

## **Anti-Money Laundering**

When amended Anti-Money Laundering rules were released several years ago, the rules covered “financial institutions”. Investment Advisors were not included in the definition of a “financial institution”.

While not required, CAP has always recommended that investment advisers at minimum run new and existing client names through the [www.fincen.gov](http://www.fincen.gov) list or, more easily, through the [NASDR.com](http://NASDR.com) site. The NASD site provides a screen that indicates if a match was found.

We have learned that the SEC EXPECTS investment advisors to do exactly that – run names through the list of known or suspected terrorists.

[Click here to view a sample report from the NASD site](#), “SDN Search”. Investment Advisers should run new client names (at minimum) through the NASD list, print the “**no matches found**” report and file it with the client contract. (attach file)