

# ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM

## CLIENT AND COUNTERPARTY CHECKS

# DACRE, SON & HARTLEY

EST. 1820

Estate Agents ■ New Homes ■ Healthcare Specialists  
Agricultural Rural & Commercial Property Management ■ Professional Services  
Land & Development ■ Surveyors & Auctioneers



Lister Haigh is a Trading Name of Dacre, Son & Hartley Ltd.

Dacres Commercial Ltd is a wholly owned subsidiary of Dacre, Son & Hartley Ltd

Our business (which includes Estate Agency Work, Letting Agency Work, Property Management, Commercial Agency, Land & Agriculture and Surveys) is based on mutual trust with our clients and those we conduct business with. Due to the transactional nature of the services we provide, just like lawyers, accountants and financial services firms, all agency businesses are required by law to carry out customer due diligence checks. These checks serve to ensure that we comply with our statutory and regulatory obligations and reduce the risks of our services being used for the purposes of facilitating money laundering or the financing of terrorist activity.

If you are a client of Dacre, Son & Hartley we are obliged to carry out ID verification checks when carrying out transactional estate agency work. These checks, in most cases will be undertaken using an online electronic ID verification service. There may be occasions when we ask for additional evidence of identity and this will usually involve us asking to see your original current passport or driving licence or certified copies of them together with a recent utility bill.

There may also be occasions (where clients are purchasing) when we ask for proof of the source of funding for the transaction in question.

Under current Money Laundering Regulations we are also required to treat non client purchasers ("Counterparties") as clients so they will be subject to the same ID verification measures and source of funding checks as our clients.

For corporate clients and Counterparties we also use the online electronic ID verification service to verify corporate information and we may need to ask for details of the individuals who control the relevant corporate entity.

The latest Money Laundering Regulations also require us to undertake customer due diligence checks on both landlords and tenants when dealing with letting agency work where the term is for a period of at least one month and the monthly rental amounts to 10,000 Euros (or UK equivalent) or more.

These above requirements are applied universally across the industry and our processes comply with the relevant legislation. We apply them to every client and where appropriate Counterparty who may use our services. We will never ask for more information than is required and all the information that you provide will be held in strict confidence and processed only for the purpose of preventing money laundering or the financing of terrorism activity.

The following frequently asked questions explain why we need to complete client and Counterparty checks. Should you have any concerns or questions then please speak with us.

### **1. What are the statutory and regulatory requirements placed upon estate and letting agents?**

All regulated estate and letting agents in the UK are required to comply with a number of UK laws and regulations designed to prevent money laundering and the financing of terrorism. These include the Proceeds of Crime Act 2002 (as amended), the Terrorism Act 2000 (as amended) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended).

We have a statutory obligation to report knowledge or suspicion of money laundering or the financing of terrorism activity to the National Crime Agency and if we do so report we are not allowed to disclose the details (or the fact that a report has been made) to anyone in case such a disclosure prejudices any pending or planned investigation.

We take our anti-money laundering responsibilities very seriously and believe that the laws governing the UK property industry are critical tools in the fight against organised crime.

## **2. Why do Dacre, Son & Hartley ask their clients to provide information about themselves or the business they represent?**

Agencies in the UK are required to comply with, amongst other things, the Proceeds of Crime Act 2002 (as amended), Terrorism Act 2000 (as amended) and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended). These place various obligations upon estate and letting agents, with one of the key requirements being to undertake client and Counterparty checks to verify their identities and check the source of funding where appropriate. For corporate clients and Counterparties these checks may need to be extended to enable us to identify ultimate beneficial owners and/or those who have ultimate executive control.

## **3. What information will you request and what checks will you need to do?**

### Parties representing themselves

Where you are representing yourself and:

- wish to sell/let a property that you directly or jointly own;
- are considering buying a property/letting from one of our selling customers;
- are seeking advice from us on a particular transaction.

We will either carry out electronic ID checks or request sight of your current passport or driving licence confirming your identity and a recent utility bill confirming your primary residential address. Where you wish to purchase through us, or where you want us to advise you on a particular transaction, we will also need information clarifying the origin of the funds being used to complete the transaction. If you currently reside outside the UK we may require further information from you.

