

# Investment KYC

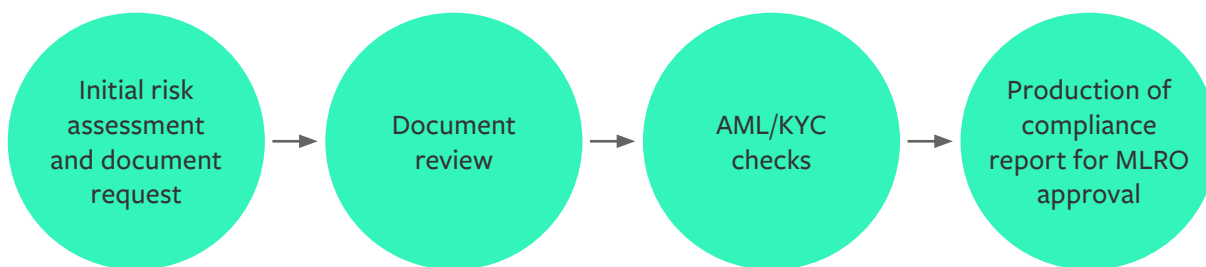
## Introduction

Under UK AML regulations and best practice standards set out in the JMSLG, private equity funds should conduct AML Know Your Customer (“KYC”) checks on any new unlisted investment or portfolio company acquisition. This is to ensure that the Fund is not inadvertently facilitating money laundering.

This can be challenging because timeframes are often short between a transaction being agreed and executed. But getting it wrong can have serious consequences – finding out down the line that the legal structure of the investment or its owners are not as they seem can create headaches that are best avoided. In the worst case it may create a personal liability for the SMF

17 or MLRO of the authorised Firm under the UK Senior Managers Regime.

IQ-EQ has developed a methodology to quickly perform a risk assessment of the investment and complete all the necessary checks, to give fund managers confidence that their investment KYC risks are understood. We have used the methodology numerous times so you can have confidence that we will deliver as promised. We do this for a fixed price of £1,750 per investment, including providing an industry leading documented risk assessment or compliance report for each transaction to meet best practice standards and record-keeping requirements.



## Key considerations / tasks:

- What level of due diligence to apply – simplified, standard, enhanced
- Who are the target company shareholders / UBOs
- Documenting risk analysis of all shareholders
- Completion of sanction and PEP screening checks
- AML checks on directors/management team
- Record keeping requirements
- Suspicious activity reports

Incorporating our Investment KYC review into your standard due diligence process for investment decisions will reduce AML risk and give comfort to your investors.

## About us\*

We are IQ-EQ, a leading investor services group employing over 3,600+ people across 24 jurisdictions worldwide, and thus one of the largest independent global providers of trust services. We bring together that rare combination of global expertise with a deep understanding of the needs of our clients. We have the know how and the know you to support fund managers, global companies, family offices and private clients.

## Key contacts

To find out about our Investment KYC services please contact one of the team. They would be delighted to speak with you.



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\*Information correct as of 17 May 2021

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