
Status: Point in time view as at 10/01/2020.

Changes to legislation: There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. (See end of Document for details)

STATUTORY INSTRUMENTS

2017 No. 692

FINANCIAL SERVICES

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017

<i>Made</i>	- - - -	<i>at 9.20 a.m. on 22nd June 2017</i>
<i>Laid before Parliament</i>		<i>at 4.30 p.m. on 22nd June 2017</i>
<i>Coming into force</i>		<i>26th June 2017</i>

THE MONEY LAUNDERING, TERRORIST FINANCING AND TRANSFER OF FUNDS (INFORMATION ON THE PAYER) REGULATIONS 2017

PART 1

Introduction

1. Citation and commencement
2. Prescribed regulations
3. General interpretation
4. Meaning of business relationship
5. Meaning of beneficial owner: bodies corporate or partnership
6. Meaning of beneficial owner: trusts, similar arrangements and others
7. Supervisory authorities

PART 2

Money Laundering and Terrorist Financing

CHAPTER 1

Application

8. Application
9. Carrying on business in the United Kingdom
10. Credit institutions and financial institutions
11. Auditors and others
12. Independent legal professionals and trust or company service providers

Status: Point in time view as at 10/01/2020.

Changes to legislation: There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. (See end of Document for details)

13. Estate agents and letting agents
14. High value dealers, casinos, auction platforms and art market participants
- 14A. Cryptoasset exchange providers and custodian wallet providers
15. Exclusions

CHAPTER 2

Risk assessment and controls

16. Risk assessment by the Treasury and Home Office
17. Risk assessment by supervisory authorities
18. Risk assessment by relevant persons
19. Policies, controls and procedures
20. Policies, controls and procedures: group level
21. Internal controls
22. Central contact points: electronic money issuers and payment service providers
23. Requirement on authorised person to inform the FCA
24. Training
25. Supervisory action

CHAPTER 3

Ownership and Management Restrictions

26. Prohibitions and approvals

PART 3

Customer Due Diligence

CHAPTER 1

Customer due diligence: general

27. Customer due diligence
28. Customer due diligence measures
29. Additional customer due diligence measures: credit institutions and financial institutions
30. Timing of verification
- 30A. Requirement to report discrepancies in registers
31. Requirement to cease transactions etc
32. Exception for trustees of debt issues

CHAPTER 2

Enhanced customer due diligence

33. Obligation to apply enhanced customer due diligence
34. Enhanced customer due diligence: credit institutions, financial institutions and correspondent relationships
35. Enhanced customer due diligence: politically exposed persons
36. Politically exposed persons: other duties

CHAPTER 3

Simplified customer due diligence

- 37. Application of simplified customer due diligence
- 38. Electronic money

PART 4

Reliance and Record-keeping

- 39. Reliance
- 40. Record-keeping
- 41. Data Protection

PART 5

Beneficial Ownership Information

- 42. Application of this Part
- 43. Corporate bodies: obligations
- 44. Trustee obligations
- 45. Register of beneficial ownership

PART 6

Money Laundering and Terrorist Financing: Supervision and Registration

CHAPTER 1

Duties of supervisory authorities

- 46. Duties of supervisory authorities
- 46A Annual reports by self-regulatory organisations
- 47. Duties of supervisory authorities: information
- 48. Duties of the FCA: guidance on politically exposed persons
- 49. Duties of self-regulatory organisations
- 50. Duty to co-operate
- 51. Regulatory information
- 52. Disclosure by supervisory authorities
- 52A Obligation of confidentiality
- 52B Obligation of confidentiality: offence

CHAPTER 2

Registration

- 53. Interpretation
- 54. Duty to maintain registers of certain relevant persons
- 55. Power to maintain registers
- 56. Requirement to be registered
- 56A Transitional provision for existing cryptoasset businesses: requirement to register
- 57. Applications for registration in a register maintained under regulation 54 or 55
- 58. Fit and proper test

Status: Point in time view as at 10/01/2020.

