A BILL

entitled

FINANCIAL INTELLIGENCE AGENCY AMENDMENT ACT 2026

TABLE OF CONTENTS

WHEREAS it is expedient to amend the Financial Intelligence Agency Act 2007 to strengthen the powers, functions and operational independence of the Financial Intelligence Agency; to enhance its capacity to detect, prevent and combat money laundering, terrorist financing, proliferation financing and other financial crime; to improve its access to, and the protection and dissemination of, financial intelligence; to provide for additional sources of funding; to create offences and safeguards relating to the exercise of its functions and powers; and for connected matters;

Be it enacted by The King's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act, which amends the Financial Intelligence Agency Act 2007 ("the principal Act"), may be cited as the Financial Intelligence Agency Amendment Act 2026.

Amends section 2

2 Section 2 of the principal Act is amended—

(a) in subsection (1)—

(i) by deleting the definitions for "criminal conduct", "money laundering offence", "proceeds of criminal conduct", "relevant institution" and "terrorist finance offence";

(ii) by inserting the following in their proper alphabetic place—

" "ancillary offence" means an offence of attempting, conspiring, aiding, abetting or procuring the commission of an offence;

"criminal conduct" means conduct which constitutes an offence under the laws of Bermuda or conduct occurring outside Bermuda which would constitute an offence if it occurred in Bermuda;

"financial crime" means—

(a) a money laundering offence;

(b) a terrorist financing offence;

(c) a proliferation financing offence;

(d) conduct giving rise to proceeds of criminal conduct;

(e) sanctions-related financial activity; or

(f) any other offence or class of offences prescribed for the purposes of this definition;

"money laundering offence" means—

(a) an offence under the Proceeds of Crime Act 1997;

(b) any ancillary offence relating to paragraph (a); or

(c) an act occurring outside Bermuda which would constitute conduct referred to in paragraph (a) or (b);

"prescribed" means prescribed by regulations made by the Minister subject to the negative resolution procedure;

"proliferation financing offence" means—

(a) an offence under any enactment relating to proliferation financing;

(b) any ancillary offence relating to paragraph (a); or

(c) an act occurring outside Bermuda which would constitute conduct referred to in paragraph (a) or (b);

"relevant institution" means—

(a) a banking institution;

(b) a financial institution licensed or regulated under any enactment; or

(c) any person or class of persons prescribed by order;

"terrorist financing offence" means—

(a) an offence under the Anti-Terrorism (Financial and Other Measures) Act 2004 relating to the provision, collection, management, transfer or use of funds, or other assets, for terrorist purposes;

(b) any ancillary offence relating to paragraph (a); or

(c) an act occurring outside Bermuda which would constitute conduct referred to in paragraph (a) or (b).";

(b) by repealing subsections (2) and (3).

Amends section 4A

3 Section 4A of the principal Act is amended by inserting the following after subsection (1)—

"(1A) In exercising any power or performing any duty under subsection (1), the Minister or the Board shall not give a direction to the FIA in respect of—

(a) any particular investigation, analysis, assessment or dissemination of financial intelligence;

(b) whether or not particular information is obtained, analyzed or disseminated by the FIA; or

(c) any operational decision made by the FIA in the exercise or performance of its functions.

(1B) A direction shall not be given under subsection (1) if compliance with the direction would compromise the operational independence or autonomy of the FIA.

(1C) For the avoidance of doubt, the Minister or Board may exercise policy oversight in relation to the FIA but shall not, in exercising that oversight, direct or otherwise interfere with the operational decisions of the FIA.".

Amends section 7

4 Section 7 of the principal Act is amended by repealing subsection (1A).

Repeals and replaces section 8

5 Section 8 of the principal Act is repealed and replaced with the following—

"**Funds of the FIA**

8 The funds and resources of the FIA shall consist of—

(a) sums paid out of the Confiscated Assets Fund established under section 55A of the Proceeds of Crime Act 1997;

(b) sums appropriated by the Legislature for the purposes of the FIA;

(c) other sums received by the FIA in connection with the exercise or performance of its functions.".

