

## **Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (the "Regulations") guidance**

### **IDENTIFICATION PROCEDURES FOR CLIENTS AND BENEFICIAL OWNERS OF CLIENTS**

In order to comply with the Regulations, we are required to verify the identity of the client for which we are acting and those individuals upon whose instructions we are acting. Where the client is a corporate entity, we are also required to identify its ultimate beneficial owner.

#### **Meaning of beneficial owner**

In the Regulations, a beneficial owner in relation to a **body corporate** means:

- a) any individual who exercises control over the management of the body corporate; or
- b) (if the body corporate is not a company whose securities are listed on a regulated market), any individual who ultimately owns or controls (in each case either directly or indirectly), more than 25% of the shares or voting rights in the body; or
- c) Any individual who controls the body corporate.

In the case of a **partnership** (other than a limited liability partnership), "beneficial owner" means any individual who—

- a) ultimately is entitled to or controls (in each case whether directly or indirectly) more than 25% share of the capital or profits of the partnership or more than 25% of the voting rights in the partnership; or
- b) otherwise exercises control over the management of the partnership.

"Beneficial owner", in relation to a **trust**, means each of the following—

- a) the settlor;
- b) the trustees;
- c) the beneficiaries, or where the individuals benefiting from the trust have not been determined, the class of persons in whose main interest the trust is set up, or operates; and
- d) any individual who has control over the trust.

### **POLITICALLY EXPOSED PERSONS ("PEP")**

As per the Regulations, we must determine whether the client, any of its persons of significant control or ultimate beneficial owner(s), are a PEP or a family member or known close associate of a PEP.

The Regulations define a PEP as an individual who is entrusted with prominent public functions, other than as a middle ranking or more junior official.

Individuals entrusted with prominent public functions include:

- a) heads of state, heads of government, ministers and deputy or assistant ministers;
- b) members of parliament or of similar legislative bodies;
- c) members of the governing bodies of political parties;
- d) members of supreme courts, of constitutional courts or of any judicial body the decisions of which are not subject to further appeal except in exceptional circumstances;
- e) members of courts of auditors or of the boards of central banks;
- f) ambassadors, charges d'affaires and high-ranking officers in the armed forces;

- g) members of the administrative, management or supervisory bodies of State-owned enterprises; and
- h) directors, deputy directors and members of the board or equivalent function of an international organisation.

You should inform us immediately if any relevant parties are a PEP or have been a PEP in the last 12 months.

Further information in relation to AML regulations can be found at <http://www.legislation.gov.uk/uksi/2017/692>

## **DATA PROTECTION**

FRP Advisory Trading Limited will be the controller in respect of the personal data it collects for these purposes.

Please note, we will need to share the information with electronic identity checking agencies to verify the information you have provided.

Further information in relation to how FRP may use, store and share the information is set out in our privacy notice at <https://www.frpadvisory.com/privacy/>.