

**Act amending provisions set forth in Act N° 27693
ACT N° 28306**

THE PRESIDENT OF THE REPUBLIC OF PERU

GIVEN THAT:

The Congress of the Republic has enacted the following Act

THE CONGRESS OF THE REPUBLIC OF PERU

has enacted the following Act:

ACT AMENDING PROVISIONS SET FORTH IN ACT N° 27693

One.- Amendments to Act N° 27693

Amend provisions 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and include provision 10-A of Act N° 27693, in the following terms:

“One.- Object of the Financial Intelligence Unit of Peru

The Financial Intelligence Unit of Peru, also called FIU-Peru, is hereby created as a public agency with functional, technical, and administrative autonomy, responsible for receiving, analyzing, dealing with, evaluating and reporting information to detect money laundering and/or terrorist financing, as well as for cooperating with the implementation of a system for disclosing entities to detect suspicious transactions of money laundering and/or terrorist financing. Its budget shall be dependant upon the Presidency of the Council of Ministers' budget.

Two.- Economic Resources of the FIU-Peru

2.1 The following are resources that finance the activities of the FIU-Peru:

1. Donations from one country to another.
2. Aid from international cooperation.
3. Funds provided by the Asset Forfeiture Special Fund (FEDADOI).
4. 10% of the assets seized by the State as a result of the cases analyzed by the FIU-Peru and reported to the Office of the Attorney General, once the corresponding legal procedures have concluded.
5. Fines imposed by the FIU-Peru to disclosing entities of which the FIU is a supervising agency, pursuant to the Fourth Complementary, Transitory, and Final Provision of this Act.

6. Transfers from the Ministry of Economy and Finance.

2.2 The resources provided by the financing sources specified in paragraphs 1, 2, 3, 4, and 5 of section 2.1 herein are considered FIU-Peru self-owned resources.

Three.- Duties of the FIU-Peru

The FIU-Peru has the following duties and powers:

1. To request reports, documents, background information, and any other element deemed useful to fulfill its duties, from any public entity of the National Government, Regional and local Governments, institutions and their corporations, and in general to any Government Corporation. These bodies are liable for failing to provide such information.

2. To request, receive, and analyze information concerning suspicious transactions reported by disclosing entities hereunder, through Suspicious Transactions Reports (STR).

3. To request additional information set forth in paragraph 2 of this provision, as well as to receive and analyze the Transaction Records (TR).

4. To request from disclosing entities legally bound under this Act, the information that is relevant to the prevention and analysis of money laundering and/or terrorist financing.

5. To inform the Office of the Attorney General about the transactions, which after the corresponding investigation and analysis, are believed to be connected with money laundering and terrorist financing activities so that the Office may undertake the corresponding actions.

6. To cooperate, within the scope of its jurisdiction, with international investigations and/or request, receive, analyze, and share information requested by other country's competent authorities that perform analogous functions, in cases alleged to be related to money laundering and terrorist financing activities, reporting the results to the requesting authority and taking the corresponding actions at National level.

7. To participate within its jurisdiction in joint investigations with other national public institutions, responsible for detecting and reporting the commission of criminal offences considered crime precedents to money laundering and/or terrorist financing.

8. To provide technical assistance, as requested, whenever investigations are connected to money laundering and/or terrorist financing.

Four.- Advisory Council

4.1 The FIU -Peru counts with an Advisory Council in order to adequately coordinate the elaboration of strategies, policies, and procedures to persecute money laundering and/or terrorist financing, as well as to review the cases which the Executive Director of the FIU-Peru submits to its opinion. The Advisory Council is composed by:

1. One representative of the Superintendence of Superintendence of Banks and Insurance Companies, who acts as President.
2. One representative of the Presidency of the Council of Ministers, who acts as Vice-president, and as President in case the latter is absent.
3. The Executive Director of the FIU-Peru, who acts as Secretary.
4. One representative of the Office of the Attorney General.
5. One representative of the Tax Administration (SUNAT).
6. One representative of the Securities Exchange Commission of Peru (CONASEV).
7. One representative of the Ministry of Economy and Finance.
8. One representative of the Ministry of Foreign Commerce and Tourism.
9. One representative of the Ministry of Foreign Affairs.
10. One representative of the Office of the Controller.
11. One representative of the Ministry of Interior (Homeland Security).
12. One representative of the Ministry of Production.

