

GUIDANCE: Pro forma AML Policy and Procedures Document (Including Associated Checklists) 

Pro forma documentation and associated guidance for use by small firms registered for AML Supervision with the CIOT or ATT

The pro forma policies and procedures included in this document are an example only and **must** be tailored by the member for use in their own practice.

No pro forma document can cover every set of facts and circumstances in connection with AML compliance.

Whilst every care has been taken in the preparation of this document, the pro forma document and the guidance does not purport to be a comprehensive statement of the relevant law.

The CIOT, the ATT, and all those involved in the preparation and approval of this document shall not be liable for any direct or indirect loss, consequential loss, loss of profits or loss of reputation occasioned by reliance on this document.

Use of the document does not indicate that there would be no action points arising from an AML inspection visit as the document must be tailored appropriately by any firm using it.

This guidance is not a substitute for taking appropriate legal and other professional advice. It should be read alongside [The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017](https://www.tax.org.uk/members/anti-money-laundering-and-counter-terrorist-financing/anti-money-laundering-faqs) (MLR 2017) [AML Guidance for the Accountancy Sector](https://www.tax.org.uk/members/anti-money-laundering-and-counter-terrorist-financing/anti-money-laundering-faqs).

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Note: The Pro forma documents must be tailored in order to reflect the requirements of your practice. Areas which may require amendment in the pro forma policies and procedures document are shown in red. Instructions as to what to do are in *red italics.*

# Introduction

A policy is a document that sets out a firm’s stance or position when either dealing or responding to a particular matter. Typically, it will refer to either legal or regulatory obligations that it needs to comply with. Procedures, however, are process documents which describe what actions need to be undertaken in order to comply with the policy and these are underpinned by internal controls. They will usually include checklists or forms that require completion to meet the requirements detailed in both policy and procedures.

This pro forma policy and procedures document (including associated checklists) are designed to assist small firms subject to AML supervision by the CIOT and ATT. In particular, if you are a sole practitioner firm or a 2 partner/2 director practice dealing with a range of tax issues (small general practice firms) the pro forma may be appropriate for your practice. Refer also to question and answer 4 below.

However, each firm will need to amend the pro forma to ensure it reflects their own policies and procedures.

Background

Written policies and procedures form part of the operating mechanism of any firm and are a necessary requirement for each supervised business under Regulation 19 of MLR 2017.

The Regulations state that a firm must:

1. establish and maintain policies, controls and procedures (the policies) to mitigate and manage effectively the risks of money laundering and terrorist financing identified in any risk assessment undertaken by the relevant person under regulation 18(1);
2. regularly review and update the policies
3. maintain a record in writing of the policies, any changes made, and the steps taken to communicate these to staff within the business.
4. ensure the policies are proportionate to the size and nature of the business
5. include in the policies:
   1. risk management practices
   2. internal controls
   3. customer due diligence
   4. reliance and record keeping
   5. monitoring and management of compliance with and internal communication of the policies

**Note:** It is not sufficient for a sole practitioner to have non-written policies, procedures and controls in place. They must be in the form of a written document.

# Q&A on policies and procedures

## Q1. How often should policies and procedures be revisited and updated?

A new firm should ensure they prepare a risk assessment of their practice **as soon as possible** after commencing in business.

It is good practice for the policies and procedures documents to be reviewed at least on an annual basis and updated periodically as necessary.

We recommend, the policies and procedures be reviewed in the interim if, for example, there is a change in the firm’s client base, services provided etc as these changes may result in a change to the risk profile of the business and in turn, the policies and procedures necessary to achieve compliance.

Any updates to either regulation or legislation may also require changes to be made.

When the document is reviewed, you should record that review, even if no changes have been made.

Where changes have been made it is important you make sure all employees are made aware of the changes.

## Q2. Do policies and procedures documents need to be sent to the CIOT/ATT as my AML supervisory body?

Policies and procedures documents do not need to be sent to the CIOT or ATT unless a firm is asked to submit them. The CIOT/ATT always ask to see these as part of an AML inspection visit but may ask for them in other circumstances as well. See the comments under Q3 below in relation to answers provided on the AML registration and annual renewal forms.

