

From: Newsletter <newsletter@amlsolutions.co.nz>
Sent: Tuesday, 25 February 2020 5:44 PM
To: Lucas Cottle
Subject: AML Solutions Newsletter - February 2020



Newsletter - February 2020



Dear Zoe

Welcome to the February newsletter. The year continues to race on and we are now receiving enquiries daily from Lawyers and Accountants looking to arrange AML Audits or reviews.

It will be a busy year and we encourage all our clients who are looking for document reviews/upgrades or audits in 2020 or 2021 to please proactively contact us, you may do so by clicking the buttons below.

May the fabulous weather continue (indispersed with the much needed rain in the dry areas!).

In this month's edition...



IN THE NEWS

CDD and the future of trusts in New Zealand plus the lawyer and leader of Comancheros gang jailed.



AML SUMMIT

**Join us at the Pullman Auckland
30th April & 1st May.**



TRAINING

Sign up to our open courses, eLearning and on demand videos.



CDD and The Future of Trusts

Customer Due Diligence (CDD) can be easily completed for the majority of your client types, however complex structures and trusts can prove challenging for many Reporting Entities.

Interestingly, over the 14 months of Real Estate capture, the [AMLHub](#) platform has recorded insightful statistics regarding the type of verifications completed across the New Zealand Real Estate market. From a sample size of over 160,000 verifications, 80% were individuals, 12% were companies the the remaining 8% were trusts.

While the majority of trusts in New Zealand are simple discretionary family trusts and relatively straight forward to complete CDD, there are complex trusts that do cause difficulties for many Reporting Entities.

A recent [External LawFuel Article](#), written by a former General Counsel at Public Trust, touched on the future of trusts in New Zealand. Henry Stokes predicts there will be a change in trust statistics, specifically family trusts, which he expects to reduce by 50%. He also believes New Zealand is "over-trusted" with over 450,000 trusts in existence. The new Trusts Act 2019 will come into effect on 30 January 2021, resulting in trusts becoming much more onerous to operate. Compared to previous years where beneficiaries had little to no knowledge of the trusts they were part of, they will now be entitled to ask for information on trust assets. As an example, parents setting up family trusts will no longer be able to hide how much the family is worth from their beneficiaries. The expense of running a family trust is also expected to significantly increase with the NZ Law Society recommending review of Trust Deeds prior to the Trust Act commencement date. With the raised expenses and diminishing benefits of forming or remaining in a trust it is predicted this will lead to the closure of many trusts.

Under section 22 of [The Act](#), Reporting Entities are required to conduct Enhanced Due Diligence (EDD) on Trusts. Stated in the [Customer Due Diligence – Trusts Guideline](#), released jointly by the Supervisors, this requirement is due to the recognition of the potential for trusts to be used to disguise the criminal origin of funds or true ownership and effective control. As a result, the Reporting Entity may need to use additional resources to identify additional verification information, an example of this being beneficial ownership and source of funds/wealth.

We will be covering Trusts, Enhanced Due Diligence and Source of Funds/Wealth and many more topics at the upcoming [AML Summit 2020](#), taking place on Thursday 30 May and Friday 1 April 2020.

To view the full agenda or purchase tickets, please click the links below;

[Official Summit Website](#)

[Purchase Tickets](#)



Comancheros Sentencing

In our December 2019 issue we mentioned the Comancheros Motorcycle Club money laundering investigation, named "Operation Nova" by the NZ Police. On the 25th February 2020, both the vice president of the Motorcycle Club, Tyson Daniels, and his lawyer, Andrew Simpson, were sentenced in the Auckland High Court.

Mr Daniels was sentenced to four years and eight months in prison in addition to the seizure of a fleet of several luxury cars and other high value possessions from his property in April 2019.

Mr Simpson was judged to have used his specialist skills and knowledge as a lawyer to avoid detection, which included depositing less than \$10,000 in cash at a time. Over \$1.2m was deposited into his trust account and used as the primary method to money launder by purchasing luxury cars and real estate which belonged to Mr Daniels and other affiliated club members. After pleading guilty to 13 counts of money laundering crimes and pleading mercy, Mr Simpson was sentenced to two years and nine months in prison.

To view the full article and details, click below:

[NZ Herald Article](#)

On Demand AML Training Platform

AML Solutions have created an online platform that allows access to:

Quarterly 1 hour long AML update and reminder videos

Legislation and guidance material

Regular news updates

All AML Solutions' videos

All AML solutions' newsletters

Release Dates

Video 1 - March 3rd 2020

Video 2 - June 1st 2020

Video 3 - September 1st 2020

Video 4 - December 1st 2020

The quarterly videos can be played on demand to all your staff or watched individually on a laptop, tablet or phone.

Each quarterly video will be worth 1.0 CPD hour.

To sign up or find out more please email training@amlsolutions.co.nz

AML/CFT Open Training Courses

Come along to our open training courses hosted in Auckland, Wellington and Christchurch. We offer three training courses - **Compliance Officer**, **Customer Due Diligence** and **How to Prepare for your AML/CFT Audit**. You can find the upcoming dates listed on our [website](#).

Compliance Officer \$395 + GST pp.

A practical, step-by-step session for an AML/CFT Compliance Officers and their staff to understand and meet obligations and expectations of the legislation.

This training is a 4 hour, intensive session and certificates will be issued on attendance for training records.

[Registrations & More Info](#)

Customer Due Diligence \$395 + GST pp.

This course is designed to assist compliance staff in understanding CDD/EDD obligations, processes, and procedures in this often complicated area.

This AML/CFT training is a 4 hour, intensive session and certificates will be issued on attendance for training records.

[Registrations & More Info](#)

How to Prepare for your AML/CFT Audit \$275 + GST pp

Designed to assist reporting entities prepare for their upcoming AML/CFT audit.

This is an intensive 2-hour course which will cover the full audit process and provide an understanding of the preparation you can complete before your audit. Attendees will come away with a greater understanding of audit requirements.

[Registrations & More Info](#)

"The course provided an excellent overview of the role and responsibilities of a compliance officer, a great training programme from a leading AML/CFT expert - thank you!."

"Highly relevant course with a practical approach for good AML compliance in a business situation."

eLearning



Need help with your AML/CFT requirements?

AML Solutions provides a comprehensive eLearning program, where you can study in your own time from the comfort of your home or office.

To enquire further about eLearning please email elearning@amlsolutions.co.nz

[Learn more](#)

To make an enquiry, please contact us at

enquiry@amlsolutions.co.nz



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