4.2 Representatives of other Controlling Bodies may also be part of the Council, provided that they supervise individuals or corporations who disclose information to the FIU-Peru in connection with money laundering and terrorist financing crimes, as well as representatives of other entities whose involvement is necessary to achieve the Council's aims.

4.3 The provision set forth in Section 4.2 herein shall be approved by law.

4.4 The members of the Advisory Council are appointed by the highest rank official of the entity they represent.

Five.- The Executive Direction

5.1 The Executive Direction is chaired by the Executive Director, who manages and administers the FIU-Peru. The Executive Director is the holder of the FIU-Peru budget, is accountable for submitting reports on administrative and budgetary acts of the FIU to the President of the Council of Ministers and to the Economy and Financial Intelligence Commission of the Congress at least once during the first quarter of each year. In the name of the FIU-Peru, the Executive Director informs the Office of the Attorney General the cases presumed to be connected to money laundering and terrorist financing activities.

5.2 The Executive Director is appointed through supreme decision¹ countersigned by the President of the Council of Ministers and his term in office is of three years. He may be appointed for an additional non-consecutive period. The Executive Director shall continue performing his/her duties until his/her successor is appointed.

Six.- The FIU-Peru personnel

6.1 The technical staff of the FIU-Peru is composed by a group of persons who, like the Executive Director, must have good reputation, proven training, and professional expertise in the subject. The personnel are subject to the private labor system and the directing positions are considered trustworthy posts.

6.2 The Executive Director and the personnel of the FIU are subject to incompatibilities set forth in Act N° 27588 and its Regulations.

Seven.- The administrative structure of the FIU-Peru

The highest office within the administrative structure of the FIU-Peru is the Executive Direction, whose complementary duties and those of the other areas of the FIU-Peru shall be set forth in the regulation.

Eight.- Disclosing entities

8.1 The following individuals and corporations are legally bound to disclose information as specified in Provision 3 herein:

1. Financial system companies and insurance system companies and others included in Provisions 16 and 17 of the Financial and Insurance Systems and Organic General Law of the Superintendence of Banks and Insurance Companies, Act N° 26702.

2. Credit and/or debit cards issuing companies.

3. Saving and Loan Associations.

¹ In Peru, Supreme Decision is a regulation or decision issued by the Ministries.

4. Trustees or goods, companies and partnerships administrators.
5. Stockbrokers, Commodity brokers, and Security brokers.
6. Mutual Funds, Investment Funds, Collective Funds, and Retirement/Pension Funds Administrators.
7. The Stock Exchange, other centralized negotiation mechanisms and securities settlement and clearing houses
.
8. The Commodities Exchange.
9. Corporations or individuals engaged in automobile, boats, and aircrafts trading.
10. Corporations or individuals engaged in the construction and real estate businesses.
11. Casinos, lotteries, and gaming houses, including bingos, slot houses, horse races and their agencies, and other similar institutions.
12. General warehouses.
13. Customs services agencies.
14. Businesses whose computer programs and systems allow for suspicious transactions
.

8.2 Likewise, the following corporations and individuals shall disclose information to the FIU-Peru concerning suspicious transactions and/or transactions for amounts specified by the regulation:

1. Foreign Currency Exchange.
2. Postal and courier services.
3. Antiques trading.
4. Jewelry, metals, gems, coins, art objects, and postal stamps trading.
5. Loans and pawns.
6. Travel and tourism agencies, hotels, and restaurants.
7. Notaries Public.

8. Public Auctioneers.
9. Corporations or individuals who receive donations or contributions from third parties.
10. Import and Export Shipping Companies.
11. Companies that provide safe deposit and trust services, which will be opened with the authorization of the holder or through judicial order.
12. The Commission against Customs Crime.
13. Corporations and laboratories that manufacture and/or trade chemicals used in the manufacturing of drugs and/or explosives.
14. Individuals and/or corporations engaged in buying/selling or importing arms.
15. Individuals and/or corporations engaged in the manufacture and/or trading of explosive material.
16. Managers of Interest in Public Administration, as defined in Act N° 28024.
17. Mining companies.
18. Public organizations and institutions that receive funds from sources different from the public treasury.

