



**BRABO** enterprises

# ANTI-MONEY LAUNDERING POLICY

*Brabo enterprises member of the brabo international group of companies*

- **Purpose**

The purpose of this document is to make all staff of the Brabo Enterprises/Brabo hvacrs international aware of the strict money laundering policy that the Brabo Enterprises/Brabo hvacrs international follows. The Brabo Enterprises/Brabo hvacrs international is committed to the highest standards of openness, transparency and accountability and to conducting its affairs in accordance with the requirements of the relevant funding and regulatory bodies. The Brabo Enterprises /Brabo hvacrs international has a zero-tolerance approach to money laundering and the policy applies to activity both at home and abroad and to any activity with Brabo Enterprises/Brabo hvacrs international partners.

- **Definitions & Legislative Context**

The Money Laundering, Terrorist Financing & Transfer of Funds Regulations 2017 (MLR 2017) came into force on 26 June 2017. They implement the EU's 4th Directive on Money Laundering. In doing so, they replace the Money Laundering Regulations (MLR 2007). The UK Anti-Money Laundering (AML) framework also incorporates the Proceeds of Crime Act 2002.

MLR 2017 adopts a more risk-based approach towards anti – money laundering and how due diligence is conducted.

Money laundering is the process of taking profits from crime and corruption and transforming them into legitimate assets. It takes criminally-derived 'dirty funds' and converts them into other assets so they can be reintroduced into legitimate commerce. This process conceals the true origin or ownership of the funds, and so 'cleans' them.

There are three stages in money laundering; placement, layering and integration. Placement is where the proceeds of criminal activity enter into the financial system; layering distances the money from its illegal source through layers of financial transactions; finally, integration involves the re-introduction of the illegal proceeds into legitimate commerce by providing an apparently genuine explanation for the funds.

- **Scope**

This policy applies to all members of the Brabo Enterprises/Brabo hvacrs international and subsidiary companies including staff and to third parties, including academic partners ,undertaking business on behalf of the Brabo Enterprises/Brabo hvacrs international and its subsidiary companies.

Money laundering is a criminal offence. In the United Arab Emirates, penalties include unlimited fines and/or terms of imprisonment ranging from two to 14 years. Offences include:

- Failing to report knowledge and or suspicion of money laundering
  - Failing to have adequate procedures to guard against money laundering
  - Knowingly assisting money launderers
  - Tipping-off suspected money launderers
  - Recklessly making a false or misleading statement in the context of money laundering
- The Brabo Enterprises/Brabo hvacrs international could also face a range of sanctions for non-compliance, imposed by HM Revenue and Customs (HMRC) and /or the Financial Conduct Authority (FCA).

Therefore, disciplinary action under the Brabo Enterprises/Brabo hvacrs international's procedures may be taken against members of staff who fail to comply with this policy.

- **Risk Assessment**

MLR 2017 requires the Brabo Enterprises/Brabo hvacrs international to undertake a risk assessment and assess its exposure to money laundering. There are 4 main areas that need to be considered to assess its overall risk.

**Product/Service Risk** – This is the risk associated with delivery of Brabo Enterprises/Brabo hvacrs international activity including teaching, research, enterprise and conferencing activity.

**Jurisdictional Risk** – This is the risk associated with the Brabo companies countries of operation, location of staff and customers, suppliers and agents.

**Customer/Third-Party Risk** – This is the risk associated with the people and/or organizations that we undertake business with including customers/third-parties, beneficial owners, agents, contractors, vendors and suppliers. Politically Exposed Persons (PEP's) and Sanctioned Parties are also considered within this risk.

**Distribution Risks** - This is the risk associated with how we undertake business, including direct and indirect relationships (e.g. via an agent or third-party), face-to face, digital/online and telephonic.

Whilst much of the Brabo Enterprises/Brabo hvacrs international of Salford's financial activity could be considered relatively low risk from the perspective of money laundering, all staff need to be vigilant against the financial crime and fraud risks that the Brabo Enterprises/Brabo hvacrs international faces day-to-day.

