

ANTI-MONEY LAUNDERING POLICY

Ownership. This Policy is owned by the Board of RMA-TRMC.

THE LAW

1. The UK Government's Money Laundering Regulations came into force on 10 January 2020. They update the UK's Anti-Money Laundering (AML) regime to incorporate international standards set by the Financial Action Task Force (FATF) and to transpose the EU's 5th Money Laundering Directive.
2. The UK Government's Money Laundering Regulations incorporate the applicable provisions of the Proceeds of Crime Act 2002, the Terrorism Act 2000 and all amending legislation.
3. Money laundering is the process by which the proceeds of criminal or illegally obtained money are processed or spent to create the appearance that they have come from a legal source. The term "money laundering" covers several offences relating to the improper handling of funds that are the proceed of criminal acts, or terrorist acts. It relates to both the activities of organised crime but also to those who benefit financially from dishonest activities such as tax evasion or receiving stolen goods.
4. The four main offences that may be committed under money laundering legislation are:
 - a. concealing, disguising, converting, transferring, or removing criminal property from anywhere within the UK
 - b. entering into or becoming concerned in an arrangement which a person knows or suspects facilitates the acquisition, retention, use or control of criminal property by or on behalf of another person
 - c. acquiring, using or possessing criminal property
 - d. doing something that might, prejudice an investigation - for example, falsifying or destroying a document.
5. There are also two 'third party' offences:
 - a. failing to disclose information relating to any of the above money laundering offences
 - b. tipping off (informing) someone who is, or who is suspected of being involved in money laundering activities in such a way as to reduce the likelihood of them being investigated or prejudicing an investigation.
6. These offences may be committed by an organisation or by individuals working for an organisation.
7. Charity Commission Guidance. The Charity Commission advises that in order to ensure that they are fulfilling their duty to manage their charity's funds properly, a charity's trustees need to know where the funds come from and take reasonable steps to ensure they:-

- a. 'identify' - know who they are dealing with
- b. 'verify' - where reasonable and the risks are high, verify identities
- c. 'know what the organisation's or individual's business is' and can be assured this is appropriate for the charity to be involved with
- d. 'know what their specific business is with the charity' and have confidence they will deliver what the charity wants them to
- e. 'watch out' for unusual or suspicious activities, conduct or requests.

POLICY STATEMENT

8. RMA-TRMC is fully committed to compliance with UK Government's Money Laundering Regulations 2010, the applicable provisions of the Proceeds of Crime Act 2002, the Terrorism Act 2000 and all amending legislation.
9. If the Charity suspects that money laundering may be taking place, it will submit a Suspicious Activity Report (SAR) to the National Crime Agency. The Charity recognises that:
 - a. SAR can provide crucial intelligence for law enforcement and can help to prevent a wide range of serious and organised crime and terrorist activities.
 - b. Investigations are often based on multiple SARs, and a report from a school could be the missing piece of the puzzle.
10. For any single donation received by cash, cheque or online transfer over the value of £10,000, anti-money laundering checks must be carried out.

PRINCIPLES

11. In the context of the RMA-TRMC, the two key areas where money laundering activities may occur are:
 - a. Payment of donations fees; and
 - b. Donations (including: large unexpected donations from unknown individuals, organisations or other sources; and unexpected or unexplained requests for the repayment of all or part of a donation).
12. The Charity will appoint a Money-Laundering Reporting Officer ("MLRO"). The MLRO receives disclosures from anyone involved in the management of the Charity of any suspected money-laundering activities and is responsible for:
 - a. receiving reports of suspicious activity from staff;
 - b. considering all reports and evaluating whether there is - or seems to be - any evidence of money laundering or terrorist financing;

- c. reporting any suspicious activity or transaction to the National Crime Agency (NCA) by completing and submitting a SAR; and
- d. ensuring that proper records are maintained on all the relevant activities.

13. Development / Fundraising. Working within the Fundraising Regulator Code of Practice and GDPR guidance the Charity carries out procedures that help it identify donors before accepting or entering into a relationship or transaction with them. The Charity will, where applicable:

- a. Identify the donor and verify their identity
- b. take adequate measures where some donors need or want their privacy intact
- c. accept that in some cases, the identity of the donor may not be easy to verify, in which case other measures need to be developed
- d. continuously monitor the situation
- e. maintain proper records of all checks made.

14. The list below sets out circumstances considered to be “red flags” in the context of development/fundraising. Whilst not conclusive evidence of money laundering, they will prompt the Charity to question whether additional due diligence is required to satisfy itself as to the legitimacy of the funds.

- a. Transactions: Transactions unusual because of their size, frequency or the manner of their execution, in relation to the donor's known business type or source of income
- b. Structures: Payments involving complex or illogical arrangements that make it unclear who is making the payment.
- c. Third parties: Payment by companies, trusts, off-shore entities etc associated with a donor
- d. Identity: The donor has taken steps to hide their identity or is difficult to identify.
- e. Behaviour: The donor seems unusually anxious to complete a transaction or is unable to justify why they need to make a payment quickly.
- f. Political: The donor is engaged in unusual private business given that they hold a prominent public title or function.
- g. Documents: Information or documentation is withheld by the donor or their representative or appears falsified.
- h. Geographical Area: The donor is native to, or resident in, a high risk country.
- i. Repayment: unexpected or unexplained requests for the repayment of all or part of a donation.

15. Reporting. If anyone at the Charity knows, suspects or has reasonable grounds for thinking or suspecting that a person is engaged in money laundering or terrorist financing, they must report such matters to the MLRO immediately, including the following information:

- a. Details of the people involved
- b. type of transaction
- c. the relevant dates
- d. why there is suspicion
- e. when and how activity is undertaken
- f. likely amounts, etc.

16. Once the MLRO has evaluated the disclosure or other information, they will determine if there are reasonable grounds for suspecting money laundering and whether any further investigations need to take place. If the MLRO concludes that there are reasonable grounds to suspect money laundering is taking place, the Charity will make a SAR to the CE.

LEAD STAFF MEMBERS

17. The MRLO is Dir Dev.

TRAINING

18. The Development Team and the Fundraising & Communications Team are to receive annual training. The key elements of AML policy, principles and practices will be contained within the Employee Handbook.

RECORD KEEPING

19. All internal reports to the MLRO and all SARs made by the MLRO to the RMA-TRMC will be retained for a minimum of five years.

REVIEW

20. This Policy is to be reviewed biennially or soon should the law, or Charity Commission/ Companies House/Fundraising Regulator/Information Commissioner guidance change.

Signed

Dated

10 February 2022