

aml

From: [REDACTED]@agentcommercial.nz>
Sent: Friday, 3 December 2021 3:59 pm
To: aml
Subject: Submission - AML/CFT Statutory Review Consultation
Attachments: Submission for the Review of the Anti-Money Laundering and Countering Financing of Terrorism Act 2009.pdf

Submission attached, as best as a novice can write.

Kind regards

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The rules impacting real estate agency work are about to change. On January 1st, Anti-Money Laundering legislation kicks in which means we have to ID our Vendors and landlords and in cases our tenants and buyers. We'll let you know what we need on the way through. Thank you for bearing with us.

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For the love of taking on staff – commercial leasing and sales agent, for the time being I am a sole trader under the name AGRE (Agency) Limited/AGRE Commercial.

I have not found anyone who can tell me or demonstrate how the leasing – renting – of commercial property can be used to launder money.

100% of my revenue has been earned from leasing.

While the purchase of an asset can be done with laundered money – a balance sheet item, why would a criminal lease a floor in a building for, say, \$120,000pa plus GST and expect to get their money back – this is an expense to the lessee and revenue for the lessor who has to account to IRD.

I am a near qualified accountant, but one only needs a knowledge of Year 9 bookkeeping to understand the accounting equation is where the assets lie and the expense equation is where tax lies.

Responses from landlords (clients) when asked for Anti-Money Laundering material range from:

1. No.
2. Yes, no problems.
3. You've known me for nine years, why are you asking. I'm not going to comply (and you can't make me) and I'm selling up to go back to the UK, to
4. We think you should be asking this of the tenant (customer) because we don't know where they are getting the money from to pay the rent.

How can a family trust that for the last thirty years has owned a shop of 110m² in Naenae with a CV of \$225,000 be money laundering. It appears an exercise in collecting paper work for no good reason.

I also believe, through I've found no evidence, that the largely agencies are using the legislation as a lever against the smaller agencies insofar as, 'Don't use them. We can handle all the paper work so you don't have to 'spread it around town' with the smaller, two bit agencies.'

Some landlords are gaming me because there are no consequences on them for not supplying the material. And the lawyers for the landlords are being equally evasive because they know there are no consequences on them for not supply material on behalf of their clients.

To assist in my obligations under the Act, I am inserting the following into agreements to lease:

To conclude this agreement, the parties acknowledge their respective requirements and obligations under the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 and its amendments and regulations and shall provide from time to time provide material pertaining to their obligations upon reasonable request. The parties also agree jointly and severally to indemnify the Agent for any breaches of the Act.

In 2020 my income dropped by fifty percent and has not recovered in 2021.

As best I'm able to ascertain, the five to 10 hours a week in AML'ing landlords has significantly decreased my income and reduced productivity. It has next to nothing do to with Covid. I cannot see my income returning to pre-2020 levels because of the extra compliance work from the AML Act

And all for the want of an answer to; "demonstrate how the leasing – renting – of commercial property can be used to launder money."

I am not a police informer and I'm certainly not paid to be a police informer.

If you'd like to go over my files for any wrong doing, you are welcome anytime.