
STATUTORY INSTRUMENTS

2017 No. 692

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

PART 6

Money Laundering and Terrorist Financing: Supervision and Registration

CHAPTER 1

Duties of supervisory authorities

Duties of supervisory authorities

46.—(1) A supervisory authority must effectively monitor the relevant persons for which it is the supervisory authority (“its own sector”) and take necessary measures for the purpose of [^{F1}—

- (a) securing compliance by such persons with the requirements of these Regulations; and
- (b) securing that any application for which the supervisory authority grants approval under regulation 26 meets the requirements of regulation 26(7), whether or not the person making the application, or being approved, is a relevant person.]

(2) Each supervisory authority must—

- (a) adopt a risk-based approach to the exercise of its supervisory functions, informed by the risk assessments carried out by the authority under regulation 17;
- (b) ensure that its employees and officers have access both at its offices and elsewhere to relevant information on the domestic and international risks of money laundering and terrorist financing which affect its own sector;
- (c) base the frequency and intensity of its on-site and off-site supervision on the risk profiles prepared under regulation 17(4);
- (d) keep a record in writing of the actions it has taken in the course of its supervision, and of its reasons for deciding not to act in a particular case;
- (e) take effective measures to encourage its own sector to report [^{F2}actual or potential] breaches of the provisions of these Regulations to it;

[^{F3}(f) provide one or more secure communication channels for persons to report actual or potential breaches of these Regulations to it;

- (g) take reasonable measures to ensure that the identity of the reporting person is known only to the supervisory authority.]

(3) In determining its approach to the exercise of its supervisory functions the supervisory authority must—

[^{F4}(a)

- (b) take account of the degree of discretion permitted to relevant persons in taking measures to counter money laundering and terrorist financing.

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

(4) In accordance with its risk-based approach, the supervisory authority must take appropriate measures to review—

- (a) the risk assessments carried out by relevant persons under regulation 18;
- (b) the adequacy of the policies, controls and procedures adopted by relevant persons under regulation 19 to 21 and 24, and the way in which those policies, controls and procedures have been implemented.

(5) A supervisory authority which, in the course of carrying out any of its supervisory functions or otherwise, knows or suspects, or has reasonable grounds for knowing or suspecting, that a person is or has engaged in money laundering or terrorist financing must as soon as practicable inform the NCA.

(6) A disclosure made under paragraph (5) is not to be taken to breach any restriction, however imposed, on the disclosure of information.

(7) Where a disclosure under paragraph (5) is made in good faith, no civil liability arises in respect of the disclosure on the part of the person by whom, or on whose behalf, it is made.

(8) The FCA, when carrying out its supervisory functions in relation to an auction platform—

- (a) must effectively monitor the auction platform's compliance with—
 - (i) the customer due diligence requirements of [^{F5}regulation 17 of the UK auctioning regulations];
 - (ii) the monitoring and record-keeping requirements of [^{F6}regulation 37 of those Regulations]; and
 - (iii) the notification requirements of [^{F7}regulation 38(4) and (5) of those Regulations]; and
- (b) may monitor the auction platform's compliance with regulations 18 to 21 and 24 of these Regulations.

(9) The functions of the FCA under these Regulations shall be treated for the purposes of Parts 1, 2 and 4 of Schedule 1ZA to FSMA ^{M1} (the Financial Conduct Authority) as functions conferred on the FCA under that Act.

Textual Amendments

- F1** Words in reg. 46(1) substituted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(1)(a)**
- F2** Words in reg. 46(2)(e) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(1)(b)**
- F3** Reg. 46(2)(f)(g) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(1)(c)**
- F4** Reg. 46(3)(a) omitted (31.12.2020) by virtue of [The Money Laundering and Transfer of Funds \(Information\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/253\)](#), regs. 1(2), **9(1)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F5** Words in reg. 46(8)(a)(i) substituted (22.4.2021) by [The Recognised Auction Platforms \(Amendment and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/494\)](#), regs. 1(2), **8(5)(a)**
- F6** Words in reg. 46(8)(a)(ii) substituted (22.4.2021) by [The Recognised Auction Platforms \(Amendment and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/494\)](#), regs. 1(2), **8(5)(b)**
- F7** Words in reg. 46(8)(a)(iii) substituted (22.4.2021) by [The Recognised Auction Platforms \(Amendment and Miscellaneous Provisions\) Regulations 2021 \(S.I. 2021/494\)](#), regs. 1(2), **8(5)(c)**

Marginal Citations

M1 2000 c 8. Schedule 1ZA was substituted, with Schedule 1ZB, for Schedule 1 to the Financial Services and Markets Act by section 6(2) of the [Financial Services Act 2012 \(c.21\)](#), and amended by paragraphs 14 and 16 of Schedule 3 and paragraph 7 of Schedule 8 to the [Financial Services \(Banking Reform\) Act 2013 \(c.33\)](#), paragraph 13 of Schedule 3 to the [Pension Scheme Act 2015 \(c.8\)](#), section 18 of the [Bank of England and Financial Services Act 2016 \(c.14\)](#) and S.I. 2013/1388.

[^{F8} Annual reports by self-regulatory organisations

46A. A self-regulatory organisation must publish or make arrangements to publish an annual report containing information about—

- (a) measures taken by the self-regulatory organisation to encourage the reporting of actual or potential breaches as referred to in regulation 46(2)(e);
- (b) the number of reports of actual or potential breaches received by that self-regulatory organisation as referred to in regulation 46(2)(e);
- (c) the number and description of measures carried out by the self-regulatory organisation to monitor, and enforce, compliance by relevant persons with their obligations under—
 - (i) Part 3 (customer due diligence);
 - (ii) Part 3 of the Terrorism Act 2000 (terrorist property) ^{M2} and Part 7 of the Proceeds of Crime Act 2002 (money laundering) ^{M3};
 - (iii) regulation 40 (record-keeping); and
 - (iv) regulations 20 to 24 (policies and controls etc.).]

Textual Amendments

F8 Reg. 46A inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), 7(2)

Marginal Citations

M2 2000 c. 11.
M3 2002 c. 29.

Duties of supervisory authorities: information

47.—(1) A supervisory authority must, in any way it considers appropriate, make up-to-date information on money laundering and terrorist financing available to those relevant persons which it supervises (“its own sector”).

- (2) The information referred to in paragraph (1) must include the following—
 - (a) information on the money laundering and terrorist financing practices considered by the supervisory authority to apply to its own sector;
 - (b) a description of indications which may suggest that a transfer of criminal funds is taking place in its own sector;
 - (c) a description of the circumstances in which the supervisory authority considers that there is a high risk of money laundering or terrorist financing.

