AML Return 2024 - FAQs

April 2024

Is the AML Return mandatory?

Yes, if you are registered with CARA as a firm or sole practitioner conducting 'relevant financial business', then you must submit an AML Return every year.

Is this the same as the Registration Form?

No. The AML Return is separate from the Registration Form. Once a firm is registered with CARA there is no requirement to renew registration at any stage. The AML Return however must be submitted annually.

Where do I go to complete the AML Return?

Please go to our website to access the application or to check on the status of the annual AML Return. We request all AML Returns are completed and submitted online. A password will be sent by email and if you encounter an issue with obtaining your password, it can be obtained from emailing info@cara.ky.

What is the deadline for submission of the AML Return?

The AML Return must be completed and submitted online on or before **midnight Friday, 31 May 2024.**

How long will it take me to complete the AML Return?

The time taken to complete the Return will be dependent on the nature and extent of the relevant financial business your Firm conducts and the information systems you use. We recommend you begin completing the AML Return as soon as possible. For ease, we have copies of the questions available to allow you to prepare your data in advance of submission via the online form. If you have not already received these questions, please email info@cara.ky.

How accurate must the data submitted be?

CARA will consider the information provided as a true and accurate. Inference maybe drawn if any information provided is false and or misleading, and this could result in further action being taken.

The information we request is information we expect firms and sole practitioners to collate and record in order to satisfy regulatory requirements and will demonstrate good AML control and governance to CARA. You should therefore be able to answer the questions posed with a high level of accuracy, based on records held by your firm.

Please contact info@cara.ky if you are having difficulty providing an answer to a question.

How will you use this data?

The information will be held securely by CARA in accordance with the Data Protection Law and recognised international standards.

The information provided in the Return will assist CARA in assigning inherent ML/TF/PF risk profiles across our supervised population. The results of any analysis will also inform our risk-based approach to supervision.

Additionally, your responses will enable CARA to determine where firms and sole practitioners would benefit from further guidance and assistance in meeting the requirements of the AMLRs.

Where are you storing this data?

The data is stored in our internal data management systems along with all other information about firms that we hold. The data is also drawn down into a protected Gravity forms platform to enable filtering and analysis. For more information on our Privacy Policy please visit our website

How long will you hold this data for?

The AML return data will be stored for up to five years.

The AMLRs do not refer to or define 'Ultra High Net Worth Individuals' ("UHNWIs") or 'High Net Worth Individuals' ("HNWIs"), so why are firms being asked to collate this information?

We acknowledge HNWIs and UHNWIs are not expressly referred to in the AMLRs, but the term is not new to the AML regime and features for example in 'The International Components of Risk Faced by the Cayman Islands as an International Finance Centre'.

UHNWIs and HNWIs reside across the globe and may pose an increased risk. They can be engaged in illegal business activities or could be placed in a difficult position as result of their connections and relationships, or on the other hand corruptly attempt to exploit such connections (i.e., they are often closely associated with PEPs). They may use offshore accounts and vehicles to evade tax. They can also have ties to high-risk jurisdictions and industries, for example construction, extractive, shipping, state owned companies/banks. military contracts etc.

From another perspective, the affluence, and social media exposure of UHNWIs and HNWIs makes them an attractive target for fraudsters. According to a joint study by Experian and the Dept of Justice, 43% of affluent wealthy individuals are more likely to experience identity theft and are more susceptible to wire, credit card and real estate fraud[1].

Under Parts III and VI of the AMLRs, firms carrying out RFB should consider all relevant risk factors, in particular where a higher risk of ML or TF is identified, before determining the level of overall risk and appropriate mitigation measures.

[1] https://www.identity-theft-awareness.com/affluent-wealthy.html