

---

14th May 2019,

Civiquo - written response for:

**The first targeted stakeholder meeting on investor citizenship and residence schemes in the EU.**

Dear Madam/ Sir,

Civiquo is a Malta-incorporated business, and we are the world's first – and so far, the only - alternative residency and citizenship e-marketplace. The team behind Civiquo is made up of seasoned experts in the industry of residency and citizenship by investment (RCBI) and the business is completely independent and unbiased, in other words, not an alternative brand belonging to an existing service provider. In an effort to be succinct in this covering letter, I will limit to introducing only myself.

Before starting this exciting new venture, I was the Chief Officer for Risk and Compliance at the Malta Individual Investor Programme (MIIP) Agency. At MIIPA, I was responsible for the (re)design, implementation and administration of the MIIP's due diligence processes and procedures. I also authored the current edition (3<sup>rd</sup>), of the MIIP Handbook which is currently used as the authority's official set of guidelines. Furthermore, I also co-created the risk matrix used internally by the same agency, which serves as the basis for its risk assessment process, and which has come to be recognised as the '*Gold Standard*' within the industry. During this time, I also had the opportunity to participate in a number of EU-related activities including a meeting with Commissioner Věra Jourová and being designated the role of representing the MIIP agency in regard to Malta's MONEYVAL evaluation.

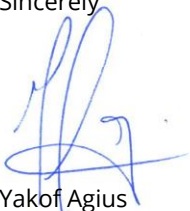
Before this, I was a Managing Partner with one of the larger firms in the industry. During my time here I was officially responsible for all of the Malta office's operations, whilst also occupying the role of general manager for the group functions based in Malta including, HR – which I personally led - IT, Finance, and Legal.

For Civiquo, participating in this consultation meeting and providing this written response, not only serves to help inform the process, but to also make the Commission aware that the insight that Civiquo can provide is as unique as Civiquo itself. The reason for this, is that we work with agents from around the world, promoting the largest portfolio of residency and citizenship programmes worldwide. In undertaking our mission to bring the highest levels of transparency in how the industry operates, together with standardisation and democratisation of the industry, we arrived at the realisation, that the data that we are gathering through our platform may be key to truly understanding how investment migration works, and beyond. We also plan to gradually introduce other forms of residency through our platform, such as for example, the EU blue card.

Whilst making you aware that we are always at your disposition, we also want to take the opportunity to make you aware that we have registered under the Horizon 2020 initiative as experts thus making our expertise easily accessible for the EU commission.

Whilst looking forward to being of service to the EU commission, we hope you find our responses interesting, informative and useful.

Sincerely



Yakof Agius  
Founder and CEO

---

## A) GENERAL

### 1) ***What feedback (in two paragraphs), would you give the commission on its report on investor citizenship and residence schemes in the EU?***

The report comes across as a good review of alternative residency and citizenship programmes within the EU. For those who have more in-depth knowledge of the industry, a few statements will be deemed inaccurate. For example, that, '*citizenship is granted under less stringent conditions than under ordinary naturalisation regimes*' (p.1, lines 6,7), would in the context of some programmes be factually incorrect. Therefore, the report is good overall, with minor, expected inconsistencies; with one exception.

The report states that documentation that is obtained through residency or citizenship of such programmes, may somehow be used for tax evasion. This is practically and technically incorrect, and rather than showing the risks related to taxation matters, it is instead successful in showing the inadequacy of CRS due diligence procedures. The inevitable conclusion which will be reached on this point is that CRS due diligence procedures need to be reviewed and replaced with the provision of tax residency declarations supported by relative tax residency certificates.

### 2) ***What are they key points, in your view, that the group of Member States experts should focus on?***

The Commission has asked the group of member states experts (GMSEs) to focus on three objectives namely, identifying the risks from such programmes, develop a common set of security checks, and address issues with transparency and good governance for such programmes.