(3) The information referred to in paragraph (1) must also include information from the following sources which the supervisory authority considers is relevant to its own sector—

Status: Point in time view as at 27/06/2023.

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, PART 6*. (See end of Document for details)

- F⁹(a)
- F⁹(b)
- F⁹(c)
- F⁹(d)
- F⁹(e)
- (f) the report prepared by the Treasury and the Home Office under regulation 16(6);
- (g) any relevant information made available by the Treasury and the Home Office under regulation 16(8);
- (h) any relevant information published by the Director General of the NCA under section 4(9) (operations) or 6 (duty to publish information) of the Crime and Courts Act 2013 ^{M4}.

Textual Amendments

F9 Reg. 47(3)(a)-(e) omitted (31.12.2020) by virtue of [The Money Laundering and Transfer of Funds \(Information\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/253\)](#), regs. 1(2), **9(2)** (with savings in [S.I. 2019/680](#), reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Marginal Citations

M4 2013 c.22.

Duties of the FCA: guidance on politically exposed persons

48.—(1) The FCA must give guidance under section 139A of FSMA (power of the FCA to give guidance) ^{M5} to relevant persons, who are subject to rules made by the FCA, in relation to the enhanced customer due diligence measures required under regulation 35 in respect of politically exposed persons (“PEPs”), their family members and known close associates (within the meanings given in regulation 35(12)).

- (2) The guidance referred to in paragraph (1) must include guidance on the following matters—
 - (a) taking into account regulation 35(14), what functions are, and are not, to be taken to be “prominent public functions” for the purposes of determining whether an individual is a PEP;
 - (b) which persons should be treated as coming within the definitions of—
 - (i) a family member of a PEP; or
 - (ii) a known close associate of a PEP;
 - (c) what constitutes “appropriate risk-management systems and procedures” for the purposes of regulation 35(1);
 - (d) what account is to be taken of the jurisdiction in which the prominent public function arises (taking into consideration the controls against money-laundering and terrorist financing in different jurisdictions);
 - (e) how the level of risk associated with a particular individual is to be assessed for the purposes of regulation 35(3), and what approach is to be taken in relation to a PEP, or a family member or known close associate of a PEP, if the PEP, family member or close associate is assessed as presenting a low level of risk;
 - (f) who should be treated as coming within the meaning of “senior management” for the purposes of regulation 35(5) and (8);

- (g) the situations in which it would be appropriate for the senior management approval mentioned in regulation 35(5) to be given by an individual who is not a member of the board of directors (or, if there is no such board, a member of the equivalent management body) of a business;
- (h) what constitutes “adequate measures” and “reasonable measures” for the purposes of paragraphs (5) and (6) respectively of regulation 35;
- (i) the extent to which information on public registers may be taken into account for the purposes of regulation 35(5) and (6);
- (j) what sort of monitoring and scrutiny is required for the purposes of regulation 35(5) and (8);
- (k) what measures are required in relation to persons who have ceased to be PEPs to comply with regulation 35(9); and
- (l) how to address risks of money laundering or terrorist financing where a PEP, a family member of a PEP or a known close associate of a PEP, is—
 - (i) the beneficial owner of a customer;
 - (ii) a beneficiary of a contract of long-term insurance;
 - (iii) the beneficial owner of a beneficiary of a contract of long-term insurance.

Marginal Citations

M5 2000 c.8. Section 139A was substituted (together with the rest of Part 9A of FSMA) for the original Part 10 by section 24 of the [Financial Services Act 2012 \(c.21\)](#).

Duties of self-regulatory organisations

- 49.**—(1) Self-regulatory organisations must make arrangements to ensure that—
- (a) their supervisory functions are exercised independently of any of their other functions which do not relate to disciplinary matters;
 - (b) sensitive information relating to the supervisory functions is appropriately handled within the organisation;
 - (c) they employ only persons with appropriate qualifications, integrity and professional skills to carry out the supervisory functions;
 - (d) contravention of a relevant requirement by a relevant person they are responsible for supervising renders that person liable to effective, proportionate and dissuasive disciplinary measures under their rules;
- [^{F10}(e) potential conflicts of interest within the organisation are appropriately handled.]
- (2) Self-regulatory organisations must—
- (a) provide adequate resources to carry out the supervisory functions;
 - (b) appoint a person to monitor and manage the organisation's compliance with its duties under these Regulations.
- (3) The person appointed under paragraph (2)(b) is to be responsible—
- (a) for liaison with—
 - (i) another supervisory authority or a registering authority (within the meaning of regulation 53);
 - (ii) any law enforcement authority; and

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

- (iii) any overseas authority (within the meaning of regulation 50(4))
- (b) for ensuring that the self-regulatory organisation responds fully and rapidly to any request from an authority referred to in paragraph (a)(i) or (ii) for information about any person it supervises, whether that request concerns an application by that person for registration or any other matter.

Textual Amendments

F10 Reg. 49(1)(e) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(3)**

Duty to co-operate

- 50.—(1)** A supervisory authority must take such steps as it considers appropriate—
- (a) to co-operate with other supervisory authorities, the Treasury and law enforcement authorities in relation to the development and implementation of policies to counter money laundering and terrorist financing;
 - (b) to co-ordinate activities to counter money laundering and terrorist financing with other supervisory authorities and law enforcement authorities;

^{F11}(c)

^{F12}(1A) A supervisory authority may take such steps as it considers appropriate to co-operate with overseas authorities—

- (a) for the purposes of these Regulations, and
 - (b) to ensure the effective supervision of a relevant person to which paragraph (2) applies.]
- (2) This paragraph applies to a relevant person established—
- (a) in the United Kingdom, which has its head office in another country; or
 - (b) in another country but which has its head office in the United Kingdom.

(3) Co-operation may include the sharing of information which the supervisory authority is not prevented from disclosing ^{F13}, provided that—

- (a) any confidential information disclosed to the authority in question will be subject to an obligation of confidentiality equivalent to that provided for in regulation 52A;
- (b) where the information disclosed has been received from ^{F14}a third country], it is only disclosed—
 - (i) with the express consent of the competent authority or other institution which provided the information; and
 - (ii) where appropriate, for the purposes for which the information was originally provided.]

(4) For the purposes of this regulation “overseas authority” means—

- (a) an authority responsible for any of the functions provided for in the fourth money laundering directive in an EEA state ^{F15}... in which the relevant person is established or has its head office; and
- (b) where the relevant person is established or has its head office in ^{F16}another country] which is not an EEA state, an authority in that country which has equivalent functions to any of the functions provided for in the fourth money laundering directive.