Amends section 10

6 Section 10 of the principal Act is amended—

(a) by repealing subsection (6) and replacing it with—

"(6) The FIA may reallocate funds between expenditure items within its approved expenditure budget as the Director considers necessary for the efficient and effective performance of the FIA's functions.";

(b) by inserting the following after new subsection (6)—

"(7) The FIA shall notify the Board of any material reallocation of funds.".

Repeals and replaces section 12

7 Section 12 of the principal Act is repealed and replaced with—

"**Publication of annual reports**

12 (1) The FIA shall, as soon as practicable after the end of each financial year—

(a) prepare an annual report on the exercise and performance of its functions during that year; and

(b) transmit a copy of the annual report to the Minister.

(2) The Minister shall, as soon as possible after receiving a copy of the annual report, lay it before both Houses of the Legislature.".

Repeals and replaces section 13

8 Section 13 of the principal Act is repealed and replaced with—

"**Publication of accounts**

13 (1) The FIA shall, as soon as practicable after the end of each financial year, prepare and transmit to the Minister a copy of the audited annual statement of accounts of the FIA certified by the Auditor General.

(2) The Minister shall, as soon as possible after receiving a copy of the annual statement of accounts, lay it before both Houses of the Legislature.".

Amends section 14

9 Section 14 of the principal Act is amended—

(a) by repealing subsection (1)(a) and replacing it with—

"(a) of receiving, gathering, storing, analyzing, including operational and strategic analysis, and disseminating information in and outside Bermuda relating to—

(i) financial crime;

(ii) suspected proceeds of criminal conduct;

(iii) potential money laundering offences;

(iv) potential terrorist financing offences; and

(v) potential proliferation financing offences;";

(b) by inserting the following after paragraph (aa)—

"(ab) of maintaining secure and restricted access to its information holdings and information systems;

(ac) of issuing guidance, advisories, alerts, other publications and other information as the FIA considers necessary for the performance of its functions under this Act;";

(c) by inserting the following after paragraph (aaa)—

"(aab) of making periodic reviews of this Act for the purpose of advising the Minister on its operation and on amendments the FIA considers necessary or desirable.";

(d) in subsection (3) by deleting ", potential money laundering offences and potential terrorist financing offences" and substituting "and financial crimes".

Amends section 15

10 Section 15 of the principal Act is amended—

(a) by repealing subsection (1) and substituting—

"(1) Where, in the course of an enquiry into a suspicious transaction or suspicious activity relating to suspected proceeds of criminal conduct or financial crime, the FIA has reasonable grounds to suspect that funds held by or through a relevant institution are connected with that transaction, activity or financial crime, the FIA may serve a notice on the relevant institution directing it not to make those funds available to a person specified in the notice.";

(b) by inserting the following after new subsection (1)—

"(1A) The FIA may withdraw a notice in subsection (1) at any time by written notice to the relevant institution.";

(c) in subsections (2), (3) and (4) by deleting "72 hours" wherever it occurs and substituting "14 days";

(d) by repealing subsection (6) and replacing it with—

"(6) A relevant institution guilty of an offence under subsection (5) is liable on conviction on indictment to a fine of $250,000 or to imprisonment for five years, or both.";

(e) by repealing subsection (7) and substituting—

"(7) In this section—

"funds" means monies, securities, investments, electronic money, virtual assets or other economic resources held by or through a relevant institution.".

Repeals and replaces section 16

11 Section 16 of the principal Act is repealed and replaced by—

"**Obtaining information**

16 (1) Where reasonably required for the purposes of an enquiry into a suspicious transaction or suspicious activity relating to suspected proceeds of criminal conduct or financial crime, the FIA may serve a notice in writing ("an information notice") on any person requiring that person to provide information, records, documents, data or explanations specified in the notice.

