
STATUTORY INSTRUMENTS

2019 No. 1511

The Money Laundering and Terrorist Financing (Amendment) Regulations 2019

PART 3

Amendment of primary and secondary legislation

Amendment of the Terrorism Act 2000

14.—(1) The Terrorism Act 2000(1) is amended as follows.

(2) In section 21H(4), after “terrorist financing” insert “, as amended by Directive 2018/843 of the European Parliament and of the Council of 30th May 2018(2)”.

(3) Paragraph 1 of Schedule 3A (business in the regulated sector) is amended as follows.

(4) In sub-paragraph (1)—

(a) in paragraph (m), for “advice about the tax affairs of other persons by a firm or sole practitioner who by way of business provides advice about” substitute “material aid, or assistance or advice, in connection with the tax affairs of other persons by a firm or sole practitioner, whether provided directly or through a third party, if the firm or sole practitioner by way of business provides (as the case may be) aid, assistance or advice in connection with”;

(b) in paragraph (p), after “estate agency work” insert “or letting agency work,”;

(c) at the end insert—

“(u) the carrying on of activities by a firm or sole practitioner when it—

(i) by way of business trades in, or acts as an intermediary in the sale or purchase of, works of art and the value of the transaction, or a series of linked transactions, amounts to 10,000 euros or more; or

(ii) is the operator of a freeport when it, or any other firm or sole practitioner, stores works of art in the freeport and the value of the works of art so stored for a person, or a series of linked persons, amounts to 10,000 euros or more;

(v) the carrying on of activities by a firm or individual when acting as a cryptoasset exchange provider or custodian wallet provider.”.

(5) In sub-paragraph (6), for paragraph (b) substitute—

“(b) disclosure requirements consistent with Articles 1(4) to (7), 3, 5 to 10, 13 to 19, 20(1), 21 and 23 of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to

(1) 2000 c. 11. Section 21H was inserted by [S.I. 2007/3398](#) and amended by [S.I. 2017/692](#). Schedule 3A was inserted by section 3 of the Anti-Terrorism, Crime and Security Act 2001 (c.24). Part 1 of Schedule 3A was substituted by [S.I. 2007/3288](#). Paragraph 1 of that Schedule was amended by [S.I. 2011/99](#), [2013/3115](#) and [2015/575](#). Paragraph 3 of that Schedule was amended by [S.I. 2011/2701](#), [2013/3115](#) and [2015/575](#). Part 1 was also amended by [S.I. 2017/692](#).

(2) OJ L 156, 19.06.2018, p.43-74.

the public or admitted to trading on a regulated market, and repealing [Directive 2003/71/EC](#).”.

(6) After sub-paragraph (6A) insert—

“(6B) For the purposes of sub-paragraph (1)(p) “letting agency work” means work—

- (a) consisting of things done in response to instructions received from—
 - (i) a person (a “prospective landlord”) seeking to find another person to whom to let land, or
 - (ii) a person (a “prospective tenant”) seeking to find land to rent, and
- (b) done in a case where an agreement is concluded for the letting of land—
 - (i) for a term of a month or more, and
 - (ii) at a rent which during at least part of the term is, or is equivalent to, a monthly rent of 10,000 euros or more.

(6C) For the purposes of sub-paragraph (1)(p) “letting agency work” does not include the things listed in sub-paragraph (6D) when done by, or by employees of, a firm or sole practitioner if neither the firm or sole practitioner, nor any of their employees, does anything else within sub-paragraph (6B).

(6D) Those things are—

- (a) publishing advertisements or disseminating information;
- (b) providing a means by which a prospective landlord or a prospective tenant can, in response to an advertisement or dissemination of information, make direct contact with a prospective tenant or a prospective landlord;
- (c) providing a means by which a prospective landlord and a prospective tenant can communicate directly with each other;
- (d) the provision of legal or notarial services by a barrister, advocate, solicitor or other legal representative communications with whom may be the subject of a claim to professional privilege or, in Scotland, protected from disclosure in legal proceedings on grounds of confidentiality of communication.

(6E) In sub-paragraph (6B) “land” includes part of a building and part of any other structure.”.