^{F17}(5)

Textual Amendments

- F11** Reg. 50(1)(c) omitted (31.12.2020) by virtue of The Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020 (S.I. 2020/628), regs. 1(4), **4(3)(a)**
- F12** Reg. 50(1A) inserted (31.12.2020) by The Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020 (S.I. 2020/628), regs. 1(4), **4(3)(b)**
- F13** Words in reg. 50(3) inserted (10.1.2020) by The Money Laundering and Terrorist Financing (Amendment) Regulations 2019 (S.I. 2019/1511), regs. 1(2), **7(4)(b)**
- F14** Words in reg. 50(3)(b) substituted (31.12.2020) by The Financial Services (Miscellaneous Amendments) (EU Exit) Regulations 2020 (S.I. 2020/628), regs. 1(4), **4(3)(c)**
- F15** Words in reg. 50(4)(a) omitted (31.12.2020) by virtue of The Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/253), regs. 1(2), **9(3)(a)(i)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F16** Words in reg. 50(4)(b) substituted (31.12.2020) by The Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/253), regs. 1(2), **9(3)(a)(ii)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F17** Reg. 50(5) omitted (31.12.2020) by virtue of The Money Laundering and Transfer of Funds (Information) (Amendment) (EU Exit) Regulations 2019 (S.I. 2019/253), regs. 1(2), **9(3)(b)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)

Regulatory information

51.—(1) A supervisory authority within regulation 7 must collect such information as it considers necessary for the purpose of performing its supervisory functions, including the information specified in Schedule 4.

(2) A supervisory authority within regulation 7 must on request provide the Treasury with such information collected under paragraph (1) as may be specified by the Treasury, for the purpose of enabling the Treasury to [^{F18}perform its functions under these Regulations].

[^{F19}(2A) The Treasury may disclose to the FCA information provided by the supervisory authorities under paragraph (2), provided that the disclosure is made for purposes connected with the effective exercise of—

- (a) the functions of the Treasury under these Regulations in relation to self-regulatory organisations or under the Oversight of Professional Body Anti-Money Laundering and Counter Terrorist Financing Supervision Regulations 2017 ^{M6} (“the Professional Body Regulations”); or
- (b) the functions of the FCA under the Professional Body Regulations.]

(3) The Treasury must publish an annual consolidated review of the information provided by the supervisory authorities under paragraph (2).

(4) A disclosure made under paragraph (2) [^{F20}or (2A)] is not to be taken to breach any restriction, however imposed, on the disclosure of information.

(5) Where a disclosure under paragraph (2) [^{F21}or (2A)] is made in good faith, no civil liability arises in respect of the disclosure on the part of the person by whom, or on whose behalf, it is made.

Status: Point in time view as at 27/06/2023.

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, PART 6*. (See end of Document for details)

Textual Amendments

- F18** Words in reg. 51(2) substituted (31.12.2020) by [The Money Laundering and Transfer of Funds \(Information\) \(Amendment\) \(EU Exit\) Regulations 2019 \(S.I. 2019/253\)](#), regs. 1(2), **9(4)** (with savings in S.I. 2019/680, reg. 11); 2020 c. 1, Sch. 5 para. 1(1)
- F19** Reg. 51(2A) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(5)(a)**
- F20** Words in reg. 51(4) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(5)(b)**
- F21** Words in reg. 51(5) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(5)(b)**

Marginal Citations

- M6** [S.I. 2017/1301](#).

Disclosure by supervisory authorities [^{F22} and other relevant authorities]

52.—(1) ^{F23}... A supervisory authority may disclose to a relevant authority information it holds relevant to its supervisory functions, provided the disclosure is made for purposes connected with the effective exercise of—

- (a) the functions of the relevant authority under these Regulations [^{F24} or any other functions related to money laundering, terrorist financing or the integrity of the international financial system];
- (b) the functions of the law enforcement authority; or
- (c) in the case of an overseas authority, the functions provided for in the fourth money laundering directive, or equivalent functions.

[^{F25}(1A) A relevant authority referred to in paragraph (5)(b), (c), (e) or (f) may disclose to a supervisory authority or another relevant authority referred to in paragraph (5) information it holds, provided the disclosure is made for purposes connected with—

- (a) the effective exercise of the functions of the supervisory authority or other relevant authority under these Regulations; or
- (b) money laundering, terrorist financing or the integrity of the international financial system.

(1B) Nothing in paragraph (1A) affects the powers of a relevant authority referred to in paragraph (5)(b), (c), (e) or (f) to disclose information to a supervisory authority or other relevant authority apart from this regulation.]

(2) Information disclosed to a relevant authority under paragraph (1) [^{F26} or (1A)] may not be further disclosed by that authority, except—

- (a) in accordance with paragraph (1) [^{F26} or (1A)];
- (b) by the FCA to the PRA, where the information concerns a PRA-authorised person or a person who has a qualifying relationship with a PRA-authorised person;
- (c) in the case of an overseas authority, in accordance with any conditions imposed on further disclosure of that information by the supervisory authority which disclosed that information to the overseas authority;
- (d) with a view to the institution of, or otherwise for the purposes of, any criminal or other enforcement proceedings; or
- (e) as otherwise required by law.

(3) A disclosure made under paragraph (1) [^{F27}or (1A)] is not to be taken to breach any restriction, however imposed, on the disclosure of information.

(4) Where a disclosure under paragraph (1) [^{F28}or (1A)] is made in good faith, no civil liability arises in respect of the disclosure on the part of the person by whom, or on whose behalf, it is made.

(5) For the purposes of this regulation, “relevant authority” means—

- (a) another supervisory authority;
- (b) the Treasury;
- (c) any law enforcement authority;
- (d) an overseas authority, within the meaning of regulation 50(4);
- [^{F29}(e) the Secretary of State for purposes connected with the effective exercise of his or her functions under enactments relating to companies, audit and insolvency;
- (f) the registrar of companies within the meaning of section 1060(3) of the Companies Act 2006^{F30}.]

Textual Amendments

- F22** Words in [reg. 52 heading](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(a)**
- F23** Words in [reg. 52\(1\)](#) omitted (1.9.2022) by virtue of [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(b)**
- F24** Words in [reg. 52\(1\)\(a\)](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(c)**
- F25** [Reg. 52\(1A\)\(1B\)](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(d)**
- F26** Words in [reg. 52\(2\)](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(e)**
- F27** Words in [reg. 52\(3\)](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(f)**
- F28** Words in [reg. 52\(4\)](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(f)**
- F29** [Reg. 52\(5\)\(e\)\(f\)](#) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(1)(g)**
- F30** 2006 c. 46.

