



Information note for jewellers

Obligation to identify and track a series of cash transactions that are or appear to be linked to each other

Persons trading in high value goods, including members of the jewellery trade (**whose stock in trade retains re-sale value and could be used for money laundering purposes**), must be able to demonstrate how payments are received, whether by cash or card, and that they can identify and track linked transactions.

Inspection from the AMLCU

At inspections, Authorised Officers from the AMLCU will have an expectation that jewellers can demonstrate a risk based approach i.e. how payments are made, by cash or card, is in keeping with your knowledge of the customer when accepting payments and that there is a system in use to identify and track linked cash transactions.

Demonstrating compliance with your obligation to track linked payments is simple:

1. Take the name of a customer making payments in cash of €1,000 or above. For example, this can be done by entering a customer's name in an excel spreadsheet including the amount of payment.
2. Continue to keep a record of payments made by that customer.
3. Should the customer's payment reach the threshold of €15,000 then ask the customer for proof of ID and keep a copy of it.
4. Retain a copy of the ID documents for 5 years.

The Guidelines to the 2010 Act state that: *"the identity of an individual has a number of aspects all of which must be obtained by the designated person"*. Such documents must identify the Name, Address and Date of Birth.

Example of a series of linked transactions: *A jewellery store sells a watch for €5,000 cash in October 2017 to Joe Bloggs. Mr Bloggs returns in December 2017 and purchases another watch for €7,000 cash and then returns in March 2018 and purchases a necklace with €5,000 cash. In this instance, Mr Bloggs linked transactions total €17,000 which is above the threshold of €15,000, which triggers the requirement for customer due diligence.*

Cash threshold to drop to €10,000

The 4th Money Laundering Directive imposes obligations on Designated Persons to be able to identify linked transactions which reach the new threshold of **€10,000**. This is likely to be in place by the end of 2018.