## Q3. If I use these pro forma documents does that mean if the firm is inspected, that there will be no penalties for non-compliance with MLR 2017?

The MLR 2017 sets out a number of requirements within and associated to relevant legislation.

The CIOT and ATT cannot, and will not, confirm that use of this pro forma document will ensure the firm avoids sanctions by the CIOT and ATT as AML supervisory bodies nor action by the UK courts if there have been failures in AML compliance within your firm.

**Note:** All those supervised by the CIOT and ATT should note that they may be referred to the Taxation Disciplinary Board if they provide inaccurate answers on their AML registration or annual renewal form. One example of this would be where they answer “yes” to questions relating to having written policies and procedures in place and are later found to not have them in place.

## Q4. What other guidance is available to assist a firm in preparing their policies and procedures?

Chapter 3 of [AML Guidance for the Accountancy Sector](https://www.tax.org.uk/members/anti-money-laundering-and-counter-terrorist-financing/anti-money-laundering-faqs) provides information for supervised firms in relation to the establishment of policies, procedures and controls required by a supervised business. In addition, FAQ 36 of the AML FAQ prepared by the [CIOT](https://www.tax.org.uk/members/anti-money-laundering-and-counter-terrorist-financing/anti-money-laundering-faqs) and [ATT](https://www.tax.org.uk/members/anti-money-laundering-and-counter-terrorist-financing/anti-money-laundering-faqs) provides helpful guidance for those wishing to write their own policies and procedures documents.

Supervised firms report to us that they like to use template documents.

Templates suitable for all firms can be obtained from some of the training providers detailed on the websites [here](https://www.tax.org.uk/membership-and-events/anti-money-laundering-and-counter-terrorist-financing/id-verification-and) (CIOT) and [here](https://www.tax.org.uk/members/anti-money-laundering-and-counter-terrorist-financing/anti-money-laundering-faqs) (ATT).

The CIOT have also produced pro forma documentation which you may find of assistance if you have a small firm. These are available at the end of this document. These documents are most suitable for sole practitioners and small general practice firms.

Larger firms, and those dealing with niche tax planning, areas should consider using the more prescriptive documents available through training providers, writing their own more detailed documents or taking specialist advice.

# Pro forma policies and procedures (including associated checklists)

**[Name of Firm]**

**AML Policies and Procedures Document**

**Approved by the [Directors/Partners/Name of Sole Practitioner] on {x} date**

**Last Updated [dd/mm/yyyy]**

1. **Introduction and Policy Statement**

*[Firm should write its own policy statement – some suggested wording is included below]*

Regulation 19 of The Money Laundering Regulations 2017 require supervised firms to “establish and maintain policies, controls and procedures to mitigate and manage effectively the risks of money laundering and terrorist financing identified in any risk assessment undertaken by the relevant person under regulation 18(1)”.

[Name of firm] is committed to adherence to the UK legislation enacted to combat money laundering and to the prevention of criminals from being able to use this firm to help them launder money, or to finance terrorism. References to money laundering (ML) in this document should be

taken to mean Money laundering or Terrorist Financing (ML/TF).

UK Legislation enacted to combat money laundering is as follows: -

* The Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017 (SI 2017 No. 692).
* The Proceeds of Crime Act 2002 (as amended by the Crime and Courts Act 2013 and the Serious Crime Act 2015).
* The Terrorism Act 2000 (as amended by the Anti-Terrorism, Crime and Security Act 2001, the Terrorism Act 2006 and the Terrorism Act 2000 and Proceeds of Crime Act 2002 (Amendment) Regulations 2007.
* The Criminal Finances Act 2017

[I]/[We] understand that these policies and procedures are to be read with and should operate alongside the guidance provided in [AML Guidance for the Accountancy Sector](https://www.ccab.org.uk/documents/FinalAMLGuidance2018.pdf) (AMLGAS).