(7) In sub-paragraph (7)—

- (a) for “sub-paragraph” substitute “sub-paragraphs”, and
- (b) after “to (q)” insert “and (6C)”.

(8) After sub-paragraph (9) insert—

“(10) For the purposes of sub-paragraph (1)(u), “work of art” means anything which, in accordance with section 21(6) to (6B) of the Value Added Tax Act 1994 (value of imported goods)(3), is a work of art for the purposes of section 21(5)(a) of that Act.

(11) For the purposes of sub-paragraph (1)(u), “freeport” means a warehouse or storage facility within an area designated by the Treasury as a special area for customs purposes pursuant to section 100A(1) of the Customs and Excise Management Act 1979(4).

(12) For the purposes of sub-paragraph (1)(v)—

- (a) “cryptoasset exchange provider” means a firm or sole practitioner who by way of business provides one or more of the following services, including where the

(3) 1994 c. 23. Sections 21(6) to (6B) were inserted by section 12(2) of the Finance Act 1999 (c.16).

(4) 1979 c. 2. Section 100A was inserted by the Finance Act 1984 (c.1), section 8 and (c.43), Schedule 4.

firm or sole practitioner does so as creator or issuer of any of the cryptoassets involved—

- (i) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets,
 - (ii) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another, or
 - (iii) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets;
- (b) “custodian wallet provider” means a firm or sole practitioner who by way of business provides services to safeguard, or to safeguard and administer—
- (i) cryptoassets on behalf of its customers, or
 - (ii) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets.

(13) For the purposes of sub-paragraph (12)—

- (a) “cryptoasset” means a cryptographically secured digital representation of value or contractual rights that uses a form of distributed ledger technology and can be transferred, stored or traded electronically;
- (b) “money” means—
 - (i) money in sterling,
 - (ii) money in any other currency, or
 - (iii) money in any other medium of exchange,but does not include a cryptoasset; and
- (c) in sub-paragraphs (i), (ii) and (iii) of sub-paragraph (12)(a), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.

Amendment of the Proceeds of Crime Act 2002

15.—(1) The Proceeds of Crime Act 2002(5) is amended as follows.

(2) In section 333E (interpretation), in subsection (4), after the words “terrorist financing” insert “, as amended by Directive 2018/843 of the European Parliament and of the Council of 30th May 2018(6)”.

(3) Paragraph 1 of Schedule 9 (business in the regulated sector) is amended as follows.

(4) In sub-paragraph (1)—

- (a) in paragraph (m), for “advice about the tax affairs of other persons by a firm or sole practitioner who by way of business provides advice about” substitute “material aid, or assistance or advice, in connection with the tax affairs of other persons by a firm or sole practitioner, whether provided directly or through a third party, if the firm or sole practitioner by way of business provides (as the case may be) aid, assistance or advice in connection with”;
- (b) in paragraph (p), after “estate agency work” insert “or letting agency work.”;
- (c) at the end insert—
 - “(u) the carrying on of activities by a firm or sole practitioner when it—

(5) 2002 c. 29. Section 333E was inserted by [S.I. 2007/3398](#) and amended by [S.I. 2017/692](#). Part 1 of Schedule 9 was substituted by [S.I. 2007/3287](#). Paragraph 1 of that Schedule was amended by [S.I. 2011/99](#), [2013/3115](#) and [2015/575](#). Paragraph 3 of that Schedule was amended by [S.I. 2011/2701](#), [2013/3115](#) and [2015/575](#). Part 1 was also amended by [S.I. 2017/692](#).

(6) OJ L 156, 19.06.2018, p.43-74.