The RCBI industry is a high-risk industry – this must be acknowledged without too much hesitation. However, rather than identifying the risks – as to a large extent this has already been achieved - the GMSEs should focus on finding ways of designing, implementing and enforcing, a due diligence framework that immigration service providers should follow. This will need to be enacted into existing legislation, however steering away from imposing onto practitioners the aspect of becoming subject persons – this may be the intention of larger firms, who for obvious reasons will support barriers to entry. Instead, the objective should be to find an adequate level of due diligence, which must be undertaken from the very start, so that risks are inevitably reduced further down the application process.

On the point of developing a common set of security checks, the EU commission should convince the GMSEs to support the creation of an EU commission fund/grant, for continuous research and development on RCBI-related due diligence. The benefits of doing so are numerous. Firstly, it ensures that the GMSEs are enabling a completely independent process of creating a robust, continuously improving framework, which is unbiased. Secondly, the EU will have almost absolute, and direct control over who, what, where, when, why and how for '*Due Diligence for investor citizenship and residence schemes in the EU*', again ensuring that such a critical process remains unbiased and uncompromised.

For transparency and good governance, the GMSEs should focus on ensuring that the volume, provenance, investment amount and outcome of each application, together with the risks associated with each application are clearly communicated to the EU commission through a common, online portal, without disclosing the identity of the applicants.

---

This can be achieved by developing such a portal through blockchain technology, which will allow the respective EU authorities to track activity. Furthermore, in relation to the Foreign Direct Investment (FDI) each member state generates through such programmes, the GMSEs should agree that audited accounts are to be submitted on an annual basis to the EU, whereby the cumulative investment may be corroborated with the previously mentioned ledger. Any disbursements from RCBI programme funds, would also need to be registered and documented, so that the EU is able to evaluate the economic impact of such programmes.

## **B) SECURITY**

### **3) *In your view, which are the most important security concerns raised by investor citizenship schemes?***

Whilst these security concerns are not solely attributable to citizenship-by-investment programmes, some of the security concerns may include:

- i. the creation of alternate EU identities, through inadequate processes and checks;
- ii. the naturalisation – and thus mobility of the person and their assets – of individuals who are politically exposed, sanctioned and/or with a criminal or non-compliant background;
- iii. An increase of declared/undeclared assets, with unclear acquisition sources, migrated into the EU, including from high-risk jurisdictions;
- iv. Reputational risk; and
- v. Localised or generalised impact on EU citizens and/or EU societies;

### **4) *Do these concerns differ from those raised by investor residence schemes?***

Some of the risks are slightly less pronounced when contextualised within residency-by-investment through aspects such as, restricted movement. However, most of the risks apply in an identical or similar manner.

### **5) *How should these concerns be tackled?***

These concerns should be tackled by establishing one common risk assessment framework, across all RCBI programmes within the EU. Such a framework will need to be developed through an independent EU initiative, which should potentially be funded by an EU Commission fund or grant. This grant may be funded through a percentage of the proceeds of RCBI programmes from across the EU, so that Member States have the opportunity to show their commitment towards developing and improving such a framework.

Respective EU directives, with clear guidelines and penalties, should then be issued by the EU Commission to ensure regulation and enforcement.

### **6) *What should be the role of private companies in screening applicants for investor citizenship or residence?***

This depends on the main activity of the private company (PC).

---

If the reference to PCs is to an immigration service provider, then the role is to undertake proper customer acceptance and onboarding procedures and adequate due diligence processes, before submitting applications to the respective government units.

On the other hand, if the reference to PCs is towards due diligence service providers, who provide services such as human-researcher or automated open source intelligence services, on-the-ground intelligence services and access to risk management databases, etc., then the responsibility is much greater, as the information they provide to government units is essential to informing the decision making process.

The EU commission must ensure that the industry adopts very stringent anti-bribery and corruption (ABC) policies, especially for the latter group of service providers.

