



The Law Society

# ANTI-MONEY LAUNDERING FOR CONVEYANCERS

## Manage, monitor, mitigate

### The go-to guidance for conveyancers

Maintain your compliance with the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017, the Proceeds of Crime Act 2002, and the Terrorism Act 2002.

#### 1) KNOW YOUR CLIENTS

Are you confident that the person you are talking to is who they say they are?

- > Have you met them?
- > Have you looked at their passport?
  - Does the photo match?
  - Is it real? Do you know how to spot a fake?
  - Does the signature match the one on your T&Cs?
- > Know what documents you can accept as evidence of identity.
- > Consider using an electronic third-party verification solution.
- > Are they based in your region?
- > Is their attitude unusual – are they disinterested, secretive or vague? Are they eager to undertake a quick transaction?
- > Do they request key changes mid-way through a transaction, if so, why?

Don't forget



Make sure your client appreciates what you will ask and why you're asking. Update your client care information so people know what to expect.

#### 2) UNDERSTAND THE TRANSACTIONS

There are often complications, so identify the type of transaction, the risk involved and your firm's policy and guidance.

- > Do you know what and where your firm's policy is?
- > Are you being asked to do something your firm wouldn't normally do?
- > Don't be afraid to ask your client questions and, if you're still not happy, talk to your supervisor or someone senior in your firm.

Continue to assess risk throughout the course of the transaction.



Make sure

#### 3) IDENTIFY THE SOURCE OF FUNDS

Is your information about the source of funds consistent with your knowledge of the client and their risk profile?

- > Do they have an unexpected amount of savings?
- > Is there a regular saving pattern?
- > Has the client received a gift and, should you report to the lender?

Just because the money is in a UK bank doesn't mean there's no risk!



Don't assume

- > Where was the money before?
- > How did the client come into it?

#### 4) MAKE A NOTE OF EVERYTHING

Whenever you talk to a client, make a note.

- > What did you ask your client? What did they say?
- > Identify anomalies or concerns.
- > Don't ignore inconsistencies.

Are you satisfied?

Keep going. Don't do it once and never do it again, make notes a habit.



Keep checking



#### IF IN DOUBT, ASK

ASK your supervisor, partner or senior partner and make sure you understand their advice.

ASK the Law Society's free Practice Advice Service – make a note of the person helping you and the answer they give and be reassured!

**020 7320 5675**

ASK about joining the Law Society's Risk and Compliance Service or attend the Anti-Money Laundering and Financial Crime Annual Conference in November 2018.

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