- (i) by way of business trades in, or acts as an intermediary in the sale or purchase of, works of art and the value of the transaction, or a series of linked transactions, amounts to 10,000 euros or more; or
 - (ii) is the operator of a freeport when it, or any other firm or sole practitioner, stores works of art in the freeport and the value of the works of art so stored for a person, or a series of linked persons, amounts to 10,000 euros or more;
 - (v) the carrying on of activities by a firm or individual when acting as a cryptoasset exchange provider or custodian wallet provider.”.
- (5) In sub-paragraph (6), for paragraph (b) substitute—
 - “(b) disclosure requirements consistent with Articles 1(4) to (7), 3, 5 to 10, 13 to 19, 20(1), 21 and 23 of Regulation (EU) No 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing [Directive 2003/71/EC](#);”.
- (6) After sub-paragraph (6A) insert—
 - “(6B) For the purposes of sub-paragraph (1)(p) “letting agency work” means work—
 - (a) consisting of things done in response to instructions received from—
 - (i) a person (a “prospective landlord”) seeking to find another person to whom to let land, or
 - (ii) a person (a “prospective tenant”) seeking to find land to rent, and
 - (b) done in a case where an agreement is concluded for the letting of land—
 - (i) for a term of a month or more, and
 - (ii) at a rent which during at least part of the term is, or is equivalent to, a monthly rent of 10,000 euros or more.
 - (6C) For the purposes of sub-paragraph (1)(p) “letting agency work” does not include the things listed in sub-paragraph (6D) when done by, or by employees of, a firm or sole practitioner if neither the firm or sole practitioner, nor any of their employees, does anything else within sub-paragraph (6B).
 - (6D) Those things are—
 - (a) publishing advertisements or disseminating information;
 - (b) providing a means by which a prospective landlord or a prospective tenant can, in response to an advertisement or dissemination of information, make direct contact with a prospective tenant or a prospective landlord;
 - (c) providing a means by which a prospective landlord and a prospective tenant can communicate directly with each other;
 - (d) the provision of legal or notarial services by a barrister, advocate, solicitor or other legal representative communications with whom may be the subject of a claim to professional privilege or, in Scotland, protected from disclosure in legal proceedings on grounds of confidentiality of communication.
 - (6E) In sub-paragraph (6B) “land” includes part of a building and part of any other structure.”.
- (7) In sub-paragraph (7)—
 - (a) for “sub-paragraph” substitute “sub-paragraphs”, and
 - (b) after “to (q)” insert “and (6C)”.
- (8) After sub-paragraph (9) insert—

“(10) For the purposes of sub-paragraph (1)(u), “work of art” means anything which, in accordance with section 21(6) to (6B) of the Value Added Tax Act 1994 (value of imported goods)(7), is a work of art for the purposes of section 21(5)(a) of that Act.

(11) For the purposes of sub-paragraph (1)(u), “freeport” means a warehouse or storage facility within an area designated by the Treasury as a special area for customs purposes pursuant to section 100A(1) of the Customs and Excise Management Act 1979(8).

(12) For the purposes of sub-paragraph (1)(v)—

- (a) “cryptoasset exchange provider” means a firm or sole practitioner who by way of business provides one or more of the following services, including where the firm or sole practitioner does so as creator or issuer of any of the cryptoassets involved—
 - (i) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets,
 - (ii) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another, or
 - (iii) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets;
- (b) “custodian wallet provider” means a firm or sole practitioner who by way of business provides services to safeguard, or to safeguard and administer—
 - (i) cryptoassets on behalf of its customers, or
 - (ii) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets.

(13) For the purposes of sub-paragraph (12)—

- (a) “cryptoasset” means a cryptographically secured digital representation of value or contractual rights that uses a form of distributed ledger technology and can be transferred, stored or traded electronically;
- (b) “money” means—
 - (i) money in sterling,
 - (ii) money in any other currency, or
 - (iii) money in any other medium of exchange,but does not include a cryptoasset; and
- (c) in sub-paragraphs (i), (ii) and (iii) of sub-paragraph (12)(a), “cryptoasset” includes a right to, or interest in, the cryptoasset.”.

Amendment of the Companies Act 2006

16.—(1) The Companies Act 2006(9) is amended as follows.

(2) In section 1079A (provision of information for publication on European e-Justice portal)—

- (a) in subsection (1), for “Article 3a(1) of [Directive 2009/101/EC](#)(10)” substitute “Article 17(1) of [Directive 2017/1132/EU](#)(11)”;
- (b) in subsection (2), for “[Directive 2009/101/EC](#)” substitute “[Directive 2017/1132/EU](#)”;

(7) [1994 c. 23](#). Sections 21(6) to (6B) were inserted by section 12(2) of the Finance Act [1999 \(c.16\)](#).