## **C) RISK MANAGEMENT**

### **7) Which are the risks or particular vulnerabilities of investor schemes that should be addressed through risk management processes?**

With reference being made to the publicly announced research (more at: <https://iip.gov.mt/due-diligence/>), undertaken by the MIIP's risk matrix, of which I am the co-creator; there are 7 categories of risks, with 5 levels of risk, related to investment migration including;

- identification and verification;
- business and corporate affiliations;
- politically exposed persons;
- Wealth;
- Reputation;
- Legal and Regulatory matters;
- Relative impact on the MA's immediate network;

Since the publication of that work in 2018, I have independently furthered my work in this field, and have produced a Risk Assessment Framework (RAF) which continues to build upon this research. This RAF is being presented for the first time to yourselves in this written response, and consists of 8 categories of risk with three levels of risk, including:

#### ***i. INTENT, IDENTIFICATION AND VERIFICATION***

Looks at identifying the main reason for wanting to acquire alternative residency or citizenship, same as establishing the nature of the business relationship, in the context of AML/CFT regulations. Furthermore, it ensures that the applicant's personal details have been verified through authentic documentation and that the applicant has not resided in a high-risk jurisdiction for a period of 10 years prior to the application;

#### ***ii. POLITICAL EXPOSURE, WATCHLISTS AND SANCTIONS;***

Looks at whether the applicant(s) or their close associates, family members and/or business associates are currently, or have in the past been a PEP, sanctioned, or on a watchlist;

**iii. REGULATORY COMPLIANCE AND LEGAL CONDUCT;**

Looks at whether the applicant(s) has/have ever been interrogated, suspected, charged or convicted for civil, regulatory or criminal offences and what penalties or sanctions have been issued;

**iv. BENEFICIAL OWNERSHIP AND CORPORATE AFFILIATIONS;**

Looks at the beneficial ownership and the business activity that the applicant(s) are affiliated with;

**v. SOURCES OF FUNDS AND SOURCES OF WEALTH;**

Looks at the net worth of the applicant(s) and how this initial wealth was developed over time, together with looking at the activities that generate revenue;

**vi. TAXATION;**

Looks at an applicant(s) tax residency, including whether their tax structures are simple or complex and whether the structure is held in CRS or non-CRS countries;

**vii. REPUTATIONAL RISK;**

Looks at the reputation of the applicant(s) and the sources used for establishing this.

**viii. SOCIAL STRUCTURE AND INTERACTION;**

Looks at nodes – which represent individuals, groups, or organisations – ties – which are the relationships between the nodes, and how the patterned social arrangements, that are both emergent from and determinant of the actions of the individuals, impacts the applicant(s) social structure or wider society.

The three levels of risk are '**MANAGEABLE**', '**REQUIRING FURTHER INVESTIGATION**' or '**POSING SERIOUS CONCERNS**'.

This framework allows the EU, Government units and service providers to align on what are the risks associated with an RCBI applicant or application, what to check for, and what is considered a low, medium or high, risk applicant/application. *Please see appendix 1 – Agius Y., 2019, The RCBI Risk Assessment Framework for a copy of the RAF.*

**8) In your view, what are the concrete risks related to money-laundering, tax evasion and corruption?**

In regard to tax evasion the risks are minimal if part of the due diligence process asks for self-declaration of tax residency detailing all the jurisdictions where the individual is a tax resident and supporting this through tax residency certificates. If such documentation is not possible, then a reasonable explanation is to be expected otherwise, one may very well treat such a situation as posing serious concern.

In regards to money-laundering, the risks stem from the fact that during the evaluation of certain risk categories, primarily, the applicant(s)' identity, beneficial ownership and corporate affiliations, and the sources of funds and sources of wealth, one needs to make sure that authentic documentation is being presented. This helps to ascertain that identity is being adequately verified, and that wealth and funds have been legally acquired.

