

AML/CFT Policies & Procedures

Anti-Money Laundering & Combatting the Financing of Terrorism (AML/CFT) Policies and Procedures for North Property Group

This document outlines the policies and procedures in place to prevent and protect North Property Group against the commission of Money Laundering and/or Terrorist Financing.

Business Risk Assessment

North Property Group has completed a full business risk assessment in respect of the money laundering and/or terrorist financing risks posed to the business. This assessment identifies and evaluates the relevant risk factors and the associated control measure(s) in place. The risk assessment will be reviewed and updated by senior management as risks emerge/develop, or otherwise every two years (at a minimum).

Completing a Client Risk Assessment

North Property Group carries out an individual risk assessment on all clients. Based on the Irish National Risk Assessment for Money Laundering/Terrorist Financing, along with the business risk assessment completed by North Property Group; it is expected that the majority of clients of the business will be relatively low risk in this regard. The following conditions would influence the business to increase the client's risk rating from low to medium or high;

- The client is a large company, trust or legal entity with a complex system of beneficiaries
- The client is located abroad
- It is unlikely that any business engagement with the client will be conducted on a face to face basis
- The property service requested by the client is on a large scale e.g. sale of a large multi-unit development as opposed to a single residential home
- The final sale/purchase of the property will not involve any other regulated professional (e.g. there will be no solicitor involvement)
- The client is a Politically Exposed Person (as defined in section 4 of this document)
- Any other factor which could increase the risk of the business being exposed to Money Laundering/Terrorist Financing

Where up to four of any of these conditions apply, the client risk rating will be increased to medium. Where more than 5 of any of these conditions apply, the risk will be increased to high.

Where the client is resident in any of the European Commission list of high risk third countries, they will automatically be treated as "High" risk. Notwithstanding the conditions ratings set out above, where the business has any other reason to consider the client as "High" risk, they will be identified and treated as such.

Where a client has been identified as "high" risk, the business relationship will be monitored on an ongoing basis.

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Carrying Out Customer Due Diligence:

North Property Group endeavours to carry out customer due diligence on all clients before signing the Property Services Agreement (letter of engagement) and always ahead of any transaction being carried out with or on behalf of the client. Furthermore, the company carries out customer due diligence in respect of customers with whom they do not have a service agreement (e.g. a purchaser of a property paying a holding deposit to an agent), in the event that the value of a transaction or a series of linked transactions carried out by the customer is above £15,000.

Where a client/customer does not cooperate with the customer due diligence process and refuses/is unable to provide any of the information requested, North Property Group will not proceed with the business relationship and/or occasional transaction(s).

The customer due diligence process involves requesting and recording the following information/documentation from the client or customer;

Client/Customer Type	Information/Documentation Required
Individual Clients (Appendix B)	<ul style="list-style-type: none"> ➤ At least one form of official Photo ID (e.g. Passport, Full Drivers Licence, National Identity Card, Public Services Card). Where the individual is not present for identification, two forms of official photo ID are required.
Corporate Clients (Appendix C)	<ul style="list-style-type: none"> ➤ Memorandum and Articles of Association ➤ List of Directors names ➤ Official ID of one director and one signatory of the company ➤ Verification of all beneficial owners of the company
Partnerships (Appendix D)	<ul style="list-style-type: none"> ➤ Copy of Partnership agreement ➤ ID for one Partner and one signatory of the Partnership
Trusts (Appendix E)	<ul style="list-style-type: none"> ➤ Copy of Trust Deed ➤ Full Name of Trust ➤ Nature and Purpose of Trust ➤ Country of Establishment ➤ Names of all Trustees and Name and Address of any protector/settler ➤ ID for One Trustee and one signatory of the Trust
Customer carrying out an Occasional Transaction or a series of linked Transaction with a value >£15,000 (Appendix F)	<ul style="list-style-type: none"> ➤ At least one form of official Photo ID. Where the customer is not present for identification, two forms of official Photo ID are required.

Client/Customer Type	Information/Documentation Required
Clients/Customers buying or selling livestock	<ul style="list-style-type: none"> ➤ The herd or flock number issued to the client/customer by the Regional Veterinary Office (this should be recorded clearly on the client/customer file)

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- Completing a basic internet search of the individual, company, partnership etc. The client is located abroad
- Verifying the occupation of a client (in the case of an individual)
- Where the client operates a business, verifying the nature of their business through the business website, advertising etc.
- Completing a company search using the CRO website, solochek.ie, vision-net.ie etc.

Beneficial Owners

In order to verify the beneficial owners of a company, North Property Group will request the company's corporate structure/organisation chart and specify that this should include all beneficial owners i.e. all individuals who own or control the company through direct or indirect ownership of a sufficient percentage of shares/voting rights/ownership interest in that company. The Central Register of Beneficial Ownership² will be used, where necessary to supplement and/or verify the information provided by the client.

