



ANTI-MONEY LAUNDERING AND COUNTER-TERRORIST FINANCING IN THE COMMERCIAL REAL ESTATE SECTOR

Updated July 2023

In the normal course of business, we request certain information and documents from or about you for Anti-Money Laundering and Counter-Terrorist Financing purposes. The aim of this information flyer is to explain these legal requirements and how we fulfil them.

Under our Anti-Money Laundering and Counter-Terrorist Financing laws, professional real estate agents must gather specific information about their contracting parties (as well as those who represent, own, control and manage them) and the proposed transaction or services, including identity, source funds and source of wealth. The law requires you to provide accurate and complete information. Failure to do so means we are unable to provide professional real estate services to you (e.g. buying, selling or leasing property).

Money laundering and terrorist financing can damage the financial system and undermine the trust in property and real estate investments. In order to protect our sector and its participants, we take compliance with these legal requirements very seriously, and we are united in our determination to combat money laundering and terrorist financing. We are confident that it is in your best interests to collaborate with service providers who adhere to all applicable laws.

What is money laundering and terrorist financing?

Money laundering disguises the origins of money and assets acquired through illegal activity, often with the intention of reinvesting it in legal activities to make it appear legitimate. Terrorist financing provides financial support for those who encourage, plan or engage in terrorism. That financial support can be generated through legal and illegal means.

What is this all about?

Real estate professionals, as with other sectors such as banking and law, must take various measures to combat money laundering and terrorist financing. This includes obtaining specified 'Know Your Client' (KYC) or 'Customer Due Diligence' (CDD) information from contracting parties (our clients and counterparties to property transactions). The competent supervisory authorities are increasingly monitoring compliance with obligations under the law, leading to greater enforcement activity on firms who engage in the buying, selling and leasing of property.

What information and documentation do we require from you?

This will depend on a number of factors, such as whether you operate through a legal entity, where you are based, and if we are able to source the information ourselves.

CAMBRIDGE OFFICE: Dukes Court, 54-64 Newmarket Road, Cambridge CB5 8DZ | 01223 323130
GREAT SHELFORD OFFICE: 30 Woollards Lane, Great Shelford, Cambridge CB22 5LZ | 01223 800860
HISTON OFFICE: 2 High Street, Histon, Cambridge CB24 9LG | 01223 819300



For individuals

- A personal identity document (such as an ID card or passport) and in some cases a recent proof of address (residential)
- Information on the source of funds and source of wealth (used in a transaction)

For legal persons (e.g. companies)

- Recent company registry extract or certificate of incorporation
- Details of the directors or officers (management)
- Details about your ownership (including any individuals with a direct or indirect > 25% interest)

Sometimes (e.g. if we find similar names or records), we may need to ask you to provide further documentation or information concerning the transaction or the identity of key parties.

Making compliance simple

Wherever we can, we will obtain information ourselves using tools and subscriptions available to us. In some cases, only you will be able to provide what we require. We ask that you respond to any questions as soon as possible, together with any documents requested

May I provide the information in other ways?

Please feel free to provide the relevant information and documents in any format convenient for you. Please keep in mind there may be some additional legal requirements regarding the relevant information (e.g. certification of documents).

What if my other professional advisers have done this?

Under the law, we are still required to conduct the checks, and cannot simply rely on the fact your other professional advisers have undertaken KYC. However, we can use copies of documentation or information providing that they would meet our standards (e.g. adequate, up-to-date, and accurate). All that is required is your consent.

What if I have previously been a client of your firm?

Although we may have a long established or close relationship with you, we must be able to evidence the checks taken and provide copies of the documentation to regulators or law enforcement upon a legal request. Furthermore, it is a legal requirement that we keep our files up-to-date throughout a business relationship.

What happens with the information received?

We will review the information to ensure we have properly identified you and verified your identity (as well as that of any owners or managers). We will also conduct specific checks against official lists and subscriptions for financial sanctions purposes. We will retain the information and documents according to the law. This means we will hold them for at least five years after the date on which our relationship with you ends or the date of the last transaction with you, whichever is later. In our work, we are accustomed to dealing with sensitive information. We will hold your information securely, and keep it confidential. We use it only to comply with our Anti-Money Laundering and Counter-Terrorist Financing obligations. We will only disclose the information to third parties with your consent or where required by law.



Contact Details & further information

Should you have further questions or need more information, please approach your personal point of contact or our Compliance Team.

Christopher Arnold

Tel: 01223 819302

Email: carnold@rah.co.uk

Thank you very much for your attention and assistance. We look forward to continuing working with you.