



Economic Crime and Corporate Transparency Act 2023

2023 CHAPTER 56

PART 1

COMPANIES ETC

Directors

43 Prohibition on director acting unless ID verified

After section 167L of the Companies Act 2006 (inserted by Schedule 2 to this Act) insert—

“Directors: duties relating to ID verification and notification

167M Prohibition on director acting unless ID verified

- (1) An individual must not act as a director of a company unless the individual’s identity is verified (see section 1110A).
- (2) A company must ensure that an individual does not act as a director unless the individual’s identity is verified (see section 1110A).
- (3) A person who contravenes subsection (1) commits an offence.
- (4) If a company contravenes subsection (2) an offence is committed by—
 - (a) the company, and
 - (b) every officer of the company who is in default.

For this purpose a shadow director is treated as an officer of the company.

- (5) A person guilty of an offence under this section is liable on summary conviction—

Status: This is the original version (as it was originally enacted).

- (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (6) The only consequences of contravening subsections (1) and (2) are the offences provided for by this section (so that, for example, a contravention does not in any way affect the validity of an individual's acts as a director)."