AML FIRM WIDE RISK ASSESSMENT (FWRA)

The Eric Whitehead Partnership Limited

1) Introduction

The Eric Whitehead Partnership Limited is a high-street law firm based in Cheadle, Stoke-on-Trent. The firm's principal practice areas are residential conveyancing, family law, wills, probate and lasting powers of attorney. It has three directors and employs a further fourteen members of staff.

For the financial year ended 30 April 2026, the firm's total turnover was £1,005,361.

Fee income for the year ended **30 April 2026** was generated as follows:

45% **Residential Conveyancing**

22% **Probate**

11% **Lasting Powers of Attorney**

9% **Matrimonial**

6% **Wills**

4% **Commercial Conveyancing**

3% **Other**

During the previous twelve months:

- there were **no** internal or external suspicious activity reports;
- there were **no** issues concerning reporting processes or "tipping off";
- there were **no** issues concerning politically exposed persons or sanctions;
- The COLP and MLRO appointments did **not** change. Elizabeth Collins became Deputy MLRO on 1 November 2024; and
- there were **no** material changes to the firm's structure, offices or work types that might increase its exposure to money laundering risk.

In completing this assessment, the firm has considered where its practice may be exposed to money laundering, terrorist financing and proliferation financing, having regard to the size and nature of the business and the following risk factors:

A) our clients
B) the locations in which we and our clients operate
C) the services we offer
D) the type of transactions in which we are involved
E) our internal and operational risks
F) emerging risks; and

G) delivery channels

2) External Sources of Information

- The risk factors set out in the **Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017**, as amended (the MLRs). Further amendments were debated in the House of Commons on 3 June 2026, approved and brought into force on 30 June 2026.

  The amendments address pooled client accounts. Banks may apply simplified controls where the account holder presents a low money-laundering risk and information identifying underlying customers can be supplied on request. Firms are not required to disclose legally privileged information or information whose disclosure would breach a duty of confidentiality.

  The enhanced due diligence trigger in regulation 33(1)(f)(i) changed from "complex or unusually large" to "unusually complex or unusually large", focusing enhanced due diligence on genuinely higher-risk transactions. The firm's AML policy has been amended accordingly.

  Only jurisdictions identified as high risk under regulations 33(1)(b) and 33(3A) now trigger mandatory enhanced due diligence. These are currently the Democratic People's Republic of Korea, Iran and Myanmar. The firm will nevertheless continue to treat jurisdictions subject to FATF increased monitoring as high risk and will apply enhanced due diligence to those matters. The AML policy has been amended accordingly.

  The Law Society issued a practice note on 1 July 2026 concerning these changes to the Money Laundering Regulations. The firm has reviewed the note and considers that no further amendments are required at this time.

- the **SRA's Risk Outlook report: cryptocurrencies** issued February 2023; *SRA guidance updated February 2025: We have reviewed the updated guidance, but our position has not changed so we do not believe that we need to make amendments to our policies and procedures at this time.*

- **Economic Crime and Corporate Transparency Act 2023 (ECCTA 2023).** This legislation includes reforms to Companies House, measures to prevent abuse of limited partnerships and provision for unlimited fines. The new offence of failure to prevent fraud came into force in September 2025. The firm has reviewed the legislation and considers that it has robust fraud-prevention systems in place.

- **SRA Warning Notice – Client and Matter Risk Assessments**, dated 18 October 2023 and updated on 19 June 2026. The notice sets out common issues identified by the SRA during inspections and reviews. The firm has considered the update and does not consider that further amendments to its policies and procedures are required at this time.

- **SRA Guidance Note – Sanctions** Regime dated 23rd January 2024. **This was updated 19th June 2026.** *We have reviewed and considered but we do not believe that we need to make amendments to our policies and procedures at this time*

- the **Financial Action Task Force's (FATF)** jurisdictions under increased monitoring and high-risk jurisdictions subject to a call for action updated **June 2026. We have amended our AML policy to reflect this and emailed all staff/added to the firms' intranet.**

- The **SRA Sectoral Risk Assessment**, updated on 5 March 2024, identified additional risks relating to vendor fraud, pooled client funds, third-party managed accounts and irregular methods of transferring funds. It also updated the treatment of domestic politically exposed persons.

- the **Financial Action Task Force's (FATF)** guidance in respect of Beneficial Ownership & transparency of Legal Arrangements March 2024. We only deal with private individuals or small private/family-owned companies with clear and transparent ownership.