---

In regard to corruption, risks are not much different than any other undertaking, especially ones involving government authorities, and scenarios may include government officials who for personal gain:

- Expedite the processing of an application;
- Disclose information about a rejected application's outcome;
- Disclose sensitive information about an applicant;
- Favour an applicant over another;
- Favour a service provider over another;
- Misprocess an application to cause a favourable, or unfavourable outcome;
- Award tenders in an inappropriate or illegal manner;
- Abuse of power;
- Fraud & misappropriation of funds;

**9) What kind of processes should be put into place to manage such risks?**

In respect to the risks associated with money laundering and tax evasion, the RAF proposed in the answer to question 7, offers guidance on what interventions are required to minimise these risks, which are not too dissimilar to processes and procedures found in the financial industry.

However, regarding risks related to bribery and corruption a number of interventions are required, specific to this industry, which may include but not be limited to:

- i. Ensuring that government officials, employed within residency by investment units (RIUs) and citizenship by investment units (CIUs) are amply trained to execute their role, protected to ensure their safety and remunerated to minimise bribery and corruption;
- ii. Ensuring that any service provider who has been contracted to provide their services to an RIU or CIU is included in a centralised register maintained by the EU commission, so that the Commission is aware of the influence of specific service providers over the industry;
- iii. Ensuring service providers who offer the services of planning, design, implementation and maintenance of residency and citizenship by investment programmes, can only directly have one active contract at any given time, to minimise generalised influence on the industry, minimise conflict of interest and to ensure fair competition;
- iv. Ensuring that service providers who are awarded tenders for the planning, design, implementation and maintenance services of residency and citizenship by investment programmes are not allowed to engage in the promotion, or application processing of that programme as this poses a serious conflict of interest and does not promote transparency or fair competition;

A further intervention which may help manage the risks related to RCBI programmes within the EU, is for the EU commission to establish an EU entity, which will be responsible for ensuring the correct implementation and monitoring of RCBI programmes within the EU, in accordance with EU directives and jurisdictional laws and regulations.

Such entity would keep under review all aspects of RCBI programmes within the EU, and it shall be the duty of any person involved in the administration of RCBI programmes within the EU, to disclose or give to this entity such documents or information as the entity may require, for the purpose of enabling it to discharge its functions.

---

**10) What role should/could private companies play in these risk management processes?**

The role that a private company plays in these risk management processes is relative to the activity of the company, as explained in the answer to question 6. Meaning, that if a company is an immigration service provider – in other words, a business which either compiles or submits applications, or both – then the role that such a private company plays is to ensure that adequate customer acceptance policies are in place, supported by robust on-boarding processes and adequate levels of customer due diligence and enhanced due diligence. Of course, this should be done using a risk assessment framework, such as the one proposed in the answer to question 7, to ensure that the appropriate risks are being assessed.

If on the other hand the private company is a due diligence services provider, and provides services such as human-researcher or automated open-source intelligence services, on-the-ground intelligence services and access to risk management databases, then the role these companies play is to ensure that their CDD and EDD services are of high quality and reasonably priced, to ensure that their services are accessible.

Furthermore, if a framework such as the RAF being proposed within this response is adopted, the industry may provide an opportunity for smaller due diligence firms to take a consultancy role to service providers, and assist them on gathering the right documentation, ask the right questions and thus providing better quality applications and supporting documentation to RIUs and CIUs.

