



Proceeds of Crime Act 2002

2002 CHAPTER 29

PART 5

CIVIL RECOVERY OF THE PROCEEDS ETC. OF UNLAWFUL CONDUCT

[^{F1}CHAPTER 3F

CONVERSION OF CRYPTOASSETS

[^{F1}Conversion

Textual Amendments

- F1** Pt. 5 Chs. 3C-3F inserted (26.10.2023 for specified purposes) by [Economic Crime and Corporate Transparency Act 2023](#) (c. 56), s. 219(1)(2)(b)(c), [Sch. 9 para. 1](#)

303Z54 Detained cryptoassets: conversion

- (1) Subsection (2) applies while any cryptoassets are detained in pursuance of an order under section [303Z30](#) or [303Z32](#) (including where cryptoassets are subject to forfeiture proceedings).
- (2) A person within subsection (3) may apply to the relevant court for an order requiring all of the cryptoassets detained pursuant to the order to be converted into money.
- (3) The following persons are within this subsection—
 - (a) an enforcement officer;
 - (b) a person from whom the cryptoassets were seized.
- (4) In deciding whether to make an order under this section, the court must have regard to whether the cryptoassets (as a whole) are likely to suffer a significant loss in value

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during the period before they are released or forfeited (including the period during which an appeal against an order for forfeiture may be made).

- (5) Before making an order under this section the court must give an opportunity to be heard to—
 - (a) the parties to the proceedings, and
 - (b) any other person who may be affected by its decision.
- (6) As soon as practicable after an order is made under this section, an enforcement officer must convert the cryptoassets, or arrange for the cryptoassets to be converted, into money.
- (7) The conversion of cryptoassets under subsection (6) must be carried out, so far as practicable, in the manner best calculated to maximise the amount of money obtained for the cryptoassets.
- (8) At the first opportunity after the cryptoassets are converted, the enforcement officer must arrange for the amount of money obtained for the cryptoassets to be paid into an interest-bearing account and held there.
- (9) Interest accruing on the amount is to be added to it on its forfeiture or release.
- (10) Where cryptoassets are converted into money in accordance with an order made under this section—
 - (a) the cryptoassets are no longer to be treated as being detained in pursuance of an order under section 303Z30 or 303Z32, and
 - (b) any application made under section 303Z41(2) in relation to the cryptoassets which has not yet been determined or otherwise disposed of (including under section 303Z44 or 303Z45) is to be treated as if it were an application made under section 303Z60(2) in relation to the converted cryptoassets.
- (11) An order made under this section must provide for notice to be given to persons affected by the order.
- (12) No appeal may be made against an order made under this section.

303Z55 Frozen crypto wallet: conversion

- (1) This section applies while a crypto wallet freezing order under section 303Z37 has effect (including where cryptoassets held in a crypto wallet that is subject to a crypto wallet freezing order are subject to forfeiture proceedings).
- (2) A person within subsection (3) may apply to the relevant court for an order requiring all of the cryptoassets held in the crypto wallet to be converted into money.
- (3) The following persons are within this subsection—
 - (a) an enforcement officer;
 - (b) a person by or for whom the crypto wallet is administered.
- (4) In deciding whether to make an order under this section, the court must have regard to whether the cryptoassets (as a whole) are likely to suffer a significant loss in value during the period before—
 - (a) the crypto wallet freezing order ceases to have effect, or
 - (b) the cryptoassets are forfeited (including the period during which an appeal against an order for forfeiture may be made).