Politically Exposed Persons (PEP)

North Property Group takes all measures necessary to determine if a client is a PEP, a family member or a close associate of a PEP (as defined below). Where a client is a PEP, North Property Group carries out enhanced customer due diligence before signing the Property Services Agreement (letter of engagement) with the client. At a minimum; approval to establish the business relationship is obtained from senior management and the source of wealth and/or funds involved in the provision of the property service is determined.

Definition of a Politically Exposed Persons (PEP)

A person who holds, or has held at any time in the last year:

1. A prominent public function including :-
 - A head of state, head of Government, Government minister, deputy or assistant Government Minister
 - A member of parliament
 - A member of the supreme court, constitutional court or other high level judicial body whose decisions, other than in exceptional circumstances, are not subject to further appeal;
 - A member of a court of auditors or the board of a central bank;
 - An ambassador, charge affairs or high-ranking officer in the armed forces.
2. Or is a member of the administrative, management or supervisory body of a state-owned enterprise :-

A "Close Associate" is defined as;

1. Any individual who has joint beneficial ownership of a legal entity, or a legal arrangement, or close business relationship; with a PEP;
2. Any individual who has sole beneficial ownership of a legal entity, or legal arrangement set up for the actual benefit of a PEP.

An "immediate family member" of a PEP includes; a spouse/cohabitant, a parent, sibling or child of a PEP, and a spouse/cohabitant of a child of a PEP.

Suspicious Transaction Reports (STR's)

During the customer due diligence process and in the conduct of business with all clients and customers, North Property Group will be vigilant to any activity which could be related to money laundering or terrorist financing. Close attention will be paid particularly to complex or unusually large transactions and all unusual patterns of transactions. North Property Group will make an STR through the GOAML.ie website where an unusual or suspicious transaction has occurred. A copy of this report will also be forwarded to the Revenue Commissioners Suspicious Transactions Unit. North Property Group follows guidance from the PSRA on when to complete an STR3.

Suspicious Transaction Reports (STR's)

North Property Group ensures that all staff have received adequate and up to date AML/CFT training, and a record is kept of same (Appendix G).

Retention of Records

North Property Group retains all AML records for seven years in line with PSRA records held by the business. Personal information contained within these records will be deleted after seven years, unless the business has been instructed otherwise.

Policies and Procedures

This document will be reviewed as often as required but at a minimum every 2 years, and distributed to all staff following each review.

Business Risk Assessment

Business Name : North Property Group

Risk Assessment of the Sector (under the National Risk Assessment):

This business operates within the property services sector. While investment in property is viewed as an attractive means to launder the proceeds of crime, this risk is mitigated as Property Service Providers do not usually handle significant sums of money and property purchase transactions (of substantial value) are generally not possible without the involvement of other professionals.

The overall ML/TF risk within the property sector is judged to be Medium-Low under the National Risk Assessment.

Client/Customer Due Diligence Report

In respect of a Client who is an individual

Full Name:

Home Address:

Risk Assessment

Following a risk assessment, carried out in accordance with the business's Anti-Money Laundering (AML) Policies and Procedures, and taking into account all risk factors identified therein;

The risk rating associated with this client is; Low Medium High

Details of CDD carried out in respect of the Client

	Yes/No	Details
Has photo ID been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has official proof of address been provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Was the individual present for the identification process?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where the individual was not present, were additional measures taken to identify the individual? (e.g. 2nd form of ID, confirmation of custom with an acceptable institution)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the individual a Politically Exposed Person (PEP) ⁴ , a Close Associate of a PEP or an Immediate Family member of a PEP?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where the individual is a PEP, close associate or immediate family member of a PEP; <ul style="list-style-type: none"> Has approval been obtained by senior management to establish a business relationship with the individual? Has the source of wealth or funds been determined? 	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name & Signature of Approver:
Where the client has been given a risk rating of High, has enhanced due diligence been completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Declaration of CDD by Property Service Provider

I am satisfied that sufficient customer due diligence has been carried out in respect of this individual and with regard to their associated risk.

