



DUE DILIGENCE GUIDELINES

THE WATCH REGISTER database is the most comprehensive due diligence resource available for the identification of watches that are lost, stolen or the subject of fraud. However, it is important to note that the database is not exhaustive, as not every loss or theft worldwide is reported. Searching a watch against THE WATCH REGISTER database should therefore form part of a wider due diligence process.

Below are some additional steps you should follow when buying a pre-owned watch to ensure the best possible protection against the risk of stolen property and financial loss.

1. **Checks on seller:** Ask for the full contact details of the seller (name, telephone, email, address) and take a copy of their ID at the point that a watch is offered to you. This should be the first step prior to any further checks. If a seller wishes to stay anonymous or gives false information, consider this a red flag. Traders should mitigate risk and remain compliant using a KYC and anti-money laundering platform such as SmartSearch.
2. **Provenance:** Ask the seller about the ownership history of the watch and record all information provided.
3. **Secure watch:** Take the watch to a secure place while carrying out checks, e.g. to another room or behind the counter, so that it is out of sight of the seller. Explain to the seller that the watch needs to be held in store until due diligence checks are complete.
4. **Authenticity checks.** Check the authenticity of the watch and all its parts including the movement. Check the serial number of the watch matches the number on the paperwork.
5. **THE WATCH REGISTER database check.** Search the watch against THE WATCH REGISTER database. Every luxury pre-owned watch should be checked, including those with box and papers. Do not rely on another person's search; always request a certificate in your name.
6. **Secure payment.** If the above checks are clear, pay by bank transfer, not cash or cheque.
7. **Invoice.** Keep an invoice for the transaction specifying the details of the seller and the details of the watch, including its serial number.
8. **Checks on future sale.** The result of your search against THE WATCH REGISTER database shows the status of the watch at the time that the search was submitted. The status of any watch can change in future and it is therefore advisable to request an up-to-date search at the point of future sale.
9. **Defective title insurance.** This is recommended for traders as an additional level of protection against possible future claims and any financial loss that could result.