Changes to legislation: There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. (See end of Document for details)

- 58A Fit and proper test: cryptoasset businesses
- 59. Determination of applications for registration under regulations 54 and 55
- 60. Cancellation and suspension of registration in a register under regulation 54 or 55

CHAPTER 3

Disclosure obligation

- 60A Disclosure by cryptoasset businesses

PART 7

Transfer of Funds (Information on the Payer) Regulations

- 61. Interpretation
- 62. Transfer of funds supervisory authorities
- 63. Duties of transfer of funds supervisory authorities
- 64. Obligations of payment service providers

PART 8

Information, Investigation and Directions

- 65. Interpretation
- 66. Power to require information
- 67. Requests in support of other authorities
- 68. Requests to other authorities
- 69. Entry, inspection of premises without a warrant etc
- 70. Entry of premises under warrant
- 71. Retention of documents taken under regulation 66 or 70
- 72. Provision of information and warrants: safeguards
- 73. Admissibility of statements
- 74. Powers of relevant officers
- 74A Reporting requirements: cryptoasset businesses
- 74B Report by a skilled person: cryptoasset businesses
- 74C Directions: cryptoasset businesses

PART 9

Enforcement

CHAPTER 1

General

- 75. Meaning of “relevant requirement”

CHAPTER 2

Civil penalties and notices

- 76. Power to impose civil penalties: fines and statements
- 77. Power to impose civil penalties: suspension and removal of authorisation
- 78. Power to impose civil penalties: prohibitions on management
- 79. Imposition of civil penalties

- 80. Injunctions
- 81. The FCA: disciplinary measures (procedure)
- 82. The FCA: procedure (general)
- 83. The Commissioners: disciplinary measures (procedure)
- 84. Publication: the FCA
- 85. Publication: the Commissioners

CHAPTER 3

Criminal offences, penalties and proceedings etc.

- 86. Criminal offence
- 87. Offences of prejudicing investigations
- 88. Information offences
- 89. Proceedings: general
- 90. Proceedings: jurisdiction
- 91. Proceedings: partnership or unincorporated association
- 92. Offence by bodies corporate, partnership or unincorporated association

PART 10

Appeals

CHAPTER 1

Decisions of the FCA

- 93. Appeals against decisions of the FCA

CHAPTER 2

Decisions of the Commissioners

- 94. Offer of review
- 95. Review by the Commissioners
- 96. Extensions of time
- 97. Review out of time
- 98. Nature of review etc
- 99. Appeals against decisions of the Commissioners
- 100. Appeals against decisions of the Commissioners: procedure

PART 11

Miscellaneous Provisions

- 101. Recovery of charges and penalties through the court
- 102. Costs of supervision
- 103. Obligations on public authorities
- 104. Suspicious activity disclosures
- 104A. The United Kingdom's financial intelligence unit
- 105. Disclosure by the Commissioners
- 106. General restrictions
- 107. Transfers between the United Kingdom and the Channel Islands and the Isle of Man
- 108. Review

Status: Point in time view as at 10/01/2020.

Changes to legislation: There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. (See end of Document for details)

- 109. Consequential amendments
- 110. Revocation and saving provisions
Signature

SCHEDULES

SCHEDULE 1 — Professional Bodies

- 1. Association of Accounting Technicians
- 2. Association of Chartered Certified Accountants
- 3. Association of International Accountants
- 4. Association of Taxation Technicians
- 5. Chartered Institute of Legal Executives
- 6. Chartered Institute of Management Accountants
- 7. Chartered Institute of Taxation
- 8. Council for Licensed Conveyancers
- 9. Faculty of Advocates
- 10. Faculty Office of the Archbishop of Canterbury
- 11. General Council of the Bar
- 12. General Council of the Bar of Northern Ireland
- 13. Insolvency Practitioners Association
- 14. Institute of Certified Bookkeepers
- 15. Institute of Chartered Accountants in England and Wales
- 16. Institute of Chartered Accountants in Ireland
- 17. Institute of Chartered Accountants of Scotland
- 18. Institute of Financial Accountants
- 19. International Association of Bookkeepers
- 20. Law Society
- 21. Law Society of Northern Ireland
- 22. Law Society of Scotland

