

## **MONEY LAUNDERING POLICY**

### **Why do we need a policy?**

Assessment of money laundering risk is at the heart of the risk-based approach required by the Money Laundering Regulations 2017 — only after assessing the inherent risks in your business can you apply the appropriate level of due diligence to individual clients. Risk assessment to identify and prioritise the risks of criminal facilitation of tax evasion by representatives, is key to creating prevention procedures which reflect the size of the company, the nature and complexity of its business and the jurisdictions in which it operates.

### **POLICY**

It is the policy of this company to identify and assess the money laundering and terrorist financing risks represented by the business we conduct so that we can mitigate that risk by applying appropriate levels of client due diligence. Assessment of tax evasion facilitation risk is clearly defined within the company's business-wide risk assessment process.

### **CONTROLS AND PROCEDURES**

1. The company shall assess the money laundering risk represented by our clients and the business conducted according to three levels:
  - a. the range normally dealt with by the company, requiring the company's normal level of client due diligence
  - b. an exceptionally high level of risk requiring an enhanced level of client due diligence
  - c. a negligible level of risk requiring only simplified due diligence.
2. The company shall identify and maintain lists of risk factors (including those required by the Money Laundering Regulations and factors connected with the facilitation of tax evasion) relating to our clients, products or services, transactions, delivery channels and geographic areas of operation.
3. The company shall assess the level of risk associated with these factors by analysing indicators including:
  - a. client characteristics (individual or corporate, status, location, occupation)
  - b. the purpose of accounts or engagements, levels of assets and transactions
  - c. regularity or duration of business relationships.
4. The company shall ensure that assessment of exposure to the risk of representatives criminally facilitating tax evasion takes place, as part of the business-wide risk assessment.

5. The company shall update the risk assessment annually to ensure new and emerging risks are addressed, and new information supplied by our supervisory authority is reflected.
6. The company shall keep an up-to-date written record of all steps taken and shall provide the risk assessment, the information on which it was based, and any updated information to our supervisory authority on request.
7. The money laundering or terrorist financing risk represented by each client will be assessed:
  - a. during the new client acceptance process, before any work is undertaken
  - b. whenever the company's process of ongoing monitoring indicates that a change in the business or operating environment of an established client may represent a change in money laundering risk.
8. Client risk assessment shall be carried out by the responsible partner/advlser/account manager who will determine appropriate due diligence measures in respect of each client based on:
  - a. the company's business-wide risk assessment
  - b. assessment of the level of risk arising in any particular case.
9. A record must be made of the assessment of individual client relationships, confirming that the company's business-wide risk assessment has been taken into account, and any other relevant factors considered.

**Risk levels and appropriate Client Due Diligence**

