

AML PATTERNS

OBJECTIVES & OPERATIVENESS

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- **2019 - EUROPEAN PARLIAMENT BRIEFING: “UNDERSTANDING MONEY LAUNDERING THROUGH REAL ESTATE TRANSACTIONS”**

“Real estate: a haven for money laundering?”

“Addressing the misuse of real estate for ML”

“Tackling the problem: a work in progress”

“Real estate ML impact”



SPECIFIC INDICATORS:

Complex loans

Underevaluation, overevaluation and successive sales at higher value

Mortgage schemes

Hiding the real owner:

Recourse to third parties by customers (seller or buyer) for concealment of ownership

Use of front companies, shell companies trusts and company structures

Rental income to legitimise illicit funds

Property renovations and improvements using illicit funds that increase the value of the property which is then sold at a higher price

Geographical elements



- **RISKS:**

Customer risks

Transactions risks

Geographical risks



- **ACTIONS:**

F.A.T.F. (Financial Action Task Force)

GATEKEEPERS

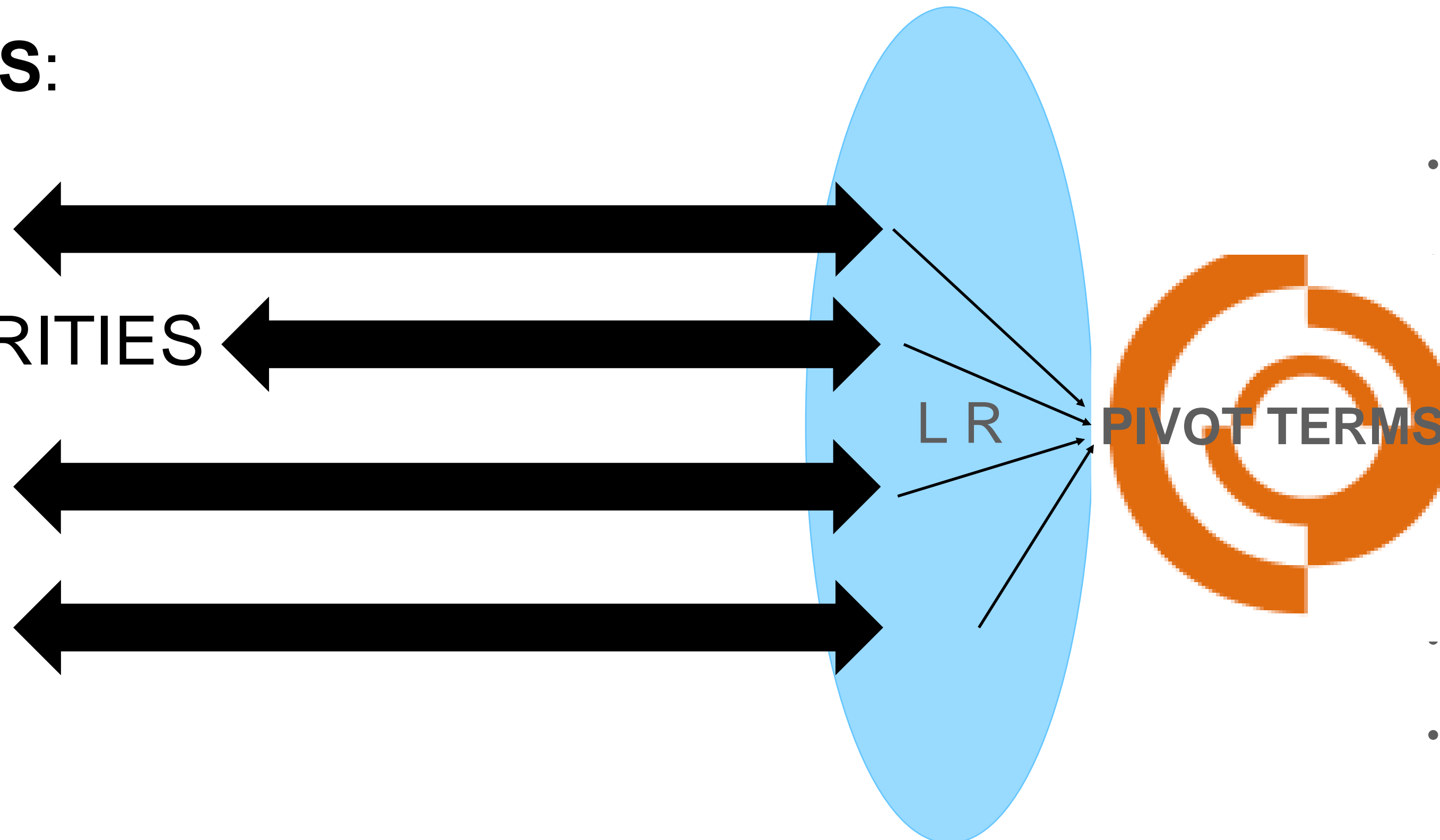
• **GATEKEEPERS:**

• NOTARIES

• TAX AUTHORITIES

• BANKS

• OTHERS



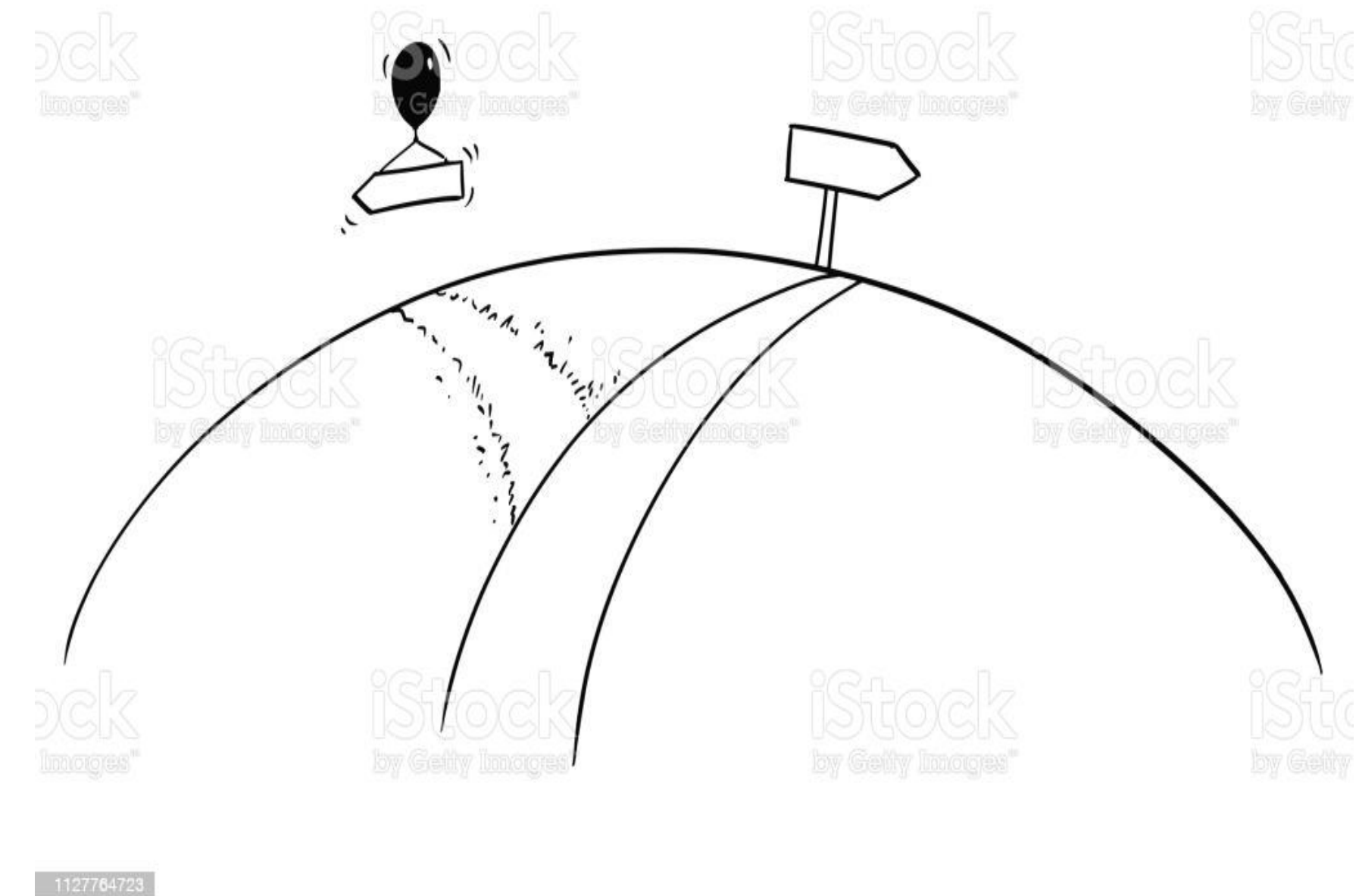
- OBJECT OF THE RIGHT
- SUBJECT OF THE RIGHT
- FORMER OWNER
- PRICE
- RANK (TIMESTAMP)
- DEED
- MORTGAGE

