
STATUTORY INSTRUMENTS

2003 No. 3075

The Money Laundering Regulations 2003

PART III

MONEY SERVICE OPERATORS AND HIGH VALUE DEALERS

Penalties, review and appeals

Power to impose penalties

20.—(1) The Commissioners may impose a penalty of such amount as they consider appropriate, not exceeding £5,000, on a person to whom regulation 10 (requirement to be registered) applies, where that person fails to comply with any requirement in regulation 3 (systems and training etc. to prevent money laundering), 10, 11 (supplementary information), 14 (fees) or 15 (entry, inspection etc.).

(2) The Commissioners must not impose a penalty on a person where there are reasonable grounds for them to be satisfied that the person took all reasonable steps for securing that the requirement would be complied with.

(3) Where the Commissioners decide to impose a penalty under this regulation, they must forthwith inform the person, in writing, of—

- (a) their decision to impose the penalty and its amount;
- (b) their reasons for imposing the penalty;
- (c) the review procedure; and
- (d) the right to appeal to a tribunal.

(4) Where a person is liable to a penalty under this regulation, the Commissioners may reduce the penalty to such amount (including nil) as they think proper.

Review procedure

21.—(1) This regulation applies to the following decisions of the Commissioners—

- (a) a decision under regulation 12 to refuse to register an applicant;
- (b) a decision under regulation 13 to cancel the registration of an operator or high value dealer;
- (c) a decision under regulation 20 to impose a penalty.

(2) Any person who is the subject of a decision as mentioned in paragraph (1) may by notice in writing to the Commissioners require them to review that decision.

(3) The Commissioners need not review any decision unless the notice requiring the review is given before the end of the period of 45 days beginning with the date on which written notification of the decision was first given to the person requiring the review.

(4) A person may give a notice under this regulation to require a decision to be reviewed for a second or subsequent time only if—

- (a) the grounds on which he requires the further review are that the Commissioners did not, on any previous review, have the opportunity to consider certain facts or other matters; and
 - (b) he does not, on the further review, require the Commissioners to consider any facts or matters which were considered on a previous review except in so far as they are relevant to any issue to which the facts or matters not previously considered relate.
- (5) Where the Commissioners are required under this regulation to review any decision they must either—
- (a) confirm the decision; or
 - (b) withdraw or vary the decision and take such further steps (if any) in consequence of the withdrawal or variation as they consider appropriate.
- (6) Where the Commissioners do not, within 45 days beginning with the date on which the review was required by a person, give notice to that person of their determination of the review, they are to be assumed for the purposes of these Regulations to have confirmed the decision.

Appeals to a VAT and duties tribunal

- 22.** On an appeal from any decision by the Commissioners on a review under regulation 21, the tribunal have the power to—
- (a) quash or vary any decision of the Commissioners, including the power to reduce any penalty to such amount (including nil) as they think proper; and
 - (b) substitute their own decision for any decision quashed on appeal.