
STATUTORY INSTRUMENTS

2011 No. 99

The Electronic Money Regulations 2011

PART 4

ADDITIONAL ACTIVITIES AND USE OF DISTRIBUTORS AND AGENTS

Requirement for agents to be registered

34.—(1) An electronic money institution may provide payment services in the United Kingdom through an agent only if the agent is included on the register.

(2) An authorised electronic money institution may provide payment services in the exercise of its passport rights through an agent only if the agent is included on the register.

(3) An application for an agent to be included on the register must—

(a) contain, or be accompanied by, the following information—

(i) the name and address of the agent;

(ii) where relevant, a description of the internal control mechanisms that will be used by the agent—

(aa) in the case of an agent in the United Kingdom, to comply with the Money Laundering Regulations 2007; and

(bb) in the case of an EEA agent, to comply with provisions of the money laundering directive; and

(iii) the identity of the directors and persons responsible for the management of the agent and evidence that they are fit and proper persons; and

(iv) such other information as the Authority may reasonably require; and

(b) be made in such manner as the Authority may direct.

(4) Different directions may be given, and different requirements imposed, in relation to different applications or categories of application.

(5) At any time after receiving an application and before determining it, the Authority may require the applicant to provide it with such further information as it reasonably considers necessary to enable it to determine the application.

(6) The Authority may refuse to include the agent on the register only if—

(a) it has not received the information referred to in paragraph (3)(a), or is not satisfied that such information is correct;

(b) it is not satisfied that the directors and persons responsible for the management of the agent are fit and proper persons;

(c) it has reasonable grounds to suspect that, in connection with the provision of services through the agent—

- (i) money laundering or terrorist financing within the meaning of the money laundering directive (or, in the United Kingdom, the Money Laundering Regulations 2007) is taking place, has taken place, or has been attempted; or
- (ii) the risk of such activities taking place would be increased.

(7) Where—

- (a) an authorised electronic money institution intends to provide payment services through an EEA agent; and
- (b) the Authority proposes to include the EEA agent on the register,

the Authority must inform the host state competent authority and take account of its opinion (if provided within such reasonable period as the Authority specifies) on any of the matters referred to in paragraph (6)(b) or (c).

(8) The Authority must decide whether to include the agent on the register within a reasonable period of it having received a completed application.

(9) If the Authority proposes to refuse to include the agent on the register, it must give the applicant a warning notice.

(10) The Authority must, having considered any representations made in response to the warning notice—

- (a) if it decides not to include the agent on the register, give the applicant a decision notice; or
- (b) if it decides to include the agent on the register, give the applicant notice of its decision, stating the date on which the registration takes effect.

(11) If the Authority decides not to include the agent on the register the applicant may refer the matter to the Upper Tribunal.

(12) If the Authority decides to include the agent on the register, it must update the register as soon as practicable.

(13) An application under paragraph (3) may be combined with an application under regulation 5 or 12, in which case the application must be determined in the manner set out in regulation 9 (if relevant, as applied by regulation 15).

(14) An electronic money institution must ensure that an agent acting on its behalf informs payment service users of the agency arrangement.