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L.N. 82 of 2026

PREVENTION OF MONEY LAUNDERING ACT (CAP. 373)

Prevention of Money Laundering and Funding of Terrorism (Amendment) Regulations, 2026

IN EXERCISE of the powers conferred by article 12 of the Prevention of Money Laundering Act, the Minister responsible for finance, acting on the advice of the Financial Intelligence Analysis Unit, has made the following regulations:-

Citation.

1. The title of these regulations is the Prevention of Money Laundering and Funding of Terrorism (Amendment) Regulations, 2026 and these regulations shall be read and construed as one with the Prevention of Money Laundering and Funding of Terrorism Regulations, hereinafter referred to as the "principal regulations".

S.L. 373.01.

Amends regulation 2 of the principal regulations.

2. Regulation 2 of the principal regulations shall be amended as follows:

(a) immediately after the definition "the Act" there shall be added the following new definition:

" "anti-money laundering and counter-funding of terrorism obligations" means the obligations imposed on subject persons and arising from the Act, these regulations or under any binding procedures, guidance, instructions, directives, orders or directions issued under the Act or these regulations;";

(b) paragraphs (f) and (g) of the definition "competent authority" shall be substituted by following new paragraphs:

"(f) the Security Service;

(g) the Sanctions Monitoring Board; and" and immediately thereafter there shall be added the following new paragraph:

"(h) the Internal Audit and Investigations Directorate;";

(c) immediately after the definition "politically exposed

person" there shall be added the following new definition:

" "real estate agent" means any person who is licensed or required to be licensed as a property broker or as a real estate agent under the Property Market Agency Act: Cap. 644.

Provided that where two (2) or more real estate agents or two (2) or more property brokers are authorised in accordance with the Property Market Agency Act to carry out their activity through a partnership as defined under the said Act, for the purposes of these regulations the real estate agent shall be deemed to be the partnership;"; Cap. 644.

(d) paragraph (g) of the definition "supervisory authority" shall be substituted by following new paragraph:

"(g) the Property Market Agency.".

3. Regulation 15 of the principal regulations shall be amended as follows: Amends regulation 15 of the principal regulations.

(a) in sub-regulation (3) thereof the words "to the Financial Intelligence Analysis Unit." shall be substituted by the words "to the Financial Intelligence Analysis Unit through such channels and in such format as the Financial Intelligence Analysis Unit may direct.";

(b) in sub-regulation (8) thereof the words "from when the demand is first made:" shall be substituted by the words "from when the request is first made, and shall reply through such channels and in such format as the Financial Intelligence Analysis Unit may direct:".

4. Regulation 21 of the principal regulations shall be substituted by the following new regulation: Substitutes regulation 21 of the principal regulations.

"Administrative penalties. 21. (1) Any subject person who contravenes any of its anti-money laundering and counter-funding of terrorism obligations shall be liable to an administrative penalty of not less than one thousand euro (€1,000) and not more than forty-six thousand five hundred euro (€46,500) in respect of every separate failure to comply with or contravention of any such obligation.

(2) Notwithstanding the provisions of sub-regulation (1), a subject person shall:

(a) with respect to minor contraventions and where the circumstances so warrant, be liable to an administrative penalty below the minimum established by these regulations but not less than two hundred and fifty euro (€250);

(b) with respect to serious, repeated or systematic contraventions, be liable to an administrative penalty as follows:

(i) in the case of a subject person carrying out a relevant activity, an administrative penalty of not more than one million euro (€1,000,000) or, where the benefit derived from that contravention can be quantified, not more than twice the amount of the benefit so derived; or

(ii) in the case of a subject person carrying out relevant financial business, an administrative penalty of not more than five million euro (€5,000,000) and, where such amount is deemed not to be effective and dissuasive in view of the serious, systematic and repeated nature of the contraventions, an administrative penalty of not more than ten *per centum* (10%) of the total annual turnover according to the latest available approved annual financial statements:

Provided that where the subject person is a parent undertaking or a subsidiary of a parent undertaking which is required to prepare consolidated accounts, the relevant total annual turnover shall be the total annual turnover resulting from the latest available consolidated accounts approved by the ultimate parent undertaking.

