STATUTORY INSTRUMENTS

2026 No. 621

FINANCIAL SERVICES

The Money Laundering and Terrorist Financing (Amendment) Regulations 2026

Made - - - - 9th June 2026

Coming into force in accordance with regulation 1

The Treasury make these Regulations in exercise of the powers conferred by sections 49 and 54(2) of, and Schedule 2 to, the Sanctions and Anti-Money Laundering Act 2018(**a**).

In accordance with section 55(5)(d) of the Sanctions and Anti-Money Laundering Act 2018 a draft of these Regulations has been laid before Parliament and approved by a resolution of each House of Parliament.

PART 1

Introduction

Citation, commencement and extent

1.—(1) These Regulations may be cited as the Money Laundering and Terrorist Financing (Amendment) Regulations 2026.

(2) Subject to paragraphs (3) to (5), these Regulations come into force 21 days after the day on which these Regulations are made.

(3) This regulation comes into force on the day after the day on which these Regulations are made.

(4) Regulation 20 (insertion of regulation 34A (enhanced customer due diligence: cryptoasset exchange providers, custodian wallet providers and correspondent relationships)) and regulation 36(b) (amendment of Schedule 6 (meaning of "relevant requirement"): insertion of reference to regulation 34A) come into force on 1st February 2027.

(5) Regulation 37 (substitution of Schedule 6B (changes in control of registered cryptoasset businesses)) takes effect—

(**a**) 2018 c. 13. Section 49 was amended by paragraph 9 of Schedule 3 to the Sanctions and Anti-Money Laundering Act 2018 and by S.I. 2019/466, 2019/573 and 2019/577, as amended, in each case, by S.I. 2020/1289. See the definition of "appropriate Minister" in section 1(9) of the Sanctions and Anti-Money Laundering Act 2018.

(a) 21 days after the day on which these Regulations are made for the purposes of substituting paragraphs 1, 2 and 5 of new Schedule 6B for the existing Schedule 6B; and

(b) for all other purposes on 25th October 2027.

(6) These Regulations extend to England and Wales, Scotland and Northern Ireland.

PART 2

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

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

2. The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017(**a**) are amended in accordance with regulations 3 to 37.

Amendment of regulation 3 (general interpretation)

3. In regulation 3(**b**)—

(a) in paragraph (1), after the definition of "credit institution", insert—

""cryptoasset business" has the meaning given by regulation 64B;";

(b) in paragraph (2)(a), for "euros" substitute "sterling";

(c) in paragraph (2)(b)—

(i) for "sterling (or any other currency)" substitute "another currency";

(ii) for "euros", in both places it occurs, substitute "sterling";

(iii) omit "sterling or";

(iv) for "the euro" substitute "sterling".

Amendment of regulation 4 (meaning of business relationship)

4. In regulation 4(2)(**c**), after "services described in regulation 12(2)(a),", insert "(ab),".

Amendment of regulation 8 (application)

5. In regulation 8(**d**), after paragraph (3), insert—

"(3A) Regulation 29 applies to a customer provided with a pooled account (within the meaning of paragraph (10) of that regulation) by a relevant person.".

Amendment of regulation 10 (credit institutions and financial institutions)

6. In regulation 10(2)(b)(**e**), after "long-term insurance", insert "other than a reinsurance contract".

(**a**) S.I. 2017/692.
(**b**) Regulation 3 has been substituted but none of the amendments are relevant.
(**c**) Paragraph (2) of regulation 4 was amended by S.I. 2022/860.
(**d**) Regulation 8 has been amended but none of the amendments are relevant.
(**e**) Paragraph (2)(b) of regulation 10 was substituted by S.I. 2019/253.

Amendment of regulation 12 (independent legal professionals and trust or company service providers)

7. In regulation 12(**a**)—

(a) in paragraph (2), after sub-paragraph (a), insert—

"(ab) selling an off-the-shelf firm;";

(b) after paragraph (2), insert—

"(3) In this regulation, an "off-the-shelf firm" means a firm that either—

(a) does not carry on business; or

(b) carries on business but such business is not the main activity carried on by the trust or company service provider.".

