

<<Individual's Name>>
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<<Address>>
<<Postcode>>

<<Date>>

Dear << >>

Economic Crime

The ECCT is part of the Economic Crime and Corporate Transparency Act 2023. It received Royal Assent in March 2023. The ECCT is multifaceted and includes for example, providing new powers for law enforcement and a significant change will be to introduce a significant extra layer of oversight with it.

These changes include changes to the tax powers for Companies House and these proposed changes that we consider

There is now time to allow for implementing changes to be made

Why are we writing

As a person with particular responsibility, particularly by the information to you once it is in force

Identity verification

All new and existing (both individual and legal entities) documents to Companies House will be ID verified, directly via Companies House or indirectly via an Authorised Agent (such as an accountant, lawyer, or company formation agent).

There will be different to the exact time failing to verify could to make statutory being, "unverified

[Company's Letterhead or insert Address]

Economic Crime and Corporate Transparency (ECCT) Act – ID verification of PSCs

In response to the need to tackle economic crime in the UK, the Government has introduced the Economic Crime and Corporate Transparency Act 2023. The ECCT is multifaceted and includes for example, providing new powers for law enforcement and a significant change will be to introduce a significant extra layer of oversight with it.

These changes include changes to the tax powers for Companies House and these proposed changes that we consider. More details can also be found online [here](#).

The Act has now received Royal Assent and coming into force to allow for implementing changes to be made.

As a person with particular responsibility, particularly by the information to you once it is in force

All new and existing (both individual and legal entities) documents to Companies House will be ID verified, directly via Companies House or indirectly via an Authorised Agent (such as an accountant, lawyer, or company formation agent).

There will be different to the exact time failing to verify could to make statutory being, "unverified

ID verification will be required for all new PSCs with multiple companies registered in the same place on the register. Existing PSCs will already have been ID verified and therefore you will automatically be ID verified.

Verification direct to Companies House

The identity of PSCs will be verified in two ways:

- direct verification with Companies House; or
- an indirect verification through an ACSP.

If a person is verified directly with Companies House, it is an online system which will link a person's identity to a public document. This could for example, be a passport or driving licence. The person will take a photograph or scan of their face and the system will compare this with the photo on the document, using likeness matching technology, and the person will be notified that their identity has been verified. Documents may also be checked against government databases as part of the process.

It is expected that the majority of PSCs will use the digital ID verification system.

The alternative to direct verification is that a verification statement can be made on your behalf by an ACSP, who will be responsible for verifying your identity.

ACSPs are independent third party agents. They must be authorised by the Financial Conduct Authority for the purposes of carrying out customer due diligence checks. It is expected that ACSPs will need to be at least authorised under the Money Laundering Regulations.

Verification of PSCs

Unlike for directors, there will be a grace period after being added to the PSC register during which new PSCs will be given a period of 28 days in which to verify.

For individual PSCs, this will be 28 days. RLEs will need to be ID verified. Whilst PSCs may already be ID verified, for those PSCs who have not already been verified, Companies House will follow up directly with the PSC to obtain ID verification statements they require.

There is also expected to be a period during which existing PSCs will be required to verify their identity (for existing directors).

How we propose to verify PSCs

It is likely that we will require PSCs to verify directly with Companies House OR [verify using [a] ACSP].

Where you have more than one role or are registered as a director of more than one company, all your information will be contained in one PSC, so you will not be required to ID verify as a director and therefore you will not be required to "re-verify" as a PSC on the public register.

Verification through an ACSP

The identity of PSCs will be verified in two ways:

- direct verification with Companies House; or
- an indirect verification through an ACSP.

If a person is verified directly with Companies House, it is an online system which will link a person's identity to a public document. This could for example, be a passport or driving licence. The person will take a photograph or scan of their face and the system will compare this with the photo on the document, using likeness matching technology, and the person will be notified that their identity has been verified. Documents may also be checked against government databases as part of the process.

Alternative methods available for individuals without access to the digital ID verification system.

The alternative to direct verification is that a verification statement can be made on your behalf by an ACSP, who will be responsible for verifying your identity. This statement will be made by Companies House that it has verified your ID.

ACSPs are independent third party agents. They must be authorised by the Financial Conduct Authority for the purposes of carrying out customer due diligence checks. It is expected that ACSPs will need to be at least authorised under the Money Laundering Regulations. The checks that ACSPs will make will be verified by Companies House. Further details will be set out in the final Regulations.

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For individual PSCs, this will be 28 days. RLEs will need to be ID verified. Whilst PSCs may already be ID verified, for those PSCs who have not already been verified, Companies House will follow up directly with the PSC to obtain ID verification statements they require.

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Verification

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We will however

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Yours sincerely,

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