[^{F31}Obligation of confidentiality

52A.—(1) No person working for a relevant supervisory authority, or acting on behalf of a relevant supervisory authority (or who has worked or acted for a relevant supervisory authority) may, except in accordance with this regulation, disclose any confidential information received in the course of their duties under these Regulations.

(2) Information referred to in paragraph (1) may be disclosed in summary or aggregate form, provided that no credit institution or financial institution is identifiable from the information disclosed.

(3) A relevant supervisory authority may [^{F32}disclose] confidential information received pursuant to these Regulations—

- (a) in the discharge of its duties under these Regulations or under other legislation relating to—

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

- (i) [^{F33}money laundering, terrorist financing or proliferation financing];
- (ii) prudential regulation; or
- (iii) the supervision of credit institutions and financial institutions;
- (b) in an appeal against a decision of a supervisory authority;
- (c) in court proceedings initiated by a relevant supervisory authority in the exercise of the duties referred to in sub-paragraph (a), or otherwise relating to the authority’s discharge of those duties;
- [where the Commissioners are the supervisory authority, in accordance with sections 17^{F34}(d) and 18 of the Commissioners for Revenue and Customs Act 2005];
- [in accordance with regulation 52.]
- ^{F35}(e)
- (4) This regulation does not prevent the exchange of information between—
 - (a) any authority in the United Kingdom responsible for the supervision of a credit institution or a financial institution in accordance with these Regulations or other law relating to credit institutions or financial institutions (a “UK authority”) and another UK authority;
 - [^{F36}(b) a UK authority and a competent authority in a third country supervising any credit or financial institution in accordance with—
 - (i) the fourth money laundering directive or other legislative acts relating to credit institutions or financial institutions;
 - (ii) laws imposing requirements on credit institutions or financial institutions which have an equivalent effect to those laid down in the fourth money laundering directive.]
- (5) Confidential information may only be exchanged under paragraph (4) if the authority to which the information is provided agrees to hold it subject to an obligation of confidentiality equivalent to that set out in paragraph (1).
- (6) Nothing in this regulation affects the disclosure of confidential information in accordance with regulations made under section 349 (exceptions from section 348) of FSMA ^{M7}.
- (7) For the purposes of this regulation, a “relevant supervisory authority” is a supervisory authority which is responsible for the supervision of credit institutions or financial institutions.

Textual Amendments

- F31** Regs. 52A, 52B inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(7)**
- F32** Word in reg. 52A(3) substituted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(2)(a)**
- F33** Words in reg. 52A(3)(a)(i) substituted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **6(8)(e)**
- F34** Reg. 52A(3)(d) inserted (6.10.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/991\)](#), regs. 1(2), **8**
- F35** Reg. 52A(3)(e) inserted (1.9.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(5), **11(2)(b)**
- F36** Reg. 52A(4)(b) substituted (31.12.2020) by [The Financial Services \(Miscellaneous Amendments\) \(EU Exit\) Regulations 2020 \(S.I. 2020/628\)](#), regs. 1(4), **4(4)**

Marginal Citations

M7 2000 c. 8. Section 349 has been amended by section 964 of the Companies Act 2006 (c.46), paragraph 19 of Schedule 12 to the Financial Services Act 2012 (c.21) and by S.I. 2006/1183 and 2007/1093.

Obligation of confidentiality: offence

52B.—(1) Any person who discloses information in contravention of regulation 52A is guilty of an offence.

(2) A person guilty of an offence under paragraph (1) is liable—

(a) on summary conviction—

(i) in England and Wales, to imprisonment for a term not exceeding three months, to a fine or to both,

(ii) in Scotland or Northern Ireland, to imprisonment for a term not exceeding three months, to a fine not exceeding the statutory maximum or to both;

(b) on conviction on indictment, to imprisonment for a term not exceeding two years or to a fine or to both.

(3) In proceedings for an offence under this regulation, it is a defence for the accused to prove—

(a) that the accused did not know and had no reason to suspect that the information was confidential information; and

(b) that the accused took all reasonable precautions and exercised all due diligence to avoid committing the offence.]

Textual Amendments

F31 Regs. 52A, 52B inserted (10.1.2020) by The Money Laundering and Terrorist Financing (Amendment) Regulations 2019 (S.I. 2019/1511), regs. 1(2), 7(7)

CHAPTER 2

Registration

Interpretation

53. For the purposes of this Chapter—

“registering authority” means—

(a) the FCA, in relation to—

(i) those relevant persons which it is required to register under regulation 54(1) [^{F37}or (1A)]; and

(ii) those relevant persons it decides to register under regulation 55(1);

(b) the Commissioners, in relation to—

(i) those relevant persons which they are required to register under regulation 54(2); and

(ii) those relevant persons they decide to register under regulation 55(3);

“telecommunication, digital and IT payment service provider” means an undertaking which provides payment services [^{F38}consisting of the execution of payment transactions where the consent of the payer to execute a payment transaction is given by means of any

Status: Point in time view as at 27/06/2023.

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, PART 6*. (See end of Document for details)

telecommunication, digital or IT device and the payment is made to the telecommunication, IT system or network operator acting only as an intermediary between the payment service user and the supplier of the goods and services (and terms used in this definition which are defined in the Payment Services Regulations 2017 have the meanings given in those Regulations).]

Textual Amendments

- F37** Words in reg. 53 inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(8)**
- F38** Words in reg. 53 substituted (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), reg. 1(6), **Sch. 8 para. 26(b)** (with reg. 3)

Duty to maintain registers of certain relevant persons

54.—(1) The FCA must maintain a register of those relevant persons who—

- (a) are authorised persons, and
- (b) have notified the FCA under regulation 23 that they are acting, or intend to act, as a money service business or a trust or company service provider.

[^{F39}(1A) The FCA must maintain a register of—

- (a) cryptoasset exchange providers; and
- (b) custodian wallet providers.]

(2) The Commissioners must maintain a register of those relevant persons who are not included in the register maintained by the FCA under paragraph (1) and are—

- (a) high value dealers;
- (b) money service businesses;
- (c) trust or company service providers;
- (d) bill payment service providers, for which the Commissioners are the supervisory authority;
- (e) telecommunication, digital and IT payment service providers, for which the Commissioners are the supervisory authority.

(3) Subject to paragraph (4) the registering authorities may keep the registers required by this regulation in any form they think fit.