8.3 Likewise, the following institutions must disclose information whenever such information is necessary for the FIU-Peru to fulfill its duties:

1. The Tax Administration (SUNAT).
2. Securities Exchange Commission of Peru (CONASEV).
3. The Public Registry.
4. Public and Private Risk assessment centers.
5. The National Registry of Identification and Civil Status (RENIEC).
6. The different Chambers of Commerce in the country.
7. Commission for the Formalization of Informal Property - COFOPRI.
8. Immigration and Naturalization General Bureau.
9. Office of the Controller.

10. Special Project to grant land title deeds and rural cadastre – PETT

11. Public Health Insurance.

12. Ministry of Foreign Commerce and Tourism.

13. National Ports Company - ENAPU.

14. National Commission for Development and Life free of Drugs - DEVIDA.

15. Coca National Company - ENACO.

8.4 The list of disclosing entities may be extended through the enactment of an act.

8.5 The FIU-Peru shall coordinate with other public institutions to obtain any information it requires to fulfill its duties.

8.6 The regulation shall determine the disclosing entities that must keep Records.

Nine.- Transaction Records

9.1 The Transaction Records, for purposes of this Act, shall be subject to the regulations set forth in this provision.

9.2 The disclosing entities, pursuant to this Act, shall record every transaction for an amount greater than the amount set forth in the corresponding regulation, for the following items:

a) Cash deposits: current account, saving account, time deposit, and other types of time deposits.

b) Deposits made through securities; the amount shall be based on the closing quotation on the previous day.

c) Placement of negotiable instruments and other debt securities issued by the entity.

d) Trading of securities- public or private- or mutual fund shares.

e) Trading of metals and/or gems, according to the list set forth in the regulation.

f) Foreign currency cash exchange.

g) Wires or transfers issued or received (domestic or international) regardless of the form used to carry out such transactions and of their destination (deposits, transfers, purchase/sale of securities, etc.).

h) Purchase/sale of checks issued against foreign accounts and travelers checks.

i) Payments for imports.

j) Collection from exports.

k) Sale of financial entity portfolio to third parties.

l) Loans redemption services

m) Loan prepayments.

n) Opening of trusts and of all other types of trustees.

o) Trading of goods and services.

p) Futures.

q) Other transactions considered important set forth through a decision of the supervising agency of the disclosing entity, on its own account or upon FIU-Peru proposal. The FIU shall issue the necessary arrangements in case the disclosing entities do not count with a supervising agency.

9.3 The characteristics of the Records shall be specified in the corresponding regulation and it shall include, at least, the following information concerning each transaction:

a) The identity and domicile of the clients, whether regular or not, evidenced by a document presented at the time the commercial transaction is made and, especially, when a transaction is made pursuant to the specifications herein. Thus, the identity, representation, domicile, legal power, occupation, corporate purpose as well as any other information related to the identity of the individuals or corporations, such as National Identification Document, passport, birth certificate, drivers license, corporate agreements, bylaws or other official or private documents related to the identity and unique features of the client, as appropriate, shall be recorded and verified through certified means.

b) Disclosing entities shall follow reasonable measures in order to obtain, record, and update the information on the real identity of the clients, whether regular or not, and the commercial transactions made referred to herein.

c) Description of the type of transaction, amount, currency, account(s) involved as appropriate, place(s) where the transaction was made and date.

d) Any other information required by the FIU-Peru.

9.4 The disclosing entities shall record information in the Transaction Records in a precise and thorough manner, indicating the date of the transaction. This Transaction Records for ten (10) years after the transaction date, using, for this purpose, computers, microfilm or similar means. The Record shall be kept in way that it is easy to retrieve information therefrom. A backup shall exist, pursuant to the specifications set forth by the Supervising Agency. The backups shall be available for the FIU-Peru and for the Office of the Attorney General within 48 working hours upon request; notwithstanding the FIU-Peru's power to request information sooner.