PATTERNS

IMOLA III – AML STRONG POINTS

- CONSISTENT INFORMATION:

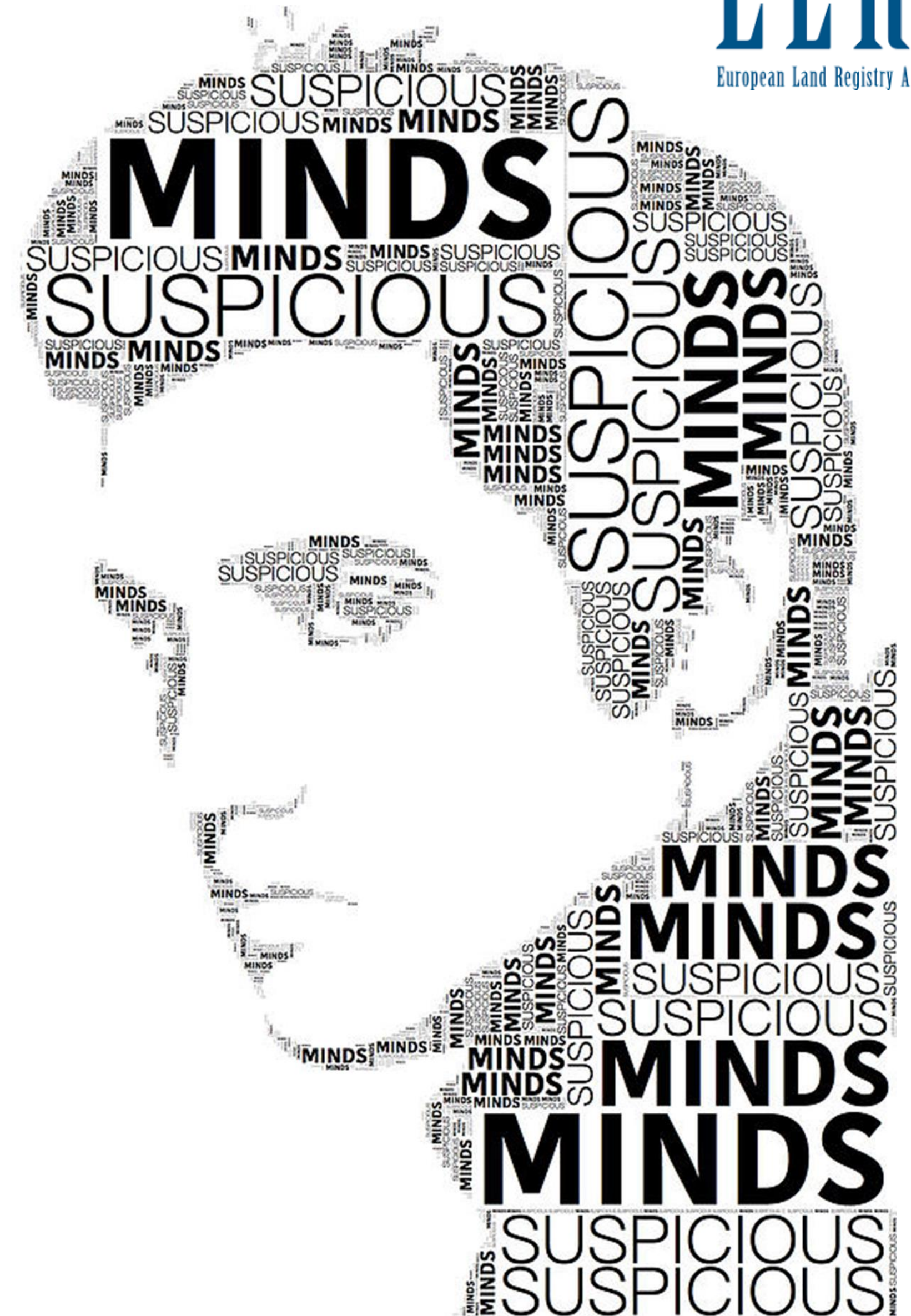
- CONTROLLED VOCABULARY
- CONCEPTUALIZATION
- COMPLETE SET OF DATA
- COMPARATIVE INFORMATION (i.e. PRICE)
- UP TO DATE
- SAME ENVIRONMENT (easy connection of data)
- TIMELINE AVAILABLE
- BEYOND BORDERS PERSPECTIVE