(4) The register maintained by the Commissioners must include entries in the registers maintained under regulation 25 of the Money Laundering Regulations 2007 ^{M3} which were current immediately before the date that regulation was revoked.

(5) A registering authority may publish or make available to public inspection all or part of a register maintained by it under this regulation.

Textual Amendments

- F39** Reg. 54(1A) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(9)**

Marginal Citations

- M3** 2002 c. 29.

Power to maintain registers

55.—(1) The FCA may maintain a register of Annex 1 financial institutions.

(2) For the purposes of paragraph (1), an “Annex 1 financial institution” is a financial institution which—

- (a) falls within regulation 10(2)(a), and
- (b) is not—
 - (i) a money service business;
 - (ii) an authorised person;
 - (iii) a bill payment service provider; or
 - (iv) a telecommunication, digital and IT payment service provider.

(3) The Commissioners may maintain registers of relevant persons who are not supervised by any of the professional bodies listed in Schedule 1, and who are—

- (a) estate agents,
- (b) auditors;
- (c) external accountants;
- (d) tax advisers;
- (e) bill payment service providers; ^{F40} ...
- (f) telecommunication, digital and IT payment service providers;
- [^{F41}(g) letting agents; or
- (h) art market participants.]

(4) Where a registering authority decides to maintain a register under this regulation, it must take reasonable steps to bring its decision to the attention of those relevant persons in respect of which the register is to be established.

(5) Subject to paragraph (6) a registering authority may maintain a register under this regulation in any form it thinks fit.

(6) The registers maintained by the registering authorities must include entries in any equivalent registers maintained under regulation 32 of the Money Laundering Regulations 2007 ^{M7} which were current immediately before the date that regulation was revoked.

(7) A registering authority may publish or make available to public inspection all or part of a register maintained by it under this regulation.

Textual Amendments

F40 Word in reg. 55(3)(e) omitted (10.1.2020) by virtue of [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(10)(a)**

F41 Reg. 55(3)(g)(h) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(10)(b)**

Marginal Citations

M7 2000 c. 8. Section 349 has been amended by section 964 of the Companies Act 2006 (c.46), paragraph 19 of Schedule 12 to the Financial Services Act 2012 (c.21) and by S.I. 2006/1183 and 2007/1093.

Requirement to be registered

56.—(1) Unless a person in respect of whom the registering authorities are required to maintain a register under regulation 54 is included in the appropriate register, or paragraph (2) [^{F42}or regulation 56A (transitional provision for existing cryptoasset businesses)] applies, that person must not act as a—

- (a) high value dealer;
- (b) money service business;
- (c) trust or company service provider;
- (d) bill payment service provider; ^{F43} ...
- (e) telecommunication, digital and IT payment service provider;
- [^{F44}(f) cryptoasset exchange provider; or
- (g) custodian wallet provider.]

[^{F45}(2) This paragraph applies if—

- (a) the person concerned is a high value dealer, a bill payment service provider, or a telecommunications, digital and IT payment service provider and has applied for registration in the register but that application has not yet been determined; or
- (b) the person concerned is a money service business or a trust or company service provider and has, before 10th January 2020, applied for registration in the register but that application has not yet been determined.]

(3) A relevant person which is registered in the register maintained by the Commissioners under regulation 25 or 32 of the Money Laundering Regulations 2007 ^{M6} is to be treated as included in the appropriate registers maintained by the Commissioners under regulation 54 or 55 of these Regulations for the purpose of paragraph (1)—

- (a) during the period of 12 months beginning with the date on which these Regulations come into force, and
- (b) after that period, if the person concerned has provided the additional information required for registration under regulation 57 within the period referred to in sub-paragraph (a).

(4) A relevant person which is registered in the register maintained by the FCA under regulation 32 of the Money Laundering Regulations 2007 is to be treated as included in the register maintained by the FCA under regulation 55(1) for the purposes of paragraph (1).

(5) Where a registering authority decides to maintain a register under regulation 55(1) or (3) in respect of any description of relevant persons and establishes a register for that purpose, [^{F46}or where a new description of relevant persons is required to be registered in consequence of an amendment to these Regulations,] a relevant person of that description must not carry on the business or profession in question for a period of more than 12 months beginning with the date on which the registering authority establishes the register [^{F47}or (as the case may be) the date on which the amendment comes into force] unless—

- (a) that person is included in the register, ^{F48} ...
- (b) that person has applied for registration in the register, but that application has not yet been determined, [^{F49} or
- (c) that person is an art market participant or a letting agent.]

[^{F50}(6) An art market participant or a letting agent—

- (a) must apply for registration in the register before 10th June 2021;
- (b) must not carry on that business or profession on or after 10th June 2021 unless—

- (i) that person is included in the register, or
- (ii) that person has applied for registration in the register, but the application has not yet been determined.]

Textual Amendments

- F42** Words in reg. 56(1) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(11)(a)(i)**
- F43** Word in reg. 56(1)(d) omitted (10.1.2020) by virtue of [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(11)(a)(ii)**
- F44** Reg. 56(1)(f)(g) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(11)(a)(iii)**
- F45** Reg. 56(2) substituted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(11)(b)**
- F46** Words in reg. 56(5) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(11)(c)(i)**
- F47** Words in reg. 56(5) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(11)(c)(ii)**
- F48** Word in reg. 56(5) omitted (6.10.2020) by virtue of [The Money Laundering and Terrorist Financing \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/991\)](#), regs. 1(2), **9(a)(i)**
- F49** Reg. 56(5)(c) and preceding word inserted (6.10.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/991\)](#), regs. 1(2), **9(a)(ii)**
- F50** Reg. 56(6) inserted (6.10.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) \(EU Exit\) Regulations 2020 \(S.I. 2020/991\)](#), regs. 1(2), **9(b)**

Marginal Citations

- M6** [S.I. 2017/1301](#).

[^{F51}Transitional provision for existing cryptoasset businesses: requirement to register

56A.—(1) Regulation 56 does not apply to an existing cryptoasset exchange provider or existing custodian wallet provider until—

- (a) the date the person is included in the register maintained under regulation 54(1A) following the determination of its application by the FCA;
- (b) where the FCA gives the person notice under regulation 59(4)(b) of the FCA’s decision not to register that person—
 - (i) the date on which the FCA states that the decision takes effect, or
 - (ii) if the FCA considers that the interests of the public require its decision to have immediate effect, the date on which the FCA gives a notice to the person which includes a statement to that effect and the reasons for it; or
- (c) 10th January 2021 if before that date neither of the following has occurred—
 - (i) the giving of notice to that person by the FCA under regulation 59(3);
 - (ii) the expiry of the period specified in regulation 59(3A) for the FCA to give such notice.