Amendment of regulation 13 (estate agents and letting agents)

8. In regulation 13(4)(b)(ii)(**b**), for "10,000 euros" substitute "£10,000".

Amendment of regulation 14 (high value dealers, casinos, auctions platforms and art market participants)

9. In regulation 14(**c**), for "10,000 euros", in each place it occurs, substitute "£10,000".

Amendment of regulation 15 (exclusions)

10. In regulation 15—

(a) in paragraph (1)(c), for "or 40 to 49" substitute ", 40 to 49 or 58";

(b) in paragraph (3)(b), for "1,000 euros" substitute "£1,000".

Amendment of regulation 19 (policies, controls and procedures)

11. In regulation 19(4)(a)(i)(aa), for "complex or unusually large" substitute "unusually complex or unusually large in each case given the nature of the transaction".

Amendment of regulation 19A (policies, controls and procedures in relation to proliferation financing)

12. In regulation 19A(4)(a)(i)(aa)(**d**), for "complex or unusually large" substitute "unusually complex or unusually large in each case given the nature of the transaction".

Amendment of regulation 23 (requirement on authorised person to inform the FCA)

13. In regulation 23, after paragraph (3), insert—

"(3A) If, at any time after an authorised person whose supervisory authority is the FCA ("A") has provided the FCA with any information under this regulation—

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

(b) it becomes apparent to A that the information contains an inaccuracy,

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(**a**) Paragraph (2)(a) of regulation 12 was substitued by S.I. 2022/860.
(**b**) Paragraph (4) of regulation 13 was inserted by S.I. 2019/1511.
(**c**) Paragraph (1)(d) of regulation 14 was inserted by S.I. 2019/1511 and amended by S.I. 2022/860.
(**d**) Regulation 19A was inserted by S.I. 2022/860.

then A must provide the FCA 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.".

Amendment of regulation 27 (customer due diligence)

14. In regulation 27(**a**)—

(a) in paragraph (1)(b), for "1,000 euros" substitute "£800";

(b) in paragraph (2), for "15,000 euros" substitute "£12,000";

(c) in paragraph (3), for "10,000 euros" substitute "£10,000";

(d) in paragraph (5), for "2,000 euros" substitute "£2,000";

(e) in paragraph (7), for "2,000 euros" substitute "£2,000";

(f) in paragraph (7A)—

(i) in the opening words, insert "occasional" after "any";

(ii) in sub-paragraph (ii), for "10,000 euros" substitute "£10,000";

(g) in paragraph (7C)(a)—

(i) insert "occasional" after "any such";

(ii) for "or series of linked transactions," substitute "whether executed in a single operation or in several operations which appear to be linked,";

(iii) for "10,000 euros" substitute "£10,000";

(h) in paragraph (7C)(b), for "10,000 euros" substitute "£10,000";

(i) in paragraph (7E), for "1,000 euros" substitute "£800".

Amendment of regulation 29 (additional customer due diligence measures: credit institutions and financial institutions)

15. In regulation 29(**b**), after paragraph (9), insert—

"(10) Paragraphs (11) to (17) apply if the relevant person provides a customer with a new account into which monies are pooled ("pooled account") on or after the day on which this paragraph comes into force.

(11) When providing a customer with a pooled account, the relevant person must—

(a) take reasonable measures to understand the purpose of the pooled account and how the customer proposes to use it;

(b) take steps to be satisfied that the purpose and proposed use under sub-paragraph (a) is consistent with the relevant person's knowledge of the customer, the customer's business and risk profile, and must conduct updated customer due diligence measures where it is not so satisfied; and

(c) once satisfied under sub-paragraph (b), assess the level of risk of money laundering and terrorist financing associated with the customer using the pooled account and take reasonable steps to manage and mitigate the risks arising from that use by the customer.

(**a**) Paragraph (2) of regulation 27 was amended by S.I. 2019/1511 and S.I. 2022/860; paragraphs (7A) and (7C) were inserted by S.I. 2019/1511; paragraph (7E) was inserted by S.I. 2022/860.

(**b**) Regulation 29 has been amended but none of the amendments are relevant.