**11) In your view, are there any other issues that need to be taken into account in the context of managing the risks of investor schemes?**

The following recommendations have been made regarding risk management, within this document:

- To establish an EU entity which is responsible for the correct implementation and monitoring of RCBI programmes within the EU;
- To establish an EU fund/grant, which is funded through proceeds from EU RCBI programmes, for the research and development of a Risk Assessment Framework that must be adopted within all EU RCBI programmes;
- To establish a common, online portal through which RIUs and CIUs record application information so that the EU commission is provided with statistical and risk profile information related to RCBI applications;
- To adopt a baseline Risk Assessment Framework as soon as possible, such as the one being presented in the appendix to this written response, until a better model is established through EU-funded research and development;
- To establish a number of measures, such as the four suggestions made in the answer to question 9;

Separately from these, we are for obvious reasons making the suggestion, that the industry needs an easily accessible, independent and unbiased marketplace whereby not only residency and citizenship by investment programmes are promoted, but also other programmes such as entrepreneur visas, start-up visas and even the EU blue card. Together with additional supporting services such as real estate, education and concierge services to help new EU citizens integrate into the localised and wider EU societies, increase the amount of Foreign Direct Investment and increase the amount of talent and international networks into EU member states.



Such a marketplace establishes commercial best practices, self-regulation, reference prices, and fair competition. It establishes transparency, democratisation, standardisation - including standardisation of regulatory practices - and could be an essential source of data for the EU. Such aspects, even though merely supportive of risk management practices, will become essential to sole practitioners, SMEs, and even larger firms, to be able to have a fair and competitive market, especially when one considers increasing compliance costs.

## **D) GOVERNANCE AND TRANSPARENCY**

### ***12) What problems do you see in the governance and transparency of investor schemes? Where do you think improvements can and should be made?***

Similar to the recommendations made in the answer to question 9, one of the more noticeable issues within the industry stems from the fact that a number of service providers offer what are termed 'Government Advisory Services' or the practice of offering governments a consultancy or advisory service on how to plan, design, implement and administer or maintain an RCBI programme.

However, it is also commonplace, that once this has been accomplished, the same service providers engage in the promotion of the same programmes that they would have planned, designed, implemented or are administering or maintaining, for additional remuneration. Furthermore, the same service providers, also tend to undertake the compiling, submitting, or both, of applications for that same programme.

To complicate this situation even further, the same service providers then tender for calls for both EU and non-EU governments, to provide the same services, even though already engaged with another government.

EU member states without abundant natural resources or the ability to raise significant revenue from taxation, tend to have a strong degree of dependency on the significant foreign direct investment and the valuable skills and experience that such programmes usually provide access to. Thus, attempting to service more than one EU member state at any given time, may compromise the service provider's ability to accomplish the objectives set out by the respective EU member state, whilst also creating a situation whereby loyalties are divided.

This inevitably creates situations, whereby service providers engaged in more than one contract, may shift their focus from one EU member state to another, purely out of business reasons, such as revenue generation and profitability. This poses a serious risk for EU member states who do not demand exclusivity from their service providers. Without the safety and security of cross-border regulation or monitoring of such services, EU member states who operate a residency or citizenship programme without demanding exclusivity may be prone to such shifts in focus.

Therefore, there is potentially a conflict of interest and detrimental effect on the industry, whereby service providers are able to manipulate a state's ability to generate FDI through RCBI programmes, simply because at any point in time, they may decide to shift their focus onto another 'customer'. Thus, for the same reasons of transparency and good governance, service providers who engage in government consultancy services, must be monitored and regulated, so that their engagements are exclusive.



This ensures that EU member states receive adequate, uncompromised support from such service providers, thus improving better chances of success in attracting FDI through RCBI programmes and also opens the industry, by providing more opportunities for other service providers to engage in the provision of such services thus promoting fair competition.

**13) *Is there a role for civil society and for private companies in promoting better governance and transparency of such schemes?***

The most effective, and sensible manner to include civil society and private companies to contribute towards better governance and transparency of RCBI programmes is for the EU to issue funds and grants, that are awarded to members of civil society and to private companies, to undertake research and development within the industry.

