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STATUTORY INSTRUMENTS

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**2007 No. 2157**

**The Money Laundering Regulations 2007**

**PART 2**

**CUSTOMER DUE DILIGENCE**

**Reliance**

**17.—**(1) A relevant person may rely on a person who falls within paragraph (2) (or who the relevant person has reasonable grounds to believe falls within paragraph (2)) to apply any customer due diligence measures provided that—

- (a) the other person consents to being relied on; and
- (b) notwithstanding the relevant person's reliance on the other person, the relevant person remains liable for any failure to apply such measures.

(2) The persons are—

- (a) a credit or financial institution which is an authorised person;
- (b) a relevant person who is—
  - (i) an auditor, insolvency practitioner, external accountant, tax adviser or independent legal professional; and
  - (ii) supervised for the purposes of these Regulations by one of the bodies listed in Part 1 of Schedule 3;
- (c) a person who carries on business in another EEA state who is—
  - (i) a credit or financial institution, auditor, insolvency practitioner, external accountant, tax adviser or independent legal professional;
  - (ii) subject to mandatory professional registration recognised by law; and
  - (iii) supervised for compliance with the requirements laid down in the money laundering directive in accordance with section 2 of Chapter V of that directive; or
- (d) a person who carries on business in a non-EEA state who is—
  - (i) a credit or financial institution (or equivalent institution), auditor, insolvency practitioner, external accountant, tax adviser or independent legal professional;
  - (ii) subject to mandatory professional registration recognised by law;
  - (iii) subject to requirements equivalent to those laid down in the money laundering directive; and
  - (iv) supervised for compliance with those requirements in a manner equivalent to section 2 of Chapter V of the money laundering directive.

(3) In paragraph (2)(c)(i) and (d)(i), “auditor” and “insolvency practitioner” includes a person situated in another EEA state or a non-EEA state who provides services equivalent to the services provided by an auditor or insolvency practitioner.

(4) Nothing in this regulation prevents a relevant person applying customer due diligence measures by means of an outsourcing service provider or agent provided that the relevant person remains liable for any failure to apply such measures.

(5) In this regulation, “financial institution” excludes money service businesses.