### Parties using Corporate Vehicles, Trust structures, Not for Profit Organisations and Investment Funds

The extent of information and checks undertaken on corporates, trusts, not for profit organisations and investment funds depends on the perceived risks associated with a given structure, jurisdictions used, or nature of business activity underpinning the entity.

For all cases, irrespective of the structure used, you will be required to provide information to enable us to evidence the identity of the individuals who ultimately benefit, or will benefit, from owning the asset. These due diligence checks will, in most cases, be carried out using electronic ID verification services on clients, Counterparties and where appropriate ultimate beneficial owners.

## **4. Why can't Dacre, Son & Hartley rely on ID verification information provided to other professional advisors?**

Dacre, Son & Hartley is ultimately responsible for ensuring that its customer due diligence measures are compliant, proportionate and appropriate. Adopting a risk-based approach we have made the decision not to rely on ID verification information provided to other regulated organisations.

## **5. How will you use my information?**

Your information will be used for the sole purpose of completing our client and Counterparty checks in order to meet our legal obligations. Your information will be held confidentially and will not be shared with any third parties outside of Dacre, Son & Hartley Ltd, unless either you agree otherwise or we are required by law to do so.

## **6. Who regulates Estate Agents for the purposes of the Money Laundering Regulations**

Estate and letting agents are regulated by HM Revenue & Customs. Link to the HMRC is below;

<https://www.gov.uk/money/money-laundering-regulations>

## **7. Do I have to answer these questions?**

Yes. In order for us to act on your behalf and provide our services, Dacre, Son & Hartley is obliged to ask questions and obtain answers to relevant questions to meet our regulatory obligations.

## **8. What happens if I do not answer the questions/ What happens if I do not give you the information/documentation you have requested?**

Throughout the Dacres, Son & Hartley's client and Counterparty checks process, we may contact you to request additional information or further clarification if the information we have is incomplete or insufficient to meet our regulatory obligations. If a client or Counterparty ultimately fails to provide the necessary information, we may not be able to proceed with the transaction or the relevant client relationship. In some instances it may be necessary for us to lodge a suspicious activity report with the National Crime Agency.

## **9. Do other Estate and Letting Agents request this information?**

Yes, all regulated estate and letting agents are obliged by law to carry out client and Counterparty due diligence measures.

## **10. Do you ask all of your Dacre, Son & Hartley clients and Counterparties these questions?**

Yes, when dealing with transactional work.

## **11. I feel some of the questions are intruding into my privacy, are you really allowed to ask me these questions?**

Yes. The processes we have established are within the scope of the law and are proportionate to the guidelines set by HMRC. We complete them for every client and where appropriate Counterparty. We will never ask for more information than is required and all the information that you provide will be held in strict confidence and on a secure system.

## **12. You already asked these same questions last year. Why are you asking me them again?**

We are legally required periodically to review the information we hold about clients and Counterparties. In typical cases we will only seek to renew ID due diligence enquiries if there has been a gap of 3 years or more since we were last instructed.

## **13. Where can I learn more about the requirements?**

[www.gov.uk/topic/business-tax/money-launderingregulations](http://www.gov.uk/topic/business-tax/money-launderingregulations)

[www.gov.uk/government/consultations/money-launderingregulations-2017](http://www.gov.uk/government/consultations/money-launderingregulations-2017)

[www.nationalcrimeagency.gov.uk/crime-threats/moneylaundering](http://www.nationalcrimeagency.gov.uk/crime-threats/moneylaundering)

[www.rics.org/uk/upholding-professional-standards](http://www.rics.org/uk/upholding-professional-standards)

## **14. What can I do to help with this process?**

Your co-operation and understanding are important and will assist us in carrying out our statutory and regulatory obligations.

## **15. May I see your Privacy Policy?**

Yes. please visit our websites to access our privacy policies: [www.dacres.co.uk](http://www.dacres.co.uk), [www.listerhaigh.co.uk](http://www.listerhaigh.co.uk), [www.dacrescommercial.co.uk](http://www.dacrescommercial.co.uk).