

# AML Policy



## Carters Jewellers

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Title: Director

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# Introduction

**At Carters Jewellers we believe that operating in a responsible and ethical manner is essential to our business.**

Every decision we make and action we take must reflect our core values. This policy provides a guide to how all employees / directors should adhere to our business practices.

All employees at all levels of the business, are expected to be familiar with this policy. We also expect all contractors, suppliers, work experience students, and third parties representing and working for, or on behalf of, Carters Jewellers to be informed of our AML procedures (also see process maps).

Any breach of the policies, guidelines or legislation referred to in document will lead to disciplinary procedures being applied and may result in dismissal from the Company.

## What is Money Laundering?

The introduction of the Proceeds of Crime Act 2002 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 has broadened the definition of money laundering and has widened the range of activities controlled by the statutory framework.

Money laundering covers a wide variety of crimes, it can include anything from which individuals or companies derive a pecuniary benefit, directly or indirectly, and can include many crimes that are not initially thought of as connected with money laundering. There is a risk where there are large volumes of cash transactions and where customer identification is not always easy.

Money laundering is the process by which criminally obtained money or other assets (criminal property) are exchanged for 'clean' money or other assets with no obvious link to their criminal origins. Criminal property may take any form, including money or money's worth, securities, tangible property and intangible property. It also covers money, however come by, which is used to fund terrorism.

Money laundering offences include:

- Concealing, disguising, converting, transferring or removing criminal property from England and Wales (Section 327 of the Proceeds of Crime Act 2002 (POCA))
- Arranging, or becoming concerned in an arrangement, which the person who knows, or suspects, or facilitates (by whatever means), the acquisition, retention, use or control of criminal property by or on behalf of another person (Section 328, POCA)
- Acquiring, using or having possession of criminal property (Section 329, POCA)
- Making a disclosure to a person which is likely to prejudice a money laundering investigation (“tipping off”) (Section 333, POCA)
- Becoming concerned in an arrangement facilitating concealment, removal from the jurisdiction, transfer to nominees or any other retention or control of terrorist property (Section 18, Terrorist Act 2000)

## **Carters Jewellers obligations**

Carters Jewellers has a responsibility to:

- Appoint a Money Laundering Reporting Officer (MLRO) to receive, consider and report as appropriate the disclosure of any suspicious activity reported by employees. This is Abida Akhtar (Director).
- Implement and maintain a procedure to enable the reporting of suspicious activity.
- Maintain customer identification procedures to ‘know your customer’ in relevant circumstances.
- Maintain adequate records of transactions.
- Whilst much of the Carter Jewellery financial activities could be considered relatively low risk from the prospective of money laundering, all staff need to be vigilant against the financial crime and fraud risks that the business faces. Instances of suspected money laundering are likely to be rare but we must be aware of legislative requirements.

## Employee obligations

- Money laundering legislation applies to all Carters Jewellers employees. Any member of staff could be committing an offence under the money laundering laws if they suspect money laundering, or if they become involved in some way and do nothing about it. If any employee suspects that money laundering activity is or has taken place or if any person becomes concerned about their involvement, it must be disclosed as soon as possible to the MLRO.
- Failure to do so could result in their becoming personally liable to prosecution. Guidance on how to raise any concerns is included in this policy document.

## Procedures

- The business must be reasonably satisfied as to the identity of a customer or third party and satisfactory evidence of identity must be obtained and retained. Example: Passport.
- **See process maps to understand how transactions are processed.**

### Suspect money laundering - Procedure

- Where you know or suspect that money laundering is taking or has taken place, or you become concerned that your involvement in a transaction may amount to a breach of the regulations, you must disclose this immediately to the MLRO. This disclosure should be made in writing.
- Your disclosure letter / email should include as much detail as possible including:
  - Full details of the people and/or companies involved including yourself and other members of staff if relevant.
  - Full details of the transaction and nature of each person's involvement in the transaction.
  - Suspected type of money laundering activity or use of proceeds of crime with exact reasons as to why you are suspicious.
  - The dates of any transactions, where they were undertaken, how they were undertaken and the likely amount of money or assets involved.

- Any other information that may help the MLRO judge the case for knowledge or suspicion of money laundering that may help to facilitate any report to the National Crime Agency (which replaced the Serious Organised Crime Agency).
- Once you have reported your suspicions to the MLRO you must follow any instructions given to you. You must not make any further enquiries unless instructed to do so by the MLRO. At no time and under no circumstances should you voice any suspicions to the person(s) you suspect of money laundering, nor should you discuss this matter with any colleagues.
- If appropriate the MLRO will refer the case to the National Crime Agency (NCA) who will undertake any necessary investigation. This may include consent to continue with a particular transaction and care should be taken not to 'tip off' the individuals concerned, otherwise you may be committing a criminal offence. The penalty for tipping off is 5-years imprisonment and/or an unlimited fine.

## Communication and Training

- This policy ensures staff understand their responsibilities under the AML regime and how to report suspicious activity. The policy is made available in Carters Jewellers store and on the company IT platforms i.e PCs.

## Record-keeping

By keeping comprehensive records Carters Jewellers is able to show that we have complied with the Money Laundering Regulations. This is crucial if there is a subsequent investigation into one of our customers transactions.

The types of record kept may include:

- Daily records of transactions
- Receipts
- Cheques
- Paying-in books
- Customer correspondence
- Customer identification evidence

Records may be kept in any of the following formats:

- Originals
- Photocopies
- Scanned
- Computerised or Electronic

Records must be kept for six years beginning on either:

- The date a business relationship ends
- The date a transaction is completed

The MLRO will retain any disclosure reports and any associated relevant documents in a confidential file for a minimum of six years.