Frequently Asked Questions (FAQ) – Real Estate REQ

This FAQ document clarifies the interpretation of specific questions as well as provide more information on the data being requested in particular sections within the REQ. Please go through this document prior to the completion and submission of the REQ. Any other questions which are not included in this document may be sent to caspar@fiumalta.org.

1. I am a Sole Practitioner/MLRO of a company, which carries out relevant activity which commenced its operations in 2019. What should we do now?
The MLRO should register on CASPAR and create a Subject Person. Guidance on the registration process is available on the FIAU website. The first REQ in this case will be due in 2020 and will cover the period 1st January 2019 to 31st December 2019.

2. We are a real estate agency with multiple branches across the island and an MLRO was appointed for each branch. Should a REQ be raised per branch (and per MLRO) or one for the whole Group covering each and every branch?
The requirement is to submit one REQ per Subject Person and not a REQ per branch.

3. I am a MLRO of a Legal Entity with no registered employees. How should I answer all employee-related questions in the REQ?
All questions related to employees should be marked as ‘Not Applicable’.

4. In the case where an activity/product is listed in the REQ but is not relevant/applicable to the Subject Person, would a ‘0’ reply be sufficiently clear to indicate that a particular service/product/activity is not offered?
Most of the questions have a ‘Not Applicable’ check box. This should be ticked in instances where the service/product/activity is not offered by the Subject Person. When a number/percentage is required to be input and the ‘Not Applicable’ option is not available, a ‘0’ value should be input.

5. Certain questions have a ‘Not Available’ tick box. When should this be used?
The ‘Not Available’ tick box should be used in instances when the question is applicable to the Subject Person, however it has insufficient data/records to appropriately answer the question.

6. REQ Question: ‘Please indicate the total number of employees (including partners or staff), expressed in full time equivalents’.
Part of our team is engaged on a self-employed basis. Should these be considered as ‘employees’ for the purpose of these questions?
Yes, in the case of real estate agents and for the purposes of the REqs, these should be considered as employees even if the arrangement is on a self-employed basis.

7. REQ Question: How many years of experience in this industry do you/does the principal(s) and/or partners of your institution have?
In case of multiple partners/principals, should we provide the cumulative years of experience?
No. The answer should reflect the principal/partner having the most experience in the industry. For example, if there are two partners, one having 15 years of experience and the other having 3 years of experience, the answer to this question should be 15.

8. **REQ Question:** *Please list the countries in which your institution has subsidiaries, branches, affiliates.*

   ABC Malta is a branch of ABC Group. The Group has several branches and subsidiaries situated in different countries. For the purpose of this question, shall we mention the subsidiaries and branches of the group even though they are not branches/subsidiaries of ABC Malta Branch? No. The subsidiaries and branches of the group are not subsidiaries/branches of ABC Malta Branch and therefore should not be included in your response to this question.

9. **REQ Question:** *Has your institution undergone changes in its ownership structure between January and December 2018?*

   During the year ending 2018, there were changes in the share capital of the entity which however did not affect the ownership structure. How should we answer this question?

   If the change in share capital did not lead to a change in the ownership structure of the institution, then mark your answer as 'No'.

10. **REQ Question:** *'What was the largest amount transacted in € in relation to letting of real property?'*

    Is the information required of the amount of letting per annum or of the whole contract?

    This question refers to the amount of letting per annum.

    When calculating the largest amount, should all types of lettings be taken in consideration (i.e. both residential property and those of commercial nature – such as offices or shops)?

    The question does not differentiate between residential lettings and commercial leases. The largest amount should be provided, irrespective of the nature of the lease.

11. **REQ Question:** *'Of the total number of customers, please list the % of customers that were onboarded or serviced on a non-Face-to-Face basis in 2018. [Relates to DNFBPs]*

    In the case of corporate customers, where the CDD on some of beneficial owners was carried out on a non-Face-to-Face, should such beneficial owners be captured under this section since these are not considered as ‘customers’?

    This section applies to customers serviced and not physical persons. Legal entities may be onboarded on a face-to-face basis through agents (acting on behalf of the company, if met physically) or onboarded on a non-face-to-face basis.