



## **PUBLIC NOTICE**

On 24<sup>th</sup> July 2014, the Bank of Tanzania took over the management of FBME Bank Ltd (FBME). The Bank of Tanzania's supervisory intervention was a result of the USA's Financial Crimes Enforcement Network (FinCEN) Notice of Findings issued on 15<sup>th</sup> July 2014, identifying FBME as a Financial Institution of Primary Money Laundering Concern, and the action by the Central Bank of Cyprus to take-over the operations of the branch of FBME Bank Ltd in Cyprus. FinCEN then issued a Notice proposing to impose special prohibition measures against FBME.

Since issuance of the Notice, FinCEN and FBME embarked on a court case at the US District Court for the District of Columbia, which was finally ruled in favor of FinCEN on 14<sup>th</sup> April 2017. The court ruling allowed FinCEN to proceed with implementing the Final Rule which effectively bans FBME from accessing the US financial system.

The Court decision in favor of FinCEN enables implementation of the Final Rule which has adverse implications on the viability of FBME operations as it permanently bans access to the US financial system and necessary support services and trading platforms for provision of normal banking services to its customers.

In view of this latest development, the Bank of Tanzania, in exercising its powers conferred upon it under the provisions of Sections 58(2)(a), 11(3)(i), 61(1) and 41(a) of the Banking and Financial Institutions Act, 2006, has discontinued all banking operations of FBME Bank Limited; revoked its banking business license; placed it under liquidation; and appointed the Deposit Insurance Board (DIB) as a Liquidator effective the 8<sup>th</sup> day of May, 2017.

**BANK OF TANZANIA**  
**5<sup>th</sup> MAY 2017**