

Petrou & Co (Petrou & Co)
Block A Southgate Office Village, 284 Chase Road,
London , N14 6HF
Recognised body
325354

Fined Date: 15 December 2023

Decision - Fined

Outcome: Fine

Outcome date: 15 December 2023

Published date: 22 January 2024

Firm details

Firm or organisation at date of publication

Name: Petrou & Co

Address(es): Block A Southgate Office Village, 284 Chase Road, London

Firm ID: 325354

Outcome details

This outcome was reached by SRA decision.

Decision details

Disciplinary Decision for Publication

Who does this disciplinary decision relate to?

Petrou & Co (the firm) is a recognised body whose office is at Block A Southgate Office Village, 284 Chase Road, London N14 6HF.

Summary of Decision

The firm has been fined for failing to have in place between 26 June 2017 and 9 October 2023, a documented and compliant firm-wide risk assessment (FWRA) and/ or compliant policies, controls and procedures (PCPs) contrary to the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017). It was also found to have made an inaccurate declaration to the SRA in respect



of its FWRA. Four files between November 2022 and February 2023 were also found not to have had adequate client/matter risk assessments and/or source of funds checks in place.

Reasons/basis

Facts of the misconduct

It was found that:

1. Between 26 June 2017 and 9 October 2023, the firm has failed to have in place, in terms of the firm's overall AML firm controls:

- a. A firm-wide risk assessment (FWRA) as required by Regulation 18 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (MLRs 2017), and / or
- b. Fully compliant policies, controls and procedures (PCPs) as required by Regulation 19 of the MLRs 2017.

In doing so the firm has:

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

and where the conduct took place after 25 November 2019

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

1. On 14 October 2020, the firm provided the SRA with inaccurate information, by making a declaration that its firm-wide risk assessment was compliant with the requirements of Regulation 18 of the MLRs 2017, when it did not have one in place.

In doing so the firm has:

- i. breached Paragraph 3.3(a) of the SRA Code of Conduct for Firms (2019), and
- ii. breached Principle 2 of the SRA Principles 2019.

3. Between November 2022 and February 2023, on four files, the firm failed to conduct:

- a. adequate source of funds checks as required by Regulation 28(11) (a) of the MLRs 2017; and / or
- b. adequate client/matter risk assessments as required by Regulations 28(12)(a)(ii) and 28(13) of the MLRs 2017.

In doing so, the firm has:



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

Decision on sanction

Petrou & Co was directed to pay a financial penalty of £4,240.57 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 legal and regulatory obligations which persisted for more than six years.
2. It 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 penalty bracket of 1.6%-3.2% of annual domestic turnover. The firm's conduct was placed at the upper end of this bracket due to aggravating factors, including that several breaches were identified and that the misconduct was longstanding. Although the firm has recently taken remedial action, the breaches persisted for longer than reasonable, including after engagement with the SRA.

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 3.3

You respond promptly to the SRA and:

- a. provide full and accurate explanations, information and documentation in response to any requests of requirements.

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