

Title	Manage trust accounts and anti-money laundering and countering financing of terrorism for a real estate business		
Level	6	Credits	8

Purpose	<p>This unit is for people who intend to operate as a licensed agent in the real estate industry.</p> <p>People credited with this unit standard are able to:</p> <ul style="list-style-type: none"> – demonstrate knowledge of operational management of a trust account in a real estate business; – demonstrate knowledge of the responsibilities of a real estate agent to comply with anti-money laundering and countering financing of terrorism.
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Classification	Real Estate > Real Estate Practice and Law
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Available grade	Achieved
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Guidance Information

- 1 Legislation and regulations relevant to this standard include:
Anti-Money Laundering and Countering Financing of Terrorism Act 2009;
Consumer Guarantees Act 1993;
Fair Trading Act 1986;
Human Rights Act 1993;
Overseas Investment Act 2005;
Overseas Investment Regulations 2005;
Privacy Act 2020;
Real Estate Agents Act 2008;
Real Estate Agents (Audit) Regulations 2009;
Real Estate Agents Act (Professional Conduct and Client Care) Rules 2012;
and all subsequent amendments and replacements.
- 2 Reference
Department of Internal Affairs, Guidelines: Real Estate Agents, Complying with the Anti-Money Laundering and Countering Financing of Terrorism Act 2009, available at [https://www.dia.govt.nz/diawebsite.nsf/Files/AML-CFT-Real-Estate-Guideline/\\$file/AML-CFT-Real-Estate-Guideline-Dec-2018.pdf](https://www.dia.govt.nz/diawebsite.nsf/Files/AML-CFT-Real-Estate-Guideline/$file/AML-CFT-Real-Estate-Guideline-Dec-2018.pdf).
- 3 Definitions
Act refers to the Real Estate Agents Act 2008.
Agent refers to a real estate agent who holds, or is deemed to hold, a current licence as an agent under the Real Estate Act 2008.
AML/CFT Act refers to the Anti-Money Laundering and Countering Financing Terrorism Act 2009.

Customer due diligence (CDD) The process of obtaining and verifying a client's identity to make sure they are who they say they are.

Industry requirements refer to all actions by licensees and employees which must comply with relevant professional standards, legislation, and rules made under the provision of applicable legislation.

4 Assessment

Assessment against this unit standard must be based on the following criteria: evidence derived from a real or a simulated workplace situation, provided the simulation reflects industry requirements and requires performance that replicates a real working environment.

Outcomes and performance criteria

Outcome 1

Demonstrate knowledge of operational management of a trust account in a real estate business.

Performance criteria

- 1.1 Analyse the duties of agencies in relation to trust accounts in accordance with the Real Estate Agents (Audit) Regulations 2009.
- 1.2 Outline the duties of auditors in accordance with the Real Estate Agents (Audit) Regulations 2009.
- 1.3 Analyse the procedures to appoint auditors in accordance with the Act and the Real Estate Agents (Audit) Regulations 2009.

Range must include but is not limited to – who may be appointed as an auditor, when an auditor must be appointed, disqualification from auditing, notification process to the Real Estate Authority.
- 1.4 Outline the duties of the licensee responsible for an auditor in relation to an inactive trust account in accordance with the Real Estate Agents (Audit) Regulations 2009.
- 1.5 Analyse disclosure obligations in accordance with the Real Estate Agents (Audit) Regulations 2009.
- 1.6 Analyse duties of receipt and payment of trust account money according to the Act and the Real Estate Authority.
- 1.7 Analyse the powers of intervention in accordance with the Act.

Range must include but is not limited to – the power of possession, administration of trust accounts, the appointment of an interim administrator, when the Real Estate Authority may direct an audit.
- 1.8 Analyse the offence to fail to pay a person lawfully entitled to money received in accordance with the Act.

- 1.9 Analyse the offence to fail to hold money related to trust accounts in accordance with the Act.

Outcome 2

Demonstrate knowledge of the responsibilities of a real estate agent to comply with anti-money laundering and countering financing of terrorism legislation.

Performance criteria

- 2.1 Analyse and communicate the steps for AML/CFT Act compliance of a real estate business in accordance with applicable legislation.

- 2.2 Evaluate how to apply the AML/CFT Act to an agency's specific business structure.

Range business structures may include but are not limited to – real estate agency work, managing client funds, commercial leasing, engaging in or giving instructions on behalf of a client to another person, auctions, property managers and property management services or other covered activities; evidence of own business structure and one other is required.

- 2.3 Outline the Department of Internal Affairs regulatory approach to monitoring and enforcing an agencies compliance.

- 2.4 Outline the requirements of CDD in accordance with applicable legislation.

Range must include – who to conduct a CDD on, the different levels of CDD, how to use the Amended Identity Verification Code Practice, when to rely on others for CDD, when to conduct CDD, participation in international transactions, what to do if CDD cannot be completed.

- 2.5 Analyse the red flags related to domestic and international information about vulnerabilities in real estate related to money laundering and terrorism financing.

Planned review date	31 December 2026
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Status information and last date for assessment for superseded versions

Process	Version	Date	Last Date for Assessment
Registration	1	29 July 2021	N/A

Consent and Moderation Requirements (CMR) reference	0003
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This CMR can be accessed at <http://www.nzqa.govt.nz/framework/search/index.do>.

Comments on this unit standard

Please contact The Skills Organisation reviewcomments@skills.co.nz if you wish to suggest changes to the content of this unit standard.