- **UKFIU SAR Reporting Booklet August 2024 (nationalcrimeagency.gov.uk)**: Suspicious Activity Reports (SARs) alert law enforcement to potential instances of money laundering or terrorist financing. SARs are made by financial institutions and other professionals such as solicitors, accountants and estate agents and are a vital source of intelligence not only on economic crime but on a wide range of criminal activity. They provide information and intelligence from the private sector that would otherwise not be visible to law enforcement. SARs can also be submitted by private individuals where they have suspicion or knowledge of money laundering or terrorist financing. **Updated June 2026** and reviewed.

- **SRA Risk Outlook Report December 2024: Serving clients' needs in a changing legal market.** The report describes how firms are responding to market risks, considers the impact on clients and signposts resources that support effective risk management. The firm has reviewed it and does not consider that amendments to its policies or procedures are required at this time.

- **OFSI Annual Review Annual Review 2024-25 published October 2025.** In light of OFSI's enhanced resourcing and enforcement capabilities, ensuring adherence to sanctions is increasingly crucial in order to mitigate risks of incurring penalties from the regulator in the first place, and to avoid wider reputational damage from publication of any such penalties.

- ***Legal Services Affinity Group (LSAG) Guidance* updated April 2025**. Amendments included were Third-Party Source of Funds updated guidance in that when it becomes know that a third party is to contribute funds for a transaction you should consider and evidence the underlying SoF in the same way you would on the client themselves. This is the firm's policy in dealing with funds from third parties, but we have amended our AML policy to reflect this.

- **National Crime Agency's national strategic assessment, Updated 2026** - the main SOC threats considered in this paper are those set out in the UK Government's Serious and Organised Crime Strategy 2023-2028: child sexual abuse, cyber, drugs, firearms, fraud, modern slavery and human trafficking, money laundering, organised acquisitive crime, and

organised immigration crime. We have reviewed the assessment, but we do not believe it is required to make any amendments to our policies and procedures at this time.

- **The UK's National Risk Assessment (NRA) updated in July 2025.** This maintained a "high" money laundering risk rating for legal services providers, unchanged from 2020. The nature of services offered and the volume of money that can be moved through them contribute to the sector vulnerabilities. Non-compliance levels remain relatively low across the sector, but the vulnerabilities the sector is exposed to and the scale of money laundering involving the legal sector have remained high. We have reviewed the assessment, but we do not believe it is required to make any amendments to our policies and procedures at this time.

- **SRA's Sectoral Risk Assessment – Anti-money laundering and terrorist financing updated 4th February 2026.** The emerging risks reviewed included Capital Flight from high-risk countries, poor client account practice, poor CDD scrutiny, change of business firm models, & global economic uncertainty. We have reviewed the assessment, but we do not believe it is required to make any amendments to our policies and procedures at this time.

- **Government guidance on the exemptions from the money laundering obligations and money laundering reporting obligations in the POCA 2002. Updated July 2025.** This exemption applies for the whole of the anti-money laundering regulated sector when they end a relationship with a client or customer and for that purpose pay away property below the threshold. On 31 July 2025, the threshold amount was raised from £1,000 to £3,000. This guidance has been reviewed but no updates are deemed to be required at this time.

- **SRA Anti-Money Laundering Annual Report 2024-25 Published 30th October 2025**. This revealed a significant increase in regulatory activity, with 935 proactive engagements and 151 enforcement actions taken against law firms. The report highlighted a concerning trend of non-compliance, with 32.4% of inspected firms failing to meet requirements, a drop from the previous year's 22% full compliance rate. Key areas of failure included inadequate client verification, weak risk assessments, and poor "source of funds" checks, with residential conveyancing identified as a particularly high-risk area. We have reviewed this report, and no amendments are required at this time.

- **SRA Guidance Note – Your obligations to report breaches of the AML regulations November 2025.** This concerns reporting serious breaches of the Money Laundering and Terrorist Financing (Amendment) Regulations 2019 (the MLRs) and your obligations to do so. This guidance has been reviewed but no updates are deemed to be required at this time.

- **UK Government Update November 2025**. From 28th January the UK Sanctions List (UKSL) will be the only sanctions list which details sanctions designations published by the UK government. The OFSI Consolidated List and its search tool will no longer be updated from this date. Staff will be updated and all policies and procedures will be amended prior to then.

