

TRUSTEES IN AN ERA OF UNCERTAINTY



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OPENING ADDRESS

Edmund Leow, S.C. ChT

President, Singapore Trustees Association
Senior Partner, Dentons Rodyk



TRUSTEES IN AN ERA OF UNCERTAINTY



KEYNOTE ADDRESS

Mr Zhulkarnain Abdul Rahim

Senior Partner, Dentons Rodyk

Member of Parliament



Devin Jethanand Bhojwani & Ors v Jethanand Harkishindas Bhojwani

Kelvin Koh

TSMP Law Corporation



Devin Jethanand Bhojwani & Ors v Jethanand Harkishindas Bhojwani

- Plaintiffs (3 brothers: Devin, Sandeep and Dilip) sued the Defendant (“Sajan”, the father) for breach of trust.
- Their late grandfather had created a testamentary discretionary trust.
- Grandfather passed away in March 2007.
- Terms of Trust:
 - Trustee – Sajan
 - Beneficiaries – 3 Brothers and mother (“Lakshmi”)
 - Trust period: 30 years
 - Trust Assets:
 - Shares in 8 private companies, including a founder share in Shankar’s Emporium Pte Ltd (“SEPL”)
 - Property at 32 Branksome Road
 - 1/3 of the residuary estate under the will
- 5 of 8 companies were struck off in 2010.

Devin Jethanand Bhojwani & Ors v Jethanand Harkishindas Bhojwani

- Acts that were alleged to constitute breaches
 - Commingling of Trust Assets
 - No trust bank account for at least 10 years.
 - In Feb 2021, Trustee executed deeds to sell shares in the 3 remaining live companies.
 - In Apr 2021, Trustee declared that Devin and Sandeep shall receive no further distribution from any of the remaining Trust Assets.

- Only three documents conveyed information from Trustee to Beneficiaries:
 - A 2-page trust statement for period ending 31 Dec 2017
 - Trust statement setting out expenditures and Trust Assets for period up to 31 Dec 2017
 - Trust statement disclosed for period up to 31 Dec 2021

Relevance of Phrase “absolute discretion” in Will

- Extent of a trustee’s discretion is a matter of construction of the trust instrument that confers the trust powers.
- As a starting point, the construction of the power-conferring clause may explain the extent of a trustee’s discretion.
- Where such construction does not yield an answer, the trust instrument may contain other provisions which impose conditions that govern a trustee’s exercise of discretion.
- Better to analyse whether, on a proper construction of the trust instrument, the trustee’s duties or liabilities have been excluded or exempted in some way.

Relevance of Phrase “*absolute discretion*” in Will

- The phrase “*absolute discretion*” does not preclude:
 - The court’s intervention in the exercise of a trustee’s powers; and
 - Claims by beneficiaries against trustees for breach of trust.
- The phrase “*absolute discretion*” has no bearing on:
 - Enlargement of trust powers
 - Abridgement of trust duties; or
 - Exclusion of personal liability for breaches of trust (similar to effect of trustee exemption clauses)

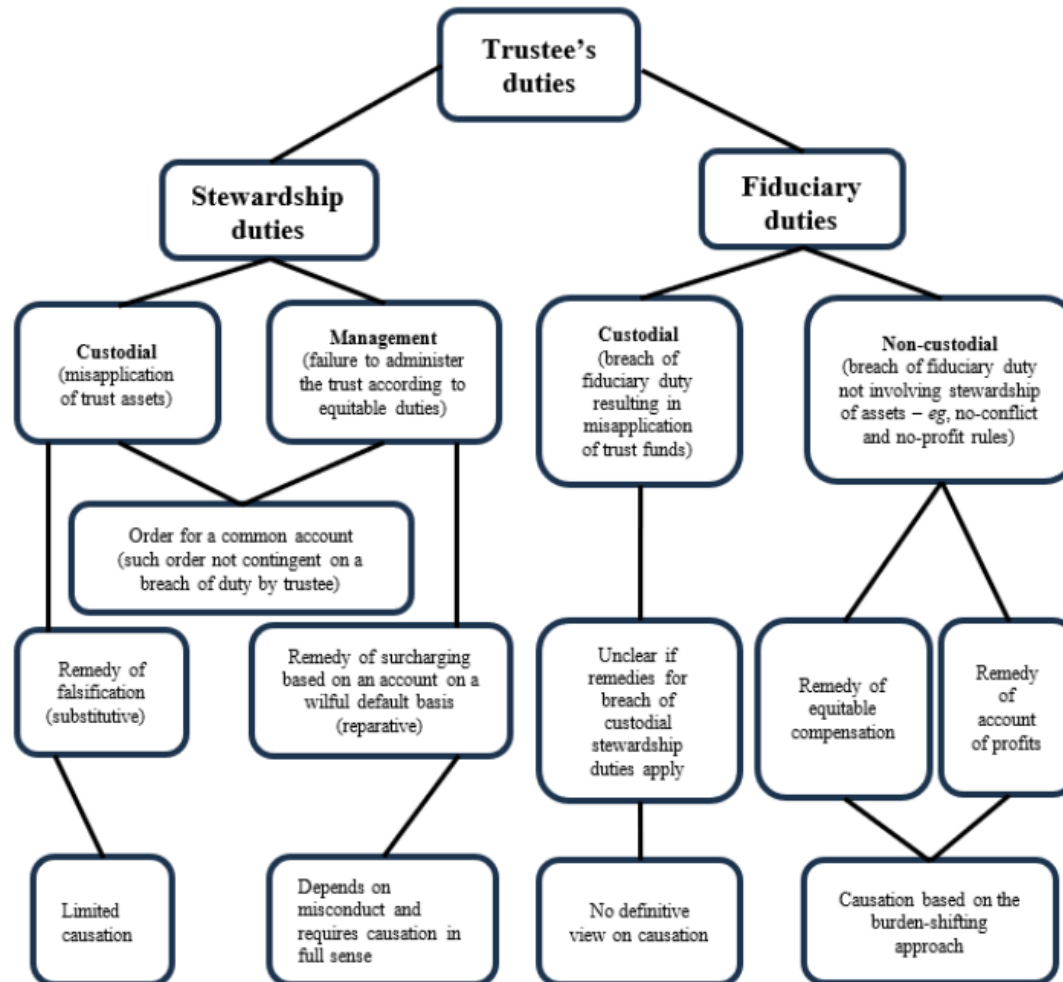
Duty To Inform Beneficiaries of Rights and Interests

