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STATUTORY INSTRUMENTS

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**2003 No. 3075**

**The Money Laundering Regulations 2003**

**PART IV**

**MISCELLANEOUS**

**Supervisory authorities etc. to report evidence of money laundering**

**26.**—(1) Where a supervisory authority, in the light of any information obtained by it, knows or suspects, or has reasonable grounds for knowing or suspecting, that someone has or may have been engaged in money laundering, the supervisory authority must disclose the information to a constable as soon as is reasonably practicable.

(2) Where a supervisory authority passes the information to any other person who has such knowledge or suspicion or such reasonable grounds for knowledge or suspicion as is mentioned in paragraph (1), he may disclose the information to a constable.

(3) Where any person within paragraph (6), in the light of any information obtained by him, knows or suspects or has reasonable grounds for knowing or suspecting that someone has or may have been engaged in money laundering, he must, as soon as is reasonably practicable, disclose that information either to a constable or to the supervisory authority by whom he was appointed or authorised.

(4) Where information has been disclosed to a constable under this regulation, he (or any person obtaining the information from him) may disclose it in connection with the investigation of any criminal offence or for the purpose of any criminal proceedings, but not otherwise.

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

(6) Persons within this paragraph are—

- (a) a person or inspector appointed under section 65 or 66 of the Friendly Societies Act 1992<sup>(1)</sup>;
- (b) an inspector appointed under section 49 of the Industrial and Provident Societies Act 1965 or section 18 of the Credit Unions Act 1979<sup>(2)</sup>;
- (c) an inspector appointed under section 431, 432, 442 or 446 of the Companies Act 1985<sup>(3)</sup> or under Article 424, 425, 435 or 439 of the Companies (Northern Ireland) Order 1986<sup>(4)</sup>;
- (d) a person or inspector appointed under section 55 or 56 of the Building Societies Act 1986<sup>(5)</sup>;

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(1) 1992 c. 40.

(2) 1979 c. 34.

(3) 1985 c. 6.

(4) S.I.1986/1032 (N.I. 6).

(5) 1986 c. 53.

- (e) a person appointed under section 167, 168(3) or (5), 169(1)(b) or 284 of the 2000 Act, or under regulations made as a result of section 262(2)(k) of that Act, to conduct an investigation; and
- (f) a person authorised to require the production of documents under section 447 of the Companies Act 1985, Article 440 of the Companies (Northern Ireland) Order 1986 or section 84 of the Companies Act 1989.

### **Offences by bodies corporate etc.**

27.—(1) If an offence under regulation 3 committed by a body corporate is shown—

- (a) to have been committed with the consent or the connivance of an officer; or
- (b) to be attributable to any neglect on his part;

the officer as well as the body corporate is guilty of an offence and liable to be proceeded against and punished accordingly.

(2) If an offence under regulation 3 committed by a partnership is shown—

- (a) to have been committed with the consent or the connivance of a partner; or
- (b) to be attributable to any neglect on his part;

the partner as well as the partnership is guilty of an offence and liable to be proceeded against and punished accordingly.

(3) If an offence under regulation 3 committed by an unincorporated association (other than a partnership) is shown—

- (a) to have been committed with the consent or the connivance of an officer of the association or a member of its governing body; or
- (b) to be attributable to any neglect on the part of such an officer or member;

that officer or member as well as the association is guilty of an offence and liable to be proceeded against and punished accordingly.

(4) If the affairs of a body corporate are managed by its members, paragraph (1) applies in relation to the acts and defaults of a member in connection with his functions of management as if he were a director of the body.

(5) In this regulation—

- (a) “partner” includes a person purporting to act as a partner; and
- (b) “officer”, in relation to a body corporate, means a director, manager, secretary, chief executive, member of the committee of management, or a person purporting to act in such a capacity.

### **Prohibitions in relation to certain countries**

28.—(1) The Treasury may direct any person who carries on relevant business—

- (a) not to enter a business relationship;
- (b) not to carry out any one-off transaction; or
- (c) not to proceed any further with a business relationship or one-off transaction;

in relation to a person who is based or incorporated in a country (other than an EEA State) to which the Financial Action Task Force has decided to apply counter-measures.

(2) A person who fails to comply with a Treasury direction is to be treated as having contravened regulation 3.

### **Minor and consequential amendments**

**29.** The provisions mentioned in Schedule 2 to these Regulations have effect subject to the amendments there specified, being minor amendments and amendments consequential on the provisions of these Regulations.

### **Transitional provisions**

**30.**—(1) Nothing in these Regulations obliges any person who carries on relevant business falling within any of sub-paragraphs (a) to (e) of regulation 2(2) to maintain identification procedures which require evidence to be obtained in respect of any business relationship formed by him before 1st April 1994.

(2) Nothing in these Regulations obliges any person who carries on relevant business falling within any of sub-paragraphs (f) to (n) of regulation 2(2)—

- (a) to maintain identification procedures which require evidence to be obtained in respect of any business relationship formed by him before 1st March 2004; or
- (b) to maintain internal reporting procedures which require any action to be taken in respect of any knowledge, suspicion or reasonable grounds for knowledge or suspicion which came to that person before 1st March 2004.