The UK courts must have regard to this approved guidance in deciding whether businesses or individuals affected by it have committed an offence under MLR 2017 or Sections 330-331 Proceeds of Crime Act (as amended). It is therefore important that everyone working in this practice is familiar with this.

This document and the guidance set out in AMLGAS are applicable to all clients taken on by this practice and applied as required throughout the business relationship and afterwards.

1. **Risk Based Approach**

Adopting a risk-based approach implies the adoption of a risk-management process for dealing with ML and TF.

This encompasses:

* recognising the existence of the risks
* undertaking an assessment of the risks
* developing control strategies to mitigate and monitor the identified risks

**Note:** procedures must be based on assessed risk, with higher risk areas subject to enhanced control procedures.

The ML/TF risk assessment for this firm is available separately and this document takes into account the risks identified in relation to this firm.

The policies and procedures set out below and included in this document aim to manage and mitigate ML risk. Resources are dedicated to areas of greatest risk.

1. **Client Acceptance Criteria**

*[The directors/partners/sole practitioner should write their own statement on the types of clients they act for/are willing to take on and those it will not consider acting for].*

1. **Client Due Diligence (“CDD”) and Enhanced Due Diligence (“EDD”)**

CDD and, in some cases, EDD shall be performed (as set out in Chapter 5 and appendix C of AMLGAS). *[Practitioners wishing to add more detail to their policies and procedures in relation to CDD/EDD requirements should refer to AMLGAS and add relevant details to this document].*

As part of the due diligence procedure, the client(s) together with and ultimate beneficial owner(s) of business clients/trusts **must** be checked against the following lists:

* [Financial sanctions lists](https://www.gov.uk/government/collections/financial-sanctions-regime-specific-consolidated-lists-and-releases)
* lists of organisations and individuals subject to financial sanctions can be accessed on the Treasury website <https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets>.
* the Home Office’s proscribed terrorist groups or organisations <https://www.gov.uk/government/publications/proscribed-terror-groups-or-organisations--2>

Where clients are based overseas and outside the EU, the procedure is that the lists of high risk third countries must be consulted to determine if the client is resident in any of the relevant countries. These lists are as follows: -

* Countries identified by [Financial Action Task Force](http://www.fatf-gafi.org/countries/#high-risk) as being high-risk jurisdictions
* [European Union’s High Risk Third Country List](https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1509960809075&uri=CELEX:32016R1675), amended in [March 2017](https://ec.europa.eu/transparency/regdoc/rep/3/2017/EN/C-2017-1951-F1-EN-MAIN-PART-1.PDF) and [October 2017](https://ec.europa.eu/transparency/regdoc/rep/3/2017/EN/C-2017-7136-F1-EN-MAIN-PART-1.PDF) In addition a new list was adopted on 13th February 2019 and the relevant details can be accessed [here](http://europa.eu/rapid/press-release_IP-19-781_en.htm).

As part of the CDD process [I am]/[we are] aware of the need to identify and scrutinise:

(i) any case where—

(aa) a transaction is complex and unusually large, or there is an unusual pattern of

transactions, and

(bb) the transaction or transactions have no apparent economic or legal purpose,

and

(ii) any other activity or situation which I regard as particularly likely by its nature to be related to money laundering or terrorist financing;

[I am]/[we are] also aware of the need to take additional CDD/EDD monitoring measures, where appropriate, to prevent the use for money laundering or terrorist financing of products and transactions which might favour anonymity. [All staff employed must bring to the attention of the MLRO [add name] details which they come across of transactions or arrangements of the pattern outlined or any new ML/TF risks they identify in the business].