- Trustee has an anterior duty to inform beneficiaries of their rights under a trust.
- This is logically concomitant to the principle of trustee accountability.
- A trustee cannot keep beneficiaries in the dark about a trust if he or she is to consider their wishes, needs, and interests.

Improper Exclusion of Beneficiaries

- Trustee had executed various deeds to exclude Devin and Sandeep from the Trust for improper reasons.
- Exclusion effected after Devin and Sandeep questioned Trustee's management. for challenging him and to reduce his accountability over the Trust.
- Trustee's reasons that Dilip was the weakest son and that he would provide separately for Devin and Sandeep under his will were unconvincing
- Trustee's response to allegation of bad faith was that he had "*absolute discretion*" and was not obliged to explain his decisions. These were rejected by Court.
- The deeds were therefore invalid.

Classification of Trustees' Duties



Classification of Trustees' Duties

- **Custodial Breaches of Fiduciary Duties**
 - Involve stewardship of assets.
 - Breach of fiduciary duty resulting from a misapplication of the principal's funds or trust funds.

- **Non-Custodial Breaches of Fiduciary Duties**
 - Do not involve stewardship of assets.
 - Breaches do not involve any of the assets already entrusted to the fiduciary
 - Remedies
 - **Equitable compensation** (compensatory monetary award)
 - **Account of profits**

Classification of Trustees' Duties

- **Custodial Stewardship Duty**
 - Misapplication of trust assets.
 - Order for a process of accounting on the basis of a “**common account**”
 - If trustee had disposed of asset without authority, remedy is to falsify the unauthorised disposal.
 - **Falsification:** Order to reconstitute the trust fund *in specie* or reconstitute the trust fund in monetary terms in lieu of reconstitution *in specie*.

Classification of Trustees' Duties

- **Management Stewardship Duty**
 - Failure to administer the trust fund in accordance with the trustee's equitable duties, including the equitable duty of care.
Order for an account on a **wilful default basis**
 - Remedy of **Surcharging** the Trust
 - **Surcharge:** Asset will be treated as if trustee had performed his duty and obtained it for the benefit of the trust.
 - Order to make good deficiency in the trust by payment of a monetary award.

Commingling of Trust Assets

- Trustee failed to produce and maintain adequate and accurate accounts of the Trust.
 - Trust statements were inadequate, incomplete and not accompanied by supporting documentation.
 - Trustee did not check Trust statements accurately.
 - Trustee failed to segregate the Trust Assets from his own – there was no separate trust bank account for 10 years. The expenses, purchases and investments attributed to the Trust were made through Trustee's own bank accounts, and money intended for Trust went into his own bank accounts.
 - Trustee tried to saddle the Trust with expenses without informing the Beneficiaries, including expenses for the Plaintiffs' education, insurance, credit cards, investments, cars and properties that were believed to be gifts from Trustee.

Commingling of Trust Assets

- Trustee has an essential duty to maintain and render a proper and accurate account of trust assets.
- In providing an account, a trustee must say:
 - *What the assets were*
 - *What he has done with the assets*
 - *What the assets now are*
 - *What distributions have taken place*
- Trustee must give “*proper, complete and accurate justification and documentation for his actions as a trustee*”.

Wrongful Conversion of Founder's Share

- Rights under Founder's Share:
 - Hold office as a director of SEPL
 - Appoint anyone else as a director.
 - Exercise all powers, authorities and discretions vested in the directors generally
 - Remove any director other than a founder shareholder
 - Receive 10% of SEPL's net profit annually
- Trustee voted to convert the Founder's Share into an ordinary share.
- Alleged that loss was caused in the form of:
 - Loss of rights associated with the Founder's Share, including 10% of SEPL's annual net profits
 - Diminution in the market value of the Founder's Share.
- Valuation of Founder's Share:
 - \$9,522,738 as compared to \$6.08 for an ordinary share in 2008.
 - \$23,816,404 as compared to \$25.55 for an ordinary share in 2023.

Wrongful Conversion of Founder's Share

- Trustee had powers under Will to convert the Founder's Share:
 - One of the trust assets to be *“1 founder's share in [SEPL] and any conversion therefrom to shares of any other class”*.
 - Trustee has power *“to do or omit to do all such acts or things as my [trustee] shall in his absolute discretion consider to be for the benefit of ... any one or more of the beneficiaries”*.

