

**Hine Downing LLP (Hine Downing Solicitors)**  
**8-14 Berkeley Vale, Falmouth , TR11 3PH**  
**Recognised body**  
**597318**

[Fin ed Date: 21 February 2024](#)

## **Decision - Fined**

Outcome: Fine

Outcome date: 21 February 2024

Published date: 22 March 2024

## **Firm details**

No detail provided:

## **Outcome details**

This outcome was reached by SRA decision.

## **Decision details**

### **Who does this disciplinary decision relate to?**

Hine Downing LLP (the firm) is a recognised body whose principal office is at 8-14 Berkeley Vale, Falmouth, TR11 3PH.

## **Facts of the misconduct**

On 26 June 2017, the Money Laundering, Terrorist Financing and Transfer of Funds (information on the Payer) Regulations 2017 (MLRs 2017) came into force. Law firms who carry out certain work must comply with the MLRs 2017. Those firms must have Policies, Controls and Procedures (PCPs) in place and carry out client/matter risk assessments (CMRAs) in order to identify and assess the risks of money laundering and terrorist financing.

In October 2021, the SRA's Anti-Money Laundering (AML) Proactive Team undertook a desk-based AML review at the firm to assess its compliance against the MLRs 2017.

It was found that the firm did not have a compliant PCPs in place. It also found that four in scope files had no CMRA.

It was found that the firm:

#### **Allegation one**

Between 26 June 2017 and around September 2022, had Policies, Controls and Procedures (PCPs) in place that did not comply with the requirements of Regulation 19 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017)

In doing so, to the extent the conduct took place up to 25 November 2019, the firm:

- i. breached Principles 6 and 8 of the SRA Principles 2011,
- ii. failed to achieve Outcome 7.5 of the SRA Code of Conduct 2011

and to the extent the conduct took place after 25 November 2019

- i. breached Principle 2 of the SRA Principles 2019, and
- ii. breached Paragraph 2.1(a) SRA Code of Conduct for Firms (2019).

#### **Allegation two**

Failed to conduct an adequate client matter risk assessment (CMRA) as required by Regulations 28(12)(a)(ii) and 28(13) of the MLRs 2017 on four of its files.

In doing so, to the extent the conduct took place up to 25 November 2019, the firm:

- i. breached Principles 6 and 8 of the SRA Principles 2011,
- ii. failed to achieve Outcomes 7.2 and 7.5 of the SRA Code of Conduct 2011.

and to the extent the conduct took place after 25 November 2019

- i. breached Principle 2 of the SRA Principles 2019, and
- ii. breached Paragraph 2.1(a) and 3.1 SRA Code of Conduct for Firms (2019).

#### **Decision on sanction**

Hine Downing LLP was directed to pay a penalty of £20,870.68 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:

1. Its conduct was a breach of its regulatory obligations which persisted for longer than was reasonable.



2. The firm was responsible for its own conduct which was serious and had the potential to cause serious harm to the public interest and to public confidence in the legal profession.
3. This risk was heightened given the high proportion of the firm's work that was 'in scope' of the MLRs 2017.

In view of the above, the firm's conduct was placed in conduct band B which has a financial penalty of 0.4%-1.2% of annual domestic turnover. In light of these factors, the firm's conduct was placed towards the higher range of this bracket.

The following mitigating factors were considered resulting in a fine of £20,870.68.

1. There was no significant harm caused by the firm's failings,
2. The firm had made admissions,
3. The firm cooperated with the SRA,
4. The firm had remedied the breaches.

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

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

#### **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.

#### **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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