9.5 Transactions performed by regular clients need not be recorded by the disclosing entity, under its sole liability, as long as the disclosing entities have sufficient and justified knowledge of the lawfulness of the activities of its regular clients, after Compliance Officer and the person who reports to him have performed periodic evaluations and reviews.

9.6 Multiple transactions that together exceed a certain amount set forth in the regulation shall be considered a single transaction if they are made by or directed to the same person, in a day or during any other term set forth in the regulation. In such cases, when the disclosing entities or its employees learn about these transactions, they shall record the transaction as provided herein.

9.7 Transaction Records:

a) The Records shall be available to the jurisdictional agencies or appropriate authority, pursuant to the law.

b) The FIU-Peru may, whenever it so deems convenient and within the term it specifies, request that disclosing entities provide information regarding the Transaction Records.

c) Disclosing entities that count with sufficient information technology means shall consent to interconnect them with those of the FIU-Peru in order to make available and speed up information retrieval.

d) The Record hereunder is not needed for transactions made independently among companies subject to supervision by the Superintendence of Banks and Insurance Companies.

9.8 The FIU-Peru may, through motivated decision, extend, reduce, and/or modify the list of concepts subject matter of the Record, the content of the information recorded in connection with each transaction, modify the term and condition in which the Record shall be filled and kept, as well as any other matter or topic related to the Transaction Records. When the disclosing entities are subject to a

supervising agency, the decision shall be issued by the latter upon request or favorable opinion of the FIU-Peru.

9.9 Financial and/or suspicious transactions listed in provision 377 and 378 of Act N° 26702, are also governed by the provisions set forth herein.

Ten.- Supervision Of The Money Laundering And Terrorist Financing Prevention System

10.1 The supervising agencies shall be liable for supervising the money laundering and terrorist financing prevention system, in coordination with the FIU-Peru, pursuant to the specifications set forth in the regulation hereto and its own supervising methods, which shall include the liabilities and approach of the reports made by the Compliance Officer, internal auditors, and external auditors, as well as the liabilities of directors and managers, indicating negligence or fraud in case of un-compliance of the provisions set forth herein, its internal regulations and rules related to the money laundering and terrorist financing prevention system.

10.2 The following agencies shall provide support for the compliance of the supervising functions.

10.2.1 Compliance Officer

a. The Board of Directors and the General Manager of the disclosing entities shall be responsible for implementing, within their organizations, a system to detect money laundering and terrorist financing transactions, as well as for appointing an officer who shall be exclusively dedicated to and who, along with them, shall be liable for monitoring the compliance of said system.

b. Disclosing entities for which having an officer dedicated exclusively to said function and responsibility is not efficient due to the size of their organizations, the complexity or volume of their transactions, shall appoint as Compliance Officer an officer who shall have the rank of a manager. The regulation shall determine the disclosing entities that need not thoroughly integrate the prevention system.

c. Disclosing entities who are part of an economic group may appoint a sole Compliance Officer, called Corporate Compliance Officer; in this case they shall count with express approval of the representatives of the corresponding supervising agencies and the Executive Director of the FIU-Peru.

d. Multinational banks referred to in the Seventeenth Final and Complementary Provision of Act N° 26702 and the branches of foreign banks in Peru may appoint a Compliance Officer not exclusively dedicated to the task referred to herein and who must have a permanent residence in Peru.

e. The Compliance Officer must be a Manager of the disclosing entity. Within the organizational structure of the corporation, the Compliance Officer shall report

directly to the Board of Directors and shall be completely autonomous and independent in performing the functions and responsibilities assigned to him by the law. He shall count with the necessary resources and infrastructure to properly comply with his responsibilities, functions and confidentiality, among other identity codes, and encrypted media.

f. The Compliance Officer shall report periodically to the Chairman of the disclosing entities. In order to achieve better operability, the Compliance Officer may coordinate and discuss with the General Manager of the disclosing entities daily aspects of his duties in connection with logistics or the like, and different from the handling of suspicious information.

g. The Compliance Officer shall elaborate biannual reports on the performance and level of compliance of the money laundering and/or terrorist financing detection system of the disclosing entity. This report shall be forwarded to the Board of Directors of the disclosing entity, within the calendar month following the end of the corresponding 6-month period and forwarded to the FIU-Peru and to the supervising agency of the disclosing entity, if applicable, within the fifteen calendar days after said report has been delivered to the Board of Directors or equivalent body of the corporation.

h. The Internal Auditor of the disclosing entity, individuals declared bankrupt, individuals convicted of fraudulent crime or individuals liable of any of the impediment provided in section 365 of Act N° 26702, except item 2 of said provision, shall not be appointed Compliance Officers.