SCHEDULE 2 — Activities listed in points 2 to 12, 14 and 15 of Annex I to the Capital Requirements Directive

SCHEDULE 3 — Relevant Offences

- 1. An offence under the Perjury Act 1911 .
- 2. An offence under section 89 of the Criminal Justice Act...
- 3. An offence under section 20BB of the Taxes Management Act...
- 4. An offence under section 11 of the European Communities Act...
- 5. An offence under Article 10 of the Perjury (Northern Ireland)...
- 6. An offence under the Customs and Excise Management Act 1979...
- 7. An offence under the Estate Agency Act 1979, or specified...
- 8. An offence under any of sections 1 to 5 of...
- 9. An offence under section 35 of the Administration of Justice...
- 10. An offence under section 11(1) (undischarged bankrupts) or 13 (criminal...
- 11. An offence under section 1, 2, 3, 3ZA or 3A...
- 12. An offence under section 112 (false representations or obtaining benefit)...
- 13. An offence under section 52 of the Criminal Justice Act...
- 14. An offence under the Value Added Tax Act 1994
- 15. An offence under section 44(2) of the Criminal Law (Consolidation)...
- 16. An offence under the Data Protection Act 1998 .
- 17. An offence under the Terrorism Act 2000 .

18. An offence under paragraph 7(2) or (3) of Schedule 3...
19. An offence under the Money Laundering Regulations 2001 , the...
20. An offence under section 35 of the Tax Credits Act...
21. An offence under Part 7 (money laundering) or Part 8...
22. An offence under the Commissioners for Revenue and Customs Act...
23. An offence under the Terrorism Act 2006 .
24. An offence under section 1, 2, 6 or 7 of...
25. An offence under section 45 of the Serious Crime Act...
26. An offence under Parts 1 (general privacy protections); 2 (lawful...
27. An offence under section 45 (failure to prevent facilitation of...
- 27A An offence under the Data Protection Act 2018, apart from...
28. An offence of cheating the public revenue.
29. An offence under the law of any part of the...
30. Any offence which has deception or dishonesty as one of...
31. The common law offences of conspiracy to defraud and perverting...
32. An offence of attempting, conspiring or inciting the commission of...
33. An offence under section 44 of the Serious Crime Act...
34. An offence of aiding, abetting, counselling or procuring the commission...
35. An act which— (a) constituted an offence under the law...

SCHEDULE 4 — Supervisory Information

1. The number of persons subject to the supervision of the...
2. The number of supervised persons who are individuals.
3. In the case of a self-regulatory organisation, the number of...
4. In the case of a self-regulatory organisation, the number of...
5. The services provided by supervised persons.
6. The number of firms subject to the supervision of the...
7. The number of applications for approval received by the supervisory...
8. The number of approvals under regulation 26 which were not...
9. In the case of a self-regulatory organisation, the number, amount...
10. The number of times the supervisory authority has—
11. The number of times the supervisory authority has exercised any...
12. The number of contraventions of these Regulations committed by supervised...
- 12A The number of contraventions of these Regulations identified upon exercise...
13. The number and amount of penalties or charges which have...
14. The number of times the supervisory authority has exercised the...
15. The number of times the supervisory authority or any of...
16. The number of supervised persons who have contravened requirements imposed...
17. Information on the money laundering and terrorist financing practices that...
18. Indications that the supervisory authority considers to suggest that a...
19. The amount of human resource allocated by the supervisory authority...

SCHEDULE 5 — Connected Persons

1. Corporate Bodies
2. Partnerships
3. Unincorporated Associations
4. Individuals

SCHEDULE 6 — Meaning of “relevant requirement”

1. For the purposes of Part 9 of these Regulations, “relevant...

Status: Point in time view as at 10/01/2020.

