



## ANTI-MONEY LAUNDERING QUESTIONNAIRE FOR LEGAL PROFESSIONALS

2022

### PART I – GENERAL INFORMATION

1. Name of Law Firm
2. Name of the person completing this document

3. Does your firm maintain an AML Policy?

- Yes
- No

If Yes, please send your **AML Policy** to [aml@hklawsoc.org.hk](mailto:aml@hklawsoc.org.hk) after completing this questionnaire

4. What is the size of your firm?

- Sole Practitioner
- 2-5 Partners
- 6-10 Partners
- 11-20 Partners
- Over 20 Partners

5. Gross fees total fees at your last reported financial year end

6. Please list all areas of legal practice that your firm provides

- Conveyancing
- Property Law
- Company / Commercial Law
- Wills and Probate
- Insolvency / Bankruptcy
- Tax Law
- Licensed Trust and Company Service Provider (TCSP)
- Trust Services
- Company services business



- Shipping and Maritime Law
  - Banking and Finance
  - Family Law
  - Criminal Law
  - Employment Law
  - Civil Litigation
  - Personal Injuries
  - Intellectual Property
  - Notary Public
  
  - Other practice areas (please specify):
7. Number of clients to whom professional services were provided between 1 January 2021 - 31 December 2021 or at your last reported financial year end
8. Number of clients categorised as Politically Exposed Person (PEP) as at 31 December 2021
9. Number of clients categorised as High Risk by the firm as at 31 December 2021
10. Number of clients domiciled in high risk and other monitored jurisdictions identified by FATF as at 31 December 2021
11. Number of clients subject to Sanctions exposure as at 31 December 2021
12. What key area(s) of your practice have the highest number of transactions?
- Conveyancing
  - Property Law
  - Company / Commercial Law
  - Wills and Probate
  - Insolvency / Bankruptcy
  - Tax Law
  - Shipping and Maritime Law
  - Licensed Trust and Company Service Provider (TCSP)



- Trust services
- Company services business
- Banking and Finance
- Family Law
- Employment Law
- Civil Litigation
  
- Other practice areas (please specify):

13. Does your firm prepare for, or carry out transactions for clients involving the following activities? Please select all applicable answers.

- Buying and selling of real estate
- Buying and selling of businesses, companies, securities or other assets
- Managing of client money, securities or other assets
- Creating, Managing or Organising legal persons such as a company, a foundation, a limited liability partnership or other entity
- Acting as a formation agent of a legal person with a view to assisting another person to incorporate, register or set up (as the case may be) a company, a foundation, a limited liability partnership or other entity
- Acting or (causing another person to act) as a director/secretary/partner (or similar position) of a legal person such as a company/foundation/LLP (or similar entity)
- Providing a registered office/business address/administrative address (or similar) for a legal person such as a company/foundation/LLP (or similar entity)
- Acting or (causing another person to act) as a nominee shareholder for another person
- Providing Insolvency advice
- Providing Tax advice
- Providing or acting as an escrow agent
- Acting in transactions involving custody of funds as a stakeholder or transfer of funds through a client's bank account

14. Where are your clients domiciled? Please select all applicable jurisdictions from the list below.

Dropdown list of countries to select from

- Additional jurisdictions not listed above:

15. Which are the top 4 jurisdictions where your clients are domiciled? Please list those jurisdictions.

16. Does your firm accept instructions from clients without a face-to-face meeting?

- Yes
- No

17. Does your firm accept cash from clients in sale and purchase property transactions or in any other type of transactions, if so in what capacity?

- No
- Yes, please specify situations where your firm accepts cash from its clients:



## PART II – AML POLICIES AND PROCEDURES

18. Who did your law firm appoint as a designated person to oversee Money Laundering (“ML”) / Terrorist Financing (“TF”) risks?

- Money Laundering Reporting Officer
- Compliance Officer
- Senior partner in the firm
- Sole practitioner

19. Has your firm conducted a full risk assessment of its likely exposure to ML/TF and sanctions risks, considering, for instance, its size, client base (including new clients), area(s) of practice, reliance on third parties etc.