Possible signs of money laundering include:

1. An individual or company makes a large unexpected payment to the Brabo Enterprises/Brabo hvacrs international but fails to provide evidence confirming their identity and reason for payment.
2. An individual or company attempts to engage in "circular transactions" where a payment is made to the Brabo Enterprises/Brabo hvacrs international followed by an attempt to obtain a refund. For example, a student pays a significant sum, then withdraws and seeks a refund.
3. A person or company undertaking business with the Brabo Enterprises/Brabo hvacrs international fails to provide proper paperwork (examples include charging VAT but failing to quote a VAT number or invoices purporting to come from a limited company, but lacking company registered office and number)
4. A potential supplier submits a very low quotation or tender. In such cases, the business may be subsidized by the proceeds of crime with the aim of seeking payment from the Brabo Enterprises/Brabo hvacrs international in "clean money".
5. Involvement of an unconnected third party in a contractual relationship without any logical explanation.

This list is not exhaustive and money laundering can take many forms. If there are any concerns, then these should be raised with the Money laundering Reporting Officer.

- **Risk Mitigation**

The Brabo Enterprises/Brabo hvacrs international has a number of policies and procedures in place to minimize the risk of money laundering – in particular the Financial Regulations which can be found at the \\BRABO\_Secure\_Data

- **Unusual or Large payments**

The Brabo Enterprises/Brabo hvacrs international will investigate and establish what they are for. The Brabo Enterprises/Brabo hvacrs international's bankers also advise on high risk countries where financial transactions are either prohibited or heavily restricted.

- **Cash Thresholds**

MLR 2017 has reduced the limit for eligible cash transactions from €15,000 to €10,000 and is extended to receiving, as well as making, payments in cash.

In the light of this and the security risk of carrying large amounts of cash, the Brabo Enterprises/Brabo hvacrs international will no longer accept cash payments for tuition fees.

- **Know Your Customer/Supplier**

Anti- Money Laundering Regulations requires that the Brabo Enterprises/Brabo hvacrs international must be reasonably satisfied as to the identity of the customer (and others) that they are engaging with in a contractual relationship. To discharge the "reasonably satisfied" the Brabo Enterprises/Brabo hvacrs international must obtain a minimum level of personal information from a customer including date of birth and home address. For third parties' letters or documents proving name, address and relationship should be obtained.

If an organization is not known to the Brabo Enterprises/Brabo hvacrs international then Letter Headed documents, website and credit checks should be undertaken as appropriate.

The Brabo Enterprises/Brabo hvacrs international must be clear on the purpose and the intended nature of the business relationship i.e. knowing what you are doing with them and why.

In most cases the Brabo Enterprises/Brabo hvacrs international's exposure to money laundering is likely to be low. Financial due diligence is already considered as part of bidding for research, consultancy and collaborative provision. However, in certain instances if the Brabo Enterprises/Brabo hvacrs international is considering establishing a business relationship in a high-risk country or with a politically exposed person, then appropriate advice should be taken from the Money Laundering officer (MLRO) pre entering the arrangement.

- **Processing Refunds**

The Brabo Enterprises/Brabo hvacrs international will undertake appropriate checks before processing any refunds and funds can only be refunded back to the original payer and cannot be refunded to a third party. Where the original payment has been received from abroad the refund will be to the foreign bank account and not to a Dutch bank account.

- **Financial Sanctions Targets**

The government of the United Arab Emirates publishes frequently updated guidance on financial sanctions targets, which includes a list of all targets. This guidance can be found at: <https://u.ae/en>

If Brabo Enterprises/Brabo hvacrs international is planning to undertake any research or consultancy activities with entities and/ or individuals in any of the following countries :

- Afghanistan
- Belarus
- Burma
- Burundi
- Central African Republic
- Democratic republic of Congo
- Egypt
- Iran
- Iraq
- Libya
- Mali
- Nicaragua
- North Korea
- Republic of Guinea
- Republic of Guinea – Bissau
- Somalia
- South Sudan
- Syria
- Tunisia
- Turkey
- Ukraine
- Venezuela
- Yemen
- Zimbabwe

please consult with either the MLRO or his deputy so that the Brabo Enterprises/Brabo hvacrs international can review the register and ensure that the proposed activity is not with a embargoed individual or organization.

