STATUTORY INSTRUMENTS

2024 No. 1042 (L. 17)

MAGISTRATES' COURTS, ENGLAND AND WALES

PROCEDURE

The Magistrates' Courts (Detention, Freezing and Forfeiture of Terrorist Cryptoassets, and Miscellaneous Amendments) Rules 2024

Made - - - -	*16th October 2024*
Laid before Parliament	*17th October 2024*
Coming into force	*7th November 2024*

The Lady Chief Justice, with the concurrence of the Lord Chancellor, makes the following rules in exercise of the powers conferred by section 144 of the Magistrates' Courts Act 1980(**a**):

PART 1

Introductory

Citation, commencement and extent

1.—(1) These Rules may be cited as the Magistrates' Courts (Detention, Freezing and Forfeiture of Terrorist Cryptoassets, and Miscellaneous Amendments) Rules 2024, and come into force on 7th November 2024.

(2) These Rules extend to England and Wales.

Interpretation

2. In these Rules—

(a) "the Act" means the Anti-terrorism, Crime and Security Act 2001(**b**), and "Schedule 1" means Schedule 1 to the Act;

(b) "document" includes any notification required to be given under these Rules;

(**a**) 1980 c. 43. Section 144 was amended by section 109(1) and (3) and paragraphs 245(1), (2), (5) of Schedule 8 and Schedule 10 to the Courts Act 2003 (c. 39), section 15(1) and paragraphs 99, 102(1), (2), (3)(a), (3)(b), (4) and (6) of Schedule 4 to the Constitutional Reform Act 2005 (c. 4), section 208(1) and paragraphs 42 and 43(b) of Schedule 21 to the Legal Services Act 2007 (c. 29), article 3(2) and paragraphs 1(1), (2) to (6) of Schedule 2 to S.I. 2012/2398, section 17(6) and paragraphs 39, 52 and 99 of Schedule 10 to the Crime and Courts Act 2013 (c. 22) and section 3 and paragraphs 5 and 10 of the Schedule to the Courts and Tribunals (Judiciary and Functions of Staff) Act 2018 (c. 33).

(**b**) 2001 c. 24. Parts 4BA, 4BB and 4BC of Schedule 1 were inserted by Schedule 10 of the Economic Crime and Corporate Transparency Act 2023 (c. 56).

(c) "electronic communication" has the meaning given by section 15(1) of the Electronic Communications Act 2000(**a**);

(d) "order for further detention" means an order made under—

(i) paragraph 3(2) of Schedule 1 (further detention of seized cash);

(ii) paragraph 10D(1) of Schedule 1 (further detention of seized property);

(iii) paragraph 10Z7AC(1) or (4) of Schedule 1 (further detention of cryptoasset-related items);

(iv) paragraph 10Z7AG(1) or (4) of Schedule 1 to the Act (further detention of cryptoassets);

(e) "freezing order" means an order made under—

(i) paragraph 10S(2) of Schedule 1 to the Act (account freezing orders);

(ii) paragraph 10Z7BB(2) of Schedule 1 to the Act (crypto wallet freezing orders);

(f) words and expressions used otherwise have the same meaning as in Parts 4BA to 4BC of Schedule 1 to the Act.

PART 2

Magistrates' Courts Rules relating to detention, freezing and forfeiture of terrorist cryptoassets

First application for the further detention of a seized cryptoasset-related item

3.—(1) The first application under Paragraph 10Z7AC(6) of Schedule 1 for an order under paragraph 10Z7AC(1) or (4) of Schedule 1 for the further detention of property seized under paragraph 10Z7AA of Schedule 1 must be made in writing and sent to the court before which the applicant wishes to make the application.

(2) But where the reasonable grounds for suspicion which led to the seizure of property to which an application under paragraph 10Z7AC(6) of Schedule 1 relates are connected to—

(a) the reasonable grounds for suspicion which led to the seizure of cash or other property to which a previous order for further detention relates, or

(b) the reasonable grounds for suspicion which led to the making of a previous freezing order,

then the application may be sent to any court which made a previous order listed in sub-paragraph (a) or (b).

(3) Except where the application is made without notice or paragraph (4) or paragraph (7) applies, a copy of the written application and notification of the hearing of the application must be given by the applicant to the person from whom the cryptoasset-related item was seized.

(4) Where a seized cryptoasset-related item is found in a means of unattended dispatch, such as an unattended letter, parcel or container, copies of the written application and notification of the hearing of the application must, unless the application is made without notice, be sent by the applicant to the sender and intended recipient of the means of unattended dispatch.

(5) But where paragraph (4) applies the applicant is not required to send copies of the written application and notification of the hearing to a sender or intended recipient who cannot be identified.

(6) Where paragraph (4) applies, the court must not decline to hear an application solely on the ground that it has not been proved that the sender and intended recipient have been given a copy of the written application and notification of the hearing.

(**a**) 2000 c. 7. Section 15(1) is amended by section 406 of, and paragraph 158 of Schedule 17 to, the Communications Act 2003 (c. 21).

(7) Where an unattended cryptoasset-related item is seized (other than where it is found in a means of unattended dispatch) the applicant need not give a copy of the written application and notification of the hearing to any person.

(8) The court must give copies of the order to the applicant.

(9) The applicant must give a copy of the order to the person from whom the cryptoasset-related item was seized and to any other person known to be affected by the order.