In this manner, better processes, procedures and regulations may be developed, with a view of enabling:

- i. EU member states to achieve more robust programmes and better levels of FDI;
- ii. Service providers to operate more efficiently and within a better regulated environment; and
- iii. Individuals interested in acquiring alternative residency and citizenship within the EU, to have peace of mind that their assets, and the safety and security of their families are indeed in good hands;


**E) *Do you have any other comments on this topic?***

We are humbly recommending that the group of member states experts is expanded to include members of civil society and private companies, to achieve a more homogenous on-going exploration of the topic. This could be achieved through a call by the EU commission.

Please see attached Appendix 1: *Agius Y., 2019, The RCBI Risk Assessment Framework.*

---

**END OF WRITTEN RESPONSE**

	(A) IDENTIFICATION, VERIFICATION AND INTENT	(B) POLITICAL EXPOSURE, WATCHLISTS & SANCTIONS	(C) REGULATORY COMPLIANCE & LEGAL CONDUCT	(D) BENEFICIAL OWNERSHIP & CORPORATE AFFILIATIONS (BCA)	(E) SOURCE OF FUNDS & SOURCE OF WEALTH	(F) TAXATION	(G) REPUTATIONAL RISK	(H) SOCIAL STRUCTURE AND INTERACTION
<p><b>LEVEL 1.</b></p> <p>THE RISKS PRESENTED BY THE APPLICATION ARE MANAGEABLE</p>	<ul style="list-style-type: none"> <li>Identity and all personal details verified through authentic documentation and other sources;</li> <li>Did not reside in a high-risk jurisdiction, for a period of 12 months, in the past 10 years;</li> <li>Provided a clear and valid reason for applying for alternative residency or citizenship;</li> </ul>	<ul style="list-style-type: none"> <li>Is not currently and has not been, a PEP or associated with a PEP;</li> <li>Is not currently and has not been, subject to any sanctions or associated with another body who was subject to any sanctions;</li> <li>Is not currently and has not been, on any watchlists or associated with another body who was on any watchlists;</li> </ul>	<ul style="list-style-type: none"> <li>Is not currently and has not been interrogated, suspected, arrested, charged or convicted for any criminal offences;</li> <li>May have regulatory or civil offences which have resulted in one or more penalties including fines, which may be relatively be considered as minor;</li> </ul>	<ul style="list-style-type: none"> <li>BCAs are evidenced through self-reporting &amp; authentic and official documentation. There is clear consistency with information about SoF/SoW;</li> <li>Less than 25% of activity is related to high-risk jurisdictions, high-risk industries and/or offshore activity;</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of initial wealth and how this was developed over time is evidenced through authentic and/or official documentation and self-reporting;</li> <li>The activity that generates funds is evidenced through authentic and/or official documentation and self-reporting. Information is consistent with SoW and/or BCA information;</li> <li>95%-100% of wealth and revenue has been accounted for;</li> </ul>	<ul style="list-style-type: none"> <li>A tax-residency self-declaration has been provided, together with the respective tax residency certificates issued by the respective authorities;</li> <li>The applicant(s) tax structure is fully held within CRS countries;</li> </ul>	<ul style="list-style-type: none"> <li>A good reputation has been evidenced through multiple verifiable sources. There may be a small number of online blogs/articles about one or two incidents, but overall the subject is of good repute;</li> </ul>	<ul style="list-style-type: none"> <li>Wider society is not aware or negatively impacted, as a consequence of interactions or relationships, with individuals or entities, forming part of the applicant(s) close social structure;</li> </ul>