10.2.2 Internal Audit

The Internal Audit Department shall elaborate a special auditing annual plan of the money laundering and/or terrorist financing program, oriented towards enhancing the internal control system. The results of the tests applied shall be included as an annex to the Compliance Officer's report. In case a disclosing entity did not count with an internal auditor, these functions may be assigned to another Manager, different from the Compliance Officer.

10.2.3 External Audit

a. In case a disclosing entity, which according to the national law must carry out independent or external audits, shall hire an independent auditing firm, which shall elaborate a special report with a specific purpose and not one that supplements the annual financial report. This report shall be elaborated by an auditing firm different from the one that makes the annual financial statements report or by a completely different team, as set forth by the regulation. Copies thereof may be requested by the FIU.

b. The supervising agencies of the disclosing entities shall elaborate reports related to the issue of money laundering and/or terrorist financing, whenever they

detect the presumption of money laundering and/or terrorist financing through their supervising functions. The supervising agency shall report its finding to the FIU-Peru.

c. If a disclosing agency does not count with a supervising agency, the FIU-Peru shall act as supervising agency or it shall appoint the agency or agencies that shall act as supervising agency, as appropriate.

d. If a disclosing entity that does not count with a supervising agency does not comply with one or more of the obligations set forth hereunder and/or its rules, the acting supervising agency, depending on the severity of the case, shall enforce the penalties set forth in the corresponding Infringement and Penalties Regulation, which shall be approved by supreme decision and which may include the application of fines.

e. Compliance Officers, who are subject to final ruling arising from their unfulfilling duties, may also be subject to sanctions; such sanctions shall be set forth in the Infringement and Penalties Regulation.

Ten A.- Warranty and Confidentiality of the Compliance Officer

10-A.1 The Suspicious Operation Report (SOR) is a work document of the FIU-Peru to be exclusively used by said entity upon beginning to deal with and analyze information contained in these reports. After the corresponding analysis and investigation, such information shall be forwarded to the Office of the Attorney General if there is reasonable proof of connection with activities related to money laundering and/or terrorist financing.

10-A.2 Compliance Officers shall be fully assured that their identities shall be kept strictly confidential and reserved by the authorities, regarding both the responsibilities vested upon them by law and the Suspicious Transaction Report he/she submits to the FIU-Peru and to the investigation and jurisdictional processes carried out based on such reports.

10-A.3 The FIU-Peru shall elaborate the necessary mechanisms and procedures so that the Compliance Officers can be reassured that their identities shall be kept confidential and reserved within their jurisdiction. For disclosing entities, the FIU-Peru shall elaborate the same mechanisms and procedures, notwithstanding the information flow between the FIU-Peru, the supervising agencies, competent authorities, and the other individuals or corporations subject to the negative duty to disclose information pursuant to this Act.

10-A.4 The identification of the Compliance Officer shall be limited only and exclusively to a password, pursuant to the regulation; anyone failing to do so shall be subject to liability.

10-A.5 The Suspicious Transaction Report (STR) shall not include the identity of the Compliance Officer, nor any other element which may contribute to identify him/her. The Prosecutor or the competent judge shall make sure the name and last names, domicile or any other element or circumstance which may lead third parties to identify the Compliance Officer, shall not appear on the file.

10-A.6 The Prosecutor or the Judge, as appropriate, shall take the necessary actions according to the law in order to protect the physical integrity of the Compliance Officer, his/her identity, and that of the disclosing entity. In doing so, the Prosecutor or Judge shall take into account the severity of the risk to the Compliance Officers and to the disclosing entities in performing their duties and in presenting the Suspicious Transaction Report, the circumstances, mode and characteristics of the information of the presumed illegal activity contained in the report, the possible revenge or intimidating acts to which they may be exposed, the vulnerability of the Compliance Officer and that of the disclosing entity they represent, as well as their legal process situation. In these cases, the Prosecutor or the Judge shall use a password or secret code, which shall only be known by the authority that shall impose the measure or become aware; anyone failing to do so shall be subject to liability.