Further applications for the further detention of seized cryptoasset-related items

4.—(1) An application under paragraph 10Z7AC(6) of Schedule 1 for a further order under paragraph 10Z7AC(1) or (4) of Schedule 1 for the further detention of seized cryptoasset-related items must be made in writing and may be sent to the court to which the first application under paragraph 10Z7AC(6) of Schedule 1 was sent.

(2) The applicant must send a copy of the application to every person to whom notice of a previous related order under paragraph 10Z7AC(1) or (4) of Schedule 1 has been given.

(3) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date it is fixed, and must notify that date to the applicant.

(4) The applicant must notify the date fixed for the hearing of the application to every person to whom notice of a previous related order has been given.

(5) The court must give copies of the order to the applicant.

(6) The applicant must give a copy of the order to every person to whom notice of a previous related order has been given.

(7) The applicant must also give a copy of the order to any person other than one referred to in paragraph (6) who is affected by the order.

Applications for prior authorisation for detention of cryptoassets

5.—(1) An application under paragraph 10Z7AE(2) of Schedule 1 for an order under paragraph 10Z7AE(1) to authorise the detention of cryptoassets that may be seized as a result of information obtained from a cryptoasset-related item may be made at the same time as an application under paragraph 10Z7AC(6) of Schedule 1 for the further detention of cryptoasset-related items.

(2) The application under paragraph 10Z7AE(2) of Schedule 1 must be made in writing and sent to the same court to which the application under paragraph 10Z7AC(6) of Schedule 1 was sent.

(3) A copy of the written application and notification of the hearing of the application must be given by the applicant to the person from whom the cryptoasset-related item was seized.

(4) The court must give copies of the order to the applicant.

(5) The applicant must give a copy of the order to every person to whom notice of a previous related order has been given and to any other person known to be affected by the order.

First application for the further detention of seized cryptoassets

6.—(1) The first application under paragraph 10Z7AG(6) of Schedule 1 for an order under paragraph 10Z7AG(1) or (4) of Schedule 1 for the further detention of cryptoassets seized under paragraph 10Z7AD of Schedule 1 must be made in writing and sent to the court before which the applicant wishes to make the application.

(2) But where the reasonable grounds for suspicion which led to the application under paragraph 10Z7AG(6) of Schedule 1 are connected to—

(a) the reasonable grounds for suspicion which led to the seizure of cash or other property to which a previous order for further detention relates, or

(b) the reasonable grounds for suspicion which led to the making of a previous freezing order,

then the application must specify the connection to any such previous order and may be sent to any court which made a previous order listed in sub-paragraph (a) or (b).

(3) Except where the application is made without notice or paragraph (4) or (7) applies, a copy of the written application and notification of the hearing of the application must be given by the applicant to the person from whom the cryptoassets were seized.

(4) Where the cryptoassets to which the application relates were seized as a result of information obtained from a cryptoasset-related item found in a means of unattended dispatch, such as an unattended letter, parcel or container, copies of the written application and notification of the hearing of the application must, unless the application is made without notice, be sent by the applicant to the sender and intended recipient of the means of unattended dispatch.

(5) But where paragraph (4) applies the applicant is not required to send copies of the written application and notification of the hearing to a sender or intended recipient who cannot be identified.

(6) Where paragraph (4) applies, the court must not decline to hear an application solely on the ground that it has not been proved that the sender and intended recipient have been given a copy of the written application and notification of the hearing.

(7) Where the cryptoassets to which the application relates were seized as a result of information obtained from an unattended cryptoasset-related item (other than one found within a means of unattended dispatch), the applicant need not give a copy of the written application and notification of the hearing to any person.

(8) The court must give copies of the order to the applicant.

(9) The applicant must give a copy of the order to the person from whom the cryptoasset was seized and to any other person known to be affected by the order.

Further applications for the further detention of seized cryptoassets

7.—(1) An application under paragraph 10Z7AG(6) of Schedule 1 for a further order under paragraph 10Z7AG(1) or (4) of Schedule 1 for the further detention of seized cryptoasset must be made in writing and may be sent to the court to which the first application under paragraph 10Z7AG(6) was sent.

(2) The applicant must send a copy of the application to every person to whom a copy of a previous related order under paragraph 10Z7AG(1) or (4) of Schedule 1 has been given.

(3) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date it is fixed, and must notify that date to the applicant.

(4) The applicant must notify the date fixed for the hearing of the application to every person to whom a copy of a previous related order has been given.

(5) The court must give copies of the order to the applicant.

(6) The applicant must give a copy of the order to every person to whom a copy of a previous related order has been given.

(7) The applicant must also give a copy of the order to any person other than one referred to in paragraph (6) known to be affected by the order.

Applications for the release of detained cryptoassets and cryptoasset-related items

8.—(1) An application under paragraph 10Z7AI(3) or 10Z7CK(1) of Schedule 1 for the release of detained cryptoassets or cryptoasset-related items must be made in writing and sent to the court before which the applicant wishes to make the application, and must specify the grounds on which it is made.

(2) But if the applicant has been sent a copy of an order under any of paragraphs 10Z7AC(1) or (4), 10Z7AE(1) or 10Z7AG(1) or (4) of Schedule 1 in respect of the detained property, then the application must be sent to the court which sent the applicant the copy of that order.

(3) The court must send copies of the application to the authorised officer who seized the property.

(4) The authorised officer who has been sent copies of the application under paragraph (3) must send a copy of the application to every person to whom a copy of an order made under any of paragraphs 10Z7AC(1) or (4), 10Z7AE(1) or (4) or 10Z7AG(1) or (4) of Schedule 1 has been given.

