



Anti-Money Laundering Risk Assessment – January 2021

CDG Leisure Ltd (“CDG Leisure”)

A Introduction

CDG Leisure has its registered office at 30 Berwick Street, Soho, London, United Kingdom, W1F 8RH and is registered under company number 07128833. Its directors are Morris Gill Greenberg, Shmuel Weinbaum and David Abramson. The +25% beneficial owners are Morris Gill Greenberg and his wife, Gabrielle Aliza Greenberg.

Morris Greenberg launched Gilmarc Associates in 1998, focusing on the UK Leisure property market. Since then, the business has evolved into CDG Leisure and has become one of the most active specialist boutique leisure agencies based in Soho, London. CDG Leisure offers a portfolio of services including Agency, Rent Review, Investment, Bespoke Acquisition Service, Lease Restructuring and unregulated Mergers and Acquisitions advice. CDG Leisure has assisted in bringing key international operators to the UK including Bosphorus, Halal Guys, Taco Bell, Simit Sarayi, Acai Sisters, Dominique Ansell, Which Wich and Temakinho.

CDG Leisure’s services include the regulated activities of (1) estate agency services; and (2) letting agency services for properties where the rent, during at least part of the term, is or is equivalent to a monthly rent of EUR 10,000. Accordingly, it is subject to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (as amended) (“MLR”). In accordance with these regulations, CDG Leisure has performed an organisation-wide assessment of the areas where it is most at risk of involvement in money laundering and/or terrorist financing. This Risk Assessment takes into account the size and nature of CDG Leisure’s business and considers the following statutory factors: (1) its customers; (2) the countries or geographic areas in which it operates; (3) its products or services; (4) its transactions; and (5) its delivery channels. This document records the risks it has assessed, the conclusions it has reached, and the steps it will take to mitigate those risks.

In preparing this Risk Assessment, CDG Leisure has considered the following external guidance:

- HM Treasury and the Home Office National Risk Assessment of Money Laundering and Terrorist Financing 2017 (“NRA”);
- JMLSG guidance (June 2020) – Chapter 4 on the risk based approach to manage and mitigate Money Laundering and Terrorist Financing risk; and
- Financial Action Task Force – Risk-based approach guidance for Real Estate sector June 2008 (“FATF”).



B CDG Leisure Risk Assessment

Statutory Consideration	Factor	Pre-mitigation risk level	Risk Mitigation Measures	Post-mitigation risk level
1. Customers	Nature of relationship with customers When meet the majority of our clients in person	Low	We identify and assess the risk of customers through our Customer Due Diligence and Customer On-boarding procedure.	Low
	Types of customers Our customer-base includes a negligible proportion of individuals and entities identified in the MLR 2017 as presenting a higher risk of involvement in money laundering offences: <ul style="list-style-type: none"> • customers with whom business relationships are conducted in unusual circumstances • customers resident in geographical areas considered to be high risk • companies that have nominee shareholders or shares in bearer form • cash-intensive businesses • companies with unusual or excessively complex ownership structures • Our customer base is formed primarily of legal persons (companies and limited liability partnerships) and very occasionally natural persons (individuals). 		These processes include undertaking SmartSearches on individuals and companies to see if they are considered to have associations with politically exposed persons or to be on any sanctions lists. These processes also include ongoing monitoring of customer relationships. Staff are trained to recognise when the circumstances require enhanced due diligence and know how to carry out such due diligence.	
	Politically Exposed Persons Our customer-base includes a negligible proportion of domestic or international politically exposed persons (PEPs) or family members/known close associates thereof, as defined by the MLR.		Staff are trained to recognise excessively complex ownership structures.	



2. Countries / Geographic Areas of Operation	Own Operations <ul style="list-style-type: none"> We do not deal with properties outside of the UK. All our operations are from the UK. 	Low	<p>We continue to monitor the location of our customer base through the customer due diligence procedure.</p> <p>As part of this process, we assess where our customer is established against the attached CDG Leisure Country List which uses a range of source material including Transparency International Corruption Perception Index. We take into account the country of establishment as one of the factors that influences the level of due diligence we apply to a particular customer.</p>	Low
	Customer's Geographic Location Our services involve a negligible proportion of jurisdictions (customer-base or transaction location) identified by credible sources as: <ul style="list-style-type: none"> not having effective systems to counter money laundering and terrorist financing having significant levels of corruption or other criminal activity, such as terrorism, money laundering and the production and supply of illicit drugs not implementing requirements to counter money laundering and terrorist financing consistent with the revised recommendations published by FATF 			
3. Products and Services	We provide a range of services including: <ul style="list-style-type: none"> Agency Rent Review Investment Bespoke Acquisition Service Lease Restructuring; and Mergers and Acquisitions. 	Medium	Whilst we operate in a sector which poses an elevated risk of money laundering, the services we offer do not pose a high risk. In any event the comprehensive controls we have in place as part of customer onboarding, due diligence and ongoing monitoring mitigate the risks to our business.	
	The Real Estate and Property Development sector has been identified as attracting elevated risk of money laundering/terrorist financing.			



4. Transactions	We do not deal with transactions involving: <ul style="list-style-type: none"> • complex structures involving high levels of secrecy • overly complex supply chains • politically exposed persons 	Low	We have a process for identifying unusual patterns of transactions which have no apparent economic or lawful process and provide guidance to staff	
	We do not accept cash for any of the transactions that we carry out. We only accept payment via BACS payments.			
	We do not provide services that involve unusually complex transactions.			
	We do not provide services where the transactions have little apparent economic or lawful purpose.			
5. Delivery Channels	We do not offer any products to be delivered. We only offer services.	Low	We consider that the way that we deliver our services poses a minimal risk of money laundering. We will keep this area under review.	
	We do not make use of intermediaries in providing our services.			



C Systems and Controls

This section describes the risk mitigation measures employed by CDG Leisure to ameliorate the risks it faces. CDG Leisure has the following systems and controls which are all memorialised in document format and have been reviewed and updated following the enactment and updating of MLR. The table below outlines the various documents and forms:

Policy, Procedure, and Controls	Description
Money Laundering Compliance - Policy and Procedure	The Policy and Procedure explains the firm's policies and procedures relating to Customer Due Diligence and Identification; Risk Assessment, both annually generally for the firm and specifically for each loan. The document also sets out: <ul style="list-style-type: none">• the rules for ongoing monitoring and systems alerts and diarising updates of Customer Due Diligence; and• the procedure for interaction with the Nominated Officer and reporting suspicious transactions to the National Crime Agency
Customer Due Diligence Form	This form is designed to address any specific MLR risks and incorporates a risk assessment to help determine whether to apply simplified, standard or enhanced due diligence and whether an investigation into source of funds is required.
Country List	Where our countries are established abroad, we make use of a country list in order to determine whether there might be an elevated risk of corruption. This list makes use of Transparency International Data.
Training	All CDG Leisure personnel in the firm undergo annual training on financial crime to ensure that the firm are up-to-speed with any changes in money-laundering regulations and activity. Training was last completed in November 2020 and the training register is up to date.