Wrongful Conversion of Founder's Share

Characterisation of Breach

- Conversion of Founder's Share was a breach of **management stewardship duty** and not a breach of **custodial stewardship duty**.
- Distinction is relevant for assessing appropriate remedy.
 - No **falsification** remedy (order to reconstitute trust asset *in specie* or its equivalent value) – arises from custodial stewardship duties.
- Court found that Trustee had breached his duty to take reasonable care in managing the Trust Assets by converting the Founder's Share.
 - Default was in the act of conversion *per se*
 - Default was effecting the conversion in a manner that fell below the objective standard of duty of care and resulting in loss to trust.

Wrongful Conversion of Founder's Share

Characterisation of Breach

- Share remained in the Trust throughout.
- Conversion was a product of a change in SEPL's constitution which caused a change in a quality or attribute in the share.
- Akin to a trustee who holds shares in a company on trust and then uses his control over company's affair to negligently induce company to enter into a commercially unviable bargain or unprofitable industry.
- Mismanagement resulting in depreciation in value of a trust asset is very different from an unauthorised disposal of that asset.
- Conversion of Founder's Share is an instance of wilful default – want of ordinary prudence in consciously bringing about massive loss to the Trust

Wrongful Conversion of Founder's Share

Remedy

- Account on a wilful default basis.
- Trustee liable to **surcharge** the Trust (asset that trustee in breach failed to obtain for benefit of the trust will be treated as if trustee had performed duty and obtained it for the benefit of the trust)
- **Measure of damage** – hypothetical assessment of what a prudent investor would have done, in order to establish the manner in which the trustee should have acted.
- *I.e. What the counterfactual of no-default would have been.*
- **Appropriate Counterfactual** – a trustee who honestly exercises his or her discretion to convert the same, but effects that conversion whilst exercising proper care and diligence to ensure that the Trust did not suffer the loss in value that it did sustain.

Wrongful Conversion of Founder's Share

Remedy

- **Head of Loss Allowed:** *Loss to market value of Founder's Share when conversion was effected*
- **Head of Loss Not Allowed:**
 - *Loss of increase in market value of the Founder's Share*
 - No proof that if a trustee had exercised discretion to convert Founder's Share with proper care and diligence, there is inability to convert the Founder's Share without causing loss.
 - No proof that trustee would have continuously been unable to convert the Founder's Share on terms that would not occasion loss to Trust
 - *Income which could have been earned from Founder's Share after 2008*
 - No proof that trustee would not have effected the conversion
 - No proof that trustee exercising due care and diligence would have converted the Founder's Share

Undervalue Sale and Realisation of Trust Shares

- Sale of Trust shares in SEPL and LMPL without reasonable justification and at an undervalue.
- **Characterisation of Breach:**
 - Breach of **custodial stewardship duties**
 - Breach of statutory duty to consider proper advice and duty of care in making decision to sell the Trust share
 - Sale of Trust shares was a disbursement out of the trust estate that depleted the Trust Assets.
- **Remedy**
 - **Falsification** of unauthorised disposals of shares
 - Trustee cannot restore the Trust shares.
 - Payment of a sum to substitute for the value the Trust would have if the authorised distributions had not occurred.
 - Remedy was **restorative** and not **compensatory**.

Undervalue Sale and Realisation of Trust Shares

- Realisation of Trust shares in 3 struck off companies at an undervalue in 2010
- Unauthorised disposal of Trust Assets
- Large discrepancy between sum that Trust should have received and amount actually received.
- **Characterisation of Breach:**
 - Breach of **custodial stewardship duty**
 - Breach of duty of care in the management of the Trust
- **Remedy**
 - **Falsification**
 - Reconstitution of Trust *in specie* impossible
 - Payment into the Trust an amount representing the deficiency in the Trust.

Replacement of Trustee

- **Test for removal of trustee:**

“whether [a trustee] has acted in a manner “such as to endanger the trust property to [show] a want of honesty, or a want or proper capacity to execute [his or her] duties, or a want of reasonable fidelity””.

- Trustee was removed:
 1. Exclusion of beneficiaries in bad faith
 2. Repeatedly breached duty of care when exercising powers
 3. Inability to read balance sheets
 4. Unfamiliarity with income statements, cash flow statements and the function of a general ledger for a company

Replacement of Trustee

- Declined to appoint Devin (one of the sons) and Lakshmi (mother) as replacement co-trustee.
- Devin would be both a trustee and a beneficiary → Court reluctant to create a conflict of interest when it is within Court's power to prevent that.
- Court appointed a professional trustee.

Practical Implications

- Importance of segregation of trust assets
- Trust powers need to be exercised properly even if trustee has been conferred “*absolute discretion*”.
- Good practice to document reasons and considerations when making significant trust decisions.
 - Seek approval of Court if potentially controversial?
- Duty to inform beneficiaries of their rights under a trust.
 - Cf. Situation where settlor specifically provides that beneficiaries are not to be notified?

Practical Implications

- Considerations when disposing of trust assets:
 - Obtain proper advice
 - Obtain proper valuation
- Even if there are express authorisation and powers to dispose of trust assets, manner of disposal can be scrutinised.
- Liability of trustee may vary depending on the nature of the breach

Kelvin Koh (kelvin.koh@tsmplaw.com)
Partner, Dispute Resolution, Private Wealth and Trust, TSMP

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**SINGAPORE
POLICE FORCE**
SAFEGUARDING EVERY DAY

STR Regime & the STRO

Ian Wong
Deputy Director
Commercial Affairs Department
Singapore Police Force

17 September 2025

Self-Introduction

Joined CAD in 1992.