PATTERNS

Suspect transaction

- Definition
- Set of data configurations related to pivot terms
- Automation of the process
- Human confirmation
- Reporting procedure
- Liability



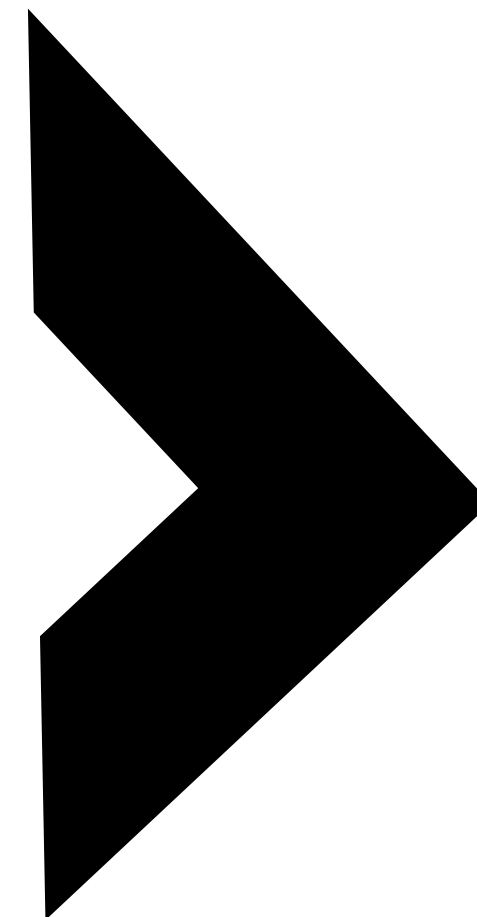
AML LAND REGISTRAR?

- Specific qualification
- Specific territorial jurisdiction
- Specific tools

PATTERNS

ANTI MONEY LAUNDERING (AML)

- RECURRENT TRANSACTIONS
- RECIPROCAL/MULTIPLE TRANSACTIONS
- SMALLER SELLING PRICE THAN ACQUISITION PRICE
- SPINNING TRANSACTIONS
- SUSPECT FORECLOSURE/INSOLVENCY PROCEDURE (TIMELINE BASED)



