

## How the Money Laundering Regulations are applied

On 15 December 2007 the Government introduced the new Money Laundering Regulations 2007. This new legislation made significant changes to the existing regulations, and most importantly brought and 'Trust & Company Service Providers' within the remit of the Regulations.

Consequently, all UK company registration agents are now subject to the Money Laundering Regulations 2007 (MLR) and supervised directly in these matters by HM Revenue & Customs. We are therefore obliged under the Regulations to carry out appropriate due diligence and identification checks on any customer with whom we establish an on-going business relationship, or for whom we incorporate a company. This means that in many cases we are required by law to obtain proof of identity from clients in respect of various services that we provide.

In simple terms, this applies to any client ordering one or more of our standard annual services such as CompanyView Managed Company Secretarial Service, Corporate Secretary, Registered Office, Mail Forwarding or Nominee Shareholders. Also, with amendments to the MLR provisions more recently, we are also obliged to conduct check on all directors and beneficial shareholders of clients who only wish to register a new company.

In most cases we use electronic verification to verify the identity of individuals transacting with us but there are some cases where this proves insufficient so we may ask you to provide further details so we can comply with the law.

This may apply where directors or shareholders of a company for whom we are asked to provide services are resident outside the UK or are foreign nationals based in the UK. We will advise immediately upon receiving your order if we need any further information from you. Additionally, where a client orders companies on a regular basis, regardless of any additional services, we will also be required to verify the identity of that client. Our ordering system will in fact automatically recognise most circumstances where identification is required and you will be given instructions accordingly.

Where we act for professional intermediaries such as accountants and solicitors who are themselves in a regulated sector, we may ask to rely on their respective due diligence in connection with any on-going services ordered.

## Who we need to identify

We must identify the following individuals:

- All persons named as directors
- All persons holding 25% or more of the voting shares
- The person placing the order (if not named as a director or shareholder)
- If any director or shareholder is a corporate entity we will need to apply the same procedure to each entity in order to identify the controlling individuals

cont'd...

## What we need from you

Where we have ascertained that we need to carry out due diligence measures to identify those connected with a company, we will need you to provide the following documentation which must be submitted to us within 30 days from the date of your order. Documentation is required in respect of each individual as defined above:

- A copy of a valid passport or other official photographic proof of identity such as UK driving license or national identity card
- A copy of a bank or credit card statement no more than three months old showing the full name and address, and NOT printed from the Internet

## Important Notes:

1. Where we ask for copies of documents, all copies MUST BE CERTIFIED as true copies of originals, and we must have hard copy documents showing the original certifying signature. We cannot accept faxed or scanned documents. Certification must be carried out by a professional person such as a solicitor, notary, post office official or general medical practitioner who is not already a friend or relative of the individual concerned. Copies must be clear and legible, and certifying signatures should be accompanied by a clear print of the name and address of the person certifying, preferably with a stamp impression of the organisation they are acting for. Please do not send original documents. We reserve the right to refuse acceptance of identification documents if they do not meet these criteria.
2. In most circumstances, the incorporation of companies and delivery of services will not be delayed. However, we reserve the right to place orders on hold prior to receipt of identifying documents where we feel there is a need to do so in order to comply with the Regulations. This may apply particularly if clients are resident outside the European Union.
3. In all cases, we are obliged under the provisions of the Money Laundering Regulations to cease any business relationship if we cannot complete due diligence measures or there is an unacceptable delay in receiving documentation. Please ensure you deliver the necessary documentation to us within the 30 days specified to ensure continuation of your services.
4. Under no circumstances will any refund of fees be made if a service is terminated following a request of identification documents under MLR that is not properly complied with once the initial service has been requested and supplied.