

KNOW YOUR CLIENT – CHANGES TO THE LAW

Phillips' has long operated a global "Know Your Client" policy requiring clients to provide certain identity documents in order to buy and sell through us.

While that policy has until now been implemented in all sale sites on a voluntary basis, from 10 January 2020 "Know Your Client" checks are a legal requirement for art businesses trading in or acting as intermediaries in the sale and purchase of works of art in the UK and Europe.

The obligation to check and verify the identity of customers buying or selling through Phillips is therefore mandatory and will apply to all clients, whether existing or new. We will be applying these requirements across all Phillips sale sites globally. In practical terms this means that from now on all customers will be required to provide official documentation so we can verify their identity.

The requirements closely follow our existing "Know Your Client" policy, so most clients will not notice any difference.

In summary, before transacting through us, we will need to see or be provided with copies of the following from our customers:

Private Individuals

- **Government Issued Photo ID:** (e.g. Passport, National ID Card or Driving Licence showing full name, photo and date of birth); **and**
- **Permanent Residential Address Proof** (if not shown on photo ID): Dated within the last 3 months (e.g. utility bill; tax authority letter, bank or credit card statement)

Companies

- **Official Company Registry documentation** confirming the existence of the company and the identity of its shareholders, directors and, where recorded, the Ultimate Beneficial Owner(s) of the Company (see below) (e.g. certificate of incorporation and registers of Directors, Shareholders and Persons with Significant Control (if available), OR Certificate of Incumbency OR most recent tax return or audited accounts containing this information); **and**
- **Documents to verify the identity of the Ultimate Beneficial Owner(s)** (i.e. the physical person(s) ultimately controlling the Company) (see requirements for Private Individuals above); **and**
- **Letter of authority** from the Company authorising you to transact on the Company's behalf

NB: Different requirements may apply for listed companies, or other types of corporate structures (e.g. partnerships, associations, charities, foundations, museums)

Agents buying or selling for someone else

- **Documents to verify your identity** (see requirements for Private Individuals and Companies above); **and**
- **Documents to verify the identity of the person you are acting for** (see requirements for Private Individuals and Companies above); **and**
- **Letter or other evidence of your authority to transact on behalf of the other person**

If you do not fall into one of the above categories or if you have any questions, please contact Phillips bids office, the Phillips specialist department organising the sale or email compliance@phillips.com