

ROATÁN FINANCIAL SERVICES AUTHORITY (RFSA)

WHEREAS the Roatán Financial Services Authority (RFSA) is a department within Próspera ZEDE's General Service Provider that has authority under the Próspera Financial Regulation A to promulgate published administrative actions, subject to override by Rule, applicable to persons governed pursuant to Part 3(c) of Financial Regulation A, for interpretative, investigatory and enforcement purposes.

WHEREAS the State of Honduras is party to the United Nations Convention Against Organized Crime, the International Convention for the Suppression of the Financing of Terrorism, the Interamerican Convention Against Terrorism, and the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes, all of which are applicable to the Próspera ZEDE special jurisdiction in accordance with article 8.2 of the ZEDE Organic Law, and all of which require the State of Honduras to adopt measures requiring financial institutions in the country to report suspicious financial transactions to a Financial Intelligence Unit.

NOW, THEREFORE, in accordance with articles 15, 18, 294 and 329 of the Constitution of the Republic of Honduras; 1, 2, 8.2, 12.2, 30 and 45 of the ZEDE Organic Law; Part 5, div. 8, sec. 807, 811 of the Próspera Financial Regulation A; the Proclamation of Formation of the Roatán Financial Services Authority by Administrative Action of the Próspera ZEDE Council of Trustees; and the RFSA Oversight Committee Inaugural Action by Unanimous Consent; all of which are saved from repeal and guaranteed as controlling law under the mandate of Articles 96 of the Constitution, 10.4 of CAFTA-DR, and 16.4 of the Agreement for the Promotion and Reciprocal Protection of Investments between Honduras and Kuwait, as well as a certain amended Legal Stability Agreement approved by Resolutions §§5-1-130-0-0-0-1, 5-1-160-0-0-0-1; 17-A of the Law of the Financial System; article 18 section 1(b) of the International Convention for the Suppression of the Financing of Terrorism; article 7 section 1(a) of the United Nations Convention Against Transnational Organized Crime; article 14 of the Central American Agreement for the Prevention and Repression of Money and Asset Laundering Crimes Related to Illicit Drug Trafficking and Related Crimes; and article 4.1.A of the Interamerican Convention Against Terrorism; the following Administrative Action is hereby promulgated.

RFSA ADMINISTRATIVE ACTION NO. 3**SUSPICIOUS TRANSACTION REPORTING****Section 1. Obligation to Report Suspicious Transactions**

- (1) Subject to the provisions of subsection (2), Covered Regulated Industry Persons under Part 3(c) of Financial Regulation A, such as financial institutions, designated nonfinancial businesses and professions, and their respective directors, principals, officers, partners, professionals and employees, that suspect or have reasonable grounds to suspect that any property:

- a) is the proceeds of crime, or

- b) is related or linked to, or is to be used for, terrorism, terrorist acts or by terrorist organisations or those who finance terrorism

shall submit promptly but not later than three (3) working days after forming a suspicion a report setting forth the suspicions to the Financial Intelligence Unit Liaison (FIUL). This obligation also shall apply to attempted transactions.

- (2) Notwithstanding subsection (1), lawyers, notaries, other independent legal professionals and accountants who are Covered Regulated Industry Persons are required to submit reports only when:

- a) they engage, on behalf of or for a client in a financial transaction associated with an activity specified in relation to such professionals under the RFSA Administrative Action designating non-financial trades and professions; and
- b) the relevant information upon which the suspicion is based was not received from or obtained on a client:
 - i. in the course of ascertaining the legal position of their client; or
 - ii. in performing their task of defending or representing that client in, or concerning judicial, administrative, arbitration or mediation proceedings, including advice on instituting or avoiding proceedings, whether such information is received or obtained before, during or after such proceedings.

- (3) Financial institutions and designated non-financial businesses and professions shall refrain from carrying out a transaction which they suspect to be related to money laundering or financing of terrorism until one (1) business day after they have reported their suspicion to the Financial Intelligence Unit Liaison (FIUL), except that, where refraining from the carrying out of a transaction is impossible or is likely to frustrate the efforts to investigate a suspected transaction, financial institutions and designated non-financial businesses and professions may execute the transaction and shall report their suspicion to the Financial Intelligence Unit Liaison (FIUL) immediately afterwards. If the Financial Intelligence Unit Liaison (FIUL) considers it necessary by reason of the seriousness or urgency of the case, it may order the suspension of a transaction for a period not to exceed three (3) business days.
- (4) Supervisory authorities shall inform the Financial Intelligence Unit Liaison (FIUL) if, in the course of their responsibilities, they discover facts that could be related to money laundering or terrorist financing.
- (5) The Financial Intelligence Unit Liaison (FIUL) shall issue regulations on the procedures for and form in which the reports shall be submitted and shall publish guidance from time

to time in order to assist financial institutions and designated non-financial businesses and professions to fulfil their obligations under this section.

IT IS SO PROMULGATED THIS 14TH OF JUNE OF 2022.

Alexander P. Rolfe

Alexander P. Rolfe (Jun 15, 2022 10:21 EDT)

ALEXANDER ROLFE
RFSA Commissioner

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SOHAN DASGUPTA
RFSA Commissioner