



Proceeds of Crime Act 2002

2002 CHAPTER 29

PART 7

MONEY LAUNDERING

Offences

328 Arrangements

- (1) A person commits an offence if he enters into or becomes concerned in an arrangement which he knows or suspects facilitates (by whatever means) the acquisition, retention, use or control of criminal property by or on behalf of another person.
- (2) But a person does not commit such an offence if—
 - (a) he makes an authorised disclosure under section 338 and (if the disclosure is made before he does the act mentioned in subsection (1)) he has the appropriate consent;
 - (b) he intended to make such a disclosure but had a reasonable excuse for not doing so;
 - (c) the act he does is done in carrying out a function he has relating to the enforcement of any provision of this Act or of any other enactment relating to criminal conduct or benefit from criminal conduct.
- [^{F1}(3) Nor does a person commit an offence under subsection (1) if—
 - (a) he knows, or believes on reasonable grounds, that the relevant criminal conduct occurred in a particular country or territory outside the United Kingdom, and
 - (b) the relevant criminal conduct—
 - (i) was not, at the time it occurred, unlawful under the criminal law then applying in that country or territory, and
 - (ii) is not of a description prescribed by an order made by the Secretary of State.

Changes to legislation: Proceeds of Crime Act 2002, Section 328 is up to date with all changes known to be in force on or before 18 April 2024. There are changes that may be brought into force at a future date. Changes that have been made appear in the content and are referenced with annotations. (See end of Document for details) View outstanding changes

- (4) In subsection (3) “the relevant criminal conduct” is the criminal conduct by reference to which the property concerned is criminal property.]
- [^{F2}(5) A deposit-taking body [^{F3}, electronic money institution or payment institution] that does an act mentioned in subsection (1) does not commit an offence under that subsection if—
- (a) it does the act in operating an account maintained with it, and
 - (b) the arrangement facilitates the acquisition, retention, use or control of criminal property of a value that is less than the threshold amount determined under section 339A for the act.]
- [^{F4}(6) A person (“P”) who does an act mentioned in subsection (1) does not commit an offence under that subsection if—
- (a) P is carrying on business in the regulated sector that is not excluded business,
 - (b) P does the act, in the course of that business—
 - (i) in transferring or handing over to a customer or client money or other property of, or owing to, the customer or client, and
 - (ii) for the purposes of the termination of P’s business relationship with the customer or client,
 - (c) the total value of the criminal property so transferred or handed over to the customer or client by P for those purposes is less than the threshold amount determined under section 339A for the act, and
 - (d) before the act is done, P has complied with the customer due diligence duties.
- (7) For the purposes of subsection (6)—
- (a) business is “excluded” if it is of a description specified in regulations made by the Secretary of State for the purposes of this subsection;
 - (b) a reference to property being transferred or handed over to the customer or client includes a reference to property being transferred or handed over to another person at the direction of the customer or client;
 - (c) “customer due diligence duties” means all duties imposed on P in relation to the customer or client by regulation 28(2), (3), (3A), (4), (8) or (10) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692) (customer due diligence measures).]
- [^{F5}(8) A person (“P”) who does an act mentioned in subsection (1) does not commit an offence under that subsection if—
- (a) P is carrying on business in the regulated sector,
 - (b) P does the act in the course of that business, on behalf of a customer or client, in operating an account or accounts maintained with P or in connection with holding any property for the customer or client,
 - (c) at the time of the act, P knows or suspects that part but not all of the funds in the account or accounts, or of the property so held, is criminal property (“the relevant criminal property”),
 - (d) it is not possible, at the time the act takes place, to identify the part of the funds or property that is the relevant criminal property, and
 - (e) the value of the funds in the account or accounts, or of the property so held, is not, as a direct or indirect result of the act, less than the value of the relevant criminal property at the time of the act.

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- (9) Where subsection (8) applies—
- (a) if P does the act in operating an account or accounts, the funds in the account or accounts immediately after the act are assumed to include the relevant criminal property, and
 - (b) if P does the act in connection with holding any property for the customer or client, such of that property as is held by P immediately after the act is assumed to include the relevant criminal property.]

Textual Amendments

- F1** S. 328(3)(4) inserted (15.5.2006) by [Serious Organised Crime and Police Act 2005 \(c. 15\)](#), **ss. 102(3)**, 178(8); [S.I. 2006/1085](#), art. 3
- F2** S. 328(5) inserted (1.7.2005) by [Serious Organised Crime and Police Act 2005 \(c. 15\)](#), **ss. 103(3)**, 178(8); [S.I. 2005/1521](#), art. 3(1)(c)
- F3** Words in s. 328(5) inserted (29.6.2021) by [Financial Services Act 2021 \(c. 22\)](#), **ss. 32(3)**, 49(2)(b)
- F4** S. 328(6)(7) inserted (26.10.2023) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 182(3)**, 219(2)(f)
- F5** S. 328(8)(9) inserted (26.10.2023 for specified purposes, 15.1.2024 in so far as not already in force) by [Economic Crime and Corporate Transparency Act 2023 \(c. 56\)](#), **ss. 183(3)**, 219(1)(2)(b); [S.I. 2023/1206](#), reg. 3(f)

Modifications etc. (not altering text)

- C1** Pt. 7 applied (24.2.2003) by [Proceeds of Crime Act 2002 \(Crown Servants\) Regulations 2003 \(S.I. 2003/173\)](#), regs. 1, 3

Commencement Information

- I1** S. 328 in force at 24.2.2003 by [S.I. 2003/120](#), art. 2, **Sch.** (with arts. 3, 4) (as amended (20.2.2003) by [S.I. 2003/333](#), art. 14)

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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\(4\)](#)