



HM Treasury

The process for imposing
monetary penalties for breaches
of financial sanctions:

Consultation response form

Name: [REDACTED]	
Organisation: [[REDACTED]]	
<input checked="" type="checkbox"/> Please tick if you are responding on behalf an organisation	
Name of organisation (if applicable) [[REDACTED]]	
Address: [[REDACTED]]	
Email: [[REDACTED]]	Telephone: [[REDACTED]]
<p>1. Do these introductory sections give you enough information to understand the scope of the law on monetary penalties? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>What else would be useful?</p> <p>At 2.4. It would be helpful to make clear</p> <ul style="list-style-type: none"> • Whether an individual who is an employee of a non-Regulated firm could be liable to a monetary penalty • Whether an individual who is an employee of a Regulated firm but does not do regulated work could be liable to a monetary penalty • The same two questions as above but apply them to an "officer of body" who employs said Individual • Whether the imposition of a monetary penalty carries with it a criminal record. 	
<p>2. What are your views on OFSI's compliance and enforcement approach?</p> <p>It would be a comfort to know that Help and Education will be central to your approach. Only a tiny number of people in the UK would knowingly breach the regulations. But anyone working in the regulated sector at any level could do so if their employer's AML Compliance systems do not alert and protect them.</p> <p>You are a regulator and are therefore in the business of enforcing compliance but given the number of ordinary employees whose lives could be destroyed by these regulations can I suggest that Help and Education runs as a central core through your whole approach.</p> <p>If you add Help as a 5th principle it will give you a handy acronym to use as a training aid!</p>	
<p>3. Is there anything else you would expect a compliance model to tackle?</p> <p><input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>	

<p>(if yes please explain what below)</p> <p>Yes, see above</p>
<p>4. Do you understand our proposed case assessment approach? <input checked="" type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(if no please explain why below)</p> <p>What was s131 in December when the Consultation was published is now s119 see http://www.publications.parliament.uk/pa/bills/cbill/2016-2017/0003/cbill_2016-20170003_en_14.htm#pt8-pb1-l1g116</p> <p>The language used in s119(a) is so wide and that used in s119(b) is so restrictive (and possibly circular?) that I struggled to get the a feel for the circumstances in which a penalty could be imposed. Consequently, I found it difficult to reconcile your proposed approach with the section of the Bill you quoted.</p>
<p>5. What are your views on our proposed case assessment approach? Without a number of scenarios to illustrate how you will apply the principles of what is "fair, proportionate and best enforces the regime" it is difficult to grasp the practical impact of your approach. Providing some practical examples using the type of summary information given in 2.17.2 would be very helpful in getting your message across to business owners and their staff, both of whom will be frightened by these regulations.</p> <p>Revenue Scotland took this FAQ approach and it has been a great help in explaining the practical implications to both professionals and property purchasers. https://www.revenue.scot/land-buildings-transaction-tax/frequently-asked-questions/additional-dwelling-supplement-examples</p>
<p>6. Does this guidance give you enough information to help you understand how a penalty is calculated? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No</p> <p>(if no please explain why below) You need to give practical examples based on scenarios taken from across the Regulated sector of the likely level of penalty</p>
<p>7. OFSI will reduce the level of penalty if there is voluntary disclosure. What are your views on OFSI's approach to this? A good tried and test approach.</p>
<p>8. Is the process for imposing a penalty and making representations clear from this guidance? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>(if no please explain why below) Click here to enter text.</p>
<p>9. Do you understand the guidance on seeking a Ministerial review? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p>
<p>10. What are your views on the process for seeking a Ministerial review? Will assistance be offered to employees who fall foul of these regulations and are not able to afford legal representation? Would it be wise (and do the rules of natural justice allow you) to set a level of penalty below which there is no appeal?</p>

<p>11. Does this guidance clearly explain why and how OFSI will publish information on penalties imposed for breaches of financial sanctions regulations? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>What are your views on the level of information OFSI will publish? It would be useful if OFSI could run a mailing list to alert MLROs and other interested parties to new cases when they are published on the web site.</p>
<p>12. Considering the document as a whole, does this guidance help you clearly understand OFSI's approach to imposing monetary penalties? No. See above re need for worked examples</p>
<p>Please e-mail this form to: OFSIConsultation@hmtreasury.gsi.gov.uk</p>

Or post to OFSI Consultation, HM Treasury, 1 Horse Guards Road, London SW1A 2HQ