Eleven.- Duty to report suspicious and unusual transactions

11.1 Disclosing entities shall pay careful attention to suspicious and unusual transactions performed or intended to be performed. The FIU-Peru may provide additional information or criteria to those specified herein and in its regulations.

11.2 The regulation hereto shall specify the information and scope of the reports of the disclosing entities.

11.3 For the purposes of this Act, the following terms shall have the following meanings:

a) Suspicious Transactions means those civil, commercial or financial transactions that are unusually big with fast rotation speed, with complex conditions, or unjustified presumed to proceed from an illegal activity, or which for any reason whatsoever seems not to be supported on reasonable economic or legal base, and

b) Unusual transactions means those whose amounts, characteristics and periodicity do not match the economic activity of the client, and exceed the current market parameters or do not show an evident legal foundation.

11.4 The regulation shall specify the new modes of suspicious and unusual transactions that may occur.

Twelve 12.- Duty of Secrecy

12.1 Disclosing entities compelled to report to the FIU-Peru on transaction described herein, as well as their shareholders, directors, officers, employees,

workers or third parties professionally connected with the disclosing entities are forbidden to make any individual, entity, agency, under any means or mode, aware of the fact that the information has been requested and/or provided to the FIU-Peru, pursuant to the law herein, except when it is requested by the jurisdictional agency or corresponding authority pursuant to the law or specifications herein; anyone failing to do so shall be subject to liability.

12.2 The provision set forth in the foregoing paragraph is also enforceable upon the Executive Director, the members of the Advisory Council, and the FIU-Peru personnel. Likewise, it is enforceable upon Liaison Officers appointed by the public institutions and officers of other competent national public institutions to detect and report unlawful acts with which joint investigations are carried out, pursuant to the provisions set forth herein.

12.3 The entities mentioned in the foregoing paragraph, along with disclosing entities and their compliance officers, make up the money laundering and/or terrorist financing control system, and are all subject to the duty of secrecy.

Thirteen.- Officers' exemption from liability

13.1 Disclosing entities hereunder, their workers, directors, and other representatives empowered by the legislation are exempted from criminal, civil or administrative liability, as appropriate, for failing to comply with the provisions set forth herein, or for disclosing information whose restriction is set forth in an agreement or arises from any other legislative, regulatory or administrative decision, regardless of the outcome of such communication. This provision shall also be enforced upon: the FIU-Peru officers, who act in compliance with their duties; officers of other competent national public institutions in charge of detecting and reporting criminal offences characterized as crime precedent to money laundering, with which the FIU-Peru carries out joint investigations; and Liaison Officers appointed by other public institutions, who provide information to the FIU-Peru to fulfill its duties.

13.2 The following FIU-Peru officers or employees are exempted from the rule set forth in the foregoing provision, those who:

- a. Alter the truth of known information.
- b. Forge documents.
- c. Base their acts or reports on inexistent information or assumptions contrary to those of the standing law.
- d. Perform acts that infringe rules applicable to the nation's officers or employees.
- e. Perform any crime against the State or those being prosecuted.

Fourteen 14.- Knowledge of the client, correspondent bank, employees and the market

14.1 The disclosing entities shall:

1. Implement mechanisms to detect unusual and suspicious transactions that allow for a sufficient and updated knowledge of their client, the correspondent bank and its personnel.
2. Establish a manual on the system for the detection of suspicious transactions related to money laundering and terrorist financing.
3. The mechanisms shall be based on sufficient knowledge of the financial, stock and commercial markets, so as to determine unusual characteristics of the transactions executed regarding certain products and services, and thus shall be comparable to the transactions executed through said institutions.
4. Provide technical assistance as requested by the FIU-Peru, pursuant to provision 1 herein.

Fifteen.- Exchange of Information and Joint International Investigations

15.1 The FIU-Peru shall collaborate, receive, share, or exchange information with other countries' competent authorities holding analogous jurisdictions, within the framework of international agreements regarding money laundering and/or terrorist financing; as well as carry out joint international investigations.