- Yes
- No

If Yes - Did your firm implement any of the following measures:

- The firm's risk assessment has been documented
- The risk assessment considers any notice issued by the Law Society of a situation that may present a high risk of ML / TF or risk of sanction violations
- The risk assessment has been approved by the Senior Management/ a Senior Partner in the firm
- Appropriate AML/CTF/Sanctions policy and procedures have been created to address and manage the risk(s)

20. Does your firm keep risk assessment records for each client?

- Yes
- No



21. Does your firm apply Customer Due Diligence measures set out below? Please selected all applicable options.
- When establishing a business relationship with a client, CDD is performed
  - When carrying on occasional transactions, CDD is performed
  - When there is a change to client's information, CDD is performed
  - When doubts exist in relation to a client's identification information, Enhanced CDD is performed
  - When there is a higher ML / TF and Sanctions risk, Enhanced CDD is performed
  - When client is not present for a face to face identification, additional measures are applied to verify his/hers identity
  - For every transaction, client's source of funds is verified
  - For every client categorized as "High risk", Enhanced CDD is performed and source of wealth is verified
22. Do you keep records of your clients' and beneficial owners' identification documents, nature and intended purpose of transactions, details of the relationship between the client and other parties to transactions as well as information on the source of funding?
- Yes
  - No
23. Does your firm apply Enhanced Due Diligence in the following situations, please select all applicable options.
- Handling complex or unusually large transactions or unusual patterns of transactions, which have no apparent economic or lawful purpose
  - Acting for clients from high risk jurisdictions or jurisdictions vulnerable to corruption
  - Acting for a client with a complex ownership structure
  - Acting for a company with nominee shareholders or capital in the form of bearer shares
  - Acting for an overseas company where corporate information is not readily available
  - Acting for companies or trusts where a beneficiary is located in a high-risk jurisdiction
  - Acting for clients defined as Politically Exposed Persons
  - When there is a suspicion of ML / TF involving your client
24. Does your firm verify Source of Wealth in every situation where Enhanced Due Diligence is required?
- Yes
  - No



25. Which of the following client screening checks does your firm perform at the client onboarding stage? Please select all applicable options.
- Politically Exposed Person
  - Sanctions
  - Adverse News
  - High risk jurisdictions
  - Terrorist organisations and individuals
26. What type of data does your firm use to conduct client screening? Please select all applicable options.
- Public websites
  - In-house data
  - Third-party sanctions data
  - Automated workflow or onboarding system
  - Client ID data verified by a Third-party provider
27. When are AML / Sanctions client screening checks are performed at your firm? Please select all applicable options.
- At the onboarding stage
  - Periodic monitoring of existing client matters
  - When refreshing client files for returning clients or recurring matters
  - When third party payments are made to its client account
  - As part of the employee hiring process
  - When there is an indication that the identity of the customer or the beneficial owner has changed
  - When there is unusual activity or suspected unusual activity
  - None of the above
28. Is your process for identification and filing of Suspicious Transaction Reports (STRs) documented?
- Yes
  - No
29. Has your firm submitted any STRs during 2021?
- No
  - Yes – provide number of STRs filed:



30. Has your firm filed any STRs in the past 5 years preceding 2021?

- Yes
- No

31. Does your firm provide AML training specific to the ML/TF risks associated with services provided by the firm to new and existing employees?

- Yes
- No

32. Does your firm rely on intermediaries (including an overseas office of your firm) for the performance of CDD/KYC?

- Yes
- No

33. Does your firm apply group-wide AML policy(s) to manage ML/TF risks?

- Yes
- No





### PART III – AML CHALLENGES AND SUPERVISION

34. What are the key AML challenges that your firm is facing? Please provide examples.
35. What type of supervision you would like the Law Society to implement to effectively support firms with its efforts to combat ML and TF?
- The Law Society to conduct review visits or audits to verify law firms' compliance with the AML requirements?
  - Appoint an audit firm to check law firms' compliance with the AML requirements?
  - Appoint other law firms to check law firms' compliance with the AML requirements?
  - Require a sole principal or senior partner of each firm to sign a Declaration of Compliance with the AML requirements on behalf of the firm when he/she applies to renew his/her practicing certificate every year?
  - Participate in one-to-one collaborative assessment meeting(s) with the Law Society to assist your firm with enhancing its AML compliance?
36. What type of support or actions should the Law Society take to assist Members in enhancing their understanding and compliance with their AML / CTF requirements? Please provide examples.
- Design templates for example KYC/CDD or Risk Assessment forms
  - Provide more publications for educational purposes
  - Organise individual meetings to assist with the practical application of the AML requirements
  - Create a designated point of contact at the Law Society to assist with the AML related queries
  - Create an AML Forum for law firms to meet and discuss day-to-day issues with the application of the AML requirements