(2) Without limiting subsection (1), an information notice may require—

(a) beneficial ownership information;

(b) information relating to ownership or control;

(c) source of funds information;

(d) account information;

(e) transaction records; and

(f) any other information reasonably required by the FIA for the performance of its functions under this Act.

(3) Information may be required whether located in or outside Bermuda, where it is within the possession, custody or control of the person upon whom the notice is served.

(4) An information notice may be served on an entity where the FIA reasonably believes that the entity is in possession of, or has access to, information relevant to the exercise of the FIA's functions under this Act.

(5) An information notice shall specify the period within which the information is to be provided.

(6) For the avoidance of doubt, a requirement imposed under subsection (1) applies to information, records, documents, data and explanations located in or outside Bermuda, where they are within the possession, custody or control of the person upon whom the notice is served.

(7) Nothing in this section requires disclosure of information subject to legal professional privilege.".

Inserts new sections 16B and 16C

12 The principal Act is amended by inserting the following after new section 16—

"**Access to information**

16B (1) Notwithstanding any provision to the contrary in any enactment, the FIA shall have timely access, directly through secure electronic read-only access, to information contained in registries and databases maintained by public authorities, where such information is reasonably required for the performance of its functions under this Act, and such access shall be provided on a real-time basis where technologically available.

(2) Every public authority shall provide the FIA with such connectivity, technical support and access credentials as may be required for the purposes of subsection (1).

(3) The FIA may access information electronically through automated systems, shared databases or secure data-sharing arrangements approved by the Director.

(4) Information obtained, received, generated or held by the FIA in the exercise of its functions shall not be accessed, used or disclosed except by a person authorised to do so for the purposes of this Act.

(5) The FIA shall establish and maintain appropriate policies and procedures for the security, storage, retention, access, use and dissemination of information held by the FIA.

Duty to use information only for statutory purposes

16C (1) Information obtained by the FIA pursuant to this Act shall be accessed, used and disclosed only to the extent reasonably necessary for the exercise of the FIA's functions under this Act.

(2) A person who contravenes subsection (1) commits an offence and is liable on conviction on indictment to a fine not exceeding $250,000 or imprisonment for a term not exceeding five years, or both.”.

Inserts new sections 16D, 16E, 16F and 16G

13 The principal Act is amended by inserting the following after section 16C—

“**OFFENCES**

Failure to comply with an information notice

16D (1) A person who, without reasonable excuse, fails to comply with a requirement imposed under section 16 commits an offence.

(2) A person guilty of an offence under subsection (1) is liable—

(a) on summary conviction to a fine of $50,000 or to imprisonment for two years, or to both;

(b) on conviction on indictment to a fine of $250,000 or to imprisonment for five years, or to both.

False or misleading information

16E (1) A person who knowingly or recklessly provides information to the FIA which is false or misleading in a material particular commits an offence.

(2) A person guilty of an offence under subsection (1) is liable—

(a) on summary conviction to a fine of $50,000 or to imprisonment for two years, or to both;

(b) on conviction on indictment to a fine of $250,000 or to imprisonment for five years, or to both.

Tipping off

16F (1) A person commits an offence if he discloses information knowing or suspecting that—

(a) the FIA is conducting an enquiry; or

(b) information has been disclosed to the FIA,

and the disclosure is likely to prejudice the enquiry.

(2) A person guilty of an offence under subsection (1) is liable—

(a) on summary conviction to a fine of $50,000 or to imprisonment for two years, or to both;

(b) on conviction on indictment to a fine of $250,000 or to imprisonment of five years, or to both.

Obstruction of the FIA

16G (1) A person who wilfully obstructs, impedes or interferes with the FIA, or any officer, employee or person acting on behalf of the FIA, in the exercise of any function or power under this Act commits an offence.