[A new client take on form must be completed for all clients taken on]. *(Suggested new client forms are included at the end of this document and practitioners should include reference to these documents if being used).*

*[Firms with employees should indicate their policy and associated procedures on whether only the directors/partners/sole practitioner will deal with CDD or whether staff can deal with this. They should also indicate if the directors/partners/sole practitioner needs to “sign off” on the client due diligence before the client is taken on – note that politically exposed persons should only ever be taken on if the MLRO has agreed to this].*

*[Firms may have a “know your client” checklist they use to obtain background information in relation to clients including details of beneficial owners of businesses, sources of funds and wealth and if so the policy on use of that should be referred to in this section and the relevant form should be added to the checklists].*

*[Any policies and procedures in relation to use of electronic ID verification packages by a practice should be referred to in this section where relevant and the firm should ensure that engagement letters also reflect any use of electronic id packages.]*

1. **Risk Management**

The ML/TF risk in relation to each client should be assessed at the time the client is taken on and noted on the [new client take on form/the spreadsheet record/other (*tailor based on the record in place within the firm)*]*.*

In relation to risks specifically identified and set out in the practice risk assessment the following additional measures have been adopted within the practice to mitigate and manage risk:

|  |  |
| --- | --- |
| **RISK FACTORS** | **ADDITIONAL PROCEDURES TO MITIGATE AND MANAGE ML/TF RISK \*** |
| **Our Clients** |  |
| *(Here and spaces below include factors identified in risk assessment)* | *(Here and in spaces below include policies and procedures adopted to manage and mitigate risk)* |
| **Countries or geographic areas in which the firm operates** |  |
|  |  |
| **Our products or services** |  |
|  |  |
| **Transactions** |  |
|  |  |
| **Delivery channels** |  |
|  |  |

*(\*Where additional procedures have already been added to other parts of the policies and procedures then this table could just refer across to them.)*

[I]/[we] will ensure that when new technology is adopted by the firm, appropriate measures are taken in preparation for, and during, the adoption of such technology to assess and if necessary mitigate any money laundering or terrorist financing risks this new technology may cause.

1. **Ongoing Monitoring**

Client due diligence, periodic reviews and risk assessments should be conducted on an ongoing basis and any additional information identified should be dealt with and further information obtained from clients where necessary.

A note of the review and the results, such as an updated risk rating, should be indicated on the [new client take on form]/[the spreadsheet record]/[other (*tailor based on the record in place within the firm)*].

[*Firm to include their own procedures in this regard eg: annual review of CDD and risk during a quiet period, annual review of CDD and risk as part of tax return compliance processes, other system prompts etc].*

1. **Internal Controls and Communication**

[This practice is owned by and run by a single individual who controls all aspects of the work undertaken.

This document refers to the policies and associated procedures which I adhere to and which operate within the practice.

There are no staff members or sub-contractors and therefore no one else who I need to communicate with in relation to control of AML risk].

Or

[I, as sole practitioner]/[We as owners of the business] control both ML and TF risk in accordance with this policies and associated procedures document which are communicated to all staff through [staff meetings]/[email] on an [annual]/[regular] /[other] basis *(amend or alter as required)*. All staff are required to acknowledge receipt of the policies and procedures document and to confirm that they have read it and will adhere to it. (*A suggested form for staff to sign to acknowledge the document is attached at appendix three).*

*(include other relevant points for example:*

*Review of all work produced by staff*

*Agreeing to the take on of all new clients*

*Other)*

1. **Record Keeping**

Record keeping shall be undertaken in accordance with the requirements of MLR 2017 and based on the guidance included in chapter 7 of AMLGAS.

Records of CDD/EDD are kept on [individual client files]/[electronically]/[other] (*tailor based on the record in place within the firm and if you have outsourcing arrangements in relation to records this should also be referred to).*

[Record retention is agreed with clients through the engagement letter in place between the firm and that client and/or our privacy notice].

Records can be identified for destruction after the statutory or longer agreed period by reference to *[spreadsheet/automated system etc details to be added by sole practitioner and a system should be in place].*

[This firm does not enter into reliance agreements with other firms] or *[firm to add in comments in relation to reliance on CDD undertaken by other firms if there are agreements in place but note there are strict conditions which must be adhered to refer to sections 5.3.25 to 5.3.31 of AMLGAS].*

1. **Reporting - Declaration**

It is a requirement that where [I, name of sole practitioner]/[name of MLRO] knows or suspect (or has reasonable grounds for knowing or suspecting) that a person is engaged in money laundering or terrorist financing as a result of information received in the course of the business or otherwise through carrying on that business then they must comply with:

1. Part 3 of the Terrorism Act 2000(**a**); or
2. Part 7 of the Proceeds of Crime Act 2002(**b**); and make a Suspicious Activity Report.