- **SRA News Release November 2025.** The government has announced plans to strip the SRA of its AML supervisory role and move supervision to the FCA. The plan of transition and any amendment to legislation have yet to be announced so there are no amendments to policies and procedures at this time, but the situation must be closely monitored. **SRA Guidance**

Note Issued 1st July 2026 on Transfer of Anti-Money Laundering Supervision. We have reviewed this note, and no amendments are required at this time.

- **Statutory guidance on the Meaning of "Significant Influence or Control" over Companies in the Context of the Register of People with Significant Control February 2026.** We have reviewed this report, and no amendments are required at this time.

- **SRA Guidance Firm-wide risk assessments updated 19th June 2026.** We have reviewed this report, and no amendments are required at this time.

- **SRA Warning notice – Compliance with the money laundering regulations – firm risk assessment updated June 2026.** We have reviewed this report, and no amendments are required at this time.

- **SRA Warning notice Money laundering and terrorist financing updated 19th June 2026.** This summarises the warning signs and our obligations to report any suspicious transactions in order that we do not facilitate AML/CTF. We have reviewed this notice, and no amendments are required at this time.

- **Crime and Policing Act 2026 (section 250) 29th June 2026 on corporate criminal liability where an offence is committed by a senior manager.** We have reviewed this and updated our AML Policy to reflect that the firm may be held criminally liable for an offence of this nature if it is committed by a senior manager acting within their actual or apparent authority, regardless of the firm's compliance systems.

- **HMRC Consolidates AML Expectations into a single guidance manual updated 16th July 2026.** We have reviewed and this aimed at HMRC-supervised businesses, however it is a clear statement of supervisory expectations that mirrors what the SRA looks for. We have reviewed this manual, and no amendments are required currently.

- **SRA warning notice on the misuse of AI dated 17th August 2026** to remind Solicitors that they remain accountable for everything produced using it. We have reviewed this note, and no further amendments are required currently.

- **SRA's Sectoral Risk Assessment – Anti-money laundering and terrorist financing updated 6th August 2026 & 4th September 2026.** The emerging risks reviewed included AI-enabled fraud which has moved from a horizon risk to a live concern. We have reviewed the assessment, but we do not believe it is required to make any amendments to our policies and procedures currently.

  This update also included a new warning on "passporting" (where a client instructs a firm on a low-risk matter to avoid scrutiny on a later high-risk matter). As we risk assess and complete CDD on all matters we do not need to make any amendments currently.

  This update also included a new focus on Cash-Intensive Businesses & High Street Crime and a caution that criminals can reuse companies house documentation even after a company has been flagged/struck off. We have discussed this at our fee earners meeting 9th September and reviewed our policies and no amendments are required at this time.

3) Analysis

A) Client Risk

The firm performs client due diligence for every client and verifies identity either in person or through its online identity-verification provider, Thirdfort.

An initial risk assessment is completed for every matter and reviewed as the matter progresses and again at closure.

For regulated work, the firm records the client's employment status and considers it when establishing and evidencing source of funds and source of wealth. Cash-intensive businesses and occupations, including salons, takeaways, retail shops, scrap-metal dealers and car washes, present a higher money-laundering risk. Any concern must be referred to the MLRO before further work is undertaken.

The firm undertakes work for limited companies only where all directors instruct the firm and are the company's sole beneficial owners.

On rare occasions, the firm acts for larger organisations in straightforward transactions, such as the disposal of a freehold property. Such matters are handled only by Timothy Halliday, the COLP and MLRO. The firm does not act in matters involving complex corporate structures.

Sources of work

Instructions come primarily from private individuals. Where a new client instructs the firm directly, client due diligence is completed even if the work falls outside the regulated sector and presents a low money-laundering risk.

Our residential conveyancing instructions typically comefrom:

- Repeat Instructions
- Recommendations from friends or family members that have used us previously
- Estate Agents
- Mortgage brokers
- Staff members or family and friends of staff members
- Review Solicitors Website

We set out our approach to client identification and verification in line with our Anti-Money Laundering Policy:

- client identification (and verification thereof).
- understanding the client's background and circumstances (including financial position) and assessing whether the legal services provided to the client are in keeping with your understanding of that background and circumstances.

