

DUE DILIGENCE REVIEW

Name of Pension Provider Company: RC Administration Limited

DUE DILIGENCE QUESTIONS:

*NB PEP means Politically Exposed Person, SIP means Special Interest Person

Part 1 – Corporate Information		
Ref	Information Required/Question	Response
1.1	Company Name	RC Administration Limited
1.2	Registered Address	1a, Park Lane, Poyton, England, SK12 1RD
1.3	Physical Address of Head Office	1a, Park Lane, Poyton, England, SK12 1RD
1.4	Country of Incorporation	UK
1.5	Parent Company Name	n/a
1.6	Please provide information in relation to your company's corporate structure. Please list any subsidiaries and set out the hierarchy of the group structure.	See Attached
1.7	Have there been any changes to the corporate structure in the last twelve months?	No
	Is your company regulated? If so please state the regulatory body and registration number	Registered with HMRC as a Scheme Administrator.
1.8	Do you outsource any area of your business to overseas operations centres?	No
1.9	If the answer to question Ref 1.8 is yes, please confirm that the company retains full responsibility for the provision of these services.	Yes
1.12	In the past five years, has the company or any member of the company been fined or investigated by the regulator?	No

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1.13	Is there any current or pending litigation against the company or any of its subsidiaries?	No
1.14	Please provide the names of your senior management team and state which specific CF categories they hold responsibility for.	David Nicklin - Director Esther-Salmon - AML Officer
	Please provide the following details of your bank's compliance officer/MLRO who oversees the anti-money laundering arrangements: <ul style="list-style-type: none"> • Name • Title • Phone Number • Fax Number • Address Email Address 	Esther-Salmon See attached

Part 2 – Anti Money Laundering Controls

Ref	Information Required/Question	Response
2.1	Please provide the name of the reporting agency or regulatory body for reporting suspicious Activity	HMRC
2.2	Which regulatory body oversees your company's anti-money laundering and anti-terrorist financial arrangements?	HMRC
2.3	To what extent do you monitor suspicious activity within the accounts you hold with us?	See attached. In summary, we do not permit overseas transfers and transactions must be specific to the purposes of the pension scheme and it's members. See attached under Money Laundering Notice section 7.
2.4	Does the Company have established written policies designed to combat money laundering and terrorist financing, including measures to	Yes -Wide Money Laundering Policy see attached

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	obtain information about the true identity of your customers?	
2.5	Do the written policies include internal control, procedures and employee training programmes for customer due diligence, anti-terrorist financing and anti-money laundering?	Yes, see attached policy and procedures manual
2.6	Do your anti-money laundering policies applicable to your offices in the UK also apply to your overseas foreign branches and majority-owned subsidiaries if you have any?	Yes, we do not operate overseas.
2.7	Does your company screen your customer account database for Sanctioned and terrorist names?	Yes, via third party software. ID3 GLOBAL
2.8	Does your company review customer profiles regularly?	Annual scheme review
2.9	Is there an established method at your company for monitoring and reporting suspicious activities and transactions to the appropriate authorities	Yes, see attached reporting forms
2.10	Does your company have an established audit and compliance review function to assess your institution's anti-money laundering policies, procedures and control?	<p>Yes -see attached.</p> <p>We attend e-learning course to cover latest regulatory and legal requirements of Anti-Money Laundering (AML) and Countering Terrorist Financing (CTF) as they apply to staff against current procedures.</p> <p>https://www.cclacademy.co.uk/courses/105/aml-awareness-elearning/</p>
2.11	Does your company maintain records on customer identification, account files and correspondence for a specific period of time, and cooperate with local authorities to facilitate their investigations and/or prosecution of criminal actions?	Yes, we hold records for a period of 6 years after the customer has
2.12	Does your company have procedures to identify customers in connection with "politically exposed persons" and operate enhanced due diligence for such customers?	Yes - see attached. PEP arises on the aml check. See Test Case sample attached

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2.13	Does your company keep records of PEPs and review on-going activity regularly?	Yes.
2.14	Does your company have procedures to identify customers or activity that is in connection with certain high risk jurisdictions such as non-cooperative countries and territories?	Yes, we do not permit transfers or payments outside of the UK.
2.15	If the answer to (3.14) is yes, does your internal policy require continuous monitoring of such customer and/or activity?	No transfers out of the UK are permitted.
2.16	Are your products available to UK residents only or overseas residents to?	Only for UK tax residents.
2.17	If available to overseas applicants in where are those applicants located?	No
2.18	How do you on board customers? –is this via a portal/via an introducers (i.e. financial advisors)?	Via IFA and accountants. We have our own financial services business. - https://register.fca.org.uk/s/firm?id=0014G00002q8rzTQAQ
2.19	Would you accept introductions from unregulated introducers?	No, not at all. This would also conflict with our FCA regulated linked business.
2.20	Can customers apply for your products directly?	Yes, but they are firstly referred to our FCA regulated IFA arm
2.21	Do you obtain paper ID documents for each member?	Yes and also zoom photo ID verification.
2.22	If you do not collect paper documents how do you ID the applicant?	
2.23	Describe the on-board process including AML checks	See attached - process
2.24	Do you accept IVC's from regulated introducers who have met with the customers?	Only if the introducer is FCA regulated or equivalent and has met the client.
2.25	Do you use electronic Identification services?	Yes see below