This will be considered by [name of sole practitioner]/[name of MLRO] by reference to the guidance in Chapter 6 and appendix D of AMLGAS.

Reports should be made to the NCA online and the relevant link providing advice on the SAR online system is:

<https://www.ukciu.gov.uk/(pti1v145322oty55ufu1b43u)/SARonline.aspx>

[All staff must report, every instance where they have knowledge or suspicion of ML/TF to report this matter, to [name of sole practitioner (MLRO)]/[name of MLRO] without delay.

This should be done by using the Internal Money Laundering Report Form available to all to staff.

**Note:** for security reasons reports must be made in writing by using the internal form and must not be emailed but hand delivered directly to the MLRO.

An email acknowledgement of receipt of the form will be provided by the MLRO to the member of staff. This should provide minimal information about the incident reported for security reasons]

Under no circumstances should the client or any of their representatives be advised that a report has been considered internally or that a suspicious activity report (SAR) has been made by the MLRO.

1. **Training**

It is a requirement of MLR 2017 that regular AML/CTF Training is undertaken and that a written record of the training delivered is maintained.

Arrangements for training are [*firm to add details of the training undertaken, how often it will be done and how this will be recorded*].

**[name of member]**

**[name of firm]**

**Date [dd/mm/yyyy]**

# Appendix One – Individual client take on form

**[Name of Firm] – Individual new client on-boarding form and ongoing monitoring checklist**

**Key (in both cases further information is available in chapter 5 of AMLGAS):**

CDD – client due diligence

EDD – enhanced due diligence

|  |  |  |
| --- | --- | --- |
| **Client Profile** | | |
| **Information required** | **Notes** | **Comments** |
| Full client name |  |  |
| Any previous names (EDD) (if required) |  |  |
| Profession |  |  |
| Employer/business name |  |  |
| Residential address |  |  |
| Place and date of birth |  |  |
| Explanations/evidence obtained of source of funds and/or source of wealth. |  |  |
| Is the client a Politically Exposed Person (“PEP”) (Consider EDD requirements)? | **1** |  |
| Is the client subject to financial sanctions/or connected with any proscribed terrorist organisations? | **2** |  |
| Is the client based in or associated to any high-risk jurisdictions? | **3** |  |
| Client nationality – does the client have dual nationality? If so, please document and ensure copies of dual ID also obtained. |  |  |
| Does the client have FACTA/CRS reporting requirements either in the form of self certificates/W8/W8BEN-E or W9 forms? |  |  |
| What is the client’s tax domicile status? |  |  |
| Has the client(s) been met? If so, date of client meeting |  |  |
| Do any of the risk factors identified in the practice risk assessment apply to this client? |  |  |
| [Client approved for take on by [director]/[partner]/[name of sole practitioner]] |  |  |
| **Client has provided satisfactory CDD/EDD and cleared our background checks and screening.** | **Date:** | **Signature:** |
| **Additional comments/details:** | | |
|  | | |
| **Services required (list services required by the client):** | | |
|  | | |
|  | | |
|  | | |
| **Initial risk assessment of client at on boarding stage to determine initial level of CDD/EDD** | | |
| High/medium/low rating and date | Note 4 |  |
| Reason for rating |  |  |

**Background Checks – based on requirements set out in AMLGAS (chapter 5 and appendix C)**

|  |  |  |
| --- | --- | --- |
| **Risk** | **Documents obtained** | **Confirmation of document and whether copy attached** |
| Low risk | ID verification |  |
|  | Residential address verification |  |
|  | Sanctions screening check done and clear |  |
| Medium risk (additional ID and Verification) |  |  |
| High risk (eg: PEP’s)  (further ID and verification  (EDD Required) |  |  |