- identifying the person who instructs us on behalf of a client (such as a person who represents a company) and checking they are authorised so to act.
- taking reasonable measures to understand the ownership and control structure of any company, trust, or other entity we act for.
- identifying any beneficial owners and taking "reasonable measures to verify the identity of the beneficial owner" so we are satisfied that we know who the beneficial owner is.
- assessing the purpose and intended nature of the business relationship or transaction and where necessary obtaining information on that subject.
- assessing risk – CDD and ongoing monitoring must be done on a risk-sensitive basis, and this includes checking if a client or beneficial owner may be "politically exposed"
- ongoing monitoring of the business relationship including where necessary the source of funds.

We are aware that private clients may seek the provision of legal services for both genuine and criminal purposes, and that conveyancing is a high-risk service which is attractive to UK criminals, and we therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be **Medium/High.**

B) Geography

It is essential to consider the jurisdictions in which the firm, its clients, client entities and relevant transactions are based or connected.

The firm's client base is predominantly local and consists mainly of individuals, families, businesses and other organisations, many of whom are known to the firm or have instructed it previously. Approximately 85% of clients are based in Staffordshire, around half of whom are within a six-mile radius of the office.

Approximately 15% of instructions come from clients elsewhere in the UK, particularly in conveyancing matters. These instructions often arise from personal recommendations by former clients to family members or friends.

We do not have a client base with individuals or entities in high-risk jurisdictions, but this is confirmed at the outset and monitored as the matter progresses.

The firm occasionally acts for a client connected with a high-risk jurisdiction, for example a sibling of a long-standing local client who has moved abroad. Such matters must be referred to the MLRO for authority before work begins, and enhanced due diligence must be applied. The matter is recorded on the High-Risk Register and monitored closely by the MLRO. Although these are usually one-off transactions, the firm remains alert to the risk of subsequent instructions arising from them. Enhanced due diligence will automatically apply if the client instructs the firm again.

We are based in the United Kingdom, and the UK is a FATF registered country and is ranked as low risk on the Transparency International Corruptions Perception Index.

We therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be **Medium.**

C) Services

The firm's practice areas, as set out in the introduction, are:

45% Residential Conveyancing

22% Probate

11% Lasting Powers of Attorney

9% Matrimonial

6% Wills

4% Commercial Conveyancing

3% Other

Of those practice areas, the following involve AML regulated work:
Residential conveyancing, commercial conveyancing and probate are regulated activities for AML purposes. Probate falls within scope where the firm manages estate assets on the instructions of the executors or acts as executor.

AML regulated work makes up around 74% of our overall work.

The risk profile in relation to money laundering, terrorist financing and proliferation financing of the firm's departments are assessed as follows (in declining order of assessed risk):

- Residential conveyancing
  Predominantly purchases, sales, transfers of equity and a limited amount of remortgage work and also a modest amount of buy to let purchases predominantly for existing clients.
  High - particularly when property is empty, funds are from/going to accounts abroad, end of chain/cash/high value transactions.
- Commercial property
  These predominantly relate to agricultural sale and purchases of farmland/buildings. We do also undertake sales and purchase for limited companies and a limited amount of commercial buy to let and remortgage work, but only when all the directors have instructed us, and they are the only beneficial owners.
  High - particularly when property is empty, funds are from/going to accounts abroad, end of chain transactions/ cash/high value transactions; lower when dealing with the grant or assignment of business leases at market rent)
- Private client
  Probate, wills and lasting power of attorneys
  Medium - wills and last power of attorney matters are relatively low risk. The average value of estates we currently deal with is £205k. However higher value estates and ones involving large amounts of cash would be a higher risk.
- Family
  Divorce, children arrangement orders and financial provision within divorce.
  Low to Medium – most of our family work would be considered to be low risk however source of funds/wealth would still need to be investigated when dealing with financial aspects. We do not undertake litigious matters involving co-habitees.

- Employment
  Settlement agreements
  Very low

We therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be **Medium to High.**

D) Transactional Risks

Transaction monitoring is essential to prevent criminals from transferring or disguising illicit funds through the firm's client account.

The firm does not accept funds from, or send funds to, third parties who are not involved in the transaction. Criminals may use associates or other third parties to disguise the origin or destination of funds. The firm therefore establishes and records source of funds and source of wealth to mitigate this risk.

Instructions channelled through third parties, including family members, present a higher risk. The firm must identify and verify the third party, consider confidentiality issues and obtain the client's prior consent. Matters are reviewed weekly to help manage this risk.

The firm occasionally accepts payment in cash but only up to a limit of £500.

