**TCG Artist Management Ltd AML Document (Anti Money Laundering)**

1.1 TCG Artist Management Ltd is a Limited Company providing a specialist employment agency. The activities of the Business is low risk in relation to money laundering, however, in order to prevent any services being used for money laundering activities, or any of our employees/temporary employees/contractors (“Staff”) being a party to money laundering, we have created this anti-money laundering policy which supplements the anti-money laundering training given to appropriate members of staff.

1.2 The Business must safeguard against becoming involved in the processing of illegal or improper gains for clients. As a professional practice the firm is particularly attractive to criminals wishing to convert gains to a respectable status. It is the policy of the firm not to assist them to do so. To do so could in any event be an unlawful act on the part of anyone concerned and could place the firm and its representatives at risk of criminal and civil proceedings.

**2. Extent of the Policy**

2.1 The wide definition of money laundering means that anyone can commit a money laundering offence, including the Business’ Staff.

2.2 The policy allows the Business to meet its legal and regulatory requirements in a way which is proportionate to the low risk nature of the business, by taking reasonable steps to reduce the likelihood of money laundering taking place.

2.3 All Staff must be familiar with their legal responsibilities.

**3. Money Laundering**

3.1 The principal legislation is The Proceeds of Crime Act 2002, which consolidated, updated and reformed criminal law with regard to money laundering, supplemented by the Terrorism Act 2000 and the Fraud Act 2006. The principal secondary legislation is the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 as amended by the Money Laundering and Terrorist Financing (Amendment) Regulations 2019.

3.2 Money laundering is the process of moving illegally acquired cash through financial systems so that it appears to be from a legitimate source. Money laundering offences include: concealing, disguising, converting, transferring criminal property or removing it from the UK; entering into or becoming concerned in an arrangement which you know or suspect facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person; and acquiring, using or possessing criminal property.

3.3 There are also several secondary offences, failure to disclose knowledge or suspicion of money laundering to the Money Laundering Reporting Officer (MLRO); failure by the MLRO to disclose knowledge or suspicion of money laundering to the National Crime Agency (NCA); and ‘tipping off’ whereby somebody informs a person or persons who are, or who are suspected of being involved in money laundering, in such a way as to reduce the likelihood of their being investigated or prejudicing an investigation.

All Staff could be caught by the money laundering provisions, if they suspect money laundering and either become involved with it in some way, and/or do nothing about it. This Policy sets out how any concerns should be raised.

**4. Money Laundering Reporting Officer (MLRO)**

4.1 The Business has a MLRO to receive disclosures about money laundering activity and be responsible for anti-money laundering activity within the Business. The officer nominated is Susan Hall.

4.2 The Business also has a Deputy MLRO who will be responsible in the absence of the MLRO. The Deputy MLRO is Kristin Tarry.

4.3 The MLRO will ensure that appropriate training and awareness is provided to new and existing Staff where appropriate, and that this is reviewed and updated as required.

4.4 The MLRO will ensure that appropriate anti-money laundering systems and processes are incorporated by the Business. The duties of the MLRO Include to:

* Ensure that satisfactory internal procedures are maintained;
* Arrange for periodic training for all relevant Staff within the firm;
* Provide advice when consulted on possible reports and receive reports of suspicious circumstances;
* Report such circumstances, if appropriate, to SOCA on behalf of the firm;
* Direct Staff as to what action to take and not take when suspicion arises and a disclosure is made;
* Report annually to the Business on the operation of the anti-money laundering policy and procedures.
* Consider whether to make a report to the NCA and where appropriate make such a report.

**5. Duty of all Staff**

It is the duty of all Staff within the practice to:

* Attend training arranged within the firm if required to do so;
* Conduct identity checks and other due diligence enquiries;
* Report without delay all circumstances which could give rise to suspicion that the firm is being involved in some element of the money laundering process for a client;
* Be wary of payment arrangements different from those anticipated or deposits of cash;
* Follow the directions of the MLRO when a disclosure has been made, bearing in mind the personal risk to the adviser of ‘tipping-off’ the client in question either expressly or by implication;
* Maintain the utmost caution in maintaining confidentiality for the client and the firm when suspicious circumstances arise.

**6. Suspicions of Money Laundering**

6.1 The Proceeds of Crime Act 2002 requires Staff to submit a Suspicious Activity Report to the MLRO who will consider whether to make a report to the NCA if you know or suspect that a person is engaged in, or attempting, money laundering.

6.2 A disclosure could be necessary for one of two reasons. First, the Proceeds of Crime Act 2002 (POCA 2002), s.330 imposes a duty to make a disclosure if, in the course of practice, a person forms a suspicion (or should reasonably have done so) that money laundering is or could be occurring.

6.3 All Staff must as soon as is practicable, report any knowledge of or suspicion of (or where there are reasonable grounds to suspect) suspicious activity to the MLRO.

6.4 Once the matter has been reported to the MLRO, the member of Staff must follow the directions given to him/her and must not make any further enquiry into the matter.

6.5 The member of Staff must not voice any suspicions to the person(s) whom they suspect of money laundering, as this may result in the commission of the offence of “tipping off”. They must not discuss the matter with others or note on the file that a report has been made to the MLRO in case this results in the suspect becoming aware of the situation.