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- (5) Before making an order under this section the court must give an opportunity to be heard to—
 - (a) the parties to the proceedings, and
 - (b) any other person who may be affected by its decision.
- (6) As soon as practicable after an order is made under this section, the UK-connected cryptoasset service provider that administers the crypto wallet must convert the cryptoassets, or arrange for the cryptoassets to be converted, into money.
- (7) The conversion of cryptoassets under subsection (6) must be carried out, so far as practicable, in the manner best calculated to maximise the amount of money obtained for the cryptoassets.
- (8) At the first opportunity after the cryptoassets are converted, the UK-connected cryptoasset service provider must arrange for the amount of money obtained for the cryptoassets to be paid into an interest-bearing account nominated by an enforcement officer and held there.
- (9) But—
 - (a) the UK-connected cryptoasset service provider may deduct any reasonable expenses incurred by the provider in connection with the conversion of the cryptoassets, and
 - (b) the amount to be treated as the proceeds of the conversion of the cryptoassets is to be reduced accordingly.
- (10) Interest accruing on the amount obtained for the cryptoassets is to be added to it on its forfeiture or release.
- (11) Where cryptoassets are converted in accordance with an order made under this section—
 - (a) the crypto wallet freezing order ceases to have effect,
 - (b) any application made under section 303Z41(2) in relation to the cryptoassets which has not yet been determined or otherwise disposed of (including under section 303Z44 or 303Z45) is to be treated as if it were an application made under section 303Z60(2) in relation to the converted cryptoassets, and
 - (c) any application made under section 303Z46(2) in relation to the crypto wallet which has not yet been determined or otherwise disposed of may not be proceeded with.
- (12) An order made under this section must provide for notice to be given to persons affected by the order.
- (13) No appeal may be made against an order made under this section.

303Z56 Conversion: existing forfeiture proceedings

- (1) Where—
 - (a) cryptoassets are forfeited under section 303Z41 or 303Z45, and
 - (b) before the cryptoassets are realised or destroyed in accordance with section 303Z48, an order is made under section 303Z54 requiring the cryptoassets to be converted into money,

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section 303Z62(1) applies in relation to the converted cryptoassets as if they had been detained under section 303Z57 and forfeited under section 303Z60 (and accordingly section 303Z48 ceases to apply).

(2) Where—

- (a) cryptoassets are forfeited under section 303Z41 or 303Z45, and
- (b) before the cryptoassets are realised or destroyed in accordance with section 303Z48, an order is made under section 303Z55 requiring the cryptoassets to be converted into money,

section 303Z62(2) applies in relation to the converted cryptoassets as if they had been detained under section 303Z58 and forfeited under section 303Z60 (and accordingly section 303Z48 ceases to apply).

(3) Where—

- (a) an appeal may be made under section 303Z47(1) or (2) in relation to the determination of an application under section 303Z41(2) for the forfeiture of cryptoassets (including where section 303Z44 or 303Z45 applies), and
- (b) an order is made under section 303Z54 or 303Z55 requiring the cryptoassets to be converted into money,

the appeal may instead be made under section 303Z61 (within the time allowed by section 303Z47(4)) as if it were an appeal against the determination of an application under section 303Z60.

(4) Where—

- (a) an appeal is made under section 303Z47(1) or (2) in relation to the determination of an application under section 303Z41(2) for the forfeiture of cryptoassets (including where section 303Z44 or 303Z45 applies), and
- (b) before the appeal is determined or otherwise disposed of, an order is made under section 303Z54 or 303Z55 requiring the cryptoassets to be converted into money,

the appeal is to be treated as if it had been made under section 303Z61(1) in relation to the determination of an application under section 303Z60 for the forfeiture of the converted cryptoassets.]

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Changes and effects yet to be applied to the whole Act associated Parts and Chapters:

Whole provisions yet to be inserted into this Act (including any effects on those provisions):

- s. 13(5)(a)(iia) inserted by [2015 c. 30 Sch. 5 para. 15\(3\)\(d\)](#)
- s. 323(1)(hc) inserted by [2023 c. 20 Sch. para. 45\(2\)](#)
- s. 323(4)(ec) inserted by [2023 c. 20 Sch. para. 45\(3\)](#)
- s. 323(5)(ec) inserted by [2023 c. 20 Sch. para. 45\(4\)](#)