(3) An administrative penalty may be imposed as a one-time fixed penalty or as a daily cumulative penalty, or both, and administrative penalties imposed on a daily cumulative basis shall not be less than two hundred and fifty euro (€250) and the accumulated penalty shall not exceed the maximum stipulated in sub-regulations (1) and (2), as may be applicable.

(4) Administrative penalties under this regulation shall be imposed by the Financial Intelligence Analysis Unit, without recourse to a court hearing but in accordance with policies and procedures established by the Board of Governors referred to in the Act. Such policies and procedures shall take into account the principles of natural justice and of a fair hearing, and ensure that any administrative penalty imposed is proportionate, effective and dissuasive.

(5) Where a contravention in accordance with sub-regulation (1) is committed by a subject person being a body or other association of persons, be it corporate or unincorporate, in addition to any administrative penalty imposed on the subject person, an administrative penalty of not less than one thousand euro (€1,000) and not more than two hundred and fifty thousand euro (€250,000) may be imposed on any individual who at the time of the contravention was:

(a) holding the position of a director or holding similar functions and responsibilities within such body or association of persons or purporting to act in any such capacity;

(b) an officer of such body or association of persons holding a senior executive management function;

(c) appointed as a reporting officer in accordance with regulation 15(1)(a); or

(d) appointed to carry out the duties set out under regulation 5(5)(c),

and who through an act or omission, whether intentional or due to gross negligence, including through the lack of proper oversight of subordinates, caused or contributed to the commission of any such contravention.".

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Adds new regulations to the principal regulations.

5. Immediately after regulation 21 of the principal regulations, as substituted, there shall be added the following new regulations:

"Settlement agreements.

22. (1) In the course of determining the imposition of an administrative penalty on a subject person or any other individual, the Financial Intelligence Analysis Unit may, in its own discretion but in accordance with the policies and procedures referred to in article 13(2) of the Act, propose or agree, to a request, to enter into a settlement agreement with the subject person or individual concerned.

(2) The Financial Intelligence Analysis Unit shall not enter into a settlement agreement where:

(a) the Financial Intelligence Analysis Unit believes that doing so would not be in the public interest in accordance with any policies and procedures as may be established by the Board of Governors; or

(b) two (2) years have not yet lapsed from the conclusion of any corrective or remedial actions undertaken by the subject person or individual concerned as part of a prior settlement agreement:

Provided that the Financial Intelligence Analysis Unit may apply this restriction either in general or in relation to the different categories of actions that may be undertaken in accordance with article 26 of the Act but in any case it shall not enter into more than two (2) settlement agreements with the same subject person within a period of two (2) years:

Provided further that where the subject person forms part of a group, the said limitation shall take into account any settlement agreement entered into with any other subject person within the group.

(3) A settlement agreement shall be in writing, signed and shall be binding on the Financial Intelligence Analysis Unit and the subject person or individual concerned. The said settlement agreement shall establish the terms and conditions of the agreement and shall include:

(a) a description of the contraventions identified by the Financial Intelligence Analysis Unit and the unconditional agreement therewith by the subject person or individual concerned;

(b) a description of any corrective or remedial actions which the Financial Intelligence Analysis Unit may deem necessary to restore compliance, where applicable;

(c) an undertaking by the subject person or individual concerned to implement the corrective or remedial actions required by the Financial Intelligence Analysis Unit, within such time-frames and subject to such conditions as may be set by or otherwise agreed with the Financial Intelligence Analysis Unit;

(d) the administrative penalty which the Financial Intelligence Analysis Unit was intent on imposing on the subject person or individual concerned, and the amount by which the said administrative penalty is reduced on condition that the subject person or individual concerned complies with the terms and conditions of the settlement agreement;

(e) an undertaking by the subject person or individual concerned to pay the reduced administrative penalty in accordance with the terms established in the settlement agreement;

(f) a waiver by the subject person or individual concerned of any right to appeal, review or to otherwise challenge the determination and conclusions of the Financial Intelligence Analysis Unit; and

(g) a declaration by the subject person or individual concerned that the amount by which the administrative penalty is reduced shall become due and payable to the Financial Intelligence Analysis Unit, upon the Financial Intelligence Analysis Unit's determination that any corrective or remedial actions as are referred to in paragraph (c) have not been completed as envisaged by the settlement agreement.

