



Serious Organised Crime and Police Act 2005

2005 CHAPTER 15

PART 2

INVESTIGATIONS, PROSECUTIONS, PROCEEDINGS AND PROCEEDS OF CRIME

CHAPTER 6

PROCEEDS OF CRIME

102 Money laundering: defence where overseas conduct is legal under local law

(1) In the Proceeds of Crime Act 2002 (c. 29), Part 7 (money laundering) is amended as follows.

(2) In section 327 (concealing etc.), after subsection (2) insert—

“(2A) Nor does a person commit an offence under subsection (1) if—

(a) he knows, or believes on reasonable grounds, that the relevant criminal conduct occurred in a particular country or territory outside the United Kingdom, and

(b) the relevant criminal conduct—

(i) was not, at the time it occurred, unlawful under the criminal law then applying in that country or territory, and

(ii) is not of a description prescribed by an order made by the Secretary of State.

(2B) In subsection (2A) “the relevant criminal conduct” is the criminal conduct by reference to which the property concerned is criminal property.”

(3) In section 328 (arrangements), after subsection (2) insert—

“(3) Nor does a person commit an offence under subsection (1) if—

Changes to legislation: *Serious Organised Crime and Police Act 2005, Section 102 is up to date with all changes known to be in force on or before 19 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes*

- (a) he knows, or believes on reasonable grounds, that the relevant criminal conduct occurred in a particular country or territory outside the United Kingdom, and
 - (b) the relevant criminal conduct—
 - (i) was not, at the time it occurred, unlawful under the criminal law then applying in that country or territory, and
 - (ii) is not of a description prescribed by an order made by the Secretary of State.
- (4) In subsection (3) “the relevant criminal conduct” is the criminal conduct by reference to which the property concerned is criminal property.”
- (4) In section 329 (acquisition, use and possession), after subsection (2) insert—
- “(2A) Nor does a person commit an offence under subsection (1) if—
- (a) he knows, or believes on reasonable grounds, that the relevant criminal conduct occurred in a particular country or territory outside the United Kingdom, and
 - (b) the relevant criminal conduct—
 - (i) was not, at the time it occurred, unlawful under the criminal law then applying in that country or territory, and
 - (ii) is not of a description prescribed by an order made by the Secretary of State.
- (2B) In subsection (2A) “the relevant criminal conduct” is the criminal conduct by reference to which the property concerned is criminal property.”
- (5) In section 330 (failure to disclose: regulated sector), after subsection (7) insert—
- “(7A) Nor does a person commit an offence under this section if—
- (a) he knows, or believes on reasonable grounds, that the money laundering is occurring in a particular country or territory outside the United Kingdom, and
 - (b) the money laundering—
 - (i) is not unlawful under the criminal law applying in that country or territory, and
 - (ii) is not of a description prescribed in an order made by the Secretary of State.”
- (6) In section 331 (failure to disclose: nominated officers in the regulated sector), after subsection (6) insert—
- “(6A) Nor does a person commit an offence under this section if—
- (a) he knows, or believes on reasonable grounds, that the money laundering is occurring in a particular country or territory outside the United Kingdom, and
 - (b) the money laundering—
 - (i) is not unlawful under the criminal law applying in that country or territory, and
 - (ii) is not of a description prescribed in an order made by the Secretary of State.”

Changes to legislation: Serious Organised Crime and Police Act 2005, Section 102 is up to date with all changes known to be in force on or before 19 June 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) [View outstanding changes](#)

(7) In section 332 (failure to disclose: other nominated officers), after subsection (6) insert—

“(7) Nor does a person commit an offence under this section if—

- (a) he knows, or believes on reasonable grounds, that the money laundering is occurring in a particular country or territory outside the United Kingdom, and
- (b) the money laundering—
 - (i) is not unlawful under the criminal law applying in that country or territory, and
 - (ii) is not of a description prescribed in an order made by the Secretary of State.”

Commencement Information

II [S. 102](#) in force at 15.5.2006 by [S.I. 2006/1085](#), [art. 3](#)

Changes to legislation:

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Commencement Orders yet to be applied to the Serious Organised Crime and Police Act 2005

Commencement Orders bringing provisions within this Act into force:

- [S.I. 2006/2182 art. 3](#) amendment to earlier commencing SI 2006/1871