(5) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date on which it is fixed, and must notify that date to the applicant and to the authorised officer who seized the property.

(6) The authorised officer who has been notified of the date fixed for the hearing of the application under paragraph (5) must notify that date to every person to whom a copy of an order made under any of paragraphs 10Z7AC(1) or (4), 10Z7AE(1) or (4) or 10Z7AG(1) or (4) of Schedule 1 has been given.

(7) At the hearing of an application under paragraph 10Z7AI(3) of Schedule 1, the court may, if it thinks fit, order that the application be heard with any other relevant proceedings in relation to the detained property.

(8) A direction under paragraph 10Z7AI(2) of Schedule 1 must provide for the release of the detained property within seven days of the date of the making of the direction or such longer period as with the agreement of the applicant may be specified in the direction, except that cryptoassets may not be released whilst paragraph 10Z7CB(2) of Schedule 1 applies.

(9) The court must give copies of the direction to the applicant and to the authorised officer who seized the property.

(10) The authorised officer who has been given copies of the direction under paragraph (9) must give a copy of the direction to every person to whom a copy of an order made under any of paragraphs 10Z7AC(1) or (4), 10Z7AE(1) or (4) or 10Z7AG(1) or (4) of Schedule 1 has been given.

Application for a crypto wallet freezing order, or for an order extending the period of such an order

9.—(1) An application under paragraph 10Z7BA(2) of Schedule 1 for a crypto wallet freezing order under paragraph 10Z7BB(2), or for an order under paragraph 10Z7BB(5) of Schedule 1 extending the period of such an order from two to up to three years, must be made in writing and may be sent to the court before which the applicant wishes to make the application.

(2) But where the reasonable grounds for suspicion which led to the application for the order under paragraph 10Z7BB(2) of Schedule 1 are connected to—

(a) the reasonable grounds for suspicion which led to the seizure of cash or other property to which a previous order for further detention relates, or

(b) the reasonable grounds for suspicion which led to the making of a previous freezing order,

then the application must specify the connection to any such previous order and may be sent to any court which made a previous order listed in sub-paragraph (a) or (b).

(3) Except where the application is made without notice, a copy of the written application and notification of the hearing of the application must be given by the applicant to any person by or for whom the crypto wallet which is the subject of the application is administered.

(4) But the applicant is not required to send copies of the written application and notification of the hearing to any person by or for whom the crypto wallet is administered who cannot be identified.

(5) Where paragraph (4) applies, the court must not decline to hear an application solely on the ground that it has not been proved that any person by or for whom the crypto wallet which is the subject of the application is administered has received a copy of the written application and notification of the hearing.

(6) The court must give copies of the order to the applicant.

(7) The applicant must give a copy of the order to any person by or for whom the crypto wallet which is the subject of the application is administered and to any other person known to be affected by the order, including the UK-connected cryptoasset service provider administering the crypto wallet.

Application for the variation or setting aside of a crypto wallet freezing order

10.—(1) An application under paragraph 10Z7BC(1) of Schedule 1 to vary or set aside a crypto wallet freezing order under paragraph 10Z7BB(2) of Schedule 1 must be made in writing and sent to the court before which the applicant wishes to make the application, and must specify the grounds on which it is made.

(2) But if the applicant has been given a copy of an order under paragraph 10Z7BB(2) of Schedule 1 in respect of the crypto wallet which is the subject of the application, then the application must be sent to the court which sent the applicant the copy of that order.

(3) Where the applicant is an enforcement officer, the applicant must send a copy of the application to the enforcement officer who applied for the crypto wallet freezing order, if that application was made by a different officer, and to every person to whom a copy of a previous related order made under paragraph 10Z7BB(2) or paragraph 10Z7BC(1) of Schedule 1 was sent.

(4) Where the applicant is a person other than an enforcement officer who is affected by the crypto wallet freezing order—

(a) the court must send copies of the application to the enforcement officer who applied for the crypto wallet freezing order, and

(b) the enforcement officer must send a copy of the application to every person to whom a copy of a previous related order made under paragraph 10Z7BB(2) or paragraph 10Z7BC(1) of Schedule 1 was sent.

(5) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date on which it is fixed.

(6) Where the applicant is an enforcement officer—

(a) the court must notify the date fixed for the hearing of the application under paragraph (5) to the applicant, and

(b) the applicant must notify that date to every person to whom a copy of an order made under paragraph 10Z7BB(2) or 10Z7BC(1) of Schedule 1 has been given.

(7) Where the applicant is a person other than an enforcement officer who is affected by the crypto wallet freezing order—

(a) the court must notify the date fixed for the hearing of the application under paragraph (5) to the applicant and to the enforcement officer who applied for the crypto wallet freezing order, and

(b) the enforcement officer must notify that date to every person to whom a copy of an order made under paragraph 10Z7BB(2) or 10Z7BC(1) of Schedule 1 has been given.

(8) At the hearing of an application under paragraph 10Z7BC(1) of Schedule 1, the court may, if it thinks fit, order that the application be heard with any other relevant proceedings in relation to the crypto wallet which is the subject of an order under paragraph 10Z7BB(2) of Schedule 1.

(9) Where the applicant is an enforcement officer—

(a) the court must give copies of the order to the applicant, and

(b) the applicant must send a copy of the order to—

(i) every person to whom copies of the previous related orders have been sent, and

(ii) any person other than one referred to in sub-paragraph (i) who is known to be affected by the order.

