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STATUTORY INSTRUMENTS

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**2007 No. 2157**

**The Money Laundering Regulations 2007**

**PART 2**

**CUSTOMER DUE DILIGENCE**

**Simplified due diligence**

**13.**—(1) A relevant person is not required to apply customer due diligence measures in the circumstances mentioned in regulation 7(1)(a), (b) or (d) where he has reasonable grounds for believing that the customer, transaction or product related to such transaction, falls within any of the following paragraphs.

(2) The customer is—

- (a) a credit or financial institution which is subject to the requirements of the money laundering directive; or
- (b) a credit or financial institution (or equivalent institution) which—
  - (i) is situated in a non-EEA state which imposes requirements equivalent to those laid down in the money laundering directive; and
  - (ii) is supervised for compliance with those requirements.

(3) The customer is a company whose securities are listed on a regulated market subject to specified disclosure obligations.

(4) The customer is an independent legal professional and the product is an account into which monies are pooled, provided that—

- (a) where the pooled account is held in a non-EEA state—
  - (i) that state imposes requirements to combat money laundering and terrorist financing which are consistent with international standards; and
  - (ii) the independent legal professional is supervised in that state for compliance with those requirements; and
- (b) information on the identity of the persons on whose behalf monies are held in the pooled account is available, on request, to the institution which acts as a depository institution for the account.

(5) The customer is a public authority in the United Kingdom.

(6) The customer is a public authority which fulfils all the conditions set out in paragraph 2 of Schedule 2 to these Regulations.

(7) The product is—

- (a) a life insurance contract where the annual premium is no more than 1,000 euro or where a single premium of no more than 2,500 euro is paid;
- (b) an insurance contract for the purposes of a pension scheme where the contract contains no surrender clause and cannot be used as collateral;

- (c) a pension, superannuation or similar scheme which provides retirement benefits to employees, where contributions are made by an employer or by way of deduction from an employee's wages and the scheme rules do not permit the assignment of a member's interest under the scheme (other than an assignment permitted by section 44 of the Welfare Reform and Pensions Act 1999<sup>(1)</sup> (disapplication of restrictions on alienation) or section 91(5)(a) of the Pensions Act 1995<sup>(2)</sup> (inalienability of occupational pension)); or
- (d) electronic money, within the meaning of Article 1(3)(b) of the electronic money directive, where—
  - (i) if the device cannot be recharged, the maximum amount stored in the device is no more than 150 euro; or
  - (ii) if the device can be recharged, a limit of 2,500 euro is imposed on the total amount transacted in a calendar year, except when an amount of 1,000 euro or more is redeemed in the same calendar year by the bearer (within the meaning of Article 3 of the electronic money directive).
- (8) The product and any transaction related to such product fulfils all the conditions set out in paragraph 3 of Schedule 2 to these Regulations.
- (9) The product is a child trust fund within the meaning given by section 1(2) of the Child Trust Funds Act 2004<sup>(3)</sup>.

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(1) 1999 c. 30.  
(2) 1995 c. 26.  
(3) 2004 c. 6.