



# INTEGRITY

## Reasonable Prevention Procedures for the Criminal Finances Act 2017

### Introduction

The introduction of the Criminal Finances Act creates two new strict liability offences that attribute criminal liability to businesses when those associated with them facilitate criminal tax evasion:

- » The first applies to businesses based anywhere in the world in relation to the facilitation of tax evasion in the UK.
- » The second applies to businesses with a UK connection in relation to the facilitation of tax evasion abroad (where the conduct is criminal tax evasion both in the UK and the other jurisdiction).

The definition of associated persons is wide, being employees, agents, and all persons performing services for or on behalf of the business.

Organisations will face prosecution in relation to the facilitation of tax evasion by associated persons even if they do not know about it or derive any benefit.

The penalty could be criminal prosecution, leading to an unlimited fine.

## How Fieldfisher Can Help

The Act provides that it will be a defence for a business to show that it had “reasonable prevention procedures” in place.

Fieldfisher has developed ‘Integrity’, an approach which addresses all of the six guiding principles which it is expected that a business consider as part of its prevention procedures, namely:

- » Risk assessment
- » Proportionality of risk based prevention procedures
- » Top level commitment
- » Due diligence
- » Communication (including training)
- » Monitoring and review

At the outset, we will brief you on the provisions of the Act and obtain relevant information from you about your business. We work with you to identify specific risk areas and the existing controls and procedures you have in place and ensure they are developed to be robust enough to avail your business of the reasonable procedures defence.

## What we Deliver

**Strategic insights** about how your organisation can minimise risks and improve operational efficiencies around the Criminal Finances Act 2017.

**Clear, actionable recommendations**, utilising the depth of knowledge and experience from our legal and financial crime specialists.

**A comprehensive and cost effective solution**, tailored to your business which will reduce exposure to reputational damage, prosecution and fines under the Act, and ensure a robust defence should the worst happen.



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