(8) [1979 c. 2](#). Section 100A was inserted by the Finance Act [1984 \(c.1\)](#), section 8 and (c.43), Schedule 4.

(9) [2006 c. 46](#); section 1079A was inserted by [S.I. 2014/1557](#).

(10) OJ No. L 258, 1.10.2009, p.11-19.

(11) OJ No. L 169, 30.06.2017, p.46-127.

- (c) in subsection (3), for “[Directive 2009/101/EC](#) and Article 3a” substitute “[Directive 2017/1132/EU](#) and Article 17”.
- (3) In section 1084 (records relating to companies that have been dissolved etc), after subsection (4) insert—
 - “(4A) This section has effect subject to section 1087ZA (required particulars available for public inspection for limited period).”.
- (4) In section 1085 (inspection of the register), in subsection (3), after “inspection)” insert “and section 1087ZA (required particulars available for public inspection for limited period)”.
- (5) In section 1086 (right to copy of material on the register), in subsection (3), after “inspection)” insert “and section 1087ZA (required particulars available for public inspection for limited period)”.
- (6) After section 1087 (material not available for public inspection) insert—

“Required particulars available for public inspection for limited period

1087ZA.—(1) This section applies where—

- (a) a notice is given to the registrar by a company under section 790VA (notification of changes to the registrar), or
- (a) a document is delivered to the registrar by a company under section 790ZA (duty to notify registrar of changes).

(2) The notice or document, and any record of the information contained in the notice or document, must not be made available by the registrar for public inspection after the expiration of ten years beginning with the date on which the company is dissolved.

(3) The power in section 1084(2) (power of registrar to direct that records of a company that has been dissolved may be removed to the Public Record Office etc) may not be exercised in relation to the notice or document, or any record of the information contained in the notice or document, before the expiration of ten years beginning with the date on which the company is dissolved.

(4) Subsection (2) does not affect the availability for public inspection of the same information contained in material derived from another description of document in relation to which no such restriction applies.”.

- (7) After section 1095 (rectification of register on application to registrar) insert—

“Rectification of register to resolve a discrepancy

1095A.—(1) This section applies where—

- (a) a discrepancy in information relating to a company is reported to the registrar under regulation 30A(2) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (requirement to report discrepancies in information about beneficial ownership), and
- (b) the registrar determines, having investigated the discrepancy under regulation 30A(5) of those Regulations, that there is a discrepancy.

(2) The registrar may remove material from the register if doing so is necessary to resolve the discrepancy.”.

Amendment of the Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009

17.—(1) The Limited Liability Partnerships (Application of Companies Act 2006) Regulations 2009⁽¹²⁾ are amended as follows.

(2) In regulation 65 (records relating to dissolved LLPs), in section 1084 (records relating to LLPs that have been dissolved), as applied with modifications by that regulation, after subsection (3) insert—

“(3A) This section has effect subject to section 1087ZA (required particulars available for public inspection for limited period).”.

(3) In regulation 66 (inspection etc of the register)—

- (a) in section 1085 (inspection of the register), as applied with modifications by that regulation, in subsection (3), after “inspection) insert “and section 1087ZA (required particulars available for public inspection for limited period)”;
- (b) in section 1086 (right to copy of material on the register), as applied with modifications by that regulation, in subsection (3), after “inspection)” insert “and section 1087ZA (required particulars available for public inspection for limited period)”;
- (c) after section 1087 (material not available for public inspection), as applied with modifications by that regulation, insert—

“Required particulars available for public inspection for limited period

1087ZA.—(1) This section applies where—

- (a) a notice is given to the registrar by an LLP under section 790VA (notification of changes to the registrar), or
- (b) a document is delivered to the registrar by an LLP under section 790ZA (duty to notify registrar of changes).

(2) The notice or document, and any record of the information contained in the notice or document, must not be made available by the registrar for public inspection after the expiration of ten years beginning with the date on which the LLP is dissolved.

