

## PREVENTION OF THE CRIMINAL FACILITATION OF TAX EVASION POLICY

DG Partners LLP ("**DG Partners**" or the "**Firm**") is committed to the prevention, deterrence and detection of criminal tax evasion and the criminal facilitation of tax evasion. This document sets out the Firm's policy for preventing the criminal facilitation of tax evasion (the "**Policy**") and the standards and procedures required to ensure compliance with the Policy.

The Firm does not tolerate tax evasion or the criminal facilitation of tax evasion within its business and we expect our officers, employees and those providing services to, for or on behalf of the Firm (our "**Associates**") to conduct themselves in accordance with this Policy.

### NOTE FOR SUPPLIERS:

By supplying goods or services to, for or on behalf of the Firm you:

- confirm that you have read this Policy;
- confirm that you have in place equivalent policies to prevent the facilitation of tax evasion by your Associates and will comply with these when acting for or on behalf of the Firm;
- will provide information or assistance to enable the Firm to assess any risk in relation to its business relationship with you or to carry out due diligence in relation to your business (to the extent that this is necessary in order to address any risk); and
- you will act in accordance with the law and the terms of this Policy.

**DG Partners has zero tolerance for tax evasion and facilitation of tax evasion and we may terminate our relationship with you if you are in breach of this Policy.**

## INTRODUCTION

In April 2017, the UK government enacted the Criminal Finances Act 2017 (the "**Act**"), which came into force in September 2017, to demonstrate its commitment to preventing tax evasion in all its forms. The UK government believes that companies, partnerships and LLPs should be criminally liable where they fail to prevent those who act for them, or on their behalf, from criminally facilitating tax evasion. As a result, it created a new corporate criminal offence of failing to prevent the facilitation of tax evasion.

The Firm could face prosecution under the Act if it fails to have in place reasonable procedures to prevent the facilitation of tax evasion. There are serious criminal penalties for committing an offence under the Act. Additionally, conviction could have serious consequences for the Firm's reputation and business relationships. As a regulated entity, prosecution could also impact the ability of the Firm to carry on its business.

The Firm will actively investigate all breaches or suspected breaches of this Policy and, if appropriate, invoke disciplinary measures against any employee, member or secondee found to be involved in the criminal facilitation of tax evasion and take prompt action to remedy and/or report the matters giving rise

DG Partners LLP  
Registered Address: 55 Baker Street, London,  
W1U 7EU

Tel: 020 7408 5200  
Fax: 020 7408 5299  
Partnership No. OC355973

to the breach and prevent any repetition. In appropriate circumstances, the Firm will also invoke contractual sanctions against any Associate who is found to have criminally facilitated tax evasion.

This Policy applies in relation to business dealings and transactions in all jurisdictions in which the Firm operates.

## THE OFFENCE

In general terms, the criminal offence of tax evasion is committed where a person (A) knowingly takes steps to fraudulently reduce the amount of tax that they would otherwise have paid.

A person (B) commits the criminal offence of facilitation of fraudulent tax evasion if they are deliberately and dishonestly concerned in, or take steps with a view to, assisting (A) to fraudulently evade tax.

Both A and B will have committed a criminal offence under existing UK law. The new criminal offence means that the Firm will also have committed an offence if B criminally facilitated the tax evasion while acting in their capacity as an Associate of the Firm.

### Remember:

- the person who knowingly facilitates tax evasion is as guilty as the person who evades the tax;
- the Firm may still be guilty of an offence under UK law even if the facilitation activity is committed overseas and, if UK tax is evaded, irrespective of whether it would be illegal under local law;
- if the facilitation activity takes place in the UK or concerns a UK company, branch, person or other entity, the offence will in certain circumstances extend to cover the evasion of tax in jurisdictions other than the UK; and
- fraudulent tax evasion and the deliberate and dishonest facilitation of fraudulent tax evasion are criminal offences and the Firm will, in appropriate circumstances, bring any such activity that it identifies to the attention of the relevant authorities.

## KEY PRINCIPLE

The Firm is committed to the prevention of the criminal facilitation of tax evasion in the workplace and in all its business dealings. The Firm will not tolerate any form of criminal facilitation of tax evasion by any officer, employee or third party dealing with the Firm, including contractors, consultants, agency workers, agents and service providers. This Policy applies in relation to business dealings and transactions in all jurisdictions in which the Firm operates.

No employee, member, secondee or other Associate of the Firm should feel pressured into offering or agreeing to provide assistance to enable another person to unlawfully evade tax in order to secure business on behalf of or with the Firm and no employee or Associate will suffer adverse consequences in their dealings with the Firm for refusing to agree to facilitate tax evasion or for taking steps to report any concerns that an offence has been committed.

All employees, members, secondees and other Associates must ensure that they are familiar with the aims and objectives of this Policy and must act in accordance with it. Breaches of this Policy are regarded seriously by the Firm and may result in disciplinary action or the Firm seeking appropriate contractual or other remedies.

The Firm's board members ("**the Board**") are fully committed to implementing the Policy and ensuring that the Firm's business relationships are conducted in accordance with its terms. The Firm's Chief Operating Officer/Chief Compliance Officer, Umar Aziz, has been appointed to review and oversee the operation of the Policy and to report to the Board in relation to this in order to ensure that the Policy is effective in addressing the risk of criminal facilitation by employees and Associates of the Firm. Further details as to how you can report any concerns that you may have are set out in section "Raising Concerns" below.

The Board will regularly review the operation of the Policy to ensure that it is suitable, adequate and effective to address the risk of facilitation of tax evasion and may make changes to the Policy from time to time in order to address any risks identified or any concerns reported to it.

### **TRAINING AND INFORMATION**

The Board will arrange for appropriate training to be delivered to all staff in relation to the scope of the new offence, any particular areas of risk and this Policy as soon as reasonably practicable and, if appropriate, from time to time in the future.

### **RAISING CONCERNS**

If at any time you are concerned about whether a particular transaction or activity may amount to tax evasion, criminal facilitation of tax evasion or a breach of this Policy, you should raise any question or concern at the earliest possible opportunity with the Chief Compliance Officer of the Firm ([umar.aziz@dgpartners.co.uk](mailto:umar.aziz@dgpartners.co.uk)).

All matters raised will be dealt with in strict confidence and you will not suffer any adverse consequence for refusing to engage in the facilitation of tax evasion or for reporting instances in which you suspect that this Policy has been breached, even if this may result in the Firm losing business.

### **SCOPE OF THE POLICY**

The Policy applies to all employees, secondees and members of the Firm. Compliance with this Policy is mandatory and it is vital that all employees, secondees and members of the Firm know the rules and comply with them.

The Firm also requires third party Associates (such as agents, consultants, contractors, suppliers, distributors and intermediaries) to be aware of this Policy and to act in a way that is consistent with this Policy or any equivalent policy that they themselves may have.

If you have any questions regarding this Policy please contact the Legal and Compliance Department at DG Partners LLP at [Legal@dgpartners.co.uk](mailto:Legal@dgpartners.co.uk).