The firm's only work involving large financial transactions is probate and conveyancing. It does not act on mergers or acquisitions.

In the year ended 30 April 2025, the firm completed 45 probate matters, with an average gross estate value of £244,000. It is currently administering an estate valued at approximately £950,000, which is recorded on the firm's High-Risk Register and monitored closely by the MLRO.

In the year ending **30th April 2026**, we dealt with the following conveyancing transactions:

Residential Conveyancing
222 sales with an average sale price of **£248k** and where the highest sale price was **£1,260k**.
183 purchases with an average purchase price of **£261k** and where the highest purchase price was **£1,425k**.
8 remortgages where the average advance was **£57k** and the highest amount was **£140k**.

Commercial Conveyancing
15 sales with an average sale price of **£97k** and where the highest sale price was **£510k.**
19 purchases with an average purchase price of **£182k** and where the highest purchase price was **£1,375k.**
1 remortgage where the average advance was **£143k** and the highest amount was **£143k**.

We estimate that around 17% of the conveyancing work undertaken was higher risk than a standard conveyancing matter due to higher transaction value/matter complexity.

We therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be **Medium.**

E) Operational Risks

The firm recognises the risk that a member of staff or a director could misuse its name, bank account or reputation to facilitate money laundering or fraud. It mitigates this risk through regular AML screening and a stable workforce with low staff turnover.

Our firm does not offer financial incentives, such as bonus schemes, to employees which could have the potential to tempt some employees to overlook regulatory requirements in order to attain financial gain.

No deficiencies in AML or counter-terrorist-financing training have been identified. The firm's internal AML training strategy is as follows:

- All new starter fee earners and support staff receive AML training, tailored to their position, which includes the following key areas as a minimum: recognising suspicious circumstances/ red flags to look out for, what the law on AML is, how to undertake CDD checks in accordance with the firms procedures, when and how to carry out a sanctions check, how to report suspicions internally, non-reporting of suspicions is a criminal offence, an understanding of what tipping off is and how to avoid doing it and record keeping and data protection requirements.

- All employees receive AML awareness/refresher training, which is reflective of the AML risks associated with their role, annually in the following areas:

  - Anti-Money Laundering
  - PEPS & Sanctions
  - Avoiding Bribery Risks
  - Risk Management
  - Solicitors' Accounts Rules

  In addition, conveyancing fee earners receive annual training in the following areas:

  - Anti-Facilitating Tax Evasion for Law Firms
  - Risk, Compliance and Client Care
  - Protocol in Practice
  - Financial Crime

  All employees are also enrolled on a monthly compliance update webinar from Access legal and a quarterly AML compliance update webinar.

- Agents such as consultants, locums and temporary staff who are involved, on our behalf, with regulated work will also be provided with appropriate training dependant on and proportionate to the extent of the terms on which they are engaged.

- The MLRO undertakes regular file reviews to ensure files are being handled correctly, in line with the firm's AML regime, and circulate details of the findings/areas for improvement/learning points to all relevant staff thereafter.

- The MLRO will circulate summaries of relevant case law, regulatory decisions and legal press articles relating to real-life examples of where AML has come into play, as and when they come to light, by way of learning points and reminders to all relevant employees.

- Any material change to the legislative AML regime or the firm's internal policies will prompt a training review and refresher training for all relevant staff.

The firm operates a client account and recognises the risk that criminals may seek to use it to transfer funds to third parties and obscure the audit trail. To reduce this risk, the firm completes thorough client due diligence for each transaction and accepts funds only when required and after those checks have been satisfactorily completed. Funds may pass through the client account only where there is a legitimate underlying legal transaction. Every payment from the client account must be set up by a member of the accounts team and authorised by a director, so no individual can act alone.

We have clear financial controls and have appropriate oversight of everyone in the firm (particularly regarding client money and transactions).

We therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be **Low.**

F) Emerging Risks

Global pandemics and economic disruption: The Covid-19 pandemic, cost-of-living pressures and the prospect of recession have created significant economic uncertainty. Financial pressure may make some firms more willing to enter business areas or relationships they would previously have avoided, and criminals may seek to exploit any increased tolerance of risk. The firm mitigates this exposure through robust AML policies, controls and procedures, including accurate risk assessment at every level.

Wider economic pressures: Sufficient resourcing of AML work is increasingly important. Economic uncertainty may encourage firms to reduce expenditure in non-fee-earning areas, potentially weakening compliance functions.

