



CENTRAL BANK OF TRINIDAD & TOBAGO

Eric Williams Plaza, Independence Square, Port-of-Spain, Trinidad and Tobago
Postal Address: P.O. Box 1250
Telephone: (868) 621-CBTT (2288), 235-CBTT (2288); Fax: (868) 612-6396
Email Address: info@central-bank.org.tt
Website: www.central-bank.org.tt

April 09, 2025

CIRCULAR LETTER TO ALL INSTITUTIONS:

Licensed under the Financial Institutions Act, Chap. 79:09 (as amended)
Financial Holding Companies permitted under the FIA Chap. 79:09 (as amended);
Insurers and Brokers registered under the Insurance Act, Chap. 84:01 (as amended);
Payment Service Providers authorized under the Central Bank Act, Chap. 79:02 (as amended);
E-Money Issuers registered under the E-Money Issuer Order, 2020 (as amended);
Bureaux de Change Operators licensed under the Exchange Control Act, Chap. 79.50;
The Agricultural Development Bank;
The Trinidad and Tobago Mortgage Bank;
The Home Mortgage Bank;
Bankers Association of Trinidad and Tobago;
Association of Trinidad and Tobago Insurance Companies;
Insurance Brokers Association of Trinidad and Tobago;
Institute of Chartered Accountants of Trinidad and Tobago

REF: CB-OIFI-1118/2025

GUIDANCE FOR CONDUCTING PERIODIC REVIEWS OF CUSTOMER RELATIONSHIPS

The Central Bank of Trinidad and Tobago (“Central Bank”/ “Bank”) is issuing the attached guidance pursuant to Regulation 40A of the Financial Obligations Regulations, 2010 (as amended) (“FOR”), as supplementary guidance to Part II Section 5.4 of the Central Bank’s Guideline on Anti-Money Laundering and Combatting of Terrorism Financing (“AML/CFT Guideline”)

This guidance sets out the Bank’s expectations in respect of the conduct of ongoing due diligence and periodic reviews of customer relationships. This has been identified as an area requiring further guidance and clarity through recent AML/CFT examinations and from feedback received from international agencies.

Pursuant to Part III of the Financial Obligations Regulations, 2010 (as amended) (“FOR”), financial institutions are reminded of their obligations to perform risk based customer due diligence (“CDD”) at the inception of a customer relationship, in order to identify their customers and ascertain certain information, including beneficial ownership, pertinent to the business relationship. Thereafter, financial institutions are required to conduct ongoing due diligence on a risk basis to ensure that transaction activity aligns with the customer’s stated business and risk profile.

In accordance with Part II Section 5.4 of the AML/CFT Guideline, the Central Bank confirms that a review of high risk customers is required annually. A material change in the customer’s business operations or risk profile should also prompt a review. Additionally, periodic reviews of all other customer relationships should be undertaken at a pre-determined frequency and should not only be based on the occurrence of a trigger event.

.../2

Accordingly, the Bank advises that **at a minimum a review of customer relationships other than high risk customers, must be undertaken every three (3) years for standard or medium risk customers, and every five (5) years for low risk customers.**

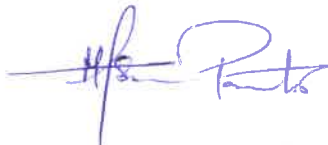
The attached guidance should be read together with the AML/CFT Guideline, particularly the following sections:

- i. Part II: General Guidance on AML/CFT Governance & Risk Management;
 - Section 5.4 – Ongoing Monitoring and Review of ML/TF Risks;
 - Section: 6.0 – Knowing Your Customer (KYC) and Customer Due Diligence
- ii. Part III: Conducting the ML/TF Risk Assessment; and
 - Section 3 – Customer Risk Assessment
- iii. Part IV: Risk Based Customer Due Diligence.

These requirements take effect immediately. In this regard, financial institutions are required to provide a status update to the Central Bank by **May 09, 2025**, on the annual review of high risk customer relationships and steps taken to review all other customer risk categories.

In instances where reviews of existing customers have not been undertaken within the past three (3) years, financial institutions are required to submit to the Central Bank by **July 31, 2025**, their Board approved action plans with timelines to conduct the reviews in accordance with the appended guidance. Kindly note that remediation of high risk customers should be completed within one (1) year of the date of this Circular Letter and the remediation of all other customer categories is to be completed on a risk basis but no later than three (3) years from the date of this Circular Letter.

Yours sincerely



Michelle Francis-Pantor
Deputy Inspector of Financial Institutions
FINANCIAL INSTITUTIONS SUPERVISION DEPARTMENT

Att.