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2.26	State provider used (i.e. Equifax/Experian/Smart search etc) and the process	id3 global https://www.gbgplc.com/en/identity-data-verification/
2.27	Does the electronic service provider search against a range of industry databases (i.e. the Electoral role for address verification, CIFAS for a range of fraud alerts, HALO for deceased)	Yes, it does.
2.28	Confirm how many ID and address matches the search engine requires to pass the electronic AML check (i.e. one/two ID matches and one/two address matches, and is any other matching data used such as DOB)?	Min 2 id matches and 2 address matches, this includes date of birth home phone number passport verification DVLA verification - see test example
2.29	Does the provider screen for PEPs/SIPs/Sanctions (i.e. Dow Jones for PEPs and SIPs and lists published by OFAC/UN/EU/HMT for sanctions screening)	Yes - see attached
2.30	Describe the record keeping process for PEP's/SIP/ Sanction alerts	We do not take on clients that appear as PEP's or appear on sanction lists. We undertake a tri-annual renewal of client ID in case the status has changed for existing customers
2.31	Confirm the process for managing cases where the AML passes but there are fraud or PEP/SIP/Sanction alerts	We do not take on any clients where there is a fraud alert or they appear on any flags alerts.
2.32	Do you screen for both overseas and UK PEPs ?	We do not take on overseas customers.

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2.33	Describe the process where IFAs are introducing and certifying documents. How do you verify the IFAs that you accept business from and how do you record your checks?	The IFA firms we deal with are very few and are usually personally known. If we do take on a new IFA firm, we visit them and work through their network to agree matching of common data set for MLA. Their process must match ours at outset and we require a copy of their MLA process.
2.34	Do you hold a list of IFAs who you place full reliance on for identification processes?	Yes, although we only deal with two firms at present. One of which is our linked FCA firm RC Financial Services LLP
2.35	Describe process/tools used to verify source of funds	Source of funds can only arise from the same sponsoring employer or scheme member. Pension transfers in must be directly linked to the member of the scheme. Only investment income arising from the corresponding investment held in the scheme is permitted.
2.36	Confirm how many ID and address matches they require to pass the electronic AML check (i.e. one/two ID matches and one/two address matches and if any other matching data is used such as DOB).	See attached - 2 of each minimum
2.37	Confirm the process if the electronic AML check fails, i.e. do you obtain certified paper documents?	The client is declined if they cannot meet the AML checks electronically. The client can reapply once they are able to satisfy ID3
2.38	Confirm who you will accept certification from (i.e. regulated accountants/solicitors/IFA)	FCA regulated firm, Bank, Solicitor and own Accountant.
2.39	Confirm you do not allow customers to transact when their ID verification is incomplete, and how is this managed	The client cannot be boarded onto our CRM system without AML clearance, therefore there is a system block which prevents an administrator proceeding further.

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2.40	Do you accept 3 rd party cheques? Please confirm how funds are verified as being received from a bank account in the name of the customer (e.g. software tools such as Experian and if so provide detail i.e. document from company used)?	We only accept cheques on pension transfers linked to ceding schemes for a member. We do not permit any other third party cheque payments because of administration processes. We notify clients that the accounts can only accept electronic payments.
2.41	Do you review 'trigger' events (i.e change of address/new product taken/suspicion by member of staff). If so please outline the process	New address or change of contact details require a new AML check. The main trigger points are death of a member, or a divorce. If a customer notifies us that more than one item of information has changed e.g. mobile and home address, then this requires a client meeting as this would be highly unusual.
2.42	If Electronic ID is not used, what is the identification process and how do you screen for PEPs/SIPs/Sanctions??	Electronic ID is mandatory.
2.43	Does your company have an employee training program on anti-money laundering, prevention of terrorist financing to assist them in identifying suspicious activities	Yes, we hold ISO 7001 please see attached.
2.44	Where employers are making contributions to a scheme, what checks do you carry out on the employer? What records do you keep?	We have a companies house link to the CRM system, therefore any changes to the firm are notified to us. We do not accept employers that are dormant or non trading firms.
2.45	For syndicated investments where one or more of the participants may not be a pension scheme member, do you complete full AML processes on all participants?	We do not permit syndicated investments to be made, unless it is via an FCA regulated firm that is regulated to provide syndicated

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	If not, what checks do you make on non-scheme investors?	investments and a recommendation has been made
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Part 3 – Internal Procedures and Processes

Ref	Information Required/Question	Response
3.1	Do you have a Data Security Policy?	Yes -attached
3.2	Do you have an Information Security Policy?	Yes- attached
3.3	Is your company fully GDPR compliant	Yes- attached
3.4	Do you have a business continuity plan (BCP)	Yes- attached
3.5	When was the last time your BCP was tested?	31 January 2021

DUE DILIGENCE REVIEW cont'd

Signed.....

Position in company: Director

Date Completed: ...23.11.2021.....

Please provide copies of:

1. AML Policy and Procedures
2. Financial Crime Policy
3. PEP/SIP/Sanctions policy if separate from above