Deputy Director CAD in charge of Intelligence & Admin Group

Oversee STRO (Financial Intelligence Unit of Singapore)

Used to oversee the Financial Investigation Group, which enforces the AML/CFT regime in Singapore.

Introduction to FATF

The STR regime, STRO, the CDSA and the AML/CFT framework in Singapore can be traced back to the Recommendations of the Financial Action Task Force (FATF).

Inter-government body that sets the standards for combatting money laundering, terrorism financing and proliferation financing (of weapons of mass destruction). FATF 40 Recommendations & 11 Immediate Outcomes.

Singapore joined FATF in 1992. Over 200 countries have adopted FATF Standards.

3 countries have not: DPRK, Iran & Myanmar. Blacklisted. Enhanced Due Diligence & Counter-measures.

Mutual Evaluation every 5 to 7 years, to determine extent of compliance. Consequences for doing badly in this “audit”.

Scope of Presentation

1. Suspicious Transaction Reporting (STR) reporting regime in Singapore
2. Role of the STRO
3. The Egmont Group
4. General STR Trends & Stats
5. Examples of Good STRs filed by LTCs and Banks

STR reporting regime in Singapore

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Importance of reporting suspicious transactions



Singapore is an international financial centre and business hub

- As with other international financial centres and business hubs, Singapore is exposed to **transnational money laundering (ML) risks**.



Nature of business makes the sector inherently vulnerable to being exploited for illicit purposes

- Trust companies' frequently deal with **higher-risk clientele, including PEPs and HNWIs** and can establish **complex ownership structures** that may be misused by criminals to mask illicit activities and proceeds.

Legal Provisions - Statutory Obligations

CDSA

Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992
Section 45

In the course of your trade, profession, business or employment, if you **know or have reasonable grounds to suspect** that any property may be connected to a criminal conduct, you are **required** to file a STR to STRO.

Violation [w.e.f. 1 Apr 2019]

- **Individual:** Maximum \$250,000 fine or 3 years imprisonment, or both
- **Corporation:** Maximum \$500,000 fine

TSOFA

Terrorism (Suppression of Financing) Act 2002
Section 8

Every person in Singapore, and every Singapore citizen overseas, to inform the Police of **any property or information relating to any terrorist or terrorist entity**.

Violation

- **Individual:** Maximum \$250,000 fine, or 5 years imprisonment, or both
- **Corporation:** Maximum fine is the higher of \$1,000,000 or twice the value of property involved



No threshold amount required for STR to be lodged

Other Legal Provisions

➤ *No tipping-off*

CDSA

Corruption, Drug Trafficking and Other Serious Crimes (Confiscation of Benefits) Act 1992
Section 57

Not to disclose to any other person information or any other matter which is likely to prejudice any investigation/ investigation that may be conducted following the STR disclosure

Violation

- Maximum \$250,000 fine, or 3 years imprisonment, or both

➤ *Protection of information and informer*

FAQ: What is the difference between a Police Report and a STR?

Police Report

- Complainants make a Police Report when a crime has been committed or if they are victims of a crime.
- If the report reveals the commission of an offence, the Police will investigate the matter.
- Admissible as evidence in Court

Suspicious Transaction Report

- STR is filed when the filer encounters suspicious transactions in the course of his/her trade, business, profession or employment and have “reason to suspect” that property is linked to criminal conduct.
- **A STR is a provision of information and not a complaint of crime committed.** STRO will decide the action to take on the STR information.
- s47 CDSA - Not admissible as evidence in Court

Singapore's Money Laundering National Risk Assessment

KEY ML THREATS	
 Fraud, <i>particularly cyber-enabled fraud</i>	 Corruption, <i>originating from abroad</i>
 Organised Crime, <i>especially illegal online gambling associated with foreign organised criminal groups</i>	 Tax Crimes, <i>originating from abroad</i>  Trade-based money laundering
OTHER NOTABLE ML THREATS	
 Environmental Crime  Cyber-crime	 Drug-related offences
HIGHER ML RISK SECTORS	
<i>Inherent exposure to key ML threats, and cross-border transactions/customers, despite stronger controls</i>  Banks pose highest ML risks to Singapore  <i>Abused through their roles as professional / financial intermediaries, exposure to cross-border transactions, and/or placement in high value assets, while taking into account controls in place</i>	
• Corporate Services Providers • Real Estate • Casinos • Licensed Trust Companies • Precious stones and precious metal dealers	• Digital Payment Token Services Providers • Payment Institutions, with cross border money transfer services • External Asset Managers

Red Flag Indicators



The settlor's/directors' reluctance in providing information/supporting documents

Trust assets are withdrawn immediately after being settled into the trust account without any plausible reason

Complex structure with multiple intermediary ownership layers and/or multiple jurisdictions for which information on the ownership chain was not available

Relevant party of the Trust (eg settlor, beneficiary) evades attempts by the trust company to establish personal contact

Frequent changes to the address or authorized signatories

Note: It is important to note that this list is not exhaustive.

