

Enhanced Measures

You are in the process of negotiating the following transactions. In each case you must determine:

- which, if any, of the four higher risk factors apply to the customer; and
- what enhanced measure(s) you could apply to mitigate those higher risk factors.

The scenarios herein are wholly fictional and are purely for the purposes of discussing the application of the Bailiwick's AML/CFT framework.

1. An offer of £2.5m from a natural person based in the United Kingdom for an Open Market property for which you are the agent has been accepted by the Vendor. The property will be purchased in cash (without a mortgage).

- Which Risk Factors Present?:
- Customer is not resident in the Bailiwick
 - Customer being provided with private banking services
 - Customer is used for personal asset holding purposes
 - Customer has nominee shareholders, or is owned by a legal person with nominee shareholders

Possible Enhanced Measure(s):

2. You are currently negotiating the sale of a flat in St Peter Port for £220k which is being purchased by a Retirement Annuity Scheme as part of the diversification of its investment portfolio. Following the purchase the property will be let on the local market.

- Which Risk Factors Present?:
- Customer is not resident in the Bailiwick
 - Customer being provided with private banking services
 - Customer is used for personal asset holding purposes
 - Customer has nominee shareholders, or is owned by a legal person with nominee shareholders

Possible Enhanced Measure(s):

3. The Vendor of a commercial property you are currently listing has accepted an offer of £12m from a company based in Jersey. The Jersey company is 100% owned by a Jersey Unit Trust regulated as a closed-ended collective investment scheme and shares of the company are held equally by two subsidiary vehicles of the Jersey-based trustee, A Nominees Limited and B Nominees Limited.

Which Risk Factors Present?: Customer is not resident in the Bailiwick
 Customer being provided with private banking services
 Customer is used for personal asset holding purposes
 Customer has nominee shareholders, or is owned by a legal person with nominee shareholders

Possible Enhanced Measure(s):