(2) Without limiting subsection (1), a person obstructs or impedes the FIA if the person—

(a) refuses or fails to provide access to information, records, documents, data or other material to which the FIA is entitled under this Act;

(b) conceals, destroys, falsifies or removes any information, record, document or data relevant to an enquiry conducted by the FIA;

(c) prevents or attempts to prevent another person from complying with a requirement imposed under this Act; or

(d) otherwise engages in conduct that has the effect of hindering, delaying or frustrating the exercise of the FIA's functions or powers.

(3) A person guilty of an offence under subsection (1) is liable—

(a) on summary conviction to a fine of $50,000 or to imprisonment for two years, or to both; or

(b) on conviction on indictment to a fine of $250,000 or to imprisonment for five years, or to both.”.

Amends section 17

14 Section 17(3) of the principal Act is amended by deleting “summary conviction to a fine of $50,000 and to imprisonment for two years or to both” and substituting “conviction on indictment to a fine of $250,000 or to imprisonment for five years, or to both”.

Amends section 18

15 in subsection (1) by changing the “.” to a “;” at the end of paragraph (h) inserting the following after—

“(i) any person, body, agency, department, authority or organisation in Bermuda or elsewhere whose functions are relevant to the exercise of the FIA's functions under this Act.”.

Amends section 20

16 Section 20 of the principal Act is amended by repealing subsection (1) and substituting—

"(1) Any person may disclose information to the FIA if the disclosure is made for the purpose of assisting the FIA in the discharge of its functions relating to—

(a) suspected proceeds of criminal conduct;

(b) financial crime;

(c) suspicious transactions; or

(d) suspicious activity.".

Inserts section 20A

17 The principal Act is amended by inserting the following after new section 20—

"**Protection for disclosures to the FIA**

20A (1) A person who, in good faith, discloses information to the FIA under this Act shall not be liable in any civil, criminal or disciplinary proceedings for making the disclosure.

(2) A disclosure made in good faith to the FIA under this Act shall not be treated as a breach of—

(a) any duty of confidence;

(b) any contractual restriction upon the disclosure of information; or

(c) any other obligation, however imposed, restricting the disclosure of information.

(3) No action, claim or demand shall lie against any person for making a disclosure to the FIA in good faith under this Act.

(4) For the purposes of this section, a disclosure is made in good faith where the person making the disclosure reasonably believes that the information disclosed is relevant to the FIA's functions under this Act.".

Transitional

18 (1) The FIA's entitlement to directly access registries and databases under section 16B shall take effect on the commencement of this Act, but the technical and administrative arrangements necessary to facilitate such access shall be implemented—

(a) within six months of that commencement for critical public authority registries; and

(b) within 12 months of that commencement for all public authority registries and databases.

(2) For the purposes of this section “critical public authority registries” means a registry that the Director determines is necessary for the utmost effective performance of the functions of the FIA under this Act.

FINANCIAL INTELLIGENCE AGENCY AMENDMENT BILL 2026

EXPLANATORY MEMORANDUM

This Bill seeks to amend the Financial Intelligence Agency Act 2007 ("the principal Act") to strengthen the legislative framework governing the Financial Intelligence Agency ("FIA") and enhance its capacity to detect, prevent and combat money laundering, terrorist financing, proliferation financing and other financial crime, and for connected matters.

Clause 1 provides the title of the Bill.

Clause 2 amends section 2 of the principal Act to modernise a number of definitions and introduces new definitions relevant to the FIA's expanded functions. The definition of "financial crime", especially, is broad to encompass money laundering, terrorist financing, proliferation financing, conduct giving rise to proceeds of criminal conduct, sanctions-related financial activity and such other offences or classes of offences as may be prescribed.

Clause 3 amends section 4A of the principal Act to expressly protect the operational independence and autonomy of the FIA. The amendment provides that neither the Minister nor the Board may give directions concerning a particular investigation, analysis, assessment or dissemination of financial intelligence, whether particular information is obtained, analysed or disseminated, or any other operational decision of the FIA. A direction may not be given where compliance with it would compromise the operational independence or autonomy of the FIA.