(2) In this regulation, “existing cryptoasset exchange provider” and “existing custodian wallet provider” mean a cryptoasset exchange provider or custodian wallet provider which was carrying on business as a cryptoasset exchange provider or custodian wallet provider (as the case may be) in the United Kingdom immediately before 10th January 2020.]

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

Textual Amendments

F51 Reg. 56A inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(12)**

Applications for registration in a register maintained under regulation 54 or 55

57.—(1) A person applying for registration in a register maintained under regulation 54 or 55 (“an applicant”) must make an application in such manner and provide such information as the registering authority may specify.

- (2) The information which the registering authority may specify includes, among other things—
- (a) the applicant's full name and where different the name of the business;
 - (b) where the applicant is an individual, the applicant's date of birth and residential address;
 - (c) the nature of the business;
 - (d) the address of the head office of the business with its company number (in the case of a company), and of any branches the business has in the United Kingdom;
 - (e) the full name of the nominated officer (if any);
 - (f) a risk assessment which satisfies the requirements in regulation 18;
 - (g) information as to the way in which the business meets the requirements set out in—
 - (i) these Regulations;
 - (ii) Part 3 of the Terrorism Act 2000 (terrorist property) ^{M8};
 - (iii) Part 7 of the Proceeds of Crime Act 2002 (money laundering) ^{M9}; and
 - (iv) Part 8 of the Proceeds of Crime Act 2002 (investigations);
 - (h) in relation to a money service business or a trust or company service provider—
 - (i) the full name, date of birth and residential address of any officer, manager or beneficial owner of the business or service provider; and
 - (ii) information needed by the registering authority to decide whether it must refuse the application pursuant to regulation 58;
 - (i) in relation to a money service business, the full name and address of any agent it uses for the purposes of its business;
 - (j) where the registering authority is not the supervisory authority for the applicant—
 - (i) the name of the applicant's supervisory authority;
 - (ii) confirmation from the applicant's supervisory authority that any person mentioned in regulation 58(1) is a fit and proper person within the meaning of that regulation;
 - (k) whether the applicant, or any person named in the application, has been convicted of a criminal offence listed in Schedule 3.

(3) At any time after receiving an application and before determining it, the registering authority may require the applicant to provide, within 21 days beginning with the date on which the requirement is issued, such further information as the registering authority reasonably considers necessary to enable it to determine the application.

(4) [^{F52}Without prejudice to the application of regulation 60B,] if at any time after the applicant has provided the registering authority with any information under paragraph (1) or (3) (whether before or after the applicant is registered)—

- (a) there is a material change affecting any matter contained in that information; or

(b) it becomes apparent to the applicant that the information contains an inaccuracy, the applicant must provide the registering authority with details of the change or a correction of the inaccuracy within 30 days beginning with the date of the occurrence of the change (or the discovery of the inaccuracy) or within such later time as may be agreed with the registering authority.

(5) The obligation in paragraph (4) applies also to material changes or inaccuracies affecting any matter contained in any supplementary information provided pursuant to that paragraph.

(6) Any information to be provided to the registering authority under this regulation must be in such form and verified in such manner as the authority may specify.

Textual Amendments

F52 Words in [reg. 57\(4\)](#) inserted (11.8.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), [regs. 1\(2\)\(c\)](#), **12(1)**

Marginal Citations

M8 2000 c.11.
M9 2002 c. 29.

Fit and proper test

58.—(1) The registering authority must refuse to register an applicant for registration in a register maintained under regulation 54 as a money service business or as a trust or company service provider, if it is satisfied that—

- (a) the applicant;
- (b) an officer or manager of the applicant;
- (c) a beneficial owner of the applicant; or
- (d) where the applicant is a money service business—
 - (i) any agent used by the applicant for the purposes of its business; or
 - (ii) any officer, manager or beneficial owner of the agent,

is not a fit and proper person to carry on that business.

(2) Where the FCA has decided to maintain a register of Annex I financial institutions under regulation 55, paragraph (1) applies in relation to those institutions as it applies to a money service business and a trust or company service provider.

(3) A person who has been convicted of a criminal offence listed in Schedule 3 is to be treated as not being a fit and proper person to carry on the business for the purposes of paragraph (1).

(4) If paragraph (3) does not apply, the registering authority must have regard to the following factors in determining the question in paragraph (1)—

- (a) whether the applicant has consistently failed to comply with the requirements of—
 - (i) these Regulations;
 - (ii) the Money Laundering Regulations 2001 ^{M10},
 - (iii) the Money Laundering Regulations 2003 ^{M11}, or
 - (iv) the Money Laundering Regulations 2007 ^{M12}, ^{F53} ...
- (b) the risk that the applicant's business may be used for money laundering or terrorist financing; ^{F54} and

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

(c) whether the applicant, and any officer, manager or beneficial owner of the applicant, has adequate skills and experience and has acted and may be expected to act with probity.]

(5) Where the applicant is a money service business, the registering authority may, in determining the question in paragraph (1), take account of the opinion of the applicant as to whether any person referred to in paragraph (1)(d) is a fit and proper person to carry on the business.

(6) Where the registering authority is not the supervisory authority of the applicant, the registering authority must consult the supervisory authority and may rely on its opinion as to whether or not the applicant is a fit and proper person to carry on the business referred to in paragraph (1).

Textual Amendments

F53 Word in reg. 58(4)(a) omitted (10.1.2020) by virtue of [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(13)(a)**

F54 Reg. 58(4)(c) and word inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(13)(b)**

Marginal Citations

M10 [S.I. 2001/3641](#).

M11 [S.I. 2003/3075](#).

M12 [S.I. 2007/2157](#).

[^{F55}Fit and proper test: cryptoasset businesses

58A.—(1) The FCA must refuse to register an applicant (“A”) for registration in a register maintained under regulation 54(1A) as a cryptoasset exchange provider or as a custodian wallet provider if A does not meet the requirement in paragraph (2).

(2) A, and any officer, manager or beneficial owner of A, must be a fit and proper person to carry on the business of a cryptoasset exchange provider or custodian wallet provider, as the case may be.

(3) A person who has been convicted of a criminal offence listed in Schedule 3 is to be treated as not being a fit and proper person for the purposes of this regulation.

