



Jersey Financial Services Commission

PRESS RELEASE

19 OCTOBER 2011

ANNUAL FEES PAYABLE UNDER THE PROCEEDS OF CRIME (SUPERVISORY BODIES) (JERSEY) LAW 2008, AS AMENDED, (THE "LAW")

In response to recent correspondence and media information, the Jersey Financial Services Commission (the "**Commission**") wishes to clarify the situation regarding fees payable to the Commission by estate agents under the Law.

The Commission supervises estate agents under the Law on the basis of a Ministerial Order. This followed a request by the States of Jersey that the Commission supervise designated non-financial businesses and professions (including estate agents) for compliance with anti-money laundering and countering the financing of terrorism legislation (in accordance with international standards) on the basis that there were (and still are) no alternative bodies in Jersey able to do so. Compliance with such standards (set by the Financial Action Task Force) is fundamental to maintaining Jersey's international reputation and economic well-being.

Whilst uncommon, criminal proceeds have been laundered through the purchase and sale of both residential and commercial property in Jersey, as elsewhere in the world.

Although estate agents may not handle client monies, they may still be involved in money laundering by way of being concerned in an arrangement that allows another to retain the benefit of criminal conduct. This will include purchasing or selling property for a criminal.

Informal consultation regarding fees to be paid by estate agents started in December 2007. Formal consultation commenced in early 2010, which was accompanied by a press release and subsequent prominent press coverage.

Copies of the relevant consultation and feedback papers were, and are, available on the Commission website at:

http://www.jerseyfsc.org/pdf/Consultation_Paper_No_3_2010_DNFBP_Fees.pdf

and

http://www.jerseyfsc.org/pdf/Feedback_to_CP_No_3_2010_DNFBP_Fees.pdf

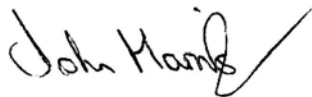
Consultation took place in accordance with the requirement under Article 21(6) of the Law to publish details of proposed fees. This included dialogue with relevant trade and industry bodies that appeared to the Commission to be representative of

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the interests of those who would be required to pay the fee, in accordance with the Law. This included the Jersey Estate Agents Association and the Chamber of Commerce.

As it was not possible to agree the fees proposed in the consultation, in February 2011 the Commission requested the Bailiff, pursuant to Article 21(7) of the Law, to appoint three Jurats to consider whether the Commission's proposed fees were "unreasonable having regard to all the circumstances of the case".

The Commission was provided with the Panel's conclusion on 31 May 2011. In summary, the Panel considered the methodology of allocating costs to the Commission's Anti-Money Laundering Unit to be appropriate and determined that the proposed fees for 2011 were not unreasonable having regard to the relevant statutory criteria.



Director General

- Ends -

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- Notes to Editors -

The Commission is a statutory body, which is independent of the States of Jersey, and is responsible for the regulation, supervision and development of the financial services industry in the Island of Jersey for banking, collective investment funds, fund services business, insurance business, general insurance mediation business, investment business, money service business, and trust and company service providers.

The Commission has been designated by the States of Jersey as the supervisory body for those sectors that are subject to oversight of their anti-money laundering and countering the financing of terrorism responsibilities, which includes: accountants; lawyers; estate agents; high value goods dealers; and non-profit organizations.