFUSAL OF REQUEST

1. The requests for information by the parties may only be in writing or through e-mail or by the designated officials. However, a party may reject a request made by the other party and in doing so give proper and adequate reasons in rejecting the request.
2. A Requested Agency may refuse to provide information or documents if that Agency determines that release of the information or documents requested may unduly prejudice an investigation or proceeding. However the Requested Agency shall provide an explanation of its decision to the Requesting Agency.
3. A Requested Agency has discretion not to provide information or documents:
 - a) If provision of such information or documents would be likely to prejudice the legal responsibilities of the requested Agency; or
 - b) If judicial proceedings have been initiated and the provision of the information would be in breach of any judicial order; or
 - c) If the provision of the information would be contrary to law.
4. A Requesting agency shall ensure that the information sought is specific in nature and is accompanied by reasons for seeking information and its intended use. Provided that the Requested agency shall ensure that the information limit to the information sought by the Requesting agency.

Article 4 – DATA PROTECTION AND CONFIDENTIALITY

1. Subject to the provisions of this MOU, the Anti-Corruption Act 2011(ACA 2011), FSA 2011, and any other applicable acts of the Parliament, information disseminated by FIU, or information shared between the two parties, whether in paper or electronic form, including the source of information, shall be protected from unauthorized use and proliferation and kept confidential, throughout the chain of transmission of the information.
2. Except for the purpose of performance of his duties or the exercise of his functions, or when required to do so by any court, or under the provision of any law, no staff of the ACC shall misuse the information provided by the requested party except in the performance of his duty.

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3. The ACC while disseminating the information further within its own organization shall ensure that such dissemination is done on 'need to know' basis and that such recipients are bound by the provisions of data protection and confidentiality. The ACC also agrees to apply the standards of data protection and confidentiality prescribed by its own organisation or by the Royal Government of Bhutan from time to time.
4. The ACC shall not pass the information disseminated by FIU to a third party without prior written approval of FIU.
5. The information provided by FIU shall not be used as evidence in any judicial proceeding.

Article 5 – ACCESS TO INFORMATION AND /OR DATA



1. For confidentiality of the information, the party shall share the information by encrypting at the origin and decrypting at the destination. However such electronic access shall be only for viewing and e-printing and shall not include attorney to edit or make changes to the system.
2. The Parties shall assign a nodal officer and an alternate nodal officer who will be the primary channel of exchange of information and also serve as a contact point to facilitate communication between the parties.
3. Both parties will respond to each other's requests with promptness and diligence.
4. The nodal officers for the parties is hereby appointed as:
 - a) FIU, RMA:-
 - 1) Deputy Head FIU as Nodal Officer
 - 2) Senior Analyst as Alternate Officer
 - b) ACC:-
 - 1) Commissioner In-Charge of Investigation as Nodal Officer
 - 2) Head of Business and Finance Sector as Alternate Officer

Article 6 – CHANGES TO MEMORANDUM

Any changes to the terms and conditions of this MOU may be amended at any time with the mutual consent of the parties.

Article 7 – EFFECTIVE DATE AND TERMINATION

1. The MOU shall come into effect upon signature by the parties and shall remain in effect until it is terminated by either party.

2. The MOU may be terminated at any time by either party by a written notice served on the other party with proper justifications.


Article 8 – GENERAL

This MOU is an administration understanding between the Parties. It is not intended to be legally binding or enforceable before the courts, nor is designed to be alter the pre- existing obligations, responsible, duties, or entitlements of either Party as may be defined by statute, regulations, or otherwise.


IN WITNESS THEREOF, this MOU was signed in duplicate, each copy being equally authentic and shall be effective as of the day and year indicated by the last signature below.

FOR THE FIU

FOR THE ACC



Daw Tenzin
Governor, RMA



Neten Zangmo
Chairperson, ACC

DATE: 09/07/14

DATE: July 9, 2014