

BUILD WORKS SOLUTIONS LIMITED ANTI MONEY LAUNDERING POLICY

1: The fight against crime and terrorist activities is becoming ever more globalised. The significant contribution that can be made by depriving potential criminals and terrorists of the funds they need is recognised, as is the relatively low level of funds required for significant acts to be carried out. Build Works Solutions Limited is committed to: preventing the company and its employees being exposed to money laundering; identifying the risks where it may occur; and complying with legal and regulatory requirements, especially with regard to reporting suspected cases. 1.3 The Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on the Company and its employees to establish internal procedures to prevent the use of their services for money laundering.

2: What is Money Laundering? Money laundering is the process where criminals attempt to hide and change the true identity of the proceeds of their crime so that they appear legitimate. The various stages are termed placement, layering and integration: • placement – „dirty money“ is placed directly into the financial system layering – the proceeds are moved through a series of financial transactions, making it harder to establish their origin integration – the money launderer creates a legitimate explanation for the source of the funds allowing them to be retained, invested into the legitimate economy or to acquire assets. **Examples of Money laundering include:-**

- Concealing, disguising, converting, transferring criminal property or removing it from the UK; or
- Entering into or becoming concerned in an arrangement which that individual knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person; or

- Acquiring, using or possessing criminal property;
- Failing to disclose any of the above three primary offences; and
- Tipping off, which is where an individual informs a person or people 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.

3. Legislation the Proceeds of Crime Act 2002, the Terrorism Act 2000 and the Money Laundering Regulations 2007 place obligations on organisations to establish internal procedures to prevent the use of their services for money laundering;

Build Works Solutions Limited, acknowledges and works within the legislative requirements relating to money laundering;

Buildworks Solutions Limited employees & consultants have a statutory duty to comply with the requirements of the relevant legislation. Failure to comply with these requirements may lead to criminal or disciplinary action being taken;

The requirements of the legislation are that Build Works Solutions must:

Appoint a Money Laundering Reporting Officer (MD) to receive disclosures from workers of money laundering activity (their own or anyone else's);

- Implement a procedure to enable the reporting of suspicions of money laundering;
- Apply customer due diligence measures in certain circumstances;
- Obtain information on the purpose and nature of certain proposed transactions/business relationships;

Conduct ongoing monitoring of certain business relationships;

- Maintain record keeping and carry out other specified procedures on a risk sensitive basis;

Potentially any Build Works Solutions Limited employee could be guilty under these legislative provisions if they suspect money laundering and become involved with it in some way and/or do nothing about it.

4 Training in Anti-Money Laundering)

All Build Works Solutions employees must understand and will receive specific training so that they are aware of their responsibilities regarding the relevant legislation;

The Directors will:

- Arrange in-house annual training for all relevant workers;
- Arrange for the administration of a brief annual test to ensure that all workers are aware of the legislative requirements and responsibilities;

5 Responsibilities

- The Directors will, periodically, assess the risk to Build Works Solutions Limited of contravening the anti-money laundering legislation together with the adequacy and effectiveness of the Anti-Money Laundering Policy, and review and amend procedures in light of such assessments;
- Build Works Solutions Limited will ensure that all workers are made aware of the law relating to money laundering and will arrange targeted, ongoing training to all workers so that all workers are familiar with their legal responsibilities since serious criminal sanctions may be imposed for breaches of the legislation.
- The key requirement on workers is to report promptly any suspected money laundering activity to the Directors if the company.

6. Prevention of Money Laundering

Build Works Solutions Limited will not accept any payments in cash or transfer of other goods & services in part/ full payment for exchange of goods & services facilitated by the company.

- The exercise of customer due diligence:

Suspects money laundering or terrorist financing; or Doubts the veracity or adequacy of information previously obtained for the purposes of client identification or verification.

- In such instances customer due diligence measures must be followed before the establishment of the relationship or carrying out of the transaction;
- Customer due diligence requires: a) Identifying the customer and verifying the customer's identity, address and position in the company on the basis of documents, passport, website, data or information obtained from a reliable and independent source; b) Conducting an on-line search via Companies House to confirm the nature and business of the customer/donor and confirm the identities of any directors; c) Identifying, where there is a beneficial owner who is not the customer, the beneficial owner; and taking adequate measures, on a risk-sensitive basis, to verify his/her identity so that the relevant person is satisfied that she/he knows who the beneficial owner is, including, in the case of a legal person, trust or similar legal arrangement, measures to understand the ownership and control structure of the person, trust or arrangement; and d) Obtaining information on the purpose and intended nature of the business relationship.
- The requirement for customer due diligence applies immediately for new customers and should be applied on a risk sensitive basis for existing customers. Ongoing customer due diligence must also be carried out during the life of a business relationship but should be proportionate to the risk of money laundering and terrorist funding, based on the officer's knowledge of the customer and a regular scrutiny of the transactions involved;
- If, at any time, it is suspected that a client or customer for whom Build Works Solutions is currently carrying out, or is planning to carry out, a regulated activity and is carrying out money laundering or terrorist financing, or has lied about their identity then this must be reported to the Managing Director.