Changes to legislation: There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. (See end of Document for details)

2. The requirements specified in this paragraph are those imposed in—...
3. The requirements specified in this paragraph are those imposed in—...
4. The requirements specified in this paragraph are those imposed in—...
5. The requirements specified in this paragraph are those—
6. The requirements specified in this paragraph are those imposed in...
7. The requirements specified in this paragraph are those imposed in—...
8. The requirements specified in this paragraph are those imposed in—...
9. The requirements specified in this paragraph are those imposed in—...
10. The requirements specified in this paragraph are those imposed in—...
11. The requirements specified in this paragraph are those imposed in...
12. The requirements specified in this paragraph are those imposed under—...
13. The requirement specified in this paragraph is the requirement imposed...

SCHEDULE 6A — The United Kingdom’s Financial Intelligence Unit

1. Interpretation
2. Reports to the National Crime Agency
3. Co-operation
4. Provision of information in response to external requests
5. Where an external request is received and the NCA does...
6. The NCA must designate at least one point of contact...
7. Where the NCA has provided relevant information to a foreign...
8. Where the NCA provides relevant information in response to an...
9. Conditions and restrictions on provision or further dissemination of relevant information
10. Where an obligation arises under this Schedule for the NCA...
11. The NCA is not required to comply with the duty...
12. The NCA must have particular regard— (a) where making a...
13. Requests for information by the NCA to foreign FIUs
14. The NCA must address a request for the information to...
15. Where the NCA makes a request to a foreign FIU...
16. Conditions and restrictions on use of information received by the NCA from foreign FIUs

SCHEDULE 7 — Consequential Amendments

PART 1 — Consequential Amendments to Primary Legislation

1. Solicitors (Scotland) Act 1980
 2. Northern Ireland Act 1998
 3. Financial Services and Markets Act 2000
 4. Terrorism Act 2000
 5. Criminal Justice and Police Act 2001
 6. Proceeds of Crime Act 2002
 7. Counter-Terrorism Act 2008
 8. Borders, Citizenship and Immigration Act 2009
 9. Crime and Courts Act 2013
 10. Finance Act 2014
 11. Bank of England and Financial Services Act 2016
- ##### PART 2 — Consequential Amendments to Secondary Legislation
12. Estate Agents (Undesirable Practices) (No 2) Order 1991
 13. Public Interest Disclosure (Prescribed Persons) Order (Northern Ireland) 1999
 14. Terrorism Act 2000 (Crown Servants and Regulators) Regulations 2001
 15. Representation of the People (England and Wales) Regulations 2001
 16. Representation of the People (Scotland) Regulations 2001

17. Financial Services and Markets Act 2000 (Regulated Activities) Order 2001
18. Open-Ended Investment Companies Regulations 2001
19. Proceeds of Crime Act 2002 (Disclosure of information to and by Lord Advocate and Scottish Ministers) Order 2003
20. Proceeds of Crime Act 2002 (Failure to Disclose Money Laundering: Specified Training) Order 2003
21. Legislative and Regulatory Reform (Regulatory Functions) Order 2007
22. Representation of the People (Northern Ireland) Regulations 2008
23. Transfer of Tribunal Functions and Revenue and Customs Appeals Order 2009
24. Payment Services Regulations 2009
25. Companies (Disclosure of Address) Regulations 2009
26. Overseas Companies Regulations 2009
27. Defence and Security Public Contracts Regulations 2011
28. Electronic Money Regulations 2011
29. Terrorism Act 2000 and Proceeds of Crime Act 2002 (Business in the Regulated Sector) (No 2) Order 2012
30. Payment to Treasury of Penalties (Enforcement Costs) Order 2013
31. Public Interest Disclosure (Prescribed Persons) Order 2014
32. Companies (Disclosure of Date of Birth Information) Regulations 2015
33. Payment Accounts Regulations 2015
34. Register of People with Significant Control Regulations 2016
35. Economic Growth (Regulatory Functions) Order 2017

Explanatory Note

Status:

Point in time view as at 10/01/2020.

Changes to legislation:

There are currently no known outstanding effects for the The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.