

Anti Money Laundering Policy

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Related documents:	Anti-fraud Policy, Anti Bribery & Corruption

1 Purpose

- 1.1 This policy documents how CHG will have regard to the UK Anti-Money Laundering Regulations (AML), which is intended to identify customers who's funds may have originated from criminal activity or corruption.

2 Policy Statement

- 2.1 CHG considers itself as a low-risk business in respect to money laundering. Customers transactions fall below the £10,000 enhanced checking threshold, and all property transactions shall be supported by an independent firm of solicitors, which itself must undertake enhanced checking procedures on behalf of CHG.
- 2.2 CHG collects information from customers to validate their identity for the purpose of entering into a tenancy agreement. This will also double-up as a "know your customer" to validate payment of rent for the duration of the tenancy, with customer data being revalidated from time to time. This information shall form the basis for an AML investigation in the rare likelihood that one is required.
- 2.3 CHG does not regard itself a business that needs to register with the money laundering supervising authority.

3 Risk Monitoring & Checking

- 3.1 The risk of CHG encountering money laundering risk that would trigger enhanced checking and investigation is either when:
- 3.1.1 A large amount of cash is paid by a customer, with the expectation that some/all of that money would be returned to the customer in the future. The sum would be in excess of £10,000 in one payment or a series of payments over time; and
 - 3.1.2 When disposing of a property there is a risk that payment may be in the form of illicit (or dirty) funds.
- 3.2 In the case of property disposals (or Right to Acquire), the purchaser checks must be undertaken by the CHG appointed solicitor. CHG will pause the sale if the purchaser is deemed to be a risk under the AML regulations and instruct the solicitor to take appropriate action.
- 3.3 In rare situations 'enhanced due diligence' will be carried out. These situations are:
- 3.3.1 when the customer is not physically present when CHG carries out identification checks.

- 3.3.2 when you enter into a business relationship with a 'politically exposed person' - typically, a non UK or domestic member of parliament, head of state or government, or government minister and their family members and known close associates.
- 3.3.3 when you enter into a transaction with a person from a high risk third country identified by the UK Government.
- 3.3.4 any other situation where there's a higher risk of money laundering.
- 3.4 The enhanced due diligence measures for customers who are not physically present and other higher risk situations include:
 - 3.4.1 obtaining further information to establish the customer's identity.
 - 3.4.2 applying extra measures to check documents supplied by a credit or financial institution.
 - 3.4.3 making sure that the first payment is made from an account that was opened with a credit institution in the customer's name.
 - 3.4.4 finding out where funds have come from and what the purpose of the transaction is.
- 3.5 The enhanced due diligence measures when you deal with a politically exposed person are:
 - 3.5.1 making sure that only senior management gives approval for a new business relationship.
 - 3.5.2 taking adequate measures to establish where the person's wealth and the funds involved in the business relationship come from.
 - 3.5.3 carrying out stricter ongoing monitoring of the business relationship.
- 3.6 All enhanced checking shall take place under the supervision of the MLRO.

4 Responsibilities

- 4.1 The reportable officer for AML (MLRO) is the Finance Director.

5 Performance, Monitoring and Evaluation

- 5.1 A register of AML incidents and associated records shall be maintained by the MLRO. Reporting to the Board shall take place in terms of reporting annually instances of reported allegations of fraudulent or corruptive behaviour.
- 5.2 This policy will be subject to review no later than three years from the date of approval, or sooner if a substantial change in circumstances requires.