kodehyve collaborates with KLEYR GRASSO to launch KYC/AML/BO/CTF module

ConTech kodehyve collaborates with leading Luxembourg law firm KLEYR GRASSO to launch advanced KYC and AML module and standalone compliance platform for property developers and stakeholders of the built ecosystem.

kodehyve, the ConTech venture helping stakeholders of the built industry to de-risk their activities, unleash efficient collaboration, enhance productivity and transparency, as well as boost profitability, called upon services of KLEYR GRASSO, the Luxembourg independent law firm, to launch a Know Your Customer (KYC), Anti-Money Laundering (AML), Beneficial Owner (BO) and Counter-Terrorist Financing (CTF) compliance module, dedicated to smoothen and automate the compliance processes for property developers and all parties involved in real estate transactions.

The module has been developed in response to changes of the law of 12 November 2004 against money laundering and terrorism financing (AML Law) in Luxembourg in 2020 bringing property developers within its scope, including them in the definition of professionals subject to the AML Law. This cutting-edge solution will provide property developers with a seamless and efficient way to comply with the new professional obligations, while also helping to prevent money laundering and other financial crimes.

With this new module, kodehyve continues its commitment to providing the most advanced and secure real estate technologies in the market, helping stakeholders of the built industry de-risk their activities.

<u>Context and stakes for property developers</u>

Following the changes of the AML Law, property developers (also when acting as intermediaries) and other real estate players - are now required to perform a risk assessment and a customer's due diligence. They are also required to put into place AML/CTF internal policies and procedures. This includes enhancing their customer due diligence processes, verifying, among others, the identity of persons (including beneficial owners) with whom they start or are in a business relationship, understand the nature of their business, their ownership and the envisaged transactions, maintaining records of transactions and customer due diligence for a specified period of time, and to report suspicious transactions to the authorities.

Additionally, they are required to ensure that their risk management systems are in place and comply with their new professional obligations. These steps are essential for compliance with the AML/CTF legal framework in Luxembourg and to prevent money laundering and terrorist financing activities.

The solution

The evolving nature of compliance regulations and requirements in AML/CFT can be difficult and time consuming to keep up with. With this new module, real estate players will have a comprehensive working tool at their disposal to help them to comply with their new professional obligations taking into account the latest AML/CFT regulations and requirements.

The launch of the new module aims at assisting real estate professionals in performing due diligence on customers and beneficial owners. The powerful solution effectively alleviates compliance struggles for property developers and all their related stakeholders by providing them with a comprehensive and reliable platform to perform due diligence on potential clients and investors. The module is specifically designed to simplify and automate the often complex, manual and time-consuming process of gathering vast amounts of heterogeneous data, making it easier for property developers to process the information received and giving them more time to perform their risk analysis and other truly value-adding tasks.

The solution will be available to real estate professionals in kodehyve OS, kodehyve's flagship solution, as well as in a standalone compliance application, *kodehyve comply*. Software Development Kits (SDKs) are available for organisations wishing to integrate the module in their existing solutions. Beyond real estate players, the technology is also available for kodehyve legal customers such as notaries and lawyers so as to automate their due diligence processes.

The joint effort

kodehyve's collaboration with KLEYR GRASSO addresses compliance issues within the real estate sector by streamlining and automating KYC and AML checks. In this project KLEYR GRASSO's legal competencies were combined with kodehyve's tech expertise.

On the law firm's side, the collaboration was led by Renata Jokubauskaite and Delphine Tempé, both partners at KLEYR GRASSO, who provided valuable legal expertise and hands-on guidance in the development of the module in light of the provisions and requirements of the AML Law. They worked closely with kodehyve's Chief Product Officer Véronique Ziliotto and CEO Felix

<u>Hemmerling</u> to ensure that the different flows from the platform were in compliance with the AML Law and that the module met the highest standards of accuracy, security and compliance with the real estate developers' legal professional obligations.

The comprehensive module presents highly advanced features taking into account property development specificities. The powerful solution is not only beneficial for property developers but also for other stakeholders involved in real estate transactions such as real estate funds, contractors, agencies and related market participants including architects and engineering offices, to name only a few.
By digitising real estate players' compliance check processes, the solution allows for complete checks to be done remotely, thereby enhancing the user experience for investors and offering a seamless and convenient way for real estate stakeholders to store their data digitally.

"*We are delighted to assist and advise kodehyve, a construction tech leader in the real estate industry, since their very first financing round and very proud to have collaborated with kodehyve's energetic, professional and forward looking team to introduce an innovative compliance module for property developers. The recent amendments to AML laws in Luxembourg have created new challenges for property development organisations, and we understand the importance of providing them with the necessary tools to comply with these regulations in a secured and user-friendly environment. This collaboration is a prime example of how legal expertise and technological innovation can come together to make an entire ecosystem benefit. We believe that this module will not only help property developers comply with the new regulations but also contribute to the fight against money laundering and other financial crimes.*" commented Renata Jokubauskaite, Partner at KLEYR GRASSO.

"*We are excited to join forces with KLEYR GRASSO, our expert and reliable legal partner, to launch such a state-of-the-art compliance module. Compliance with the new regulations is a daunting task for property developers which is why our solution aims to substantially simplify their compliance process. We are convinced that this collaboration will bring significant benefits to property developers by automating compliance procedures and derisking their businesses by avoiding non-compliance and associated penalties. We believe that our solution will have a positive impact on the real estate industry and will contribute to increasing transparency across the ecosystem.*" added Felix Hemmerling, CEO at kodehyve.

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ABOUT KLEYR GRASSO

KLEYR GRASSO is an independent law firm with over 28 years of experience serving both international and domestic clients. The firm's team of dedicated partners and lawyers from various backgrounds provide comprehensive legal support for all stages of a project. They offer expert advice to companies from all industry sectors, including institutional investors, private equity firms, banks, investment funds, and more. Their areas of expertise include corporate M&A, restructuring and insolvency, private equity, capital markets, banking and finance, investment funds, real estate and construction, social and employment, dispute resolution, insurance, reinsurance and tax.

For more information, visit kleyrgrasso.com

ABOUT KODEHYVE

kodehyve is a construction technology venture specialised in the digital transformation of the property development ecosystem and its stakeholders, via kodehyve OS, kodehyve sign, kodehyve comply and the kodehyve SDKs, the company's flagship products:

- kodehyve OS is an industry-specific end-to-end operating system, powering property developers and their stakeholders to more efficiently structure their project management, customer lifecycle management, compliance and business intelligence activities in the context of new property development projects;
- kodehyve sign is a standalone e-signature platform dedicated to real estate professionals of all kinds, which has been launched under the brand lux-sign in collaboration with the Chambre immobilière, LuxTrust and AWS in the local Luxembourg market. The solution is deployable all across the world.
- kodehyve comply is a standalone compliance platform, enabling real estate professionals of all kinds to more efficiently execute their due diligence processes so as to comply with KYC/AML/CTF/BO regulation and seamlessly manage the entire compliance lifecycle.
- kodehyve SDKs power organisations and professionals of all kinds and industries to integrate kodehyve technologies into their existing environments and tools, enabling a smooth transition from existing solutions to new technologies.

For more information, visit kodehyve.com

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Press room & media kit
kodehyve press room | media kit (inc. photos & logos)