(4) If paragraph (3) does not apply, the FCA must have regard to the following factors in determining whether the requirement in paragraph (2) is met—

- (a) whether A has consistently failed to comply with the requirements of these Regulations;
- (b) the risk that A’s business may be used for money laundering or terrorist financing; and
- (c) whether A, and any officer, manager or beneficial owner of A, has adequate skills and experience and has acted and may be expected to act with probity.]

Textual Amendments

F55 Reg. 58A inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(14)**

Determination of applications for registration under regulations 54 and 55

59.—(1) Subject to regulation 58 [^{F56}and regulation 58A], the registering authority may refuse to register an applicant for registration in a register maintained under regulation 54 or 55 if—

- (a) any requirement of, or imposed under, regulation 57 has not been complied with;

- (b) it appears to the registering authority that any information provided pursuant to regulation 57 is false or misleading in a material particular;
 - (c) the applicant has failed to pay—
 - (i) a penalty imposed by the authority under Part 9;
 - (ii) a charge imposed by the authority under Part 11; or
 - (iii) a penalty or charge imposed by the authority under regulation 35(1) or 42(1) of the Money Laundering Regulations 2007;
 - (d) where the registering authority is not the applicant's supervisory authority, the supervisory authority opposes the application for registration on reasonable grounds; or
 - (e) the registering authority suspects, on reasonable grounds—
 - (i) that the applicant will fail to comply with any of its obligations under—
 - (aa) these Regulations;
 - (bb) Part 3 of the Terrorism Act 2000 ^{M13}; or
 - (cc) Parts 7 and 8 of the Proceeds of Crime Act 2002 ^{M14};(the “relevant obligations”);
 - (ii) that any person whom the applicant has identified as one of its officers or managers will fail to comply with any of the relevant obligations.
- (2) Where the Commissioners are the registering authority, they must within 45 days beginning either with the date on which they receive the application or, where applicable, with the date on which they receive any further information required under regulation 57(3), give the applicant notice of—
- (a) the decision to register the applicant; or
 - (b) the following matters—
 - (i) their decision not to register the applicant;
 - (ii) the reasons for their decision;
 - (iii) the right to a review under regulation 94; and
 - (iv) the right to appeal under regulation 99.
- (3) Where the FCA is the registering authority, it must within [^{F57}the period specified in paragraph (3A)], give the applicant notice of—
- (a) its decision to register the applicant; or
 - (b) the following matters—
 - (i) that it is minded not to register the applicant;
 - (ii) the reasons for being minded to refuse to register the applicant; and
 - (iii) the right to make representations to it within a specified period (which may not be less than 28 days).
- [^{F58}(3A) The period specified in this paragraph is—
- (i) where the applicant is a cryptoasset exchange provider or custodian wallet provider, 3 months, or
 - (ii) in any other case, 45 days,
- beginning either with the date on which it receives the application or, where applicable, with the date on which it receives any further information required under regulation 57(3).]
- (4) After the expiry of the period referred to in paragraph (3)(b)(iii), the FCA must decide, within a reasonable period, whether to register the applicant and it must give the applicant notice of—

Status: Point in time view as at 27/06/2023.

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, PART 6*. (See end of Document for details)

- (a) its decision to register the applicant; or
 - (b) the following matters—
 - (i) its decision not to register the applicant;
 - (ii) the reasons for its decision; and
 - (iii) the right to appeal under regulation 93.
- (5) The registering authority must, as soon as practicable after deciding to register a person, include that person in the relevant register.
- [^{F59}(6) Where—
- (a) the registering authority decides not to register an applicant, the authority may, if it considers it proportionate to do so, publish such information about that decision as the authority considers appropriate;
 - (b) the FCA has received a notice under Part 12 of FSMA as modified by regulation 60B and Schedule 6B (changes in control of registered cryptoasset businesses) from a person who decides to acquire or increase control over a registered cryptoasset business and the FCA decides to object to the acquisition, the FCA may, if it considers it proportionate to do so, publish such information about that decision as the FCA considers appropriate.
- (7) Where the supervisory authority publishes information under paragraph (6) and the person whose registration is refused, or whose acquisition is the subject of objection, refers the matter to the Upper Tribunal, the supervisory authority must, without delay, publish information about the status of the appeal and its outcome in the same manner as that in which the information was published under paragraph (6).
- (8) In this regulation, “registered cryptoasset business” means a cryptoasset exchange provider or a custodian wallet provider which is included in a register maintained by the FCA under regulation 54(1A).]

Textual Amendments

- F56** Words in reg. 59(1) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(15)(a)**
- F57** Words in reg. 59(3) substituted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(15)(b)**
- F58** Reg. 59(3A) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(15)(c)**
- F59** Reg. 59(6)-(8) inserted (11.8.2022) by [The Money Laundering and Terrorist Financing \(Amendment\) \(No. 2\) Regulations 2022 \(S.I. 2022/860\)](#), regs. 1(2)(c), **12(2)**

Marginal Citations

- M13** 2000 c.11.
- M14** 2002 c. 29.

Cancellation and suspension of registration in a register under regulation 54 or 55

60.—(1) If paragraph (2) applies, the registering authority may suspend (for such period as it considers appropriate) or cancel—

- (a) the registration of a money service business or a trust or company service provider in a register maintained under regulation 54; or
- (b) the registration of an Annex 1 financial institution in a register maintained under regulation 55 (including the registration of an Annex 1 financial institution previously

included in a register maintained under regulation 32 of the Money Laundering Regulations 2007)^{M15}.

(2) This paragraph applies if, at any time after registration, the registering authority is satisfied that—

- (a) the money service business, trust or company service provider, or Annex 1 financial institution (as the case may be); or
- (b) any other person mentioned in regulation 58(1) in relation to that business, provider, or financial institution,

is not a fit and proper person for the purposes of regulation 58.

[^{F60}(2A) The FCA may suspend (for such period as it considers appropriate) or cancel the registration of a cryptoasset exchange provider or custodian wallet provider if, at any time after registration, the FCA is satisfied that the cryptoasset exchange provider or custodian wallet provider (as the case may be) does not meet the requirement in regulation 58A(2).]

(3) The registering authority may suspend (for such period as it considers appropriate) or cancel a person's registration in a register maintained by it under regulation 54 or 55 if, at any time after registration—

- (a) it appears to the authority that any of paragraphs (a) to (e) of regulation 59(1) apply; or
- (b) the person has failed to comply with any requirement of a notice given under regulation 66.

(4) The Commissioners may suspend (for such period as they consider appropriate) or cancel the registration of a person who—

- (a) was included in a register maintained by the Commissioners under regulation 25 or 32 of the Money Laundering Regulations 2007, and
- (b) has not provided the additional information required for registration under regulation 57 within the period of 12 months beginning with the date on which these Regulations come into force.

