



Compliance Checklist: Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

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| <p>Do the Money Laundering Regulations apply to your firm?</p> <ul style="list-style-type: none">• <i>If YES, continue to the table below</i>• <i>If NO, you do not necessarily have to follow the MLRs, although it may be best practice to do so, and in any event you must not forget your duties under the main money laundering legislation (Proceeds of Crime Act and Terrorism Act).</i>• <i>If the Money Laundering Regulations apply to your firm in part (i.e. some departments but not all), you should decide whether all of the firm follows the MLRs for consistency, or just the relevant departments.</i> | Yes | No |
| Comments: | | |

| | | | |
|---|-----------|---------------|-----------------|
| Money Laundering Regulations (2017) requirements | Compliant | Not Compliant | Working towards |
| Nominated officer (MLRO) | | | |
| Have you appointed a Nominated Officer (MLRO)? | | | |
| Has the SRA been notified of the Nominated Officer? | | | |
| Comments: | | | |



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|---|--|--|--|
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| Risk assessment | | | |
| Have you completed a firm-wide risk assessment, taking into account sector-specific risk assessments (produced by the SRA), and the risks presented by your clients, geographic areas, services, transactions, delivery channels? | | | |
| Do you assess all clients and matters for AML risks? | | | |
| Comments: | | | |
| Systems | | | |
| Do you have an AML policy that has been reviewed since June 2017? | | | |
| Have the firm's managers approved the firm's AML policies, systems and procedures? | | | |
| Do you regularly review your AML policies, systems and procedures and monitor their effectiveness? | | | |
| Do you have a written record of the firm's AML policies, systems and procedures? | | | |
| Do you communicate changes to the firm's AML policies, systems and procedures to the entire firm? | | | |
| Comments: | | | |
| Training | | | |



| | | | |
|--|--|--|--|
| Have you trained all relevant staff on AML legislation and your own AML systems within the last two years? | | | |
| Comments: | | | |
| Customer Due Diligence (CDD) | | | |
| Do you have systems for identifying and verifying clients? | | | |
| Do you have a system for assessing the nature of the business relationship (or occasional transaction) with your client? | | | |
| Do you have a system for applying CDD to existing clients? | | | |
| Do you have a system for identifying and verifying beneficial owners? | | | |
| Do you have a system for applying CDD to non-clients who provide instructions on behalf of a client? | | | |
| Do you have a system for 'ongoing monitoring', recognising that CDD is not a one-time event? | | | |
| Do you have a system for accepting/rejecting work based on the outcome of CDD? | | | |
| Do you have a system for applying Enhanced Due Diligence in circumstances prescribed by the Regulations? | | | |
| Do you have a system for identifying PEPs? | | | |
| Comments: | | | |



| Reliance | | | |
|--|--|--|--|
| Where you rely on CDD conducted by another party, do you have a system to comply with MLR requirements on reliance? | | | |
| Where a third party relies on your CDD, do you have a system to comply with MLR requirements on reliance? | | | |
| Comments: | | | |
| Reporting suspicions | | | |
| Do you have a system for reporting suspicions (internally to the MLRO, and externally to the NCA?) | | | |
| Comments: | | | |
| Audit and record keeping | | | |
| Have you decided whether an independent audit function is required? (For most law firms this will be unnecessary, but for further guidance please see the Legal Sector Affinity Group guidance) | | | |
| Do you keep CDD records, and records of Suspicious Activity Reports, for five years? (Can keep records up to ten years for repeat clients) | | | |
| Do you have a system for destroying old records no longer required? | | | |
| Comments: | | | |



Compliance | ABS | Training | Recruitment



We can help

Contact us for help complying with your AML obligations:

- AML compliance audits
- Risk assessments
- Training
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Our COLP-Help clients are entitled to help with all aspects of risk management and compliance, including AML.

COLP-Help is a compliance and risk management service designed for law firms by lawyers. We are like your outsourced compliance team. We follow a unique 5-Step process to deliver:

- ✓ **5-10 hours monthly saving for busy COLPs**
- ✓ **Expert, practical advice and support**
- ✓ **Peace of mind**
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