While each individual indicator may not be sufficient by itself to suggest money laundering or terrorism financing, a combination of the indicators may indicate a suspicious transaction and trigger your obligations to file a STR. Additionally, the presence of any indicator(s) does not automatically imply a direct link between the transaction and money laundering or terrorism financing activities.

Importance of reporting suspicious transactions



Each reporting entity has visibility over different parts of the value chain

- May complement other information to help **establish previously unknown linkages** between entities/transactions.
- STRs form financial intelligence that is essential in the detection of money laundering, terrorism financing and other serious crimes.

STRO – Singapore Financial Intelligence Unit (FIU)

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Receipt

Sources of Financial Intelligence

STRs	CTRs
CMRs	Foreign FIUs



Analysis

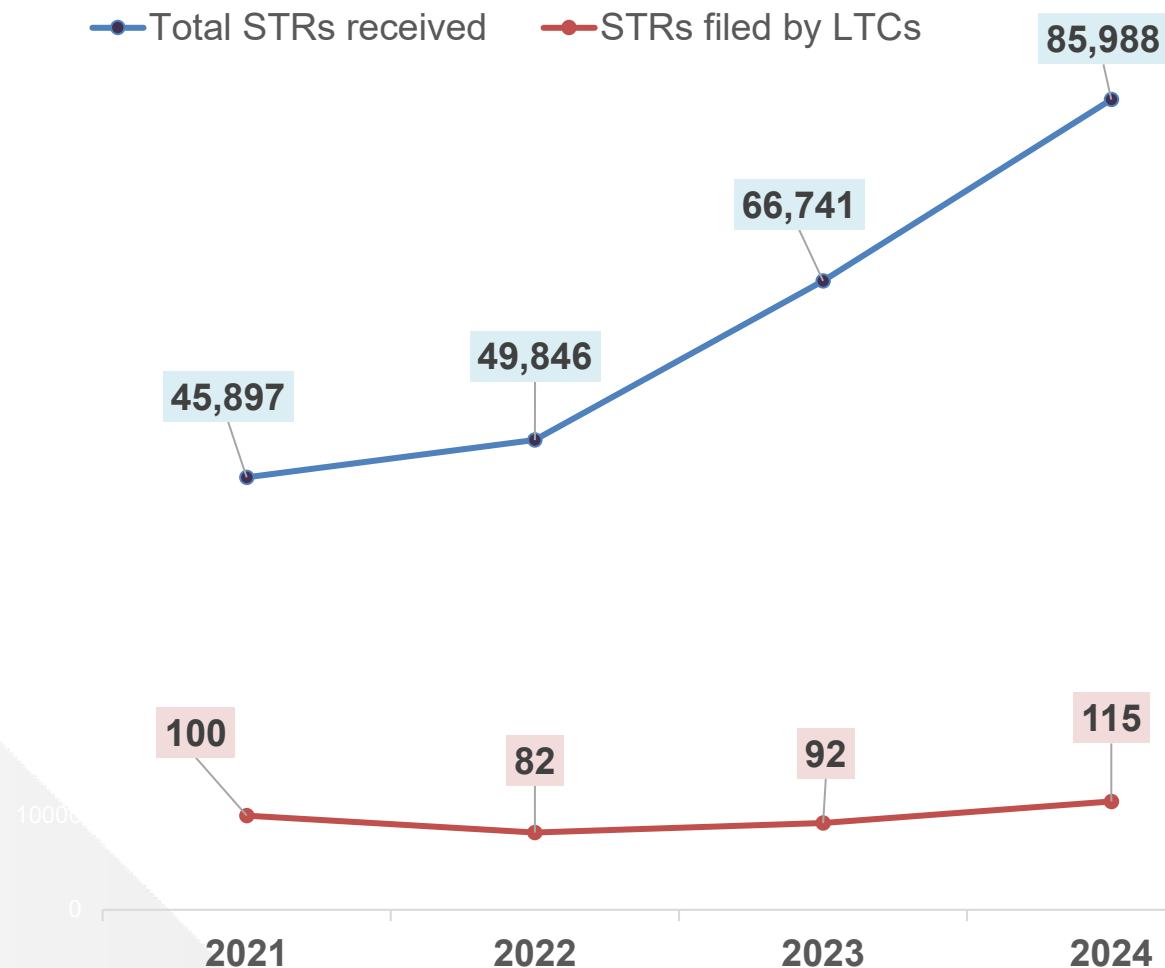
Develop financial intelligence to detect ML, TF and other criminal offences and disseminate to the relevant competent authorities for action