(5) The Commissioners may suspend (for such period as they consider appropriate) or cancel the registration of a money service business in a register maintained under regulation 54(2)(b) where the money service business is—

- (a) providing a payment service in the United Kingdom, or is purporting to do so;
- (b) not included in the register of payment service providers maintained by the FCA under regulation 4(1) of the Payment Service Regulations [^{F61}2017]; and
- (c) not a person—
 - (i) mentioned in paragraphs [^{F62}(d) to (j)] of the definition of a “payment service provider” in regulation 2(1) of the Payment Services Regulations [^{F63}2017], or
 - (ii) to whom regulation 3 or [^{F64}154(2)] of those Regulations applies.

(6) Where the supervisory authority of a person on the register maintained under regulation 54 or 55 is not the registering authority, the supervisory authority must inform the registering authority as soon as possible if it becomes aware of any grounds on which the registering authority might decide to suspend or cancel that person's registration.

(7) Where the Commissioners decide to suspend or cancel a person's registration they must give that person notice of—

- (a) their decision and, subject to paragraph (10), the date from which the suspension or cancellation takes effect;
- (b) if appropriate, the period of the suspension;
- (c) the reasons for their decision;

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

- (d) the right to a review under regulation 94; and
 - (e) the right to appeal under regulation 99.
- (8) Where the FCA is minded to suspend or cancel a person's registration it must give that person notice—
- (a) that it is so minded;
 - (b) if appropriate, the proposed period of the suspension;
 - (c) the reasons for being so minded; and
 - (d) the right to make representations to it within the period specified in the notice (which must not be less than 28 days).
- (9) The FCA must then decide, within a reasonable period, whether to suspend or cancel the person's registration and it must give that person notice of—
- (a) its decision not to suspend or cancel the person's registration; or
 - (b) the following matters—
 - (i) its decision to suspend or cancel the person's registration and, subject to paragraph (10), the date from which the suspension or cancellation takes effect;
 - (ii) the period of the suspension;
 - (iii) the reasons for its decision; and
 - (iv) the right to appeal under regulation 93.
- (10) If the registering authority—
- (a) considers that the interests of the public require the suspension or cancellation of a person's registration to have immediate effect; and
 - (b) includes a statement to that effect and the reasons for it in the notice given under paragraph (7) or (9),
- the suspension or cancellation takes effect when the notice is given to the person.

[^{F65}(11) Where the registering authority decides to suspend or cancel a person's registration, the authority may, if it considers it proportionate to do so, publish such information about that decision as the authority considers appropriate.

(12) Where the supervisory authority publishes information under paragraph (11) and the person whose registration is suspended or cancelled refers the matter to the Upper Tribunal, the supervisory authority must, without delay, publish information about the status of the appeal and its outcome in the same manner as that in which the information was published under paragraph (11).]

Textual Amendments

- F60** Reg. 60(2A) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(16)(a)**
- F61** Word in reg. 60(5)(b) substituted (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), reg. 1(6), **Sch. 8 para. 26(c)(i)** (with reg. 3)
- F62** Words in reg. 60(5)(c)(i) substituted (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), reg. 1(6), **Sch. 8 para. 26(c)(ii)(aa)** (with reg. 3)
- F63** Word in reg. 60(5)(c)(i) substituted (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), reg. 1(6), **Sch. 8 para. 26(c)(ii)(bb)** (with reg. 3)
- F64** Word in reg. 60(5)(c)(ii) substituted (13.1.2018) by [The Payment Services Regulations 2017 \(S.I. 2017/752\)](#), reg. 1(6), **Sch. 8 para. 26(c)(iii)** (with reg. 3)
- F65** Reg. 60(11)(12) inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), **7(16)(b)**

Marginal Citations

M15 S.I. 2007/2157.

[^{F66}CHAPTER 3

Disclosure obligation

Textual Amendments

F66 Pt. 6 Ch. 3 inserted (10.1.2020) by [The Money Laundering and Terrorist Financing \(Amendment\) Regulations 2019 \(S.I. 2019/1511\)](#), regs. 1(2), 7(17)

Disclosure by cryptoasset businesses

60A.—(1) Paragraph (2) applies where—

- (a) a cryptoasset exchange provider or custodian wallet provider (“cryptoasset business”) establishes a business relationship, or enters into a transaction, with a customer that arises out of any of its activities as a cryptoasset business, and
- (b) the activity is not—
 - (i) within scope of the jurisdiction of the Financial Ombudsman Service, or
 - (ii) subject to protection under the Financial Services Compensation Scheme, or
 - (iii) within scope of the jurisdiction of, or subject to protection under, either of the schemes referred to in paragraph (i) or (ii).

(2) Before establishing the business relationship or entering into the transaction, the cryptoasset business must inform the customer of the position in paragraph (1)(b)(i), (ii) or (iii), as the case may be.

(3) In this regulation—

- (a) the Financial Ombudsman Service means the scheme established under Part 16 of FSMA ^{M16},
- (b) the Financial Services Compensation Scheme means the scheme established under Part 15 of FSMA ^{M17}.]

Marginal Citations

M16 Section 226 was amended by the Financial Services Act 2012 (c.21), section 39 and Schedule 11 and by S.I. 2009/209, 2011/99, 2017/692 and 2017/752. Section 227 was amended by the Consumer Credit Act 2006 (c.14), section 61; the Financial Services Act 2012, section 39 and Schedule 11 and by S.I. 2013/1881.

M17 Section 212 was amended by the Financial Services Act 2012 (c.21), section 38 and Schedule 10, and by the Financial Services (Banking Reform) Act 2013 (c.33), section 16. Section 213 was amended by the Financial Services Act 2012, section 38 and Schedule 10, and by S.I. 2017/701. Section 214 was amended by the Financial Services Act 2012, section 38 and Schedule 10, and by the Banking Act 2009 (c.1), sections 169 and 174, and by S.I. 2017/701.

[^{F67}Changes in control of registered cryptoasset businesses

60B. Schedule 6B applies to an acquisition of or increase in control over a registered cryptoasset business (within the meaning given at regulation 59(8)).]

Status: Point in time view as at 27/06/2023.

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, PART 6. (See end of Document for details)

Textual Amendments

F67 Reg. 60B inserted (11.8.2022) by The Money Laundering and Terrorist Financing (Amendment) (No. 2) Regulations 2022 (S.I. 2022/860), regs. 1(2)(c), **12(3)**

Status:

Point in time view as at 27/06/2023.

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, PART 6.