

## **M Pender**

**St. Marys, Ridgway Road, Pyrford, Woking , GU22 8PR**

**Recognised sole practitioner  
060892**

**[Fined Date: 9 April 2025](#)**

### **Decision - Fined**

Outcome: Fine

Outcome date: 9 April 2025

Published date: 9 May 2025

### **Firm details**

#### **Firm or organisation at time of matters giving rise to outcome**

Name: M Pender

Address(es): St. Marys, Ridgway Road, Pyrford, Woking, GU22 8PR

Firm ID: 60892

### **Outcome details**

This outcome was reached by SRA decision.

#### **Decision details**

The firm was fined for failing to maintain a fully compliant firm wide risk assessment (FWRA), policies controls and procedures (PCPs) and failing to conduct client and matter risk assessments (CMRAs) as required by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017).

#### **Reasons/basis**

#### **Facts of the misconduct**

The SRA's AML proactive supervision team carried out an AML desk-based review at the firm to assess its compliance with the MLRs 2017.

On 20 March 2024, an SRA AML Officer notified the firm that various concerns were identified as regards its compliance with requirements for



the FWRA, PCPs and CMRAs for work it carried out within the scope of the MLRs 2017.

The AML officer provided guidance to help the firm meet its obligations and the firm entered into a compliance plan to bring it into compliance with the MLRs 2017.

The firm revised its AML documentation including its FWRA and its PCPs so that they were compliant with the MLRs 2017 by May 2024.

The firm accepted it did not have a CMRA form or process in place across the firm to record its client and matter risk assessments. It has now put this in place and carries out documented CMRA on all files in-scope of the MLRs 2017 as of June 2024.

## **Findings**

It was found that the firm:

1a) Between 26 June 2017 and 4 February 2024, failed to have in place a documented assessment of the risks of money laundering and terrorist financing to which its business was subject (a firm-wide risk assessment (FWRA)) pursuant to Regulation 18(1) and 18(4) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulation 2017 (MLRs 2017).

1b) Between 5 February 2024 and 30 May 2024, failed to have in place an appropriate FWRA that identified and assessed the risks of money laundering to which it was subject taking into account all risk factors pursuant to Regulation 18(2) of the MLRs 2017.

2a) Between 6 October 2011 and 25 June 2017, failed to establish and maintain appropriate and risk-sensitive policies and procedures (P&Ps) pursuant to Regulation 20(1) of the MLRs 2007.

2b) Between 26 June 2017 and 4 February 2024, failed to establish and maintain policies, controls, and procedures (PCPs), pursuant to Regulation 19(1)(a) of the MLRs 2017.

2c) Between 5 February 2024 and 30 May 2024, failed to establish and maintain fully compliant PCPs, pursuant to Regulation 19(1)(a) of the MLRs 2017.

3a) Between 26 June 2017 and 26 June 2024, failed to undertake a CMRA on six in-scope files reviewed, as required by Regulation 28(12)(a)(ii) and Regulation 28(13) of the MLRs 2017. Therefore, the firm was unable to demonstrate that the extent of the measures it had taken to satisfy the requirements of Regulation 28 were appropriate, as required by Regulation 28(16) of the MLRs 2017.

3b) In three client matters, failed to identify and verify its client. None of the three files had adequate identification and verification (ID&V) documentation in place, contrary to Regulation 28(2)(a) and (b) of the MLRs 2017.

### **Decision on sanction**

The firm was directed to pay a financial penalty equivalent to 2.8% of its annual domestic turnover (£1,104) and ordered to pay costs of £1,350.

This was because the firm's conduct was serious by reference to the following factors in the SRA Enforcement Strategy:

- The findings relate to breaches of the MLRs 2017, which protect the public from the serious consequences of money laundering and terrorist financing.
- Its conduct was a breach of its regulatory obligations which persisted for longer than was reasonable and formed a pattern of misconduct.
- The firm was responsible for its own conduct which was serious and had the potential to cause harm to the public interest and to public confidence in the legal profession.

In view of the above, the firm's conduct was placed in conduct band C which has a financial penalty bracket of 1.6 per cent to 3.2 per cent of annual domestic turnover. The firm's conduct was placed in the higher range of this band at C4 (2.8 per cent of annual domestic turnover).

In placing the conduct at the higher range of the band, the following aggravating factors were considered:

1. The firm failed to ensure it was compliant with the MLRs 2007 and 2017 for several years.
2. There was a general culture of not assessing risk properly at the firm.
3. The breaches were wide ranging and serious and continued for a substantial period of time, despite the SRA's published guidance and warning notices.

In mitigation, it was noted that:

1. The firm co-operated fully with the SRA's investigation, had admitted the allegations and apologised.
2. It took remedial action and now has fully compliant AML documentation and procedures in place.

### **SRA Standards and Regulations breached**

#### **SRA Principles 2011**



Principle 6 You must behave in a way that maintains the trust the public places in you and in the provision of legal services.

Principle 8 You must run your business or carry out your role in the business effectively and in accordance with proper governance and sound financial and risk management principles.

### **SRA Principles 2019**

Principle 2 You act in a way that upholds public trust and confidence in the solicitors' profession and in legal services provided by authorised persons.

### **SRA Code of Conduct 2011**

Outcome 7.2 You have effective systems and controls in place to achieve and comply with all the Principles, rules and outcomes and other requirements of the Handbook where applicable.

Outcome 7.5 You comply with legislation applicable to your business, including anti-money laundering and data protection legislation.

### **SRA Code of Conduct for Firms 2019**

Paragraph 2.1(a) You have effective governance structures, arrangements, systems and controls in place that ensure you comply with all the SRA's regulatory arrangements, as well as with other regulatory and legislative requirements, which apply to you.

Paragraph 3.1 You keep up to date with and follow the law and regulation governing the way you work.

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