<p><b>LEVEL 2.</b></p> <p>THE RISKS PRESENTED BY THE APPLICATION REQUIRE FURTHER INVESTIGATION</p>	<ul style="list-style-type: none"> <li>Identity verified through authentic documentation or adequate alternatives. Some personal details are unverified;</li> <li>Resided in at least one high-risk jurisdiction, for 12 months in the past 10 years;</li> <li>Reason(s) given for applying for alternative residency or citizenship, are unclear and require further clarification;</li> </ul>	<ul style="list-style-type: none"> <li>Is currently or has been, a PEP or associated with a PEP;</li> <li>Is not currently and has not been, subject to any sanctions or associated with another body who was subject to any sanctions;</li> <li>Is not currently and has not been, on any watchlists or associated with another body who was on any watchlists;</li> </ul>	<ul style="list-style-type: none"> <li>Is not currently and has not been interrogated, suspected, arrested, charged or convicted for any criminal offences;</li> <li>May have regulatory or civil offences which have resulted in one or more penalties including fines, which may be relatively be considered as substantial;</li> </ul>	<ul style="list-style-type: none"> <li>Some BCAs are missing self-reporting and/or authentic and official documentation. There are minor inconsistencies with information about SoF/SoW;</li> <li>25% or more, of activity is related to high-risk jurisdictions, high-risk industries or offshore activity;</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of initial wealth and how this was developed over time is mostly evidenced through self-reporting together with justifiably few authentic and/or official documentation and self-reporting;</li> <li>The activity that generates funds is evidenced through authentic and/or official documentation and self-reporting. Some inconsistencies with SoW and/or BCA information exist;</li> <li>85%-95% of wealth and revenue has been accounted for;</li> </ul>	<ul style="list-style-type: none"> <li>A tax-residency self-declaration has been provided however some tax residency certificates are officially not available;</li> <li>The applicant(s) tax structure is fully held within CRS countries;</li> </ul>	<ul style="list-style-type: none"> <li>Reputation is negatively impacted through a mention in an article published by a verifiable source, and/or through criticism from the wider media, or from an industry body or regulator;</li> </ul>	<ul style="list-style-type: none"> <li>Wider society is aware of and/or inconvenienced, as a consequence of interactions or relationships, with individuals or entities, forming part of the applicant(s) close social structure;</li> </ul>
<p><b>LEVEL 3.</b></p> <p>THE RISKS PRESENTED BY THE APPLICATION POSE SERIOUS CONCERNS</p>	<ul style="list-style-type: none"> <li>Identity and some personal details are unverified;</li> <li>Resided in at least one high-risk jurisdiction for 12 months, in the past 10 years;</li> <li>Reason(s) given for applying for alternative residency or citizenship lack credibility;</li> </ul>	<ul style="list-style-type: none"> <li>Is currently or has been, a PEP or associated with a PEP;</li> <li>Is currently or has been, subject to sanctions or on watchlists, or associated with another body who was subject to sanctions or on watchlists;</li> </ul>	<ul style="list-style-type: none"> <li>Is currently or has been, interrogated, suspected, arrested, charged or convicted for a criminal offence;</li> <li>May have regulatory or civil offences which have resulted in one or more penalties including fines, which may be relatively be considered as abnormally high;</li> </ul>	<ul style="list-style-type: none"> <li>BCAs are inadequately evidenced. Authenticity of self-reporting and/or official documentation cannot be ascertained. There are clear inconsistencies with SoF/SoW information;</li> <li>More than 50% of activity is related to high-risk jurisdictions, high-risk industries or offshore activity;</li> </ul>	<ul style="list-style-type: none"> <li>Acquisition of initial wealth and/or how this was developed over time is not evidenced;</li> <li>The activity that generates funds may be clearly explained, however it is inconsistent with SoW and/or BCA;</li> <li>Less than 85% of wealth and revenue has been accounted for;</li> </ul>	<ul style="list-style-type: none"> <li>A tax-residency self-declaration has been provided however some tax residency certificates are officially not available;</li> <li>The applicant(s) has a tax structure which is at least partially held in a non-CRS country;</li> </ul>	<ul style="list-style-type: none"> <li>Reputation is negative through a mention in a state-level press release including the possibility of concern by the general public and possible political repercussions;</li> </ul>	<ul style="list-style-type: none"> <li>Wider society is aware and has suffered frequent and/or prolonged negative impact as a consequence of the interactions or relationships, with individuals or entities, forming part of the applicant(s) close social structure;</li> </ul>