Dissemination

General STR trends

➤ Number of STRs have been **increasing**



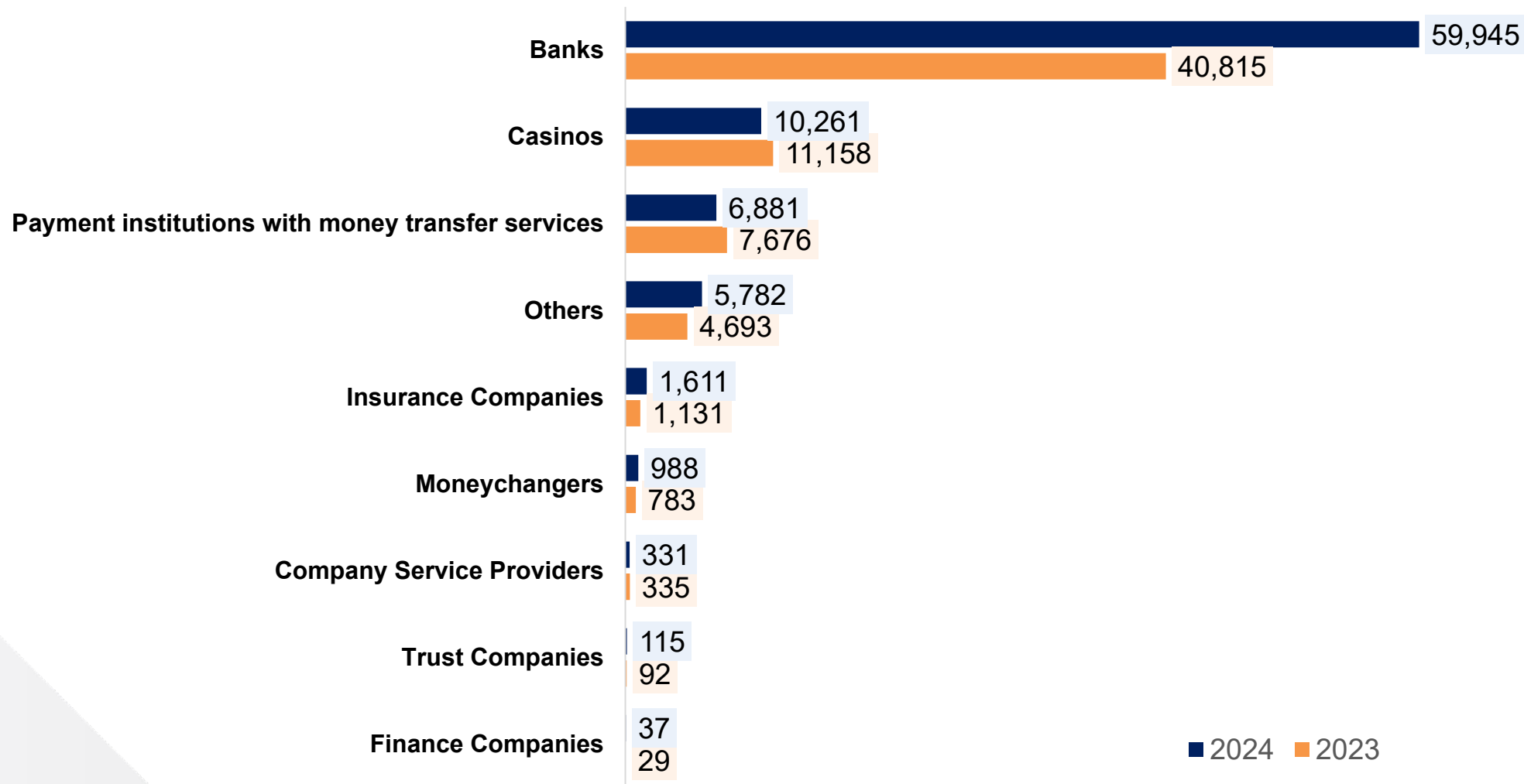
- **Major STR filing sectors:** Banks, casinos, insurance companies, money changing and remittance businesses (MCRBs)
- **Other STR filers:** DNFBPs including accountancy firms, law firms and CSPs, etc.



The number of STRs filed should commensurate with the risks faced

General STR trends

➤ *Breakdown by sectors*

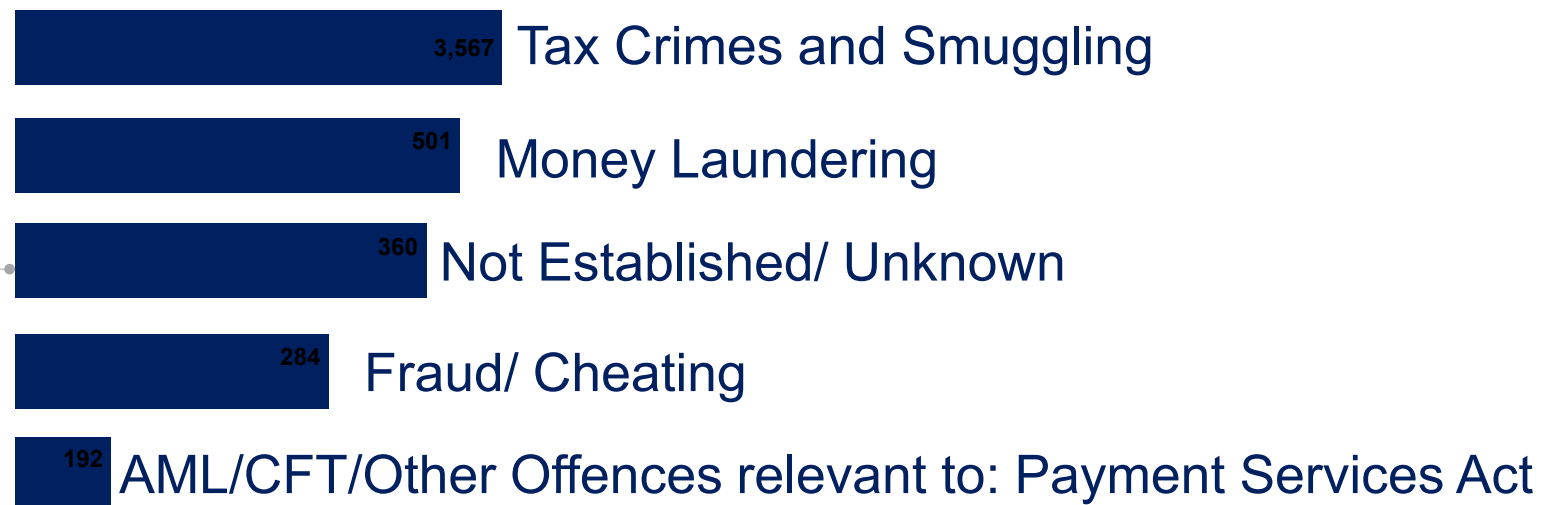


Insights on STRs filed by LTCs

➤ Reasons for Filing – Possible Type(s) of Crime (TOC)

