

New Requirements at Companies Registration Office ("CRO") regarding Director identities

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Recent newspaper articles have highlighted the increasing numbers of fraudulent companies being registered in Ireland with Irish director identities without their consent. This has required the CRO to update their filing system to a more secure and robust process. This measure aims to enhance the accuracy of the Register of Companies, counteract identity theft and ensure that the legislative limits on directorships are adhered to.

In an effort to reduce the risk of identity theft, the CRO will begin to enforce Section 35 of the Companies (Corporate Enforcement Authority) Act 2021 starting on **June 11th, 2023**. This section contains a provision requiring all directors of Irish companies to provide their Personal Public Service Number (PPSN) when:



Incorporating a new company (**Form A1**)



Notifying a change of director (**Form B10, B69**)



Filing the yearly Annual Return (**Form B1**)

If a director does not have a PPSN then they will be required to obtain a Verification Identity Number by means of a new CRO Form VIF (Declaration as to Verification of Identity). This form (which will broadly resemble the form used for RBO filings, being the Form BEN2) must state the name, date of birth, nationality and address of the director who will then sign the declaration in front of a notary public.

If a director previously received a number after registering on the Register of Beneficial Ownership (“RBO”) then this number may also be used. From 11th June 2023, the BEN2 form becomes redundant and the VIF form will take its place.

Pre-commencement work:

- * **Directors should check their details with the Department of Employment Affairs and Social Protection (DEASP)** - The CRO will crosscheck a director's PPSN, name and date of birth with the information held by the DEASP.

The CRO will accept an 80% match to account for slight discrepancies in forenames (ex. 'Mike' instead of 'Michael') however, if there is a discrepancy with any part of the other information, the CRO will reject the filing.



No PPSN - then you need a Verification Identity Number:

- * **If you are a Non-resident director and do not have either a PPSN or an RBO number then you need to apply for a Verification Identity Number.** If a director has been issued with an RBO number (from a previous filing with the Register of Beneficial Owners), they can use this in place of a PPSN. Otherwise, a VIF Form will need to be executed and filed to obtain a Verification of Identity Number.

What happens that that information:

- * **PPSNs will not be available on the Public Register** - The CRO will only store a hashed version of the PPSN/RBO or Verification Identity Number in order that these numbers cannot be accessed by the CRO or any other party.



Impacts:

- * **If a director does not have a PPSN / Verification Identity Number**, the CRO will not permit A1, B1, B10 and B69 submissions to be made.
- * **If the director details submitted do not match the information held by the DEASP**, the CRO will reject the submission.
- * **Fines And Delays:** As there will be a large number of Directors applying for PPSNs and VIF Numbers, waiting to do so could cause long delays in having CRO filings submitted and registered.
- * **Company Incorporations:** If you don't have these numbers you cannot incorporate a Company.
- * **Director updates:** In the case of a change of directors, rejection by the CRO would trigger a range of issues including bank account operation.
- * **Late filing** of the Annual Return will result in late fees of €100 + €3 per day until the filing is completed. If a company is availing of the audit exemption, this exemption will be lost for the next two sets of financial statements.

How can PWC help?

We cannot check with the Department if your data is currently up to date, individual directors will need to do that themselves. We suggest awareness is raised now at board and committee meetings to advise directors of this new requirement. If a director does not have a PPSN or an RBO number we can assist in obtaining the VIF numbers.



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