

MALVERNS POLICY STATEMENT

ANTI MONEY LAUNDERING REGULATIONS 2017

On 26th June 2017 The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (more commonly referred to as The Money Laundering Regulations 2017) came in to force in the UK.

Under the Regulations it is an offence to trade as an Estate Agent unless registered with HMRC for anti-money laundering supervision.

Risk

Risk sensitive policies and procedures are established in order to anticipate and prevent money laundering and terrorist financing. A risk-sensitive or risk-based approach is where businesses assess the risk of customers laundering money through their business. Businesses may take the starting point that most customers will not launder money but will identify criteria that would indicate a higher risk of money laundering – ie., where there is no face to face meeting to establish identity.

Malverns has appointed a money laundering officer, Alexander Leon, whose responsibility it is to receive internal reports and to forward reports to the National Crime Agency as necessary.

Adherence to the “Due Diligence” identification procedures on every occasion will mitigate the risk of our business being used to launder money or fund terrorism.

Although letting agents are not currently covered by the Regulations we do request photographic identification and proof of address (utility bill from within last 3 months) from all landlords as well as vendors and buyers. We will also at our discretion use the service of a third party company to provide an online check.

Should a face to face meeting not take place then enhanced due diligence procedures will be adopted by asking for additional information or evidence to establish the customer’s identity and ensuring that the documents supplied are certified. We may also ensure that the first payment is made to a bank account in the customer’s name.

Acceptable Proof of Identity documents are as follows. You cannot use one form of identification for both name and address. For example if you provide your driving licence as proof of your name you must provide another form of identification for your address, such as a utility bill.

Proof of name	Proof of address
Current signed passport	Utility bill (gas, electric, satellite television, landline phone bill) issued within the last three months
Original birth certificate (UK birth certificate issued within 12 months of the date of birth in full form including those issued by UK authorities overseas such as Embassies High Commissions and HM Forces)	Local authority council tax bill for the current council tax year
EEA member state identity card (which can also be used as evidence of address if it carries this)	Current UK driving licence (but only if not used for the name evidence)
Current UK or EEA photocard driving licence	Bank, Building Society or Credit Union statement or passbook dated within the last three months
Full old-style driving licence	Original mortgage statement from a recognised lender issued for the last full year
Photographic registration cards for self-employed individuals in the construction industry -CIS4	Solicitors letter within the last three months confirming recent house purchase or land registry confirmation of address
Benefit book or original notification letter from Benefits Agency	Council or housing association rent card or tenancy agreement for the current year
Firearms or shotgun certificate	Benefit book or original notification letter from Benefits Agency (but not if used as proof of name)
Residence permit issued by the Home Office to EEA nationals on sight of own country passport	HMRC self-assessment letters or tax demand dated within the current financial year
National identity card bearing a photograph of the applicant	Electoral Register entry
	NHS Medical card or letter of confirmation from GP's practice of registration with the surgery

For customers other than private individuals such as corporate customers and private companies we must obtain information that is relevant eg., company registration number, registered address and evidence that the individuals have the authority to act for the company. A search at Companies House will reveal details of directors and company secretary.

For customers acting as a Representative of an Estate we will require the following:

- Grant of Probate (if a will was left)
- Letter of Administration (if no will was left)
- Individual identify evidence for the personal representative, either executor or administrator.

A report will be made if a member of staff or Alexander thinks that there is a possibility *which is more than fanciful* that a person is or has been engaged in money laundering or terrorist financing. If Alexander is satisfied that there are grounds to suspect money laundering or terrorism he must forward a report the National Crime Agency.

What is Suspicious Activity?

The list is by no means exhaustive.

New Customers:

- Reluctance to provide details of their identity
- Customer is trying to use intermediaries to hide their identify or involvement
- There appears to be no genuine reason for the customer using the business's services

Regular/Existing Customers:

- Money is paid by a third party who does not appear to be connected with the customer
- The customer requests payment to a third party who has no apparent connection with the customer
- A cash transaction is unusually large and the customer will not disclose the source of the funds
- A transaction is carried out for less than market value with an unconnected person
A transaction is carried out for less than market value with an unconnected person

Should a report be made then it is important that this fact, and any information about the transaction in question is kept confidential.

Record Keeping

The following records are required to be kept for 5 years:

- Copies of or references to the evidence obtained of a customer's identity for five years after the end of the customer relationship or five years from the date when the transaction was completed
- Supporting records relating to a customer relationship or occasional transaction for five years from the date when the transaction was completed