Economic conditions do not reduce the firm's obligation to comply with the MLRs and may increase exposure to would-be money launderers. The firm therefore remains committed to adequately resourcing AML work and regularly reviewing and improving its training and risk assessments.

New technology: New financial technologies, including fund-transfer systems, crowdfunding platforms and increased use of artificial intelligence in the legal sector, may create additional risks. The firm also recognises the risk posed by AI-generated "deepfakes", which can convincingly imitate a person's appearance and make video-only identity checks less reliable.

The firm does not currently use video calls for identity verification. Any new technology will be subject to a documented risk assessment and appropriate controls before adoption.

This greater use of technology in all respects also heightens the importance of cyber security. Cyber security breaches could allow criminals to gain total access to both client's sensitive data and the firm's systems, allowing them to be used for laundering money. To mitigate against this risk all employees undertake training via our Cyber Clear Risk Academy. The firm also has the Cyber Essentials accreditation and has Cyber Insurance in place.

Crypto assets and currencies: We currently have no plans to accept or use cryptocurrencies. Any use of new cryptocurrencies will be preceded by a thorough assessment of the risks they may introduce and effective mitigation of these risks where possible.

Proliferation Financing: We are aware of the risk of proliferation financing, which is the act of providing funds or financial services in connection with chemical, biological, radiological or nuclear weapons (from the manufacture to the use of said weapons). We have assessed our risk to be low due to our firm's client base, location and practice areas but we will reassess on a regular basis.

Vendor fraud is on the rise and usually involves residential property which is targeted by fraudsters who will impersonate the owners of the property and sell the property without the knowledge or consent of the real owner.

Warning flags which we would look out for include:

- properties being offered for sale over or under the market value
- reluctance on the client's part to provide documentation
- altered, forged or stolen documents
- pressure to complete transaction quickly
- instructions for minimal work to be done (i.e. no searches)
- complex or unusual circumstances
- cash property purchases
- funds coming from or going to unconnected third parties
- being instructed to act for both the seller and the purchaser in the transaction
- property being bought/sold in back-to-back sales

Failures in identification and verification make it easier for these frauds to take place. To mitigate against this risk as a firm we are aware of the importance of this risk, and we are committed to regularly review and improve our internal training and procedures in respect of client due diligence and risk assessments.

We therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be ***Medium to high.***

G) **Delivery Channel Risk**

The firm communicates with clients through face-to-face meetings where possible, as well as by telephone, post and email.

In private-client and family matters, the firm meets all clients face to face.

For other new clients, where a face-to-face meeting is not possible, the firm applies a risk-based assessment to the individual matter.

Depending on the circumstances, the assessment may include the following questions:
Where is the buyer/seller located?
What is their reason for instructing us?
Are family members existing clients?
Has there been a recommendation from local agent who has met them?
Have you spoken to the client to confirm the details of the property (i.e. when they bought the property) etc?
Does all of the above make sense?

Any concern must be referred to the MLRO before further action is taken. The MLRO will determine the additional steps required to establish the client's identity, taking account of the facts and risk profile of the matter.

For all matters, including non-money laundering regulated work, we use the Thirdfort platform to assist with client verification.

It is rare for someone other than the client to be giving instructions, but if this happens, we will verify their identity and their status to do so. If the client wishes funds to be sent to a third party, it is our policy that we send them only to our client.

We have assessed the risk of "passporting" (where a client instructs a firm on a low-risk matter to avoid scrutiny on a later high-risk matter). As we risk assess and complete CDD on all matters, we therefore assess the risk of money laundering or terrorist financing through this aspect of our business to be **Low.**

4) Conclusions from the FWRA

Conveyancing represents a substantial proportion of the firm's work and is inherently high risk. The firm mitigates that exposure through robust AML policies, training, controls and procedures.

Overall, the firm assesses its money-laundering, terrorist-financing and proliferation-financing risk as *medium* relative to other law firms.

Our key risk area:

Conveyancing is a high-risk service because it can enable substantial sums to be laundered through a single transaction. A purchaser may also be acting as a nominee for the true source of the funds.

Criminals may use property purchases to place substantial sums into an apparently legitimate asset. Buyers may also act as nominees for the individuals who ultimately provide or control the funds.

Property is attractive to criminals because a single transaction can absorb a large sum, the asset may appreciate, and it may generate rental income or provide accommodation. Property transactions may also involve mortgage fraud and other property-related fraud.

