

ANTI-MONEY LAUNDERING (AML) POLICY

1. Purpose

This Anti-Money Laundering (AML) Policy sets out the procedures and controls implemented by Thompsons Lettings to prevent money laundering and terrorist financing, in accordance with:

- The Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 (as amended)
- Proceeds of Crime Act 2002 (POCA)
- HMRC guidance for letting agents

2. Scope

This policy applies to:

- All directors, employees, and contractors
- All clients (landlords and tenants), particularly where rent exceeds £10,000 per month

3. Definition of Money Laundering

Money laundering is the process of concealing the origins of illegally obtained money, typically involving:

1. Placement
2. Layering
3. Integration

4. Risk Assessment

We adopt a risk-based approach and assess:

- Client risk (e.g. overseas landlords, complex ownership structures)
- Transaction risk (e.g. unusually high rental values)
- Geographic risk (high-risk jurisdictions)
- Delivery risk (non-face-to-face transactions)

Higher-risk cases require enhanced due diligence.

5. Customer Due Diligence (CDD)

We conduct identity checks before entering into a business relationship.

5.1 Landlords

We obtain:

- Full name and date of birth
- Proof of address
- Photo ID (passport/driving licence)
- Proof of ownership of the property

5.2 Tenants

We obtain:

- Name and contact details
- Identification (where applicable)
- Referencing information

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6. Enhanced Due Diligence (EDD)

EDD is applied where there is higher risk, including:

- Rent exceeding €10,000 per month
- Politically Exposed Persons (PEPs)
- Clients from high-risk countries

EDD measures may include:

- Additional ID verification
- Source of funds checks
- Ongoing monitoring

7. Ongoing Monitoring

We monitor business relationships by:

- Reviewing transactions for unusual activity
- Updating client information periodically
- Flagging inconsistencies or suspicious behaviour

8. Suspicious Activity Reporting (SAR)

If suspicious activity is identified:

- It must be reported immediately to the Nominated Officer (MLRO)
- The MLRO will assess and, if appropriate, submit a report to the National Crime Agency (NCA)

Staff must not:

- Inform the client (tipping off is a criminal offence)

9. Record Keeping

We retain records for a minimum of 5 years, including:

- Identity verification documents
- Transaction records
- Risk assessments

All records are stored securely and in compliance with GDPR.

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10. Training

All relevant staff will receive:

- Initial AML training
- Ongoing updates as regulations change

Training ensures awareness of:

- AML risks
- Reporting procedures
- Legal obligations

11. Internal Controls

We maintain the following controls:

- Appointment of a Money Laundering Reporting Officer (MLRO)
- Clear reporting procedures
- Secure data handling systems
- Regular policy reviews

12. Non-Compliance

Failure to comply with AML obligations may result in:

- Disciplinary action
- Legal penalties

14. Review

This policy will be reviewed annually or when there are significant regulatory changes.