7. Disclosure to the MD

i) Suspicions regarding money laundering activity must be disclosed by any worker with such suspicions as soon as practicable to the MD; ii)

The disclosure must be on the same day as the information coming to the worker's attention; iii) Such suspicions would be about such activity by others or concern that the worker him/herself might be involved; iv) Failure to make a disclosure may render the worker liable to prosecution; v) Disclosure should include as much of the following information as possible:

- Full details of the people involved (including the worker, if relevant), such as name, date of birth, company names, directorships, and contact details;
- Full details of the property involved and its whereabouts (if known);
- Full details of the nature of involvement; • the types of money laundering activity involved;

- The dates of such activities, including whether the activities have happened, are ongoing or are imminent;
- The location of the activities;
- How the activities were undertaken; • the likely amount of money/assets involved;
- The reason/s for the suspicions;
- Any other relevant information.

Action to be taken by any worker following their disclosure to the MD i) Immediately following disclosure, the worker must: • Follow all directions the MD gives; • Not make any further enquiries into the matter themselves;

- Not discuss the matter with anyone else including their own line manager; • Not voice any suspicions to the person(s) suspected of money laundering, even if Serious Organised Crime Agency (SOCA)has given consent to a particular transaction proceeding, otherwise a criminal offence of “tipping off” may be committed;

- Co-operate with the MD and the authorities during any subsequent money laundering investigation. 9. Action to be taken by the MD following a disclosure i) Where there is a possibility that money laundering is taking place and a contract is involved, no action will be taken and the contract will continue; ii) The MD will:

- Open a confidential report on which to note: ◦ The date on which the disclosure is made to her/him; 6 Policy 71 Anti-money laundering V1 ◦ A copy of the acknowledgement of receipt of that disclosure; ◦ A copy of the advice note to the worker of the timescale within which s/he expects to respond; • Establish the section number(s) of the statute under which the report is being made: ◦ A principal money laundering offence under the 2002 Act (or 2000 Act); or ◦ General reporting requirement under section 330 of the 2002 Act (or section 21A of the 2000 Act); or ◦ both. iii) The MD will gather together all information in order to make a sound judgment as to whether there are reasonable grounds for knowledge or suspicion of money laundering. This will include:

- Reviewing other transaction patterns and volumes
- ; • The length of any business relationship involved; • The number of any one-off transactions and linked one-off transactions; • The identification evidence held; • Any other evidence made by the MD from appropriate reasonable inquiries in order to ensure that all available information is taken into account in deciding whether a report to SOCA is required. The MD will avoid any appearance of tipping off those involved;

- Follow-up discussion with the worker making the disclosure. Once the MD has evaluated the disclosure report and any other relevant information, s/he will make a timely determination as to whether:

- There is actual or suspected money laundering taking place;
- There are reasonable grounds to know or suspect that this is the case;
- S/he knows the identity of the money launderer or the whereabouts of the property involved or these things could be identified or whether the information may assist in such identification; and
- Whether s/he needs to seek consent from SOCA for a particular transaction to proceed. v) Where the MD concludes that there are no reasonable grounds to suspect money laundering then s/he shall mark the confidential file accordingly and give his/her consent for any ongoing or imminent transaction(s) to proceed; vi) The MD commits a criminal offence if s/he knows or suspects, or has reasonable grounds to do so, through a disclosure being made to her/him, that another person is engaged in money laundering of whom s/he knows the identity or the whereabouts of laundered property in consequence of the disclosure, that the person or property’s whereabouts can be identified from that information, or s/he believes, or it is reasonable to expect her/him to believe, that the information will or may assist in such identification and s/he does not disclose this as soon

as practicable to SOCA; vii) Where the MD concludes that disclosure should be made to the SOCA, s/he must:

Consider if there is a reasonable excuse for non-disclosure such as a lawyer claiming legal professional privilege for non-disclosure;

- Liaise with companies' legal adviser to consider if there is a reasonable excuse for non-disclosure to SOCA;


If advised that there is no reasonable excuse, disclose the matter as soon as practicable to SOCA on the standard report form and in the prescribed manner, with accompanying relevant supporting documents; or

- If advised that there is a reasonable excuse, make a note on the confidential report and immediately give consent for any ongoing or imminent transactions to proceed. viii) If the worker making the disclosure is involved in the activity rather than only becoming aware of it, the MD, having decided if there is no reasonable excuse for non-disclosure, will consider whether that worker's involvement in the activity would amount to a prohibited act under the legislation, and in that case:

- Will seek the consent of the SOCA for the worker to continue in that activity;
- Provide SOCA with any deadlines for giving such consent, such as a contract completion date;
- Remind the worker of the importance of not 'tipping-off' anyone else involved in that activity;
- Remind the worker not to discuss the situation with anyone else. ix) Where consent is required from SOCA for a transaction to proceed, then the transaction(s) in question must not be undertaken or completed until SOCA has specifically given consent, or there is deemed consent through the expiration of the relevant time limits without objection from SOCA; x) Keep appropriate records on the confidential file and make no record of any disclosure on a worker's personal file; xi) All disclosure reports referred to the MD and reports made by her/him to SOCA must be retained by the MD in the confidential file for a minimum of five years.

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