(4) The amount of the administrative penalty conditionally reduced in accordance with sub-regulation (3)(d) shall be extinguished upon determination by the Financial Intelligence Analysis Unit that any corrective or remedial actions required by the settlement agreement have been carried out.

(5) In the event that a settlement agreement is not entered into due to lack of interest or lack of cooperation by the subject person or individual concerned or within such time as may be set out by the Financial Intelligence Analysis Unit, the Financial Intelligence Analysis Unit shall proceed with the imposition of the administrative penalty in the full amount it was intent on imposing and the imposition of such other measures as it is empowered by law to impose and as it may deem necessary.

(6) A settlement agreement shall be considered to be completed when the said agreement is signed by both parties and the subject person or individual concerned has paid the full amount of the reduced administrative penalty in accordance with the terms and conditions established in the agreement, failing which, the Financial Intelligence Analysis Unit shall proceed with the imposition of the administrative penalty in the full amount it was intent on imposing and the imposition of such other measures as it is empowered by law to impose and as it may deem necessary.

(7) In the event that, following the conclusion of a settlement agreement, the Financial Intelligence Analysis Unit determines that the subject person or the individual concerned failed, without reasonable justification, to comply with the terms of the settlement agreement or with any corrective or remedial action as required by the agreement:

(a) the subject person or the individual concerned shall, following a notice in writing from the Financial Intelligence Analysis Unit, forfeit any concession or other benefit arising from the agreement, and the amount by which the administrative penalty had been reduced shall become due and payable to the Financial Intelligence Analysis Unit;

(b) the Financial Intelligence Analysis Unit, may by notice in writing served on the subject person or on the person concerned, take such other measures as the Financial Intelligence Analysis Unit is empowered by law to take, and as may be deemed necessary in the circumstances, including issuing directives in writing requiring the subject person or any other person concerned to do or to refrain from doing any act, including such prohibitions, restrictions and limitations under such conditions as may be specified in the directives; and

(c) the Financial Intelligence Analysis Unit may institute an action before the Civil Court, First Hall, to recover from the subject person or individual concerned the amount by which the administrative penalty had been reduced in terms of the settlement agreement, and to enforce the completion of the corrective or remedial actions that the Financial Intelligence Analysis Unit had imposed through the settlement agreement.

(8) Any such action shall follow the procedure established in articles 167 to 170 of the Code of Organization and Civil Procedure: Cap. 12.

Provided that where leave to defend the action is granted in accordance with article 170 of the Code of Organization and Civil Procedure or an appeal is otherwise filed from any decision of the Civil Court, First Hall, the time-frames established in article 13A(3) to (5) of the Act shall apply *mutatis mutandis*:

Provided further that articles 13A(6) and 13C of the Act shall also apply *mutatis mutandis* to any action referred to under this sub-regulation or an appeal therefrom.

(9) Where the Financial Intelligence Analysis Unit files an action as referred to in sub-regulation (7)(d), it may also request the court to impose on the subject person or individual concerned additional penalties which shall not exceed one thousand euro (€1,000) for every day until the corrective or remedial actions are completed.

Additional administrative measures.