TOP 5

**POSSIBLE
TYPE(S) OF
CRIME*
SELECTED**



**Note: A single STR may include multiple crime types*



Filers are encouraged to select the closest TOC based on the suspicious indicators that prompted the reporting of the STRs.

Quality of STRs filed

➤ Current Strengths

Most STRs included client details in the Entity Information structured fields.

The screenshot displays the 'Entity Profile' section of a reporting form. It includes tabs for Reporting Institution, Account Information, Entity Information, Policy Information, Suspicious Transactions, Reasons for Suspicion, and Validation Summary. The 'Entity Profile' section is titled 'Part III Entity Profile' and contains a sub-section 'Entity 1' with a '+' and '-' button. Below this is a 'Profile Information' section with checkboxes for 'Entity featured in foreign adverse news/sanction lists', 'Entity featured in local adverse news/sanction lists', 'Entity not featured in adverse news/sanction lists but suspected of committing an offence', 'Entity is a Politically Exposed Person (PEP)', 'Entity is a relative/close associate of a Politically Exposed Person (PEP)', and 'None of the Above'. The 'Entity Particulars' section includes radio buttons for 'Check if adding Person Entity' (selected) and 'Check if adding Business Entity'. It also has fields for 'First Name and Middle Name, if any*' (JOHN), 'Last Name (Family/Surname)*' (TAN), 'Gender*' (Male selected), 'Nationality/Citizenship*' (Singapore Citizen), 'Tax Residency*' (Unknown), 'Country/Region of Birth', 'Native Name', 'Language' (In native characters), 'Alias (Alternate Names) / Username', and 'Date of Birth/Registration Date* (DD/MM/YYYY)' (01/01/1997).

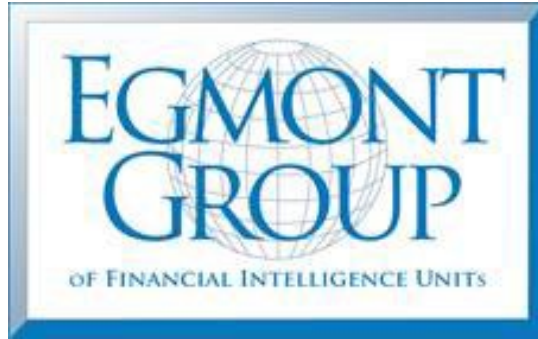


Customer information were provided in structured fields, including identifiers.



Entering information accurately in structured fields enhances quality of STRs and optimises the STR analysis process.

International Cooperation



STRO is able to exchange financial intelligence
with **> 180 Jurisdictions**



Participation in projects

Active participation in international and regional projects on risk areas including tax, terrorism financing, corruption, etc.

Note: Information shared through the FIU channel is **for intelligence purposes only** and should not be used in any proceedings. It should not be disseminated to another party or agency without consent.

Case Study 1 – Example of Good STR by a LTC



Reason of Suspicion of a STR filed by a LTC

- Mr A is the Settlor of Trusts B and C and appointed the LTC as the trustee of both Trusts.
- **Trusts B and C were set up to hold shares** in companies (B and C) involved in a property development project in a Foreign Country D.
- **LTC performed an independent review of information provided** by corroborating with public records and noticed that **companies C and D had failed to file annual returns or hold any AGMs since incorporation.**
- LTC initially communicated with Mr A, but Mr A was replaced by Mr E, followed by Mr F. Despite multiple follow-ups, LTC was **unable to obtain key supporting documents**, including bank statements and transaction records related to fund flows.
- **As part of a KYC periodic refresh review**, LTC noted a significant, unexplained increase in Mr A's wealth profile with **no explanation provided.**



Positive Observations

- Sufficient information included to provide context and serve as a valuable source of intelligence for STRO and relevant investigative agencies.
- Conducted additional checks to corroborate information provided by the client.
- Ongoing monitoring of the client and conducted further inquiries where necessary.



Red Flag Indicators

- Unwillingness to provide information and supporting documents relating to the Trusts/companies activities despite multiple requests.
- Unexplained increase in Person A's wealth profile within a short period.

Case Study 2 – Example of Good STR by a LTC



Reason of Suspicion of a STR filed by a LTC

- The LTC is the Trustee of Trust A, B and C.
- The settlor of Trust A is Mr D; the settlor of Trust B is Mr E; the settlor of Trust C is Ms F. **Ms F is the sole asset contributor the Trusts.** While all settlors are foreign nationals' domicile in Country G, **the Trusts hold double layer of foreign companies incorporated in different countries.**
- The Trust relationship manager (TRM) went on a business trip to meet Mr. G, the gatekeeper of the three trusts. During the meeting, **Mr. G introduced Madam I to the TRM. It was revealed that she is the actual asset contributor of the three trusts and has been signing documents on behalf of Ms F.** She explained that she is unable to hold shares to the Trusts in her name due to the nature of her job in the financial industry, **without further explanation when probed.**
- The LTC requested for Madam I's identification and observed that she holds dual nationality from passports issued by Country G and Country J respectively, using different names.