- **Roles and Responsibilities**

The Director of Finance has responsibility for the Anti- Money Laundering Policy, which will be reviewed by the Audit and Risk Committee.

- **Money Laundering Reporting officer (MLRO)**

The MLRO is the primary contact for any further information or to report any suspicious activity. The MLRO is:

Financial department

Telephone +971 58 583 5278

Email: info@brabo-enterprises.ae

The MLRO is responsible for:

1. receiving reports of suspicious activity from any employee in the business;
2. considering all reports and evaluating whether there is – or seems to be, any evidence of money laundering or terrorist financing;
3. reporting any suspicious activity or transaction to the Serious Organized Crime Agency (SOCA) by completing and submitting a Suspicious Activity Report;
4. asking SOCA for consent to continue with any transactions that must be reported and making sure that no transactions are continued illegally.

- **All members of the Brabo Enterprises/Brabo hvacrs international– Reporting Suspicious Activity**

A member of the Brabo Enterprises/Brabo hvacrs international who needs to report suspicious activity must complete the Suspicious Activity Report (SAR) which is detailed in Annex A. They should provide as much detail as possible and the report must be made in the strictest confidence, being careful to avoid “tipping off” those who may be involved.

Money laundering legislation applies to all member of the Brabo Enterprises/Brabo hvacrs international. Members of the Brabo Enterprises/Brabo hvacrs international could be committing an offence if they suspect money laundering (or if they become involved in some way) and do nothing about it. Potential Red flags are highlighted in Section 3.

The MLRO will report any findings to the Director of Finance who will carry out any investigation in accordance with the Counter Fraud Policy and Response Plan.

- **Training**

Finance will ensure that members of staff with financial responsibility receive appropriate money laundering training. Refresher training will take place at each revision of the policy.

- **Review, Approval and Publication**

The Anti- Money Laundering Policy is subject to review every 3 years by the Director of Finance or following a change to relevant UK legislation.

Updates to the Anti- Money Laundering Policy will be reviewed by the Audit and Risk Committee and final approval will be given by Brabo Enterprises/Brabo hvacrs international Council.

**Annex A: Suspicious Activity Report****CONFIDENTIAL – Suspicious Activity Report**

*Please complete and send this to the MLRO using the details below*

From:

Professional Service:

Contact Details:

**DETAILS OF SUSPICIOUS ACTIVITY** [Please continue on a separate sheet if necessary]

Name(s) and address(es) of person(s) involved, including relationship with the Brabo Enterprises/Brabo hvacrs international:

Nature, value and timing of activity involved:

Nature of suspicions regarding such activity:

Details of any enquiries you may have undertaken to date:

Have you discussed your suspicions with anyone? And if so, on what basis?

Is any aspect of the transaction(s) outstanding and requiring consent to progress?

Any other relevant information that may be useful?

Signed:

Date:

*Please do not discuss the content of this report with anyone you believe to be involved in the suspected money laundering activity described.*

MLRO Report (to be completed by MLRO)	
Date Report Received	Date Report acknowledged
<b>Consideration of Disclosure:</b>	
<b>Outcome of consideration of Disclosure:</b>	
Are there reasonable grounds for suspecting money laundering activity? YES / NO	
Does the matter need to be reported to the National Crime Agency? Yes / NO	
If YES record the date reported to NCA	
If consent required from the NCA to proceed with a potentially suspicious transaction? YES / NO If YES please confirm full details below:	
If Suspicious Activity Report is not reportable to National Crime Agency, set out below the reasons for non-disclosure.	
Signed:	Date:



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## CONTACT US :



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Yours sincerely,  
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