IMOLA PIVOT TERMS
CUSTOMES SETS OF DATA



Multiple immovables

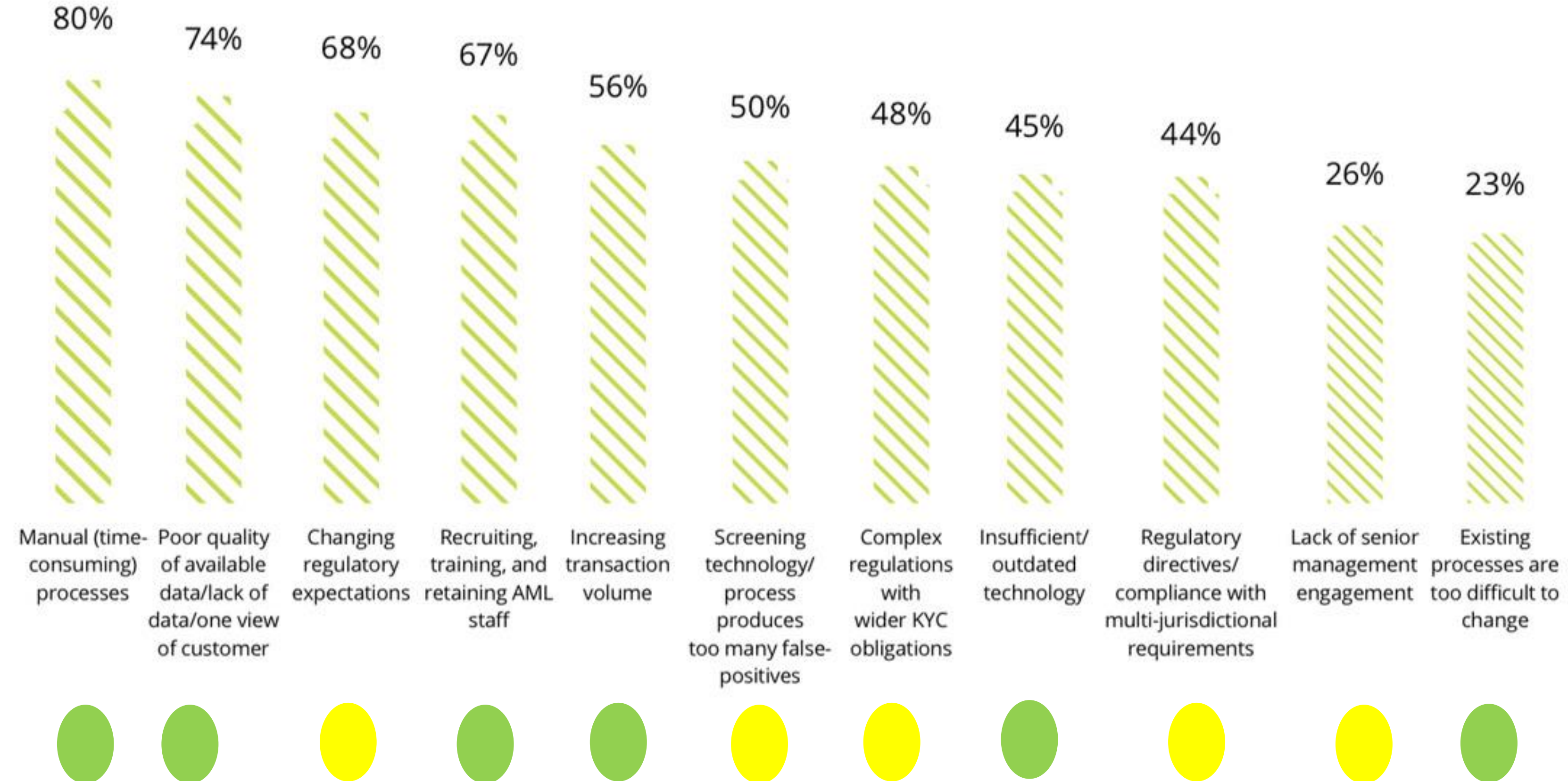
Multiple owners

Timestamp based legal image
(OUT of date ELRD)

PATTERNS

ANTI MONEY LAUNDERING (AML)

Please identify the top five operational challenges that your organisation face while complying with AML regulations (This is a multiple choice question. Responses will not total to 100%)



SOURCE: AML PREPAREDNESS SURVEY - DELOITTE 2020



THANK YOU!