(10) Where the applicant is a person other than an enforcement officer who is affected by the crypto wallet freezing order—

(a) the court must give copies of the order to the applicant and to the enforcement officer who applied for the crypto wallet freezing order, and

(b) the enforcement officer must give a copy of the order varying or setting aside the crypto wallet freezing order to the persons mentioned in sub-paragraphs (i) and (ii) of paragraph (9)(b).

Application for the release of frozen cryptoassets

11.—(1) An application under paragraph 10Z7CL(1) of Schedule 1 for the release of cryptoassets held in a crypto wallet in respect of which a crypto wallet freezing order made under paragraph 10Z7BB(2) of Schedule 1 has effect must be made in writing and sent to the court before which the applicant wishes to make the application, and must specify the grounds on which it is made.

(2) But if the applicant has been given a copy of an order under paragraph 10Z7BB(2) or (5) of Schedule 1 in respect of the cryptoassets which are the subject of the application, then the application must be sent to the court which sent the applicant the copy of that order.

(3) The court must send copies of the application to the enforcement officer who applied for the crypto wallet freezing order.

(4) The enforcement officer who has been sent copies of the application under paragraph (3) must send a copy of the application to every person to whom a copy of the crypto wallet freezing order has been given.

(5) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date on which it is fixed, and must notify that date to the applicant and the enforcement officer who applied for the crypto wallet freezing order.

(6) At the hearing of an application under paragraph 10Z7CK(1) of Schedule 1, the court may, if it thinks fit, order that the application be heard with any other relevant proceedings in relation to the crypto wallet which is the subject of the application.

(7) An order under paragraph 10Z7CK(4) or (5) of Schedule 1 must provide for the release of the cryptoassets to which the application relates within seven days of the date of the making of the order, or such longer period as, with the agreement of the applicant, may be specified, except that the cryptoassets may not be released whilst paragraph 10Z7CB(3) to (5) of Schedule 1 applies.

(8) The court must give copies of the order to the enforcement officer who applied for the crypto wallet freezing order.

(9) The enforcement officer who has been given copies of the order under paragraph (8) must give a copy of the order to every person to whom a copy of the crypto wallet freezing order has been given.

Applications for forfeiture of cryptoassets which are detained or frozen

12.—(1) An application under paragraph 10Z7CA(2) of Schedule 1 for the forfeiture of detained cryptoassets must be made in writing and may be sent to the court to which any applications for the prior authorisation for the detention of the cryptoassets under paragraph 10Z7AE(2), or for the further detention of the cryptoassets under paragraph 10Z7AG(5) of Schedule 1, have been sent.

(2) Where no applications in respect of the detained cryptoassets have been made under paragraph 10Z7AE(2) or 10Z7AG(5) of Schedule 1, the application for forfeiture must be sent—

(a) to the court before which the applicant wishes to make the application, or

(b) where the reasonable grounds for suspicion which led to the seizure of the cryptoassets to which the application for forfeiture relates are connected to—

(i) the reasonable grounds for suspicion which led to the seizure of cash or other property to which an order for further detention relates, or

(ii) the reasonable grounds for suspicion which led to the making of a freezing order,

to any court which made an order listed in sub-paragraph (i) or (ii).

(3) An application under paragraph 10Z7CA(2) of Schedule 1 for the forfeiture of cryptoassets held in a crypto wallet which is subject to a crypto wallet freezing order under paragraph 10Z7BB(2) of Schedule 1 must be made in writing and sent to the court to which the application for the crypto wallet freezing order under paragraph 10Z7BA(2) was sent.

(4) But where the reasonable grounds for suspicion which led to the application for forfeiture of cryptoassets held in a crypto wallet which is subject to a crypto wallet freezing order are connected to the reasonable grounds for suspicion which led to the seizure of cash or other property to which a previous order for further detention relates—

(a) the application under paragraph 10Z7AG(2) of Schedule 1 must specify the connection to the previous order, and

(b) the application under paragraph 10Z7AG(2) of Schedule 1 may be sent to any court which made such a previous order.

(5) The applicant must send a copy of an application for forfeiture to every person to whom a copy of an order made under any of paragraphs 10Z7AE(1), 10Z7AG(1) or (4) or 10Z7BB(2) or (5) of Schedule 1 in respect of the detained cryptoassets or the crypto wallet has been given, and to any other person identified by the applicant as being affected by the application.

(6) The court must fix a date for a directions hearing, which, unless directed otherwise, must not be earlier than seven days from the date on which it is fixed, and must notify that date to the applicant.

(7) The applicant must notify the date fixed for the directions hearing to every person to whom a copy of the application is required to be sent under paragraph (5).

(8) At the directions hearing, the court may give directions relating to the management of the proceedings, including directions as to the date for the hearing of the application.

(9) If neither the person from whom cryptoassets were seized, nor any other person who is affected by the detention of the cryptoassets or the crypto wallet freezing order, nor the person by or for whom the crypto wallet which is the subject of the application is administered, seeks to contest the application, the court may decide the application at the directions hearing.

(10) The court must give copies of the order for the forfeiture of cryptoassets under paragraph 10Z7CA(3) or 10Z7CE(7) of Schedule 1 to the applicant.

(11) The applicant must give a copy of the order for the forfeiture of cryptoassets to every person to whom a copy of an order made under any of paragraphs 10Z7AE(1) , 10Z7AG(1) or (4) or 10Z7BB(2) or (5) of Schedule 1 in respect of the cryptoassets has been given and to any other person known to be affected by the order for the forfeiture of cryptoassets.