Clause 4 removes subsection (1A) of section 7 of the principal Act.

Clause 5 repeals and replaces section 8 of the principal Act to expand the statutory sources from which the FIA may receive funds and resources. The amendment is intended to provide greater flexibility in financing the FIA and to facilitate the allocation of resources necessary for the effective discharge of its functions.

Clause 6 amends section 10 of the principal Act to give the FIA greater flexibility in managing its approved expenditure budget. The Director of the FIA will be able to reallocate funds between expenditure items within the approved budget where the Director considers such reallocation necessary for the efficient and effective performance of the FIA's functions.

Clause 7 repeals and replaces section 12 of the principal Act concerning the publication of annual reports. This provision strengthens the accountability and transparency framework applicable to the FIA while preserving the confidentiality necessary for its operational functions.

Clause 8 repeals and replaces section 13 of the principal Act concerning the publication of accounts.

Clause 9 amends clause 14 of the principal Act to expand and modernise the statutory functions of the FIA. The FIA's information-gathering and analytical functions will expressly include operational and strategic analysis and will extend to information concerning financial crime, suspected proceeds of criminal conduct and potential money laundering, terrorist financing and proliferation financing offences.

Clause 10 strengthens section 15 of the principal Act concerning funds held by or through a relevant institution. Where the FIA has reasonable grounds to suspect that funds are connected with a suspicious transaction, suspicious activity, suspected proceeds of criminal conduct or financial crime, it may serve notice on a relevant institution directing that the funds not be made available to a specified person. The FIA may subsequently withdraw the notice by written notice. The period specified in section 15 is increased from 72 hours to 14 days, providing the FIA with additional time to conduct the necessary analysis and, where appropriate, facilitate further action by the relevant authorities. The definition of “funds” is expanded to expressly include monies, securities, investments, electronic money, virtual assets and other economic resources.

Clause 11 repeals and replaces section 16 of the principal Act to expand the FIA’s power to obtain information. The power extends to information located inside or outside Bermuda, where that information is within the possession, custody or control of the person served with the notice. Information notices may also be served on entities where the FIA reasonably believes that the entity possesses or has access to information relevant to its functions.

Clause 12 inserts a new sections 16B and 16C into the principal Act to provide for direct electronic access by the FIA to information held in registries and databases maintained by public authorities. The FIA will be entitled to timely access, through secure electronic read-only access, to information reasonably required for the performance of its functions. Where technologically available, access is to be provided on a real-time basis. Public authorities are required to provide the connectivity, technical support and access credentials necessary to facilitate that access.

Clause 13 inserts new sections 16D to 16G into the principal Act to provide new offences relating to the exercise of the FIA’s information-gathering and investigative functions.

Clause 14 amends section 17 of the principal Act in subsection (3) by increasing the existing penalty.

Clause 15 amends section 18 of the principal Act to expand the FIA’s ability to disseminate information by expressly permitting disclosure to any person, body, agency, department, authority or organisation in Bermuda or elsewhere whose functions are relevant to the exercise of the FIA’s functions under the principal Act.

Clause 16 amends section 20 of the principal Act to clarify that a person may disclose information to the FIA for the purpose of assisting it in the discharge of its functions relating to suspected proceeds of criminal conduct, financial crime, suspicious transactions or suspicious activity.

Clause 17 inserts a new section 20A into the principal Act to provide protection for persons who make disclosures to the FIA in good faith. The protection applies where the person making the disclosure reasonably believes that the information disclosed is relevant to the FIA’s functions.

Clause 18 provides transitional arrangements for the implementation of the FIA’s direct access to public authority registries and databases under new section 16B. The FIA's entitlement to direct access takes effect on commencement of the Act. The technical and administrative arrangements necessary to facilitate that access must, however, be implemented within six months for critical public authority registries and within 12 months for all public authority registries and databases. A “critical public authority registry” is defined by reference to a registry that the Director determines is necessary for the most effective performance of the FIA's functions.