(3) The power in section 1084(2) (power of registrar to direct that records of an LLP that has been dissolved may be removed to the Public Record Office etc) may not be exercised in relation to the notice or document, or any record of the information contained in the notice or document, before the expiration of ten years beginning with the date on which the LLP is dissolved.

(4) Subsection (2) does not affect the availability for public inspection of the same information contained in material derived from another description of document in relation to which no such restriction applies.”.

(4) In regulation 67 (correction or removal of material on the register), after section 1095 (rectification of register on application to registrar), as applied with modifications by that regulation, insert—

“Rectification of register to resolve a discrepancy

1095A.—(1) This section applies where—

- (a) a discrepancy in information relating to an LLP is reported to the registrar under regulation 30A(2) of the Money Laundering, Terrorist Financing and Transfer

(12) S.I. 2009/1804.

of Funds (Information on the Payer) Regulations 2017 (requirement to report discrepancies in information about beneficial ownership), and

- (b) the registrar determines, having investigated the discrepancy under regulation 30A(5) of those Regulations, that there is a discrepancy.

(2) The registrar may remove material from the register if doing so is necessary to resolve the discrepancy.”.

Amendment of the Unregistered Companies Regulations 2009

18. In the Unregistered Companies Regulations 2009⁽¹³⁾, in paragraph 20(1) of Schedule 1 (provisions of the Companies Acts applying to unregistered companies)—

- (a) after paragraph (c) insert—

“(cza) section 1087ZA (required particulars available for public inspection for limited period);”;

- (b) after paragraph (e) insert—

“(f) section 1095A (rectification of register to resolve a discrepancy).”.

Amendment of the Electronic Money Regulations 2011

19. In paragraph 3(d)(ii) (information gathering and investigations) of Schedule 3 (application and modification of legislation) to the Electronic Money Regulations 2011⁽¹⁴⁾, for “the Money Laundering Regulations 2007” substitute “the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017”.

Amendment of the Scottish Partnerships (Register of People with Significant Control) Regulations 2017

20.—(1) The Scottish Partnerships (Register of People with Significant Control) Regulations 2017 are amended as follows.

- (2) After regulation 61 insert—

“**61A.** Section 1087ZA of the Companies Act 2006 (required particulars available for public inspection for limited period) applies to eligible Scottish partnerships, modified so that it reads as follows—

“Required particulars available for public inspection for limited period

1087ZA.—(1) This section applies where—

- (a) a document is delivered to the registrar by an eligible Scottish partnership under regulation 19 (duty to deliver information to the registrar) of the Scottish partnerships regulations; or
- (b) a document is delivered to the registrar by an eligible Scottish partnership under regulation 20 (duty to deliver information about a relevant change) of the Scottish partnerships regulations.

(2) The document, and any record of the information contained in the document, must not be made available by the registrar for public inspection after the expiration of ten years beginning with the date on which the registrar is notified of the dissolution of the eligible Scottish partnership.

⁽¹³⁾ S.I. 2009/2436.

⁽¹⁴⁾ S.I. 2011/99.

(3) Subsection (2) does not affect the availability for public inspection of the same information contained in material derived from another description of document in relation to which no such restriction applies.

(4) For the purposes of this section—

“eligible Scottish partnership” has the meaning given in regulation 2 (interpretation) of the Scottish partnerships regulations.

“the Scottish partnerships regulations” means the Scottish Partnerships (Register of People with Significant Control) Regulations 2017.”

(3) After regulation 67 insert—

“**67A.** Section 1095A of the Companies Act 2006 (rectification of register to resolve a discrepancy) applies to eligible Scottish partnerships, modified so that it reads as follows—

“Rectification of register to resolve a discrepancy

1095A.—(1) This section applies where—

(a) a discrepancy in information relating to an eligible Scottish partnership is reported to the registrar under regulation 30A(2) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (requirement to report discrepancies in information about beneficial ownership), and

(b) the registrar determines, having investigated the discrepancy under regulation 30A(5) of those Regulations, that there is a discrepancy.

(2) The registrar may remove material from the register if doing so is necessary to resolve the discrepancy.

(3) In this section “eligible Scottish partnership” has the meaning given in regulation 2 of the Scottish Partnerships (Register of People with Significant Control) Regulations 2017.”.