Signed

Date

Client/Customer Due Diligence Report

In respect of a Corporate Client (Including Receivers)

Company Name:

Business Address:

Risk Assessment

Following a risk assessment, carried out in accordance with the business's Anti-Money Laundering (AML) Policies and Procedures, and taking into account all risk factors identified therein;

The risk rating associated with this client is; Low Medium High

Details of CDD carried out in respect of the Corporate Client

	Yes/No	Details
Has the company's Memorandum and Articles of Association been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has the list of company directors been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has proof of identity for one company director been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has proof of identity for one signatory on the company's bank account been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Have all beneficial owners of the company been identified? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Are any of the company directors Politically Exposed Persons (PEP), Close Associates of any PEP or an Immediate Family members of any PEP?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where a company director is a PEP, close associate or immediate family member of a PEP; <ul style="list-style-type: none"> • Has approval been obtained by senior management to establish a business relationship with the individual? • Has the source of wealth or funds been determined? 	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name & Signature of Approver:
Where the client has been given a risk rating of High, has enhanced due diligence been completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Declaration of CDD by Property Service Provider

I am satisfied that sufficient customer due diligence has been carried out in respect of this Corporate Client.

Signed

Date

Client/Customer Due Diligence Report

In respect of a Partnership

Name & Address of Partner 1:

Name & Address of Partner 2:

Risk Assessment

Following a risk assessment, carried out in accordance with the business's Anti-Money Laundering (AML) Policies and Procedures, and taking into account all risk factors identified therein;

The risk rating associated with this client is; Low Medium High

Details of CDD carried out in respect of the Client

	Yes/No	Details
Has a copy of the partnership agreement been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has proof of identity for (at least) one partner been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has proof of identity for (at least) one signatory of the partnership been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Have all beneficial owners of the partnership been identified? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Are either of the partners Politically Exposed Persons (PEP), Close Associates of any PEP or an Immediate Family members of any PEP?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where a company director is a PEP, close associate or immediate family member of a PEP; <ul style="list-style-type: none"> • Has approval been obtained by senior management to establish a business relationship with the individual? • Has the source of wealth or funds been determined? 	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name & Signature of Approver:
Where the client has been given a risk rating of High, has enhanced due diligence been completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Declaration of CDD by Property Service Provider

I am satisfied that sufficient customer due diligence has been carried out in respect of this Partnership.

Signed

Date

Client/Customer Due Diligence Report

In respect of Client/Trust

Full Name of Trust:

Country of Establishment:

Nature and Purpose of Trust:

Name and Address of Protector/Settler (if applicable)

Risk Assessment

Following a risk assessment, carried out in accordance with the business's Anti-Money Laundering (AML) Policies and Procedures, and taking into account all risk factors identified therein;

The risk rating associated with this client is; Low Medium High

Details of CDD carried out in respect of the Trust

	Yes/No	Details
Has a copy of the Trust Deed been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Have the names of all Trustees been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has proof of identity of (at least) one Trustee been provided? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Have all beneficial owners in respect of the Trust been identified? (Mandatory Requirement)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where the client has been given a risk rating of High, has enhanced due diligence been completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Declaration of CDD by Property Service Provider

I am satisfied that sufficient customer due diligence has been carried out in respect of this Trust and with regard to their associated risk.

Signed

Date

Customer Due Diligence

For an occasional transaction (of series of transactions) over £15,000

Name and details of person carrying out the transaction

Full Name

House Address

Risk Assessment

Following a risk assessment, carried out in accordance with the business's Anti-Money Laundering (AML) Policies and Procedures, and taking into account all risk factors identified therein;

The risk rating associated with this client is; Low Medium High

Details of CDD carried out in respect of the Partnership

	Yes/No	Details
Has photo ID been provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Has official proof of address been provided?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Was the customer present when identified?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where the customer was not present, were additional measures taken to identify the individual? (e.g. 2nd form of ID, confirmation of custom with an acceptable institution)	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Is the customer a Politically Exposed Person (PEP), a Close Associate of a PEP or an Immediate Family member of a PEP?	<input type="checkbox"/> Yes <input type="checkbox"/> No	
Where a company director is a PEP, close associate or immediate family member of a PEP; <ul style="list-style-type: none"> • Has approval been obtained by senior management to establish a business relationship with the individual? • Has the source of wealth or funds been determined? 	<input type="checkbox"/> Yes <input type="checkbox"/> No	Name and Signature of Approver:
Where the customer has been given a risk rating of High, has enhanced due diligence been completed?	<input type="checkbox"/> Yes <input type="checkbox"/> No	

Declaration of CDD by Property Service Provider

I am satisfied that sufficient due diligence has been carried out in respect of this customer.

Signed

Date

Staff Training Record For NPG

North Property Group staff have received a copy of the AML/CFT Compliance Policy and Procedures Statement.

- Customer Due Diligence & ongoing monitoringThe client is located abroad
- Identifying a PEP & seeking Senior Management Approval
- Making a Suspicious Transaction Report
- Internal Policies, Procedures & Risk Assessment
- Retention of Records

North Property Group staff have received training as to how to recognise and handle transactions, which might relate to Money Laundering/Terrorist Financing.

Staff Declaration of Receipt of AML/CFT Training

Name of Staff Member

Signature and Date

