Name: Alert ID: TMML2024039244648 An international firm has agreed to be fined almost £20,000 after accepting it failed to carry out due diligence on a string of foreign investor clients. Taylor Vinters LLP made a regulatory settlement agreement with the SRA after admitting four rule breaches under money laundering regulations. According to the settlement, the firm acted from 2014 in 161 matters for 88 overseas nationals buying expensive off-plan property plots in London. By 2018, it had received around £16.8m into the client bank account but an employee or manager of the firm had met only half of the clients. In 17 matters, involving nine clients, money was received without any customer due diligence being undertaken: in 26 further matters the firm held some due diligence documents such as passports but had not still completed all the checks required. Taylor Vinters stated that its client bank account details had been provided to clients without its knowledge. The firm did not know who had provided the clients with its bank details. Once the firm became aware, it informed clients not to send funds until the required customer due diligence had been completed. It was found that the firm itself had assessed the money laundering risks of these matters as ‘high’ and so was required to conduct enhanced customer due diligence and ongoing monitoring. It implemented what it described as a ‘quadruple lock’ process of needing photo ID, confirmation of address, a copy of the client’s bank statement and an online check. But in 43 of the matters it was found the firm failed to conduct adequate checks before funds were deposited and failed to do ongoing monitoring. The SRA acknowledged, in terms of mitigation, that client account details were given out without the firm’s knowledge, and that the firm put in place processes to mitigate the identified breaches. The regulator also noted that retrospective customer due diligence was made following receipt of the monies on all but one client, the misconduct had not been repeated since and the firm had assisted the SRA throughout the investigation. There was no reason to suspect that any dubious transactions, which bear the hallmarks of money laundering, had taken place either. The £19,200 fine was calculated as 0.2% of the firm’s £16m turnover for the relevant period, discounted to take account of mitigation. Taylor Vinters will also pay £5,800 costs.