**Ongoing Monitoring**

Is there anything in initial checks which leads to a change to the risk rating or requires additional CDD/EDD or any changes required as a result of ongoing monitoring. See note 5 for further information on ongoing monitoring.

|  |  |  |
| --- | --- | --- |
| **Update to risk assessment** | **Risk Assessment** | **CDD/EDD obtained** |
| Date of review |  |  |
| Updated risk assessment or CDD/EDD requirements |  |  |
| Reason for amendment to risk rating |  |  |
|  |  |  |
| Date of review |  |  |
| Updated risk assessment or CDD/EDD requirements |  |  |
| Reason for amendment to risk |  |  |
|  |  |  |
| Date of review |  |  |
| Updated risk assessment or CDD requirement |  |  |
| Reason for amendment to risk |  |  |

*(add additional sections as required)*

# Appendix Two – Business client take on form

**[Name of Firm] – Company/partnership client on-boarding and ongoing monitoring checklist**

**Key (in both cases further information is available in chapter 5 of AMLGAS):**

CDD – client due diligence

EDD – enhanced due diligence

|  |  |  |
| --- | --- | --- |
| **Client Profile** | | |
| **Information required** | **Notes** | **Comments** |
| Client /entity name |  |  |
| Registered office address |  |  |
| In what jurisdiction is the business Registered? |  |  |
| Names of shareholders/directors/partners/Members  (be mindful of the need to look through the corporate veil to the ultimate beneficial owners). |  |  |
| What are the activities of the entity? Is it investment holding or trading and if so, in what? Where does it carry out its business activities? |  |  |
| Is it a regulated? If so, where? |  |  |
| Names of shareholders/directors/partners/members  (be mindful of the need to look through the corporate veil to the ultimate beneficial owners). |  |  |
| Does this entity form part of a wider complex structure (either onshore or offshore or a group)? |  |  |
| Are any of the shareholders/directors/partners or members Politically Exposed Persons (“PEP’s”)? | **1** |  |
| Are the shareholders/directors/members or business subject to financial Sanctions/or connected with Proscribed Terrorist organisations? | **2** |  |
| Is the entity, shareholders/directors/members based in a high-risk third country or trading with such countries? | **3** |  |
| Have relevant individuals within the organisation been met? |  |  |
| Date of meeting and name and role of individual met. |  |  |
| Do any of the risk factors identified in the practice risk assessment apply to this entity? |  |  |
| [Client approved for take on by [director]/[partner]/[name of sole practitioner]] |  |  |
| Client has provided satisfactory CDD/EDD and cleared our background checks and screening. | Date: | Signature: |
| **Additional comments/details:** | | |
|  | | |
| **Services required (list services required by the client):** | | |
|  | | |
|  | | |
|  | | |
| **Initial risk assessment of client at on boarding stage to determine initial level of CDD/EDD** | | |
| High/medium/low rating and date | Note 4 |  |
| Reason for rating |  |  |

**Background Checks based on requirements set out in AMLGAS (Chapter 5 and appendix C)**

|  |  |  |
| --- | --- | --- |
| **Risk** | **Documents obtained** | **Confirmation of document and whether copy attached** |
| Low risk  as set out in appendix C of AMLGAS |  |  |
| Medium risk (additional ID and Verification) |  |  |
| High risk (eg: Directors who are PEP’s)  (further ID and verification  (EDD Required) |  |  |

**Ongoing Monitoring**

This page should be used to record where anything in the initial checks or ongoing monitoring leads to a change to the risk rating or requires additional CDD/EDD. See note 5 for further information on ongoing monitoring.

|  |  |  |
| --- | --- | --- |
| **Update to risk assessment** | **Risk Assessment** | **CDD/EDD** |
| Date of review |  |  |
| Updated risk assessment or CDD /EDD requirement |  |  |
| Reason for amendment to risk rating |  |  |
|  |  |  |
| Date of review |  |  |
| Updated risk assessment or CDD/EDD requirement |  |  |
| Reason for amendment to risk |  |  |
|  |  |  |
| Date of review |  |  |
| Updated risk assessment or CDD requirement |  |  |
| Reason for amendment to risk |  |  |