The effectiveness of our current systems and controls:

The firm is committed to reducing these risks through regular file reviews, continuing investment in training, implementation of new procedures and ongoing review of existing policies and controls.

We have introduced a pro-forma source of funds and wealth file note to improve the firmwide consistency of evidencing the fee earners' decision-making process on purchase matters.
The source-of-funds and source-of-wealth report has been updated to remind fee earners not only to obtain relevant company accounts but also to review and scrutinise all supporting documents. It also requires consideration of the client's overall financial position rather than only the amount needed for the particular transaction.

The firm has also introduced a pro-forma source-of-funds questionnaire for probate matters to improve consistency and provide clearer evidence of the checks undertaken.

We have also introduced a sanctions policy in December 2023 and have registered for the NCA SAR Portal in readiness for if/when required.

The client due diligence form was amended in March 2024 for the fee earner to show the consideration of any thirdfort "flags" to improve firmwide consistency. The client due diligence form for companies was amended January 2025 to document further information about the company ownership.

We have created a new PEP risk assessment in November 2025. When a fee earner believes that we are dealing with a Politically Exposed Person, this risk assessment must be completed and submitted to the MLRO so that the correct level of risk can be applied and added to the central register.

The firm has invested in an intranet to make all policies, procedures and updated guidance easily accessible to all staff.

We also have regular meetings in order to effectively communicate any regulatory updates and any amendments to existing or new policies and procedures.

- To mitigate the risk in our Conveyancing work, we have weekly conveyancing meetings where all new updates from the Law Society, SRA, Bold Legal, Access Legal, CQS updates etc are discussed.

  All individual matters are reviewed for risk at the onset. Before any matter can proceed to exchange, the file has to be independently reviewed (pre-exchange review), and a further risk review must be undertaken.

  A closing risk review is completed as part of our file closure procedure.

  The firm obtained Conveyancing Quality Scheme accreditation at the first attempt in December 2011, and this accreditation was renewed in December 2024.

- To mitigate the risk in our private client work, we have a monthly meeting where file reviews are completed and all new updates from the Law Society, SRA, Solicitors for the Elderly, WIQS updates etc are discussed.

All individual matters are reviewed for risk at the onset, and before any matter can proceed to distribution, the file has to be independently reviewed (pre-distribution review).

A closing risk review is completed as part of our file closure procedure.

The firm obtained Wills and Inheritance Quality Scheme accreditation at the first attempt in February 2023, and this accreditation was renewed in 2025.

- We hold monthly fee earners meetings where Lexcel standard file reviews are completed to identify any quality issues or training requirements.

  The firm obtained Lexcel accreditation (evidence of compliance with the Law Society's Practice Management Standards) at the first attempt in January 2006. The firm is re-assessed annually (usually in December) in respect of its Lexcel accreditation. The firm is currently assessed against the latest version of Lexcel and was re-awarded Lexcel accreditation in December 2024.

- The COFA completes monthly file reviews to ensure that the Solicitors Accounts Rules are being adhered to, and all procedures followed. These are reviewed at the monthly COLP & COFA meeting to identify any issues/training requirements.

  The COFA is a member of the Institute of Legal Finance & Management which provides resources, training & support in respect of legal accounts, solicitors account rules and law firm management including dedicated COFA support.

- The MLRO/MLCO completes monthly file AML audits to ensure that all employees are following the firms' policies and procedures and to identify any training requirements.

- The findings from the above are referred to the firms' independent audit function to examine, evaluate, monitor and make recommendations regarding the adequacy and effectiveness of its AML and CFT policies, controls and procedures.

- The firm is a member of the Law Society Risk & Compliance section which provides regular updates in the form of a Legal Compliance magazine, webinars, events and resources to help firms manage compliance.

- We hold regular support staff meetings to ensure that any AML regulatory updates, findings from audits and any amendments in procedures can be effectively communicated and training provided to all employees of the firm.

This assessment records the firm's current risk profile. It will be reviewed at least annually and sooner if any significant change is likely to affect the firm's exposure to money laundering, terrorist financing or proliferation financing.

Signed .....

Dated 14/9/26

Prepared by *Timothy Halliday MLRO, MLCO & COLP*

Approved by *Directors at Directors meeting*

Signed .....

Signed .....

Dated 14/9/26

Next Review Date: September 2027 (or earlier)