



The  
Specialist  
Property  
Law  
Regulator

# AML/CTF Example Business Policy

## 'IMPORTANT'

It is essential that that the business and its **employees** comply with the letter and spirit of this policy since failure to do so may amount to a criminal offence for which it is possible to be sentenced to a term of imprisonment.

1. As a business, we are committed to complying with the anti-money laundering legislation, in particular the Proceeds of Crime Act 2002, the Terrorism Act 2000 (each as amended) and the Money Laundering Regulations 2007.
2. We must at all times take steps to ensure that our business is not used to launder the proceeds of crime or to assist terrorist financing.
3. We must explain to clients the need to obtain proof of identity and the limitations on our duty of confidentiality to them either in our terms of engagement or otherwise in writing.
4. We accept that the Nominated Officer has full autonomy in carrying out their duties.
5. We will ensure that you are given appropriate and regular training to help you comply with AML/CTF, this policy and the procedures of the business.
6. We will communicate to you details of any types of business we have decided not to accept.
7. We will regularly monitor and review our policies, procedures and training.
8. We require all of the business's members to follow carefully the procedures set out in the Procedures Manual.

# AML/CTF *Example Policy* for the body's appointed Nominated Officer

1. The business requires you as its Nominated Officer to comply with this policy in addition to complying with the business's AML/CTF policy.
2. Failure to carry out your duties may cause you to commit a criminal offence.
3. You will have access to all files, records and information and be given sufficient resources and authority to fulfil the role and be allowed to carry out your duties without fetter, influence or interference.
4. Upon receipt of each internal suspicion report from any of the business's members, you must acknowledge receipt in writing to the person making the report. You must then consider carefully whether a report should be made to the **National Crime Agency** (NCA).
5. You must make a report to NCA in the prescribed form where you have actual knowledge or suspicion, or where (based on what an ordinary member of the public might think) there are reasonable grounds to know or suspect a money laundering offence has been committed. You will need Consent from NCA for an ongoing transaction to proceed.
6. If you do make a report to NCA then you must ensure that you maintain regular telephone contact with them where Consent is required.
7. You must maintain a record of each decision you have made and keep it for at least 5 years whether or not you send a report to NCA.
8. You must support and advise members of staff who make internal suspicion reports to you, emphasising the implications for them of "tipping off". In particular you must do this where you are waiting for Consent to proceed from NCA.

# Example of wording to be incorporated into the Terms of Engagement

## **Proof of Identity**

We must by law obtain satisfactory evidence of your identity and address. Please help us to do so by giving us the information and documentation we ask for. We are unable to proceed with your transaction and will not be able to exchange contracts until this has been provided.

## **Confidentiality**

As lawyers, we are under a general professional and legal obligation to keep your affairs private. However, we are required, by current legislation, to make a report to the National Crime Agency (NCA) where we know or suspect that a transaction involves Money Laundering or Terrorist Financing. By instructing us to act on your behalf in accordance with these terms of engagement you give us irrevocable authority to make a disclosure to NCA if we consider it appropriate.

You agree that this authority overrides any confidentiality or entitlement to legal professional privilege. We shall be unable to tell you if we have made a report.