*(add additional sections as required)*

### Notes to accompany business take on forms

|  |  |  |
| --- | --- | --- |
| Note Number | Section | Further Information |
| 1 | Appendices one and two | Politically Exposed Persons (PEPs) are individuals who are entrusted with prominent public functions, other than as middle-ranking or more junior officials.  Further guidance on AML risks in relation to PEPs can be found in the FCA guidance:  <https://www.fca.org.uk/publication/finalised-guidance/fg17-06.pdf> |
| 2 | Appendices one and two | The financial sanctions lists can be accessed [here](https://www.gov.uk/government/publications/financial-sanctions-consolidated-list-of-targets)  The proscribed terrorist lists can be accessed [here](https://www.gov.uk/government/publications/proscribed-terror-groups-or-organisations--2)  For further information on financial sanctions please refer to [AML newsletter](https://www.tax.org.uk/membership-and-events/anti-money-laundering-and-counter-terrorist-financing/newsletters) 20. |
| 3 | Appendices one and two | High Risk countries can be identified using the following lists:  The European Union’s original High Risk Third Country List can be accessed [here](https://eur-lex.europa.eu/legal-content/EN/TXT/?qid=1509960809075&uri=CELEX:32016R1675), amended in [March 2017](https://ec.europa.eu/transparency/regdoc/rep/3/2017/EN/C-2017-1951-F1-EN-MAIN-PART-1.PDF) and [October 2017](https://ec.europa.eu/transparency/regdoc/rep/3/2017/EN/C-2017-7136-F1-EN-MAIN-PART-1.PDF). In addition a new list was adopted on 13th February 2019 and the relevant details can be accessed [here](http://europa.eu/rapid/press-release_IP-19-781_en.htm).  Other lists of high risk countries are also available and you should also refer to the following when considering the geographical risks in relation to clients:   * [financial sanctions listings](https://www.gov.uk/government/collections/financial-sanctions-regime-specific-consolidated-lists-and-releases) * countries identified by Financial Action Task Force as being [high-risk jurisdictions](http://www.fatf-gafi.org/countries/#high-risk) |
| 4 | Appendices one and two | Each client the firm acts for should be risk assessed at the start of the business relationship. There should also be ongoing monitoring of risk. You should have a note of the risk assessment of all your individual clients. If this is not available it should be put in place so there is evidence of the risk assessment of individual clients. |
| 5 | Appendices one and two | Guidance on ongoing monitoring is included in sections 5.2.5 to 5.2.8 of AMLGAS. Established business relationships should be subject to CDD procedures throughout their duration. It is important that the firm is able to evidence this ongoing monitoring and indicate where the assessment of AML risk has changed or additional CDD or EDD has been required. |

# Appendix Three – Staff declaration

STAFF DECLARATION

[Name of firm]

[Name of member of staff]

[Role]

I confirm that \*:

* I have read and understood the firm’s documented money laundering policies and procedures.
* I confirm that I will fully comply with these policies and procedures.
* I understand the requirement on me to report knowledge or suspicion of money laundering or terrorist financing and will make sure I report as required.
* I am aware of the requirement on me to not make any disclosure which could amount to tipping off or prejudicing an investigation.

Signature:

Date:

\* Staff member to tick all boxes which apply

# Appendix Four – Internal money laundering report form

**Form for completion by members of staff**

Staff members must use this form to report to [sole practitioner name (MLRO)]/[the MLRO] if they suspect money laundering or terrorist financing. The form should be submitted **without delay**. No one else should be notified apart from the MLRO as it may be an offence to disclose that a report has been made. For further guidance on the requirements refer to AMLGAS chapter 6 and Appendix D.

**Client details**

Name

Address

Client reference

**Information/suspicion**

Details of transaction or information which the staff member has become aware of. Please provide as much detail as you can (continue on a separate sheet if necessary)

Signature ……………………………………………………...

Name of staff member …………………………………………..

Date ……………………….