Agreements about associated and joint property

13.—(1) Where paragraph 10Z7CD(1) of Schedule 1 applies (agreements about associated and joint property) and the parties agree, the court may order the person who holds the associated property or who is the excepted joint owner to make a payment to a person identified in the order.

(2) Prior to the making of an order under paragraph 10Z7BC(1) of Schedule 1, the court must request and the parties must provide—

(a) details of the proposed agreement between the parties as to the value of the forfeitable property;

(b) details of any agreed reduction in the amount payable;

(c) confirmation that the agreement is in writing, and

(d) a draft order for the court's consideration.

(3) Where paragraph 10Z7CD(1) of Schedule 1 applies but the court has not been notified that the parties agree that the court should make an order under paragraph 10Z7CD(1), the court may give directions as to the date by which the parties are to communicate the details in paragraph (2) to the court.

(4) A copy of an order under paragraph 10Z7CD(1) of Schedule 1 must be sent by the applicant for the order for the forfeiture of the cryptoassets under paragraph 10Z7CA(2) of Schedule 1 to—

(a) every person to whom a copy of an order made under any of paragraphs 10Z7AE(1), 10Z7AG(1) or (4) or 10Z7BB(2) or (5) of Schedule 1 has been given,

(b) every person to whom a copy of an application under paragraph 10Z7CA(2) has been sent, and

(c) any other person known to be affected by the order.

Application for compensation

14.—(1) An application under paragraph 10Z7CM(2) of Schedule 1 for an order for compensation under 10Z7CM(3) must be made in writing and sent to the court before which the applicant wishes to make the application.

(2) But if the applicant has been given a copy of an order under any of paragraphs 10Z7AE(1), 10Z7AG(1) or (4) or 10Z7BB(2) or (5) of Schedule 1 in respect of the cryptoassets which are the subject of the application, then the application must be sent to the court which sent the applicant the copy of that order.

(3) The court must send a copy of the application to—

(a) the Commissioners for His Majesty's Revenue and Customs, if the cryptoassets which are the subject of the application were seized, or the crypto wallet freezing order was applied for, by an officer of Revenue and Customs;

(b) the chief officer of the police force to which the constable belongs, if the cryptoassets which are the subject of the application were seized, or the crypto wallet freezing order was applied for, by a constable;

(c) the police force of which the counter-terrorism financial investigator is a member of staff, if the cryptoassets which are the subject of the application was seized, or the crypto wallet freezing order was applied for, by a counter-terrorism financial investigator, and

(d) the Secretary of State, if the cryptoassets which are the subject of the application were seized, or the crypto wallet freezing order applied for, by an immigration officer.

(4) The person who has been sent copies of the application under paragraph (3) must send a copy of the application to every person to whom a copy of an order made under any of paragraphs 10Z7AE(1), 10Z7AG(1) or (4) or 10Z7BB(2) of Schedule 1 has been given.

(5) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date on which it is fixed, and must notify the date to the applicant and to every person to whom a copy of the application is required to be sent under paragraph (3).

(6) The person, other than the applicant, who has been notified of the date fixed for the hearing under paragraph (5) must notify that date to every person to whom a copy of an order made under any of paragraphs 10Z7AE(1), 10Z7AG(1) or (4) or 10Z7BB(2) or (5) of Schedule 1 has been given.

(7) The court must send copies of the order for compensation under paragraph 10Z7CM(3) of Schedule 1 to the applicant and to the person to whom copies of the application are required to be sent under paragraph (3).

(8) The person, other than the applicant, who has been sent copies of the order under paragraph (7) must send a copy of the order to every person to whom a copy of an order made under any of paragraphs 10Z7AE(1), 10Z7AG(1) or (4) or 10Z7BB(2) or (5) of Schedule 1 has been given.

Director of Public Prosecutions appearing in proceedings

15. Where the Director of Public Prosecutions has agreed under paragraph 10Z9(1) of Schedule 1 to appear in proceedings under Schedule 1 for—

(a) a constable,

(b) a counter-terrorism financial investigator,

(c) the Commissioners for His Majesty's Revenue and Customs,

(d) an officer of Revenue and Customs, or

(e) an immigration officer,

the Director must notify the court which is dealing with the proceedings if the Director wants documents given under these Rules to be given also to the Director.

Giving of documents

16.—(1) Any document required to be given to any person under these Rules may be given—

(a) by post in accordance with rule 17;

(b) by means of electronic communication in accordance with rule 18, or

(c) by any method authorised by the court in accordance with rule 19.

(2) If any document is given to a person in accordance with paragraph (1), it is deemed to have been received by that person unless the contrary is shown.

Giving documents by post

17.—(1) In order to give a document by post to a person (other than to the court), it must be sent by properly addressing, pre-paying and posting to an address which has been given by that person for the purpose of receipt of documents under these Rules.

(2) If no address has been given as is mentioned in paragraph (1), the document must be sent to an address which is shown in the following table.

Person to whom document is to be given	*Address*
1. Individual	Last known residential address
2. Individual in their business capacity	Last known residential address of the individual, or principal or last known place of business
3. Individual in their capacity as a partner in a partnership	Last known residential address of the individual, or principal or last known place of business of the partnership
4. Limited Liability Partnership (within the meaning of the Limited Liability Partnerships Act 2000(1)	Principal office of the partnership, or any place of business of the partnership
5. Corporation (other than a company)	Principal office of the corporation, or any place where the corporation carries on its activities
6. Company	Principal office of the company, or any place of business of the company

(1) 2000 c. 12.