15.2 Collaboration, reception, sharing or exchange of information with competent authorities of other countries and joint international investigations shall be subject to the provisions set forth in international agreements and, as appropriate, to the reciprocity general principle and the authorities of those countries shall be subject to the same duties regarding professional secrecy that rule at national level.

Sixteen.- Liability of disclosing entities

Disclosing entities are liable, pursuant to the law, for the actions of their employees, officers, directors, and other authorized representatives who acting as such, fail to comply with the provisions set forth herein and its regulation.

Seventeen.- Liaison Officers

17.1 The FIU-Peru shall be supported by Liaison Officers appointed by officers of the Judiciary, the Ministry of Transportation and Communications, the Ministry of Foreign Affairs, the Office of the Attorney General, the Ministry of Interior, the Ministry of Defense, the Ministry of Health, the Ministry of Energy and Mines, the Office of the Controller of the Republic of Peru, the Superintendence of Banks and Insurance Companies, the Tax Administration (SUNAT), the Securities Exchange

Commission of Peru (CONASEV), Public Health Insurance (Essalud), the Informal Property Formalization Commission (COFOPRI), Special Project to grant land title deeds and rural cadastre
, The National Registry of Identification and Civil Status, and the Migration and Naturalization General Bureau.

17.2 The FIU-Peru may request other national, regional and/or local public administration officers to appoint Liaison Officers, when it so deems convenient.

17.3 The Liaison Officers shall be in charge of advising and coordinating activities between the FIU-Peru and their own organizations.”

COMPLEMENTARY, TRANSITORY AND FINAL PROVISIONS

ONE.- Add item d) to provision 47 of Supreme Decree N° 093-2002-EF, Single Amended Text of Legislative Decree N° 861, Securities Act

Add item d) to provision 47 of Supreme Decree N° 093-2002-EF, Single Amended Text of Legislative Decree N° 861, Securities Act, as follows:

“Forty-seven.- Exemptions.- The directors and managers of the entities referred to in the two foregoing provisions shall not be compelled to the duty of secrecy in the following cases:

(...)

d) When the information, whether individual or from the Registry, is requested by the Financial intelligence Unit of Peru, within the performance of its investigation duties pursuant to the Act creating the FIU-Peru and any amendments thereto.”

TWO.- Amends item 2 of provision 377 and items 2 and 3 of provision 378 of Act N° 26702, Financial and Insurance Systems and Organic General Law of the Superintendence of Banks and Insurance Companies.

Amends item 2 of provision 377 and items 2 and 3 of provision 378 of Act N° 26702, Financial and Insurance Systems and Organic General Law of the Superintendence of Banks and Insurance Companies, as follows:

“Three hundred and seventy-seven.- Recording and Notification of Cash transactions

(...)

2. The forms referred to in the foregoing section shall include, at least, the following information for each transaction:

a) The identity, signature or fingerprint, and the address of the person who carries out the transaction in person.

b) The identity and the address of the person on whose behalf the transaction is carried out;

- c) The identity and address of the beneficiary or recipient of the transaction, if applicable;
- d) The identity of the accounts affected by the transactions, if applicable;
- e) The type of transaction involved, such as deposits, funds withdrawal, currency exchange, check cashing, purchase of certificate or bank checks, or money orders or other payments or transfers carried out through or by the institution;
- f) The origin of the cash whether national or foreign, with which the transaction is carried out. For this purpose, the institution shall also request clients for an Affidavit regarding the source of the funds, if the institution so deems necessary;
- g) The identity of the institution of the financial system in which the transaction was carried out; and,
- h) The date, time, and amount of the transaction.

The characteristics of the form shall be determined by the Superintendence.
(...)

Three hundred and seventy-eight.- Reporting of Suspicious Financial transactions
(...)

2. When a transaction described in item 1 of this provision is suspected of being illegal or of being in connection with an illegal act, financial system institutions, based on their sound reasoning, shall report such suspicion to the Financial Intelligence Unit of Peru. Said communication is governed by Act N° 27693 and shall be forwarded through the Compliance Officer, who shall use his/her, identification code or password on behalf of the financial system institution.

