

MONEY LAUNDERING RISK ASSESSMENT FORM (MATTER-LEVEL)

The factors posed below should be considered when assessing the risk of the client and/or the transaction. Please use the notes column to summarise observations/assessment of risks involved where the issue is applicable to the client/transaction being considered. **Not all questions will be relevant or applicable to all situations. Conversely, the questions outlined are non-exhaustive—there may be other pertinent risk factors which should be taken into account, dependent upon the nature of the client/transaction being considered .**

CLIENT RISK	NOTES	RISK SCORE		
		Initial	Interim	Final
<p>STATUS OF CLIENT</p> <ul style="list-style-type: none"> Is your client known to you personally/existing client, or new business relationship? Has your client been introduced to you by a 3rd Party? Is S.39 reliance being used? Is the instruction from your client channelled through a 3rd party? If so, why? Is your client a politically exposed person? If your client is not a natural person but rather a legal entity, do you have full visibility and ID&V of beneficial owners and directors / controllers? 				
<p>FACE TO FACE CONTACT</p> <ul style="list-style-type: none"> Have you met with your client face to face or is it a non-face to face transaction? If non-face to face, are you comfortable there is a legitimate reason for this, and that the client is not simply being evasive which may be a red flag? 				
<p>LOCATION OF CLIENT</p> <ul style="list-style-type: none"> Where is your client based? Locally /UK/EU/other international location? Are you aware of your client having any links to criminality? Is your client based in a high-risk jurisdiction where corruption is prevalent or resident in/links to a sanctioned country? 				
<p>ID & ADDRESS VERIFICATION</p> <ul style="list-style-type: none"> Has your client provided acceptable standard ID and address verification? Has your client provided <i>acceptable</i> non-standard ID and address verification? If using s.39 reliance (obtaining certified copies of ID & address verification), have you been able to confirm the authenticity/professional status of the certifier? 				

<ul style="list-style-type: none"> Has your client been cooperative in the process or have they delayed providing ID and address verification / appeared reluctant? 				
<p>FINANCIAL PROFILE OF CLIENT</p> <ul style="list-style-type: none"> Does the stated source of wealth / source of funds and the amount of money involved stack up with what you know of your client, for example given their background, age and occupation? Is your client involved in / run a high risk or high cash turnover business? 				

MATTER-LEVEL RISK	NOTES	RISK SCORE		
		Initial	Interim	Final
<p>TRANSACTION TYPE</p> <ul style="list-style-type: none"> Could the type of transaction be used for the purposes of money laundering or is it at a higher risk of money laundering? <ul style="list-style-type: none"> Eg, Will / Power of Attorney - lower risk Estate Agency / Conveyancing / Commercial Property - higher risk Does the transaction make sense or is it overly complex given the underlying nature of the business being conducted? Does the matter involve trust or other legal entity company formation, management or service provision? Does it make sense that your client has asked your firm to carry out this type of transaction? (e.g. is it within your area of expertise/local geographical area?) If not, does lack of experience or expertise add to the risk? Is the matter undertaken at short notice, within a short timescale or involving high volumes? Is the matter longer term in nature, or does it involve funds being locked in for substantial periods of time? 				
<p>VALUE OF TRANSACTION</p> <ul style="list-style-type: none"> Does the value of the transaction appear to fall within the financial means of your client, given their income and savings? 				
<p>SOURCE OF FUNDS</p> <ul style="list-style-type: none"> Is the source of funds clear and identifiable? Are funds coming from a recognised financial/credit institution or are they personal funds? 				

<ul style="list-style-type: none"> • Is any funding coming from overseas? Where from? Who from? Connection to client? • Are any of the funds being paid by a third party otherwise unconnected to the transaction? • Does the matter involve new sources of finance – anything unregulated e.g., involving crowd funding platforms or some aspects of bitcoin/cryptocurrencies? • Does your client seek to change the source of funds at the last minute? • Do the source of funds or the parties to the matter frequently change? • Has your client paid excess funds into your client account? Why/How? 				
<p>DESTINATION OF FUNDS</p> <ul style="list-style-type: none"> • Has your client requested that free proceeds be paid to someone other than a lender or themselves? • Are free proceeds to be paid to an overseas account? 				

FRAUD CHECK	NOTES	RISK SCORE		
		Initial	Interim	Final
<ul style="list-style-type: none"> • When was the property acquired by the seller? <i>If within the last six months, please obtain explanation from the seller and obtain authority to proceed from MLRO.</i> • Any Fraud warning signs? <i>Vacant property, overseas buyer&/or seller, a short transaction time-frame or a questionable sale price?</i> • Do you know the Solicitor on the otherside? <i>Unknown firm lawyer checker been checked, dual acting?</i> 				

COMPLIANCE CHECK	
File opened in accordance with procedure	
Client Care letter sent	
Signed ToB Acceptance Form on file	
Client Due Diligence completed (Thirdfort completed)	

OFSI completed on the counter party	
-------------------------------------	--

MONEY LAUNDERING RISK ASSESSMENT – FILE NOTE

This should be completed at the beginning of the transaction, during the transaction if anything changes and just before the transaction is completed. Assessment of risk should take both client and transaction risk into consideration and will dictate whether Standard or Enhanced Client Due Diligence (CDD) is required.

INITIAL ASSESSMENT OF RISK:	LOW (Standard CDD)	MEDIUM (Standard CDD)	HIGH (Enhanced CDD)
Please note below reasons for your assessment:			
SIGNED BY: (Fee earner)	DATE:		
SIGNED BY: (Supervisor)	DATE:		

INTERIM ASSESSMENT OF RISK:	LOW (Standard CDD)	MEDIUM (Standard CDD)	HIGH (Enhanced CDD)
If a further interim risk assessment is needed, please use separate page			
Please note below reasons for your assessment: <i>Please have regard to any increase in costs being discussed with the client, change in fee earner and any complaints or potential complains have been deal with according to firm's procedure.</i>			
SIGNED BY: (Fee earner)	DATE:		
SIGNED BY: (Supervisor)	DATE:		

FINAL ASSESSMENT OF RISK:	LOW (Standard CDD)	MEDIUM (Standard CDD)	HIGH (Enhanced CDD)
Please note below reasons for your assessment:			
SIGNED BY: (Fee earner)	DATE:		
SIGNED BY: (Supervisor)	DATE:		

NB – If you have assessed the risk as high at any point during the transaction or have any reservations or concerns, please refer to the MLRO/MLCO before continuing to act for the client and clearly document any discussions on the file.