

Paul Berg & Taylor
5 Kinsbourne Court, 96-100, Luton Road,
Harpenden , AL5 3BL
Recognised body
068120

[Fined Date: 28 October 2024](#)

Decision - Fined

Outcome: Fine

Outcome date: 28 October 2024

Published date: 10 December 2024

Firm details

No detail provided:

Outcome details

This outcome was reached by SRA decision.

Decision details

Paul Berg & Taylor (the firm), is a recognised body whose offices are at 5 Kinsbourne Court, 96-100 Luton Road, Harpenden, AL5 3BL.

Summary of decision

The firm was fined for failing to ensure it had relevant documentation in place to prevent activities relating to money laundering and terrorist financing as required by the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017).

Facts of the misconduct

On 7 September 2023, an SRA AML officer notified the firm that following an SRA desk-based review it was identified that the firm had failed to comply with the MLRs 2017. The AML officer referred the matter to the SRA's AML investigation team for formal investigation.

The firm was notified of its breaches of the MLRs 2017. It was given guidance on what it needed to do to become compliant. Following further



engagement with the SRA the firm revised its FWRA and PCPs so that they were compliant with the MLRs 2017 by October and December 2023 respectively.

Findings

It was found that the firm:

Allegation 1

Between 26 June 2017 and 29 October 2023, 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) Regulations 2017 (MLRs 2017).

Allegation 2

Between 26 June 2017 and 30 November 2023, failed to establish and maintain fully compliant policies, controls, and procedures (PCPs) to mitigate and effectively manage the risks of money laundering and terrorist financing, identified in any risk assessment (FWRA), pursuant to Regulation 19(1)(a) of the MLRs 2017, and regularly review and update them pursuant to Regulation 19(1)(b) of the MLRs 2017.

In doing so, to the extent the conduct took place between 6 October 2011 and 24 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 from 25 November 2019, the firm breached:

- iii. Principle 2 of the SRA Principles 2019
- iv. Paragraphs 2.1(a) and 3.1 of the SRA Code of Conduct for Firms 2019

Decision on sanction

The firm was directed to pay a financial penalty of £21,588 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. The findings relate to breaches of the MLRs 2017, which protect the public from the serious consequences of money laundering and terrorist financing.
2. Its conduct was a breach of its regulatory obligations which persisted for longer than was reasonable and formed a pattern of misconduct.
3. 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 of 1.6 per cent to 3.2 per cent of annual domestic turnover. The firm's conduct was placed in the mid-range of this band at C3 (2.4 per cent of annual domestic turnover).

In placing the conduct at the mid-range of the band, the following mitigating factors were considered:

1. The firm co-operated fully with the SRA's investigation.
2. It quickly took remedial action and now has fully compliant AML documentation in place at the firm.

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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