6.6 The signs to watch for:

* **Unusual settlement requests:** Settlement by cash (or attempts to do so) of any large transaction involving the purchase of property or other investment should give rise to caution. Payment by way of third-party cheque or money transfer where there is a variation between the account holder, the signatory and a prospective investor should give rise to additional enquiries.
* **Unusual instructions:** Care should always be taken when dealing with a client who has no discernible reason for using the firm’s services, e.g. clients with distant addresses who could find the same service nearer their home base, or clients whose requirements do not fit into the normal pattern of the firm’s business and could be more easily serviced elsewhere.
* **Unexpected and confusing changes to instructions:** Particular care is needed in relation to abortive transactions, surprisingly generous payments being made to supposed opponents or instructions that change for no obvious reason.
* **Large sums of client money:** Always be cautious when requested to hold large sums of money in client account, either pending further instructions from the client or for no other purpose than for onward transmission to a third party.
* **The secretive client:** A personal client who is reluctant to provide details of his or her identity. Be particularly cautious about the client you do not meet in person in which case ‘enhanced customer due diligence’ is required.
* **Suspect territory**: Caution should be exercised whenever a client is introduced by an overseas bank, other investor or third party based in countries where production of drugs or drug trafficking may be prevalent.

**7. Consideration of the Disclosure by the MLRO**

7.1 Once the MLRO has received the report, it must be evaluated in a timely manner in order to determine whether:

* There is actual or suspected money laundering taking place; or
* There are reasonable grounds to know or suspect that this is the case; and
* Whether the MLRO needs to lodge a Suspicious Activity Report (SAR) with the NCA.

7.2 Where the MLRO concludes that there are no reasonable grounds to suspect money laundering then consent will be given for any on-going or imminent transaction(s) to proceed.

7.3 Where consent is required from the NCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until the NCA has given specific consent, or there is deemed consent through the expiration of the relevant time limits without objection from the NCA.

7.4 All disclosure reports referred to the MLRO and reports made to the NCA will be retained by the MLRO in a confidential file kept for that purpose, for a minimum of 5 years.

7.5 The MLRO must also consider whether additional notifications and reports to other relevant enforcement agencies should be made.

**8. Customer Identification and Due Diligence**

Due diligence is performed on all customers who must provide basic information including full name, residential/business address, date of birth (individuals) and registration details (LLPs/limited companies).

**9. Enhanced Due Diligence**

9.1 It may be necessary for the Business to carry out enhanced due diligence on certain customers where the customer or a transaction involving the customer appears to be “high risk”. This means that there is a higher level of identification and verification of the customer’s identity required. The following non-exhaustive list of situations may indicate a “high risk”:

* a new customer;
* a customer not well known to the Business;
* customers in known high risk industries and/or jurisdictions;
* transactions that are unusual or appear to be unusual for that customer;
* highly complex transaction or payment arrangements;
* the transaction involves a politically exposed person (“PEP”) or an immediate family member or a close associate of a PEP;
* no face to face meetings take place with the customer where this is usually expected

9.2 Staff must assess the money laundering risk for each customer and if you suspect enhanced due diligence is required, you should speak to the MLRO before continuing any engagement with the customer. The MLRO will be required to approve the continuance of the business relationship.

9.3 If enhanced due diligence is carried out, the MLRO must:

* obtain additional information on the customer and on the customer’s beneficial owner(s);
* obtain additional information on the intended nature of the business relationship;
* obtain information on the source of funds and source of wealth of the customer and customer’s beneficial owner(s); and
* conduct enhanced monitoring of the business relationship.

9.4 This may include but is not limited to the following:

* checking the organisation website to confirm the identity of personnel, its business address and any other details;
* attending the customer at their business address;
* obtaining additional information or evidence to establish the identity of the customer and its beneficial owner(s), including checking publicly available beneficial ownership registers of legal entities such as the registers available at Companies House;
* in the case of a PEP, seek the approval of senior management and establish the source of wealth and source of funds;
* ensure that the first payment is made into a bank account in the customer’s name;

9.5 If satisfactory evidence of identity is not obtained at the outset then the business relationship or one-off transaction(s) cannot proceed any further. A report should be filed with the MLRO who will then consider if a report needs to be submitted to the NCA.

**10. Ongoing Monitoring**

Staff should review customers at regular intervals to ensure that the risk level of each customer information and information held on each customer is not only accurate and up to date but is consistent with the knowledge of the customer and its business. Further due diligence may be required if new people become involved at a customer. Any suspicious activity must be reported to the MLRO.

**11. Cash receipts**

11.1 The mere fact that a client pays in cash or wishes to do so is not in itself a cause for suspicion. Nonetheless, the larger the intended cash payment, the more likely it is that suspect money laundering will be suspected. Substantial amounts of cash are often the result of failure to declare income to HM Revenue and Customs and, as tax evasion, would amount to criminal conduct under the money laundering regime.

11.2 The approach to cash receipts is therefore as follows:

* In the absence of any complicating factors the firm will accept sums of up to £200 in cash (complicating factors could include, most obviously, a capital declaration from a client in receipt of public funding that they have less than this sum in capital).
* Sums of over £200 should not be accepted and can only be considered in extreme circumstances and with the permission (to be noted on file) of the MLRO or, if he is unavailable, the head of department.
* Where a larger payment than you can accept is offered you must complete a form and forward to the MLRO in order that he/she can consider if a disclosure should be made.

**12. Data Protection**

Customer details must be collected in accordance with the Data Protection Act 2018. This data can be “processed” as defined under the Data Protection Act 2018 to prevent money laundering.

**13. Record Keeping**

The firm is obliged to maintain records for at least five years of:

* what has been done for the client;
* any disclosures made.

Staff must bear this in mind when deciding a destroy date when archiving files. In addition the firm must maintain ID evidence for at least five years from the end of the ‘business relationship’ or the close of the ‘occasional transaction’.