

## How the Money Laundering Regulations are applied

All UK company registration agents are subject to the Money Laundering Regulations (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 incorporate a company for, which means that in some cases we will be 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 company formations, one or more of our standard annual services such as our Managed Company Secretarial Service, Corporate Secretary, Registered Office, Mail Forwarding or Nominee Shareholders.

Additionally, on 26 June 2017 the Government introduced the Money Laundering Regulations, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. Under the amended Regulations, the formation of a limited company without the addition of any of these services is now also classed as a “business relationship” and as such, company registration agents are obliged to carry out due diligence on all companies formed with us regardless of whether there are any on-going services attached to an order.

In the majority of circumstances our checks are carried out electronically, but CRO reserves the right to ask any client for documentary proof of identity in compliance with the Regulations. Clients will be advised of any additional requirement to provide identification during the formation process.

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 beneficial owners holding over 25%
- 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
- Any other Person of Significant Control not covered above.

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## What we need from you

Where we have ascertained that we need to carry out due diligence measures, or enhanced due diligence, and obtain documentary evidence 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:

- A copy of a valid passport or other official photographic proof of identity such as UK driving licence 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

Documentation is required in respect of each individual as defined above:

## Important Notes:

1. Copies of documents **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 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, address and position of the person certifying, preferably with a stamp impression of the organisation they represent. 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.