(3) Unless the contrary is shown, the document is to be deemed as having been given to the person on the second day after it was posted, provided that day is a business day, or if not, the next business day after that day.

Giving documents by means of electronic communication

18.—(1) In order to give a document by email or other means of electronic communication, the intended recipient of the document must previously have indicated in writing to the person giving the document the email address or other electronic identification to which documents must be sent.

(2) Giving a document by means of electronic communication is effected by sending or transmitting the document in accordance with the written indication given by the intended recipient under paragraph (1).

(3) The document is to be treated as having been given on the day on which it is sent or transmitted if the electronic communication containing it is sent or transmitted before 4.30pm. If

the electronic communication is sent or transmitted after 4.30pm, the document is to be treated as having been given the following day.

(4) Where a document is given by electronic means, the person giving the document need not in addition send or deliver a hard copy.

Giving of documents by an alternative method or at an alternative place

19.—(1) Where it appears to the court that there is a good reason to authorise the giving of a document by a method or at a place not otherwise permitted by these Rules, the court may make an order permitting the giving of a document by an alternative method or at an alternative place.

(2) On an application under this rule, the court may order that steps already taken to give the document to a person by an alternative method or at an alternative place constitute the giving of that document under these Rules.

(3) An application for an order under this rule—

(a) must be supported by evidence, and

(b) may be made without notice.

(4) An order under this rule must specify—

(a) the method by which the document may be given, if it is not a method permitted by these Rules;

(b) the place at which the document may be given, if it is not a place permitted by these Rules, and

(c) the date on which the document is deemed to be given.

Giving a document to a child or protected person

20.—(1) Where the intended recipient of a document is known to be a child who is not also a protected person, the document must be given to the child and—

(a) one of the child's parents or guardians, or

(b) if there is no parent or guardian, an adult with whom the child resides or in whose care the child is.

(2) Where the intended recipient of a document is known to be a protected person, the document must be given to the protected person and—

(a) where the protected person is resident in England and Wales, to one of the following persons—

(i) the attorney under a registered enduring power of attorney which relates to the protected person;

(ii) the donee of a lasting power of attorney which relates to the protected person, or

(iii) the deputy appointed in relation to the protected person by the Court of Protection;

(b) where the protected person is resident in Northern Ireland, to one of the following persons—

(i) the attorney under a registered enduring power of attorney which relates to the protected person;

(ii) the controller appointed in relation to the protected person by the Office of Care and Protection;

(c) where the protected person is resident in Scotland, to one of the following persons—

(i) the continuing attorney under a continuing power of attorney which relates to the protected person;

(ii) the welfare attorney under a welfare power of attorney which relates to the protected person;

(iii) the person authorised under an intervention order in respect of the protected person;

(iv) the person authorised under a guardianship order in respect of the protected person;

(v) the person authorised under a withdrawal certificate in respect of the protected person, or

(d) if in any case under sub-paragraph (a), (b) or (c) there is no such person, to an adult with whom the protected person resides or in whose care the protected person is.

(3) Any reference in these Rules to a person to whom a document is to be given includes the person to be given documents on behalf of a child or protected person under paragraph (1) or (2).

(4) The court may make an order permitting a document to be given to a child or protected person, or to a person other than the person specified in paragraph (1) or (2), and an application for such an order may be made without notice.

(5) In this rule—

(a) "child" means a person under 18 years, and

(b) "protected person" means—

(i) in relation to England and Wales, a person who lacks capacity (within the meaning of the Mental Capacity Act 2005(**a**)) to understand the nature of forfeiture proceedings;

(ii) in relation to Northern Ireland, a person who is 16 years or over who lacks capacity to understand the nature of forfeiture proceedings because of an impairment of, or a disturbance in the functioning of, the mind or brain;

(iii) in relation to Scotland, a person who is incapable (within the meaning of the Adults with Incapacity (Scotland) Act 2000(**b**)) of understanding the nature of forfeiture proceedings.

Giving of documents to persons outside the United Kingdom

21.—(1) If a document is to be given to a person who resides outside the United Kingdom, the document must be given in accordance with the terms of any relevant declaration.

(2) In this rule, "relevant declaration" means—

(a) a declaration made in accordance with Article 31(2) of the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime and on the Financing of Terrorism agreed at Warsaw on 16th May 2005 that judicial documents may not be sent directly to persons abroad by postal channels, or

(b) a declaration made in accordance with Article 21(2) of the Council of Europe Convention on Laundering, Search, Seizure and Confiscation of the Proceeds from Crime agreed at Strasbourg on 8th November 1990 that judicial documents may not be sent directly to persons abroad by postal channels.

Procedure at hearing

22.—(1) At the hearing of an application under Part 4BA, 4BB or 4BC of Schedule 1, any person to whom a copy of the application has been given may attend and be heard on the question of whether the application should be granted, but the fact that any such person does not attend does not prevent the court from hearing the application.

(2) Subject to the foregoing provisions of these Rules, proceedings on such an application are regulated in the same manner as proceedings on a complaint, and accordingly for the purposes of these Rules, the application is deemed to be a complaint, the applicant a complainant, a respondent to be a defendant and any notice given under rules 4(3), 7(3), 8(5), 10(5), 11(5), 12(6) or 14(6), to be a summons.

