***MONEY LAUNDERING RISK ASSESSMENT FORM***

This form should be used on all new assignments and reviewed regularly for any existing assignments and updated in the event of a material change in circumstance for a client. The risk assessment needs to be signed off by a partner, senior manager or Anti-Money Laundering Reporting Officer within the firm. The questions posed are indicative only and not all questions will be applicable to all clients. The questions are also non-exhaustive and should be used as a guide only, there may be additional risk factors that will need to be considered and documented.

|  |  |
| --- | --- |
| **CLIENT RISK** | ***NOTES*** |
| * Is your client known to you personally?
* Is the client themselves a designated person or a public company, bank, credit union or insurance company or a government entity (in such cases it may be sufficient to simply confirm their status)
* Has your client been introduced to you by a 3rd Party who are themselves designated persons for anti-money laundering?
* Is your client a politically exposed person?
* If your client is a legal entity such as a trust, company, co-op and not a natural person do you have full visibility of beneficial owners/ directors / controllers?
* Does the client or its beneficial owners have attributes known to be frequently used by money launderers or terrorist financiers?
	+ Secrecy
	+ Unnecessary complexity
	+ Multiple advisors for different aspects of their business
	+ Complex ownership structure
	+ Connection to a PEP
	+ Shell companies
	+ Informal arrangements
* Where is your client based? Locally, UK, EU, other international location?
* Does your client have any links to criminality?
* Does your client have any links to high ML risk or sanctioned jurisdictions?
* Is your client resident in a high risk jurisdiction or a country subject to sanctions?
* 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 age and occupation?
* Has your client provided acceptable standard ID and address verification?
* Has your client provided *acceptable* non-standard ID and address verification?
* Are you relying on verification provided by another AML Designated person to vouch your client? And if so have you been able to confirm the authenticity/professional status of the certifier? Have you obtained copies of the CDD or just confirmation that they exist?
* Has your client been cooperative in the process or have they delayed providing ID and address verification / appeared reluctant to do so?
 |  |
| **SERVICE RISK** |  |
| * Do any of our products or services have attributes known to be used by money launderers or terrorist financiers?
	+ Purchase or sale of businesses
	+ Large capital transactions
	+ Advice on offshore entities
	+ One off services
* Will the client be using our client money account?
* Will we be providing trust or company services for the client
* Is the service being rushed or are there very short deadlines

Does the nature of the service we will provide affect the risk* Financial and tax advice
* Company and trust formation
* Buying or selling of property
* Performing financial transactions on a clients behalf
* Introducing clients top financial institutions
* Is the engagement type low risk – i.e. ongoing assignment for a simple business – low risk
* Is the firm engaged for just one part of larger business portfolio?
* Is the engagement overly complex?
* 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?)

**Acquisition and due diligence assignments*** Is the source of funds clear and identifiable?
* Are funds coming from a recognised financial/credit institution or are they personal funds?
* 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 your client seek to change the source of funds at the last minute?
* Has your client paid excess funds into your client account? Why/How?
 |  |
| **INDUSTRY/SECTOR RISK** |  |
| * Does the client have operations in sectors that are favoured by money launderers or terrorist financiers
	+ Cash businesses
	+ Dealers in high value goods (over €10,0000 in a single or serves of linked transactions)
* Frequent change in advisor
* Public sector/quoted company/designated person clients will be lower risk
* Charity sector can be both low and high risk
* Transactions outside normal profile for the business
* Sudden activities from dormant clients
* unexpected profits or outcomes
* unwillingness to get appropriate licences or make filings
* Excessive fee offered for level of service
* Non-typical payment method for the payment of fees
* Transactions are over or under value
* International payments with no justification
* Products or services that favour anonymity charities and not for profit who are not subject to close supervision
* Service reliant on new technology (e.g. crypto currency)
* Use of virtual currency or virtual assets
 |  |
| **DELIVERY CHANNEL RISK** |  |
| * Have you met with your client face to face?
* If non-face to face, are you comfortable there is a legitimate reason for this?
* Lack of contact
* Unexplained change in beneficial ownership
* Companies activities are unclear
* Change in legal structure or name
* Is business conducted through an intermediary
 |  |

**MONEY LAUNDERING RISK ASSESSMENT**

This should be completed at the beginning of the assignment, updated during the assignment if anything changes and just before commencing next years assignment.

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

|  |  |
| --- | --- |
| FINAL RISK ASSESSMENT – HAVE THERE BEEN ANY LAST MINUTE CHANGES THAT GIVE CAUSE FOR CONCERN? |  LOW MEDIUM HIGH (Standard CDD) (Standard CDD) (Enhanced CDD) |
| Please note below reasons for your assessment:  |
| SIGNED BY: | DATE: |

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 before continuing to act for the client.

|  |
| --- |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |
| ASSESSMENT OF RISK – updated  |
| SIGNED BY: | DATE: |