Positive Observations

- Sufficient information included to provide context and serve as a valuable source of intelligence for STRO and relevant investigative agencies.
- Proactive engagement by conducting direct verification to gain a thorough understanding of the trust structures and parties involved.



Red Flag Indicators

- Complex trust structures.
- Withholding information from the Trustee.
- Discrepancies between the information provided by relevant parties of the Trusts during the meeting and records at onboarding.
- Dual nationality using different names may suggest an attempt to conceal identity.

STR Quality – Positive Example 1



Probed customer and elaborated on reasons for filing STR

Reason(s) for Suspicion

Bank asked customer for reason for huge inflow of foreign funds into his bank account. Customer explained the inflows were the repayment of a loan and proceeds from the sale of property overseas. Customer provided supporting documents on those transactions that were queried on.

On further review, it was noted that the property sale documents provided were commitment agreements and in no way mentioned that the properties had been sold.

Bank asked for additional documents to justify on the transactions highlighted. However, customer mentioned that he does not have any other documents to submit.

Amounts transacted were large and movements of funds were rapid. Funds transferred from businesses into personal account. Hence STR was filed.



Filer proactively requested for further information

.....



Documented customer's behaviour to illustrate suspicion of criminal conduct

STR Quality – Positive Example 2



Provided details of commonalities observed and full transaction details

Reason(s) for Suspicion

During the onboarding of customer, Person A informed that her Source of Wealth is derived from her foreign companies and a gift from her family. <Filer proceeded to provide an assessment of the net worth profiled by the client>

The bank commissioned a Credit Report for one of her foreign companies. According to the report, the company have zero sales in 2020. This is a huge contradiction from the financials furnished by the customer during onboarding, which claimed that the company had a revenue of USD 60m for the same period. She purchased that foreign company earlier for USD 0.5m when it made a net profit of USD 4m. **This was incredulous as it would appear that customer purchased a company at a price significantly lower than its actual earnings.**



Described the purported source of wealth and the contradictory information.



Included comments that the transactions in the account did not have anomalies.

STR Quality – Positive Example 3



Provided sufficient information on entities involved in the STR and the relationships

Reason(s) for Suspicion

Customers Mr A, Mr B and Ms C had transactions with unrelated third parties and for unknown purposes. [Filer provided a brief summary of the transactions in each of their accounts and attached supporting documents – transaction details for accounts involved.]

The bank conducted in-depth review and discovered that there were several other individuals who were onboarded at the same time as Mr A, Mr B and Ms C. They lived in the same apartment complex at different units and were employed at different companies but with the same registered address.

A site visit at the registered address revealed it to be relatively empty with no staff in sight. A few of the companies of the companies were found to share a common director, Mr X, who is a director well over 50 other companies.



Described the relationship between entities featured in STR



Conducted review on entity and **provided details of unusual information found on the entities and their associates**



Provided a list of complete transaction details for all accounts involved.

FAQ: How to file STRs

←

→

↺

🔒 police.gov.sg/sonar

☆

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A Singapore Government Agency Website

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SONAR



FILING REPORTS TO THE SUSPICIOUS TRANSACTION REPORTING OFFICE (STRO)

STRO Online Notices And Reporting platform (SONAR) allows businesses and their employees to file Suspicious Transaction Reports (STRs), Cross Border Cash Movement Reports (CMRs - Form NP 728) and Cash Transaction Reports for Precious Stones and Metals Dealers (CTRs - Form NP 784) electronically to the Suspicious Transaction Reporting Office (STRO) via STRO Online Notices and Reporting Platform (SONAR).

WHAT YOU NEED FOR SONAR

	Suspicious Transaction Report	Cash Movement Report (Form NP 728)		Cash Transaction Report (Form NP 784)
Filer Type	Businesses and employees of businesses	Businesses and employees of businesses	Individuals	Businesses and employees of businesses
Accounts needed	CorpPass + SONAR SONAR User Guide for STR User	CorpPass + SONAR SONAR User Guide for CMR User	SingPass	CorpPass + SONAR SONAR User Guide for CTR User
Software needed	Adobe Acrobat Reader to view and edit forms			
Forms	Registered users can download Electronic STR Form and Form Guide from SONAR.	Electronic Form NP 728	Electronic Form NP 784	
Form Guide		Guide to Fill Up Electronic Form NP 728	Guide to Fill Up Electronic Form NP 784	

STRO Online Notices and Reporting (SONAR)

More information on SONAR can also be found at <https://www.police.gov.sg/Advisories/Commercial-Crimes/Suspicious-Transaction-Reporting-Office/Suspicious-Transaction-Reporting> .

For enquiries, please contact the SONAR team at SPF_STRO_IT_Team@spf.gov.sg.

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Thank You



TRUSTEES IN AN ERA OF UNCERTAINTY

Panel Discussion

Regulatory Enforcement: STRs, AML & CFT



Regulatory Enforcement: Q&A Session



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