(**a**) 2005 c. 9.
(**b**) 2000 asp 4.

(3) But nothing in this rule enables a warrant of arrest to be issued for failure to appear in answer to any such notice.

(4) At the hearing of an application under Part 4BA, 4BB or 4BC of Schedule 1, the court must require the matters contained in the application to be sworn by the applicant under oath, may require the applicant to answer any questions under oath and may require any response from a respondent to the application to be made under oath.

(5) The court must record or cause to be recorded the substance of any statements made under oath which are not already recorded in the written application.

PART 3

Miscellaneous Amendments to Magistrates' Courts Rules

Amendment of the Magistrates' Courts (Detention and Forfeiture of Terrorist Cash) (No. 2) Rules 2001

23.—(1) The Magistrates' Courts (Detention and Forfeiture of Terrorist Cash) (No. 2) Rules 2001(**a**) are amended as follows.

(2) In rule 3 (interpretation), after paragraph (ab), insert—

"(ac) "freezing order" means an order made under—

(i) paragraph 10S(2) of Schedule 1 (account freezing orders);

(ii) paragraph 10Z7BB(2) of Schedule 1 (crypto wallet freezing orders);

(ad) "order for further detention" means an order made under—

(i) paragraph 3(2) of Schedule 1 (further detention of seized cash);

(ii) paragraph 10D(1) of Schedule 1 (further detention of seized property);

(iii) paragraph 10Z7AC(1) or (4) of Schedule 1 (further detention of cryptoasset-related items);

(iv) paragraph 10Z7AG(1) or (4) (further detention of cryptoassets);".

(3) In rule 4 (first application for the further detention of seized cash)—

(a) in paragraph (1A)—

(i) in sub-paragraph (a), for "previous order made under paragraph 3(2) or 10D(1) of Schedule 1", substitute "previous order for further detention";

(ii) in sub-paragraph (b), for "previous account freezing order under paragraph 10S(2) of Schedule 1", substitute "previous freezing order";

(b) in paragraph (2), after "except where" insert "the application is made without notice or";

(c) in paragraph (3), after "shall" insert ", except where the application is made without notice,".

(4) In rule 7 (application for forfeiture of detained cash), in paragraph (1A)(b)—

(a) in sub-paragraph (i), for "order made under paragraph 3(2) or 10D(1) of Schedule 1", substitute "order for further detention";

(b) in sub-paragraph (ii), for "an account freezing order under paragraph 10S(2) of Schedule 1" substitute "a freezing order".

(**a**) S.I. 2001/4013, amended by S.I. 2017/1295.

Amendment of the Magistrates' Courts (Detention and Forfeiture of Terrorist Assets) Rules 2017

24.—(1) The Magistrates' Courts (Detention and Forfeiture of Terrorist Assets) Rules 2017(**a**) are amended as follows.

(2) In rule 2 (interpretation), after paragraph (c) insert—

"(ca) "freezing order" means an order made under—

(i) paragraph 10S(2) of Schedule 1 (account freezing orders);

(ii) paragraph 10Z7BB(2) of Schedule 1 (crypto wallet freezing orders);

(cb) "order for further detention" means an order made under—

(i) paragraph 3(2) of Schedule 1 (further detention of seized cash);

(ii) paragraph 10D(1) of Schedule 1 (further detention of seized property);

(iii) paragraph 10Z7AC(1) or (4) of Schedule 1 (further detention of cryptoasset-related items);

(iv) paragraph 10Z7AG(1) or (4) (further detention of cryptoassets);".

(3) In rule 3 (first application for the further detention of seized property)—

(a) in paragraph (2)—

(i) in sub-paragraph (a), for "previous order made under paragraph 3(2) or 10B(2) of Schedule 1" substitute "previous order for further detention";

(ii) in sub-paragraph (b), for "previous account freezing order under paragraph 10S(2) of Schedule 1" substitute "previous freezing order";

(b) in paragraph (3), after "except where" insert "the application is made without notice or";

(c) in paragraph (4), after "shall" insert ", except where the application is made without notice,".

(4) In rule 7 (application for forfeiture of detained property), in paragraph (2)—

(a) in sub-paragraph (i), for "order made under paragraph 3(2) or 10B(2) of Schedule 1" substitute "order for further detention";

(b) in sub-paragraph (ii, for "an account freezing order under paragraph 10S(2) of Schedule 1" substitute "a freezing order".

Amendment of the Magistrates' Courts (Freezing and Forfeiture of Terrorist Money in Bank and Building Society Accounts) Rules 2017

25.—(1) The Magistrates' Courts (Freezing and Forfeiture of Terrorist Money in Bank and Building Society Accounts) Rules 2017(**b**) are amended as follows.

(2) In rule 2 (interpretation), after paragraph (c), insert—

"(ca) "freezing order" means an order made under—

(i) paragraph 10S(2) of Schedule 1 (account freezing orders);

(ii) paragraph 10Z7BB(2) of Schedule 1 (crypto wallet freezing orders);

(cb) "order for further detention" means an order made under—

(i) paragraph 3(2) of Schedule 1 (further detention of seized cash);

(ii) paragraph 10D(1) of Schedule 1 (further detention of seized property);

(iii) paragraph 10Z7AC(1) or (4) of Schedule 1 (further detention of cryptoasset-related items);

(iv) paragraph 10Z7AG(1) or (4) (further detention of cryptoassets);".

(**a**) S.I. 2017/1296.
(**b**) S.I. 2017/1290.