23. (1) Where the Financial Intelligence Analysis Unit determines that a subject person has contravened its anti-money laundering and counter-funding of terrorism obligations, the Financial Intelligence Analysis Unit shall have the power to impose, in conjunction with or instead of an administrative penalty, one or more of the following administrative measures:

(a) a reprimand in writing to admonish the subject person;

(b) an order requiring a subject person to desist from operating in a non-compliant manner;

(c) an order requiring a subject person to comply with its anti-money laundering or funding of terrorism obligations, including taking such actions as may be necessary to remedy and, or correct the situation within such time-frames and subject to such conditions as may be determined by the Financial Intelligence Analysis Unit;

(d) an order requiring a subject person to cease from carrying out transactions or operations within the context of a business relationship, or to offer any particular product or service, be it temporarily or perpetually**:**

Provided that such administrative measures shall be without prejudice to the powers of the Financial Intelligence Analysis Unit under article 30D of the Act.

(2) The provisions of regulation 21(4) shall apply *mutatis mutandis* to the imposition of administrative measures under this regulation.

Communication of administrative penalties and measures to supervisory authorities.

24. (1) When the Financial Intelligence Analysis Unit exercises its powers under regulations 21 to 23 it:

(a) shall inform in a timely manner the relevant supervisory authority or any other authority, body or committee responsible for the authorisation, licensing, registration or regulation of, or the granting of a warrant to the subject person or individual concerned and shall provide all relevant information on the contraventions committed as it deems necessary;

(b) may also recommend to any relevant supervisory authority or any other authority, body or committee responsible for the authorisation, licensing, registration or regulation of, or the granting of a warrant to, the subject person or individual concerned, the taking of regulatory or other measures, pertaining to the said authority, body or committee under applicable law, against such subject person or individual concerned as referred to in regulation 21(5) including:

(i) the restriction, limitation, suspension, withdrawal or cancellation of any such licence, registration, warrant or any other form of authorisation allowing the subject person to carry out one or more specific activities; and, or

(ii) the suspension or preclusion of any individual as is referred to in regulation 21(5) from exercising the functions in respect of which he is authorised within that subject person or any other subject person, as it may deem appropriate in the circumstances of the case:

Provided that the Financial Intelligence Analysis Unit may also make a recommendation instead of imposing an administrative penalty or measure.

(2) The provisions of these regulations shall be without prejudice to the powers of a supervisory authority or any other authority, body or committee responsible for the authorisation, licensing, registration, regulation or the granting of a warrant to a subject person, to take any action or regulatory measure available to it under applicable law as it may deem appropriate in the circumstances of the case.

Transitory provisions.

6. (1) The Financial Intelligence Analysis Unit may, for a period of six (6) months from the coming into force of these regulations, accede or otherwise to a request for an out of court settlement with respect to an appeal from an administrative penalty, received from subject persons who, on the day of the coming into force of these regulations:

(a) have an appeal pending against a decision of the Financial Intelligence Analysis Unit imposing an administrative penalty or notifies the Financial Intelligence Analysis Unit of having filed such an appeal; and

(b) would have otherwise been eligible to enter into a settlement agreement as provided for in regulation 22 of the principal regulations had this been possible at the time that the administrative penalty appealed from was imposed.

(2) The conclusion of an out-of-court settlement shall be conditional on the subject person entering into a written agreement with the Financial Intelligence Analysis Unit providing for:

(a) the unconditional acceptance and agreement by the subject person with the determination and conclusion of the Financial Intelligence Analysis Unit in relation to the contraventions that had been identified;

(b) the acceptance of the administrative penalty as reduced by the Financial Intelligence Analysis Unit, which reduction may not be more than fifty *per centum* (50%) of the penalty's original amount, and its payment in accordance with the terms and conditions of the agreement;

(c) the waiver of any judicial proceedings against the Financial Intelligence Analysis Unit and a declaration that the subject person shall not seek to otherwise further impugn the decision of the Financial Intelligence Analysis Unit; and

(d) the acceptance and immediate implementation of any directives, requirements and any other directions to take corrective or remedial actions that had been given by the Financial Intelligence Analysis Unit and that the subject person may not yet have implemented.

(3) The provisions of regulation 24 of the principal regulations shall apply *mutatis mutandis* whenever an out of court settlement is concluded in accordance with this regulation.

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