

**CIRCULAR No. 3/2011: ISSUED IN TERMS OF SECTION 7 (1) OF
THE BANK USE PROMOTION AND SUPPRESSION OF MONEY
LAUNDERING ACT (CHAPTER 24:24) OF 2004**

USE OF BUSINESS BANK ACCOUNTS

The Bank Use Promotion & Financial Intelligence Unit has observed with great concern, the prevalence of some individual bank accounts held with financial institutions, being used to conduct business transactions. These accounts are characterised by frequent and large cash deposits and withdrawals.

The Unit has noted that some of these individuals do have registered company bank accounts, which they are not using.

The trend of using individual accounts to deposit and withdraw cash presents a risk of money laundering and tax evasion.

Financial institutions are therefore directed to identify such accounts, in line with the provisions of KYC and CDD procedures, with a view to open and use business bank accounts for all business transactions.

.....

M.E. Chiremba
Director
Bank Use Promotion and Financial Intelligence

27 May 2011