

CASE STUDY

Enhanced Due Diligence Reports: Shore Capital

Independent investment banking company Shore Capital explains how LexisNexis® EDD In-Depth Reports helped streamline its client novation process.

Streamlining the acquisition process:
How enhanced due diligence checks from
LexisNexis® Risk Solutions helped Shore Capital
improve its business efficiencies following an
acquisition.

Independent investment banking company Shore Capital has been using LexisNexis® Risk Solutions for support with its enhanced due diligence since March 2019, following the completion of its acquisition of Stockdale Securities.

“When you novate a client, to comply with our obligations to the London Stock Exchange under the AIM Rules for Nominated Advisers, Shore Capital is required to carry out enhanced due diligence on the directors of the company being novated” says director, Edward Mansfield. It was at this point in the process that LexisNexis Risk Solutions played a key role in helping Shore Capital carry out the enhanced due diligence required.

Edward explains that the main reason Shore Capital chose to use LexisNexis Risk Solutions was that:

“We had seen the product and knew that it met our requirements. LexisNexis Risk Solutions were able to commit to our timetable, taking into account the volume of work involved: undertaking diligence on in excess of [100] directors in a tight timeframe. There was a price point consideration as well.”

During the enhanced due diligence process, Edward confirms Shore Capital’s working relationship with LexisNexis Risk Solutions was extremely effective. *“We gave them a very comprehensive list of 50 companies, the names of all the board directors to be investigated and the jurisdictions they operated in, and they absorbed all the information required to produce the work in a timely manner. We had a very tight remit in terms of what we required and they delivered.”*

The LexisNexis Risk Solutions team carried out the work in stages, to accommodate Shore Capital’s timescales, which was an approach that Edward greatly appreciated: *“LexisNexis Risk Solutions delivered the reports in batches when they became available rather than waiting until they were all complete. This enabled Shore Capital to progress the novation in stages, allowing an efficient approach to transferring the clients. It was very sensibly managed.”*

The initial project is now complete and Shore Capital has continued to engage with LexisNexis Risk Solutions as and when required. Edward adds that, given the nature of Shore Capital’s business, the requirement for diligence is “*ad hoc*” in nature as it is required for new client wins or new board appointments.

“There have been a number of other projects where we have engaged LexisNexis Risk Solutions since beginning this relationship, including a case where we were engaged by a new corporate client which required Shore Capital to undertake enhanced due diligence checks on the whole board of directors.” Edward says.

Knowing that any project will be carried out to the highest standard is critical, Edward states, as it enables greater efficiencies within the Shore Capital business, while alleviating any concerns about meeting regulatory obligations.

“When it comes to directors’ diligence, there are certain things you need to ensure that you comply with for wider regulatory obligations” he says. *“LexisNexis Risk Solutions has been able to provide these checks and support us in our business.”*



To find out how we can help you and your business with enhanced due diligence, call 029 2067 8555 or email uk-irl-enquiry@lexisnexisrisk.com

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