

## **MF Legal Services Review**

### **HELENE MATHIEU LEGAL CONSULTANTS**

**Date on which compliance inspection was undertaken: 16<sup>th</sup> to 18<sup>th</sup> December, 2014**

#### **Auditor**

Miss. Yarisbeth Bazán

#### **Use of our Report**

This report is addressed to you, as a director of HELENE MATHIEU LEGAL CONSULTANTS. We understand, however, that you may wish to make it available to other related parties within your office or to your external auditors. In addition, it may be relevant to make the report available to third parties, with whom you conduct business and to whom the report specifically relates. MF Legal, therefore, consents to the report, or parts thereof, being provided to those identified above for their information. However, MF Legal will not accept any liability or responsibility to those parties.

You should not use our report, or make references to it, in material disseminated to parties, other than those entities described above, without the MF Legal Services express written permission. In addition, you should impose the same conditions on any of those parties, to whom you have provided copies or extracts, in strict accordance with the terms and conditions of this consent.

#### **Limitation of Work**

We should emphasize that the purpose of the compliance inspection was to review certain areas of your operations as part of the MF Legal Services adopted risk based monitoring approach and is, therefore, subject to inherent limitations. Accordingly, errors or irregularities may not have been detected. For clarity, you should note that a lack of criticism of an area of procedure, practice or operation should not be taken as tacit approval.

#### **Makeup of Report**

Where appropriate, this report highlights issues that MF Legal Services believes have or may give rise to regulatory risk or will encourage best practice. These best practice comments and recommendations are based upon MF Legal experience of industry best practice and are recommended on the basis of problems that may arise, but could be avoided if certain procedures are implemented.

#### **Ratings applied**

The following is an explanation of the ratings applied within this report:

Satisfactory: Adequate systems and procedures evident with any issues raised having limited impact.

Room for Improvement: Some weaknesses have been identified in procedures and controls. In some areas, a corrective action or a corrective action plan is required.

Unsatisfactory: Serious failings were evident in procedures or controls. Urgent remedial

action is required.

Table 1: Areas reviewed and ratings applied are as per the table which follows:

AREAS REVIEWED	RATING APPLIED
Internal Control System – Policies and Procedures	Unsatisfactory
Record Keeping	Unsatisfactory
Customer Due Diligence – Circumstances and Business of Customers	Unsatisfactory
Customer Due Diligence – PEPs	Unsatisfactory
Customer Identification and Verification	Unsatisfactory
Employee/Staff Training and Education	Unsatisfactory
Client File Review	Unsatisfactory