3. The financial system institutions that disclose information to the Financial Intelligence Unit about the suspicious transactions described in this act and in Act N° 27693, as well as its shareholders, directors, officers, employees, workers, or third parties connected professionally to disclosing entities are prohibited from informing any person, entity or body, including their own supervising agencies, through any means or mode whatsoever, the fact that information has been requested and/or provided to the Financial intelligence Unit of Peru, except in case such information is requested by a jurisdictional body or competent authority pursuant to the law; anyone breaching this obligation shall be subject to liability.”

THREE.- The Resources

As of budget year 2004 inclusive until budget year 2006, the Asset Forfeiture Fund – FEDADOI, shall provide the resources that the FIU-Peru needs to fully operate and that have not been provided by the Public Treasury.

FOUR.- Regulations on Infringements and Sanctions

The Executive Branch shall approve the Regulations on Infringements and Sanctions, no later than six calendar months computed as from the moment this Act enters into force, through supreme decision approved by the Council of Ministers, countersigned by the President of the Council of Ministers.

FIVE.- Exemptions for the FIU-Peru

The FIU –Peru is, exclusively for the fulfillment of its institutional aims, exempted from paying judicial fees, as well as fees and/or any other concept collected from services that provide information through internet or extranet, the issuing of simple or certified copies of documents, certification of documents and/or any other information provision or certification service; regardless of the means in which they are rendered and provided by any public institution, including those that are part of the State's Entrepreneurial activities, Entities subject to Entrepreneurial Treatment, Regional and Local Governments.

SIX.- Obligation to declare money or negotiable instruments incoming and/or outgoing from the country.

Any person, national or alien, entering or leaving the country, is obliged to declare under oath, the cash and/or financial instruments which he carries for amounts greater than US\$ 10 000,00 (ten thousand and 00/100 American dollars) or its equivalent in local or foreign currency. The Customs National Adjunct Supervising Agency is responsible for implementing, controlling, and inspecting the provisions set forth hereunder.

The Records generated as a result of this provision shall be forwarded to the FIU-Peru automatically and pursuant to the regulation.

The records generated as a result of this provision shall be available for the Tax Administration (SUNAT), the Office of the Attorney General, the Judiciary or other competent authority; except for the first institution, the rest of the public entities mentioned, shall only access the information regarding a specific case subject matter of investigation.

Failing to declare and/or lying regarding the amount declared under oath shall lead to the seizure of the money and/or the negotiable instruments and the corresponding administrative, civil, and criminal actions.

SEVEN.- Effectiveness of the Regulation

Following FIU-Peru proposals, the Executive Branch, through a supreme decision approved by the Council of Ministers, countersigned by the President of the Council of Ministers, shall adapt Supreme Decision N° 163-2002-EF "Regulations of the Act that creates the Financial intelligence Unit" and its amendments, in no more than six calendar months computed as from the entry into force of this Act.

As long as no new regulations are enacted, Supreme Decision N° 163-2002-EF and its amendments, as applicable, shall remain in force.

EIGHT.- Exception rule

Exceptionally, the first Executive Director shall be appointed for an additional consecutive period, and continue holding office as long as a successor is not appointed.

NINE.- Annulment rule

Annul item 4 of provision 377 of Act N° 26702, Financial and Insurance Systems and Organic General Law of the Banking and Insurance Company Supervising Agency.

Annul, amend, or cancel, as appropriate, the regulations and provisions that oppose this act.

TEN.- Entry into Force

This act shall enter into force the day after its publication in the official gazette, El Peruano.

Communicate it to the President of the Republic of Peru so that he promulgates it.

In the city of Lima, July 6th, 2004.

HENRY PEASE GARCÍA
President of the Congress of the Republic of Peru

MARCIANO RENGIFO RUIZ
First Vice-President of the Congress of the Republic of Peru

TO THE CONSTITUTIONAL PRESIDENT OF THE REPUBLIC
SO:

Publish it and comply with it.

Given at the House of Government, in Lima, July 27th, 2004.

ALEJANDRO TOLEDO
Constitutional President of the Republic of Peru

CARLOS FERRERO
President of the Council of Ministers