(3) In rule 3 (application for account freezing order), in paragraph (2))—

(a) in sub-paragraph (a), for "previous order made under paragraph 3(2) or 10B(2) of Schedule 1" substitute "previous order for further detention";

(b) in sub-paragraph (b), for "previous account freezing order under paragraph 10S(2) of Schedule 1" substitute "previous freezing order".

(4) After rule 4 insert—

"**Application for the release of frozen money**

4A.—(1) An application under paragraph 10Z6A(1) of Schedule 1 for the release of money in respect of which an account freezing order has effect must be made in writing and sent to the court before which the applicant wishes to make the application, and must specify the grounds on which it is made.

(2) But if the applicant has been given notice of an order under paragraph 10S(2) of Schedule 1 in respect of the account which is the subject of the application, then the application must be sent to the court which sent the applicant that notice.

(3) The court must send a copy of the application to every person to whom notice of the account freezing order has been given.

(4) The court must fix a date for the hearing of the application, which, unless directed otherwise, must not be earlier than seven days from the date on which it is fixed, and must notify that date to the applicant and to every person to whom a copy of the application is required to be sent under paragraph (3).

(5) At the hearing of an application under paragraph 10Z6A(1) of Schedule 1 the court may, if it thinks fit, order that the application be heard with any other relevant proceedings in relation to the property which is the subject of the application.

(6) An order under paragraph 10Z6A(3) or (4) of Schedule 1 must provide for the release of the money within seven days of the making of the order or such longer period as with the agreement of the applicant may be specified in the order, except that money may not be released whilst paragraph 10Z6A(7) of Schedule 1 applies.".

(5) In rule 5 (application for forfeiture of frozen money), in paragraph (2), for "previous order made under paragraph 3(2) or 10B(2) of Schedule 1" substitute "previous order for further detention".

Carr of Walton-on-the-Hill, C.J.
14th October 2024 Lady Chief Justice

I concur

Heidi Alexander
Minister of State
16th October 2024 Ministry of Justice

EXPLANATORY NOTE

(This note is not part of the rules)

Part 2 of These Rules prescribes the procedure to be followed for applications to a magistrates' court for orders under Parts 4BA, 4BB and 4BC of Schedule 1 to the Anti-terrorism, Crime and Security Act 2001 (c. 24) ("ATCSA").

These Parts were inserted by Schedule 10 to the Economic Crime and Corporate Transparency Act 2023 (c. 56) and make provision for the seizure and detention of terrorist cryptoasset-related items and terrorist cryptoassets, and for the freezing and forfeiture of such cryptoassets, which are either recoverable property or intended for use in unlawful conduct. "Cryptoassets", "terrorist

cryptoassets" and "cryptoasset-related items" are defined by paragraph 10Z7A of Schedule 1 to ATCSA.

The Rules in this Part provide the relevant procedure for:

- applications for further detention of seized cryptoassets-related items (see paragraph 10Z7AC of Schedule 1 to ATCSA);
- applications for prior authorisation for detention of cryptoassets (see paragraph 10Z7AE of Schedule 1 to ATCSA);
- applications for further detention of seized cryptoassets (see paragraph 10Z7AG of Schedule 1 to ATCSA);
- applications for release of cryptoassets and cryptoasset-related items (see paragraph 10Z7AI of Schedule 1 to ATCSA);
- applications for crypto wallet freezing orders (see paragraph 10Z7BA of Schedule 1 to ATCSA);
- applications for the variation or setting aside of a crypto wallet freezing order (see paragraph 10Z7BC of Schedule 1 to ATCSA);
- application for the release of frozen cryptoassets (see paragraph 10Z7CK of Schedule 1 to ATCSA);
- applications for forfeiture of detained cryptoassets and cryptoassets held in a crypto wallet subject to a crypto wallet freezing order (see paragraph 10Z7CA of Schedule 1 to ATCSA);
- agreements about associated and joint property (see paragraph 10Z7CD of Schedule 1 to ATCSA);
- applications for compensation (see paragraph 10Z7 CM of Schedule 1 to ATCSA).

In addition, Part 2 of these Rules makes provision for the manner in which documents are to be given in proceedings under Parts 4BA, 4BB and 4BC of Schedule 1 to ATCSA, and for the procedure at hearings.

Part 3 of these Rules amends the Magistrates' Courts (Detention and Forfeiture of Terrorist Cash) (no. 2) Rules 2002 (the Terrorist Cash Rules), the Magistrates' Courts (Detention and Forfeiture of Terrorist Assets) Rules 2017 (the Terrorist Assets Rules) and the Magistrates' Courts (Freezing and Forfeiture of Terrorist Money in Bank and Building Society Accounts) Rules 2017 (the Terrorist Account Freezing Rules).

Rules 24 and 25 amend the provisions in the Terrorist Cash Rules and the Terrorist Assets Rules requiring applications to be sent to courts which have made certain connected orders to include the orders which may be made under Parts 4BA, 4BB and 4BC of Schedule 1 to ATCSA, to reflect the fact that applications for certain orders may be made without notice and may be determined in private, and generally to improve the accessibility of those provisions.

Rule 26 makes similar amendments to the Terrorist Account Freezing Rules.

A full impact assessment has not been produced for this instrument as no, or no significant, impact on the private, voluntary or public sectors is foreseen.

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£8.14

http://www.legislation.gov.uk/id/uksi/2024/1042

ISBN 978-0-34-826454-8

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