

Client and Matter Risk Assessment

You must carry our client and matter risk assessments under Regulation 28(12) & (13) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. If you choose to use this form, you should complete all sections and complete customer due diligence in line with the level of risk identified.

Client reference	SRA001
Matter reference	MC0001

1. Client details

Client name	Jane Elisabeth Smith	DoB	22/01/1985
Address	The Cube, 199 Wharfside Street, Birmingham, B1 1RN		
New <input checked="" type="checkbox"/>	Existing <input type="checkbox"/>	Date due diligence was last updated	
Occupation/ Source of income	Client is a nurse. Salary is approximately £32,000 annually. No other source of income.		

For entities - Please complete section 2e.

Entity type	N/a
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2. Initial risk assessment

2a. Client risk

Is it unusual for this type of client to instruct us?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Do you have any concerns about the client? <i>For example capacity, undue influence, vulnerability</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
If a third party is instructing, do we have evidence of their authority to act?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Do you have any concerns about this client, agent or third parties?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the client a designated person/entity?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Provide details of any issues identified in this section

Click or tap here to enter text.

2b. Jurisdiction risk

Where is the client based?

Birmingham

Do you have any concerns about the client's location?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does it make sense for the client to instruct us from this location?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Are there overseas elements? If yes , provide details below, <i>for example, overseas beneficiary, contracts for overseas entities</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

Provide details of any issues identified in this section

Client is not local to us, but we acted for her sister in a purchase a few months ago.

2c. Delivery channel risk

Will we meet the client in person?

Yes No

If **no**, how are we satisfied that the client is who they say they are?

Client will be met via Teams. The client will be asked to show us a copy of her ID and a screenshot will be taken with her holding this up. The client's identity and address will then be verified using our electronic checking system. This will check that the client's ID is legitimate and she is registered to live at the given address. A letter will also be sent to the client's address and she'll be required to sign and return this to us.

2d. Due diligence review

What steps have you taken to verify the client or any instructing third party's identity?

The above is being actioned.

Is there any adverse media about the client or beneficial owners?

Yes No

2e. For entities

Provide details of beneficial owners, shareholders/controllers including percentages of shareholdings

N/a

Provide details of steps taken to identify and verify ultimate beneficial owners

Click or tap here to enter text.

Have you identified any reportable discrepancies?

Yes No

If applicable, have you checked the register of overseas entities?

Yes No

3. Matter risks

Description of work and transaction value

Property purchase for £250,000 in Birmingham. Client is a first-time buyer. Putting down 10% deposit. The deposit will come from savings from her earnings. Remainder will be funded via a mortgage from X bank.

Do we usually carry out this type of work?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
Does the matter involve creating a complex structure?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does it involve a cash-intensive industry?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does it involve a high-risk industry?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the matter involve a risk of proliferation financing?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Are there any there any other AML or counter terrorist financing risks?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Have you checked the source of funds for this transaction?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If **yes**, provide a description of the source of funds. If **no**, provide an explanation below

We are waiting for the client to provide evidence of source of funds.

Is the matter transactional?	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>
If no , does the transaction arrange for the movement of funds or assets?	Yes <input type="checkbox"/>	No <input type="checkbox"/>
Are we receiving funds from overseas?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Are we receiving funds from third parties?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Will this matter be funded by digital assets? <i>For example, crypto</i>	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is this transaction consistent with your understanding of the client's profile and financial position? <i>For example, it makes sense for the client to instruct us on this transaction?</i>	Yes <input checked="" type="checkbox"/>	No <input type="checkbox"/>

Provide details of any issues identified in this section

Click or tap here to enter text.

3a. Product/service risk

Based on the client's profile, does it make sense for the client to instruct us on this transaction? Yes No

If **no**, provide details

Click or tap here to enter text.

3b. Enhanced due diligence

If 'Yes' applies to any of the following, contact the nominated person before proceeding. Provide details of the additional measures you will take to mitigate the risk identified below.

If the client is not an individual, is the structure complex or unusual?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the client own, manage or direct a business or activity that falls within a higher risk sector?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the matter involve a client, a beneficial owner or other party linked to the Transaction, manage or direct a business or activity that is cash intensive?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the matter involve a client, a beneficial owner or any party established in a high-risk third country or high-risk or jurisdiction?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the client, a beneficial owner or any party linked to the transaction a politically exposed person (PEP), family member or a close associate of a PEP?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Do you have any concerns that the client, a beneficial owner or any parties linked to the transaction is subject to financial sanctions or has links to a country subject to sanctions?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Will this matter involve a country subject to sanctions?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Is the transaction unusually complex or large?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does this transaction form part of an unusual pattern of transactions?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Does the transaction lack an apparent economic or legal purpose?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Are there any other factors that could indicate a higher risk of money laundering or terrorist financing?	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

If risks identified, date escalated to nominated person

Provide details of any issues identified and measures to be taken

Click or tap here to enter text.

3c. Risk level and justification

What level of risk is posed by the client?

Low Medium High

What level of risk is posed by the matter?

Low Medium High

I have given these ratings because...

Purchases are high-risk so I have requested source of funds information, this matter is largely funded by a mortgage and client is in full-time employment, there are no concerning factors in this transaction, so I have reduced the rating to medium. The client has been referred by her sister. We will identify and verify her identity. The purchase value is normal for us and the transaction value makes sense based on the client's circumstances. We are waiting for evidence of the source of funds.

For high-risk matters:

Have you obtained evidence of source of wealth?

Yes No

Does the stated source of wealth/funds and the sum of money involved correspond with what you know about the client? *For example age and occupation*

Yes No

Explain why you are happy to proceed with the matter

Click or tap here to enter text.

4. Due Diligence

What level of customer due diligence will you apply?

Simplified Standard Enhanced

I have chosen to apply this level of CDD because...

Standard checks required. No concerning features about client, makes sense for the client to instruct us. Client will be met virtually. Electronic checks will be conducted to verify the client's identity. Source of funds will be checked.

Date

22/05/2023

Signed

Michelle Clement

5. Ongoing Monitoring

Date due diligence was conducted

01/06/2023

Has your due diligence changed your assessment of the level of risk?

Yes No

If **yes** to questions above, provide details and actions you will take to address any concerns

What have you done to monitor any risks relating to the client and matter since your last review?

I met the client via Zoom on 1 June 2023 – she showed me her passport and held up the data page. The picture on the passport appeared to be the person I was speaking with. Electronic checks have returned without issue. They have confirmed the passport is legitimate. The client's details match. Nothing of concern has been identified.

Client has provided pay slips showing her monthly income as well as a P60. She has been living with parents and has provided evidence of savings from salary. I have also obtained a copy of the mortgage agreement. No concerns with funding.

I have been monitoring my communications with the client and the mortgage lender to ensure nothing has changed since the start of the matter. The value of the property and funds involved have remained consistent. Pre exchange checks have not identified any issues or concerns. I have notified the accounts team of the account details funds are expected from.

Has your assessment of the level of risk changed?

Yes No

If **yes**, provide your rationale

Click or tap here to enter text.

Updated risk level

Low Medium High

Date

24 July 2023

Signed

Michelle Clement

What have you done to monitor any risks relating to the client and matter since your last review?

I have been monitoring my communications with the client, mortgage lender and seller's solicitors. I have no issues or concerns. Client due diligence and source of funds successfully completed.

Has your assessment of the level of risk changed?

Yes No

If **yes**, provide your rationale

Click or tap here to enter text.

Updated risk level

Low Medium High

Date

22 August 2023

Signed

Michelle Clement