



MONEY LAUNDERING POLICY

MONEY LAUNDERING POLICY 2020

Money Laundering Policy for Core Commercial Limited.

The purpose of our relationship with our customers is to act as an Agent for the sale of property. As an Estate Agent we are obliged to register with HMRC and we have done so. Lettings agents who only carry out lettings work are not required to register.

RISK ASSESSMENT

We are required to assess the risks that criminals may exploit our business for money laundering and terrorist financing.

- We act as Agents only and the transaction proper is handled by the Vendors legal representative, and their financial institution or bank. The National Crime Agency recognises their risk assessment as high, compared to Estate Agents at medium
- Our fees in themselves are not considered 'high value' though the property transaction is
- We do not handle client money, except for services supplied
- We are a full service Estate Agent dealing with commercial property, and the occasional investment property. We are not dealing with high volume investment transactions or very high value property
- We meet the vast majority of our customers face to face. A large proportion of our work is by personal recommendation. We mostly work for companies/individuals rooted in this locality rather than transient individuals, international individuals or businesses.
- In 2016 there were nearly 1,000,000 property transactions and only 176 SAR's Suspicious Activity Reports were made by Estate Agents

We therefore assess the risks to this particular business as very low.

PROCESS

The law requires us to check the identities of our customers, or the 'beneficial owner' of a property, for whom we are acting as Agent. Our Nominated Officer for managing this

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process is our Managing Director. All of our employees are required to be familiar with this policy.

We are required to confirm our customers name, their photograph on an official document which confirms their identity, their residential address and date of birth. We are obliged to record that we have seen these documents, but we are not obliged to make copies, so we do not. We take the view that holding unnecessary copies of our customers personal information puts both parties at risk so we do not do it. The copies of these documents could be mislaid or stolen and cause both us and our customers a problem.

If we have doubts about a customers identity, we may decline to deal with them until we are sure. Any concerns should be reported to the Nominated Officer.

We ask to see a government issued document - a Passport, Drivers Licence along with utility bills, bank statements and other official documents. Other sources of customer information may include the electoral register and information held by credit reference agencies such as Experian and Equifax. We intrude on our customers privacy to the minimum necessary to comply with the law: An identity document with photograph and a linking document with address.

We are not document experts and although we are vigilant we cannot be expected to spot expert forgeries, especially those purportedly issued in other countries, but all staff are required to review, "Guidance on examining identity documents" published on the .gov website

We are obliged to check if our customers are Politically Exposed Persons. Domestic or foreign PEP's are individuals who are or have been entrusted with prominent public functions, for example Heads of State or of government, senior politicians, senior government, judicial or military officials, senior executives of state owned corporations, important political party officials. A family member or close associate of any of the above. As we predominantly deal in domestic properties not of the highest value and there are very few such persons it is unlikely that we will ever interact. If we do the Nominated Officer will decide a course of action.

An estate agency business enters into a business relationship with both parties to the transaction - the property seller and the property buyer. The person who is not a customer, in the commercial sense, must be treated in the same way as a customer for the purposes of the Regulations, for example, the same obligations to apply an appropriate level of customer due diligence. So we will confirm the identity of purchasers when they make a formal offer which is accepted by our client.

SUSPICIOUS ACTIVITY

Here are some of the questions we consider in deciding whether or not to submit a suspicious activity report when dealing with new transactions:

- Checking the seller or buyers identity is difficult
- The seller or buyer is reluctant to provide details of their identity or provides documents which may be fake
- The seller or buyer is trying to use intermediaries to protect their identity or hide their involvement

- We are asked to go through several legal entities in order to identify the beneficial owner or we are unable to identify whether there are any beneficial owners
- No apparent reason for using your business's services - for example, another business is better placed to handle the transaction
- Their lifestyle does not appear to be consistent with your knowledge of their income or income does not appear to be from a legitimate source
- They are keen to buy or sell quickly at an unusually low or high price for no legitimate reasons
- Part or full settlement in cash or foreign currency, with weak reasons
- They, or associates, are subject to, for example, adverse media attention, have been disqualified as directors or have convictions for dishonesty.

Regular and existing customers

These are some of the questions we consider when deciding whether or not to submit a suspicious activity report in relation to regular and existing customers:

- The transaction is different from the normal business of the customer
- The size and frequency of the transaction is different from the customer's normal pattern
- The pattern has changed since the business relationship was established
- The nature of any payments made changes, for example, a buyer's payment to an auctioneer is made in cash rather than through a bank account
- There has been a significant or unexpected improvement in the customer's financial position the customer cannot give a proper explanation of where money came from or their source of wealth or funds.

Transactions

These are some of the questions we consider when deciding whether or not to submit a suspicious activity report in relation to the transactions carried out:

- A third party, apparently unconnected with the seller or buyer, bears the costs, or otherwise pays the transaction costs
- An unusually big cash or foreign currency transaction
- The buyer will not disclose the source of the funds or the seller source of wealth where required
- Unusual involvement of third parties, or large payments from private funds, particularly where the buyer appears to have a low income
- Unusual source of funds.

Report any suspicious activity to the Nominated Officer

DATA PROTECTION

The personal data we are obliged to collect under these regulations 'is necessary in order to exercise a public function that is in the public interest', and keep it for a minimum of five years. This means that we cannot lawfully delete it, even if requested

under GDPR legislation until that period has elapsed. During that time we may not use the data for any other purpose

STAFF TRAINING

All staff are obliged to read this document and return a signed, dated copy acknowledging that they have read and understood it to the Nominated Officer who will keep it on file

CONCLUSION

In the event of any suspicious activity the Nominated Officer is to be informed and they will decide whether to discontinue dealing with the client or make an SAR Suspicious Activity Report

Identity details are recorded on our Sales Marketing Agreement and Formal Offer record/book and we keep a copy for a minimum of five years. We believe this policy and our record keeping makes us fully compliant with current legislation

This policy is dated 1st February 2020, next review by 1st January 2021.