(12) In making an assessment under paragraph (11)(c), the relevant person must consider, among other things, the appropriateness of imposing controls on the pooled account to manage and mitigate the risks.

(13) The relevant person must be able to demonstrate to its supervisory authority that the extent of the measures it has taken to satisfy the requirements under paragraphs (11) and (12) is appropriate in view of the risks of money laundering and terrorist financing.

(14) When a customer has a pooled account with a relevant person, the customer must make available to the relevant person, on request from the relevant person, information on the identity of the persons on whose behalf monies are held in the pooled account and information on the identity of any beneficial owners of those persons.

(15) A customer which is provided with a pooled account by a relevant person must maintain accurate and up-to-date records in writing of all the monies that are paid into and out of the pooled account for a period of five years beginning, in the case of each payment into or out of the account, on the date on which the customer knows, or has reasonable grounds to believe, that the payment is complete.

(16) A customer of the relevant person must on request by any law enforcement authority provide information about itself and the management and use of any pooled account it has with the relevant person to that law enforcement authority.

(17) A customer is not required under paragraph (13), (14) or (16) to provide information which that person would be entitled to refuse to provide on grounds of legal professional privilege in proceedings in the High Court (or, in Scotland, on the ground of confidentiality of communications in the Court of Session).

(18) A disclosure made under paragraph (13), (14) or (16) is not to be taken to breach a duty of confidentiality owed by a professional legal adviser to a client of the adviser or any other restriction, however imposed, on the disclosure of information.".

Amendment of regulation 30 (timing of verification)

16. In regulation 30—

(a) in paragraph (1), for "This", substitute "Subject to paragraph (1A), this";

(b) after paragraph (1), insert—

"(1A) This regulation does not apply to a credit institution in relation to an insolvent bank customer where regulation 30ZA applies.";

(c) after paragraph (7), insert—

"(8) In this regulation, "insolvent bank customer" has the meaning given in regulation 30ZA(5).".

Insertion of regulation 30ZA (insolvent bank customers)

17. After regulation 30, insert—

"Insolvent bank customers

30ZA.—(1) Subject to paragraphs (2) and (3), a credit institution may permit an insolvent bank customer to open an account and transact from it before completing customer due diligence measures.

(2) Before permitting an insolvent bank customer to open an account and transact from it under paragraph (1), the credit institution must—

(a) identify the customer in accordance with regulation 28(2)(a); and

(b) where applicable, identify a person purporting to act on the customer's behalf and verify that such person is authorised so to act in accordance with regulation 28(10)(a) and (b).

(3) After permitting an insolvent bank customer to open an account and transact from it under paragraph (1), the credit institution must—

(a) apply the other customer due diligence measures required by regulation 28 as soon as practicable; and

(b) if it becomes apparent that any of the situations or cases set out in regulation 33(1) apply, carry out no further transactions from the insolvent bank customer's account until it has completed the customer due diligence measures required by regulation 28, with the exception of regulation 28(11).

(4) For the purposes of this regulation, a credit institution is to be treated as identifying an insolvent bank customer that is a body corporate if the credit institution—

(a) obtains the information listed in regulation 28(3)(a); and

(b) where the insolvent bank customer is not a company which is listed on a regulated market—

(i) takes reasonable measures to determine the information listed in regulation 28(3)(b); and

(ii) identifies the beneficial owner where the customer is beneficially owned by another person.

(5) In this regulation—

"insolvency date" in respect of an insolvent bank means the date on which a bank insolvency order is made in relation to the bank under section 94 (the order) of the Banking Act 2009(**a**).

"insolvent bank" means either—

(a) a bank as defined in section 2 (interpretation: "bank") of the Banking Act 2009 that has entered into the procedure in Part 2 of that Act; or

(b) a building society as defined in section 119 (interpretation) of the Building Societies Act 1986(**b**) that has entered into the procedure in Part 2 of the Banking Act 2009, as applied and modified by section 90C (application of bank insolvency and administration legislation to building societies) of the Building Societies Act 1986;

"insolvent bank customer" means any customer—

(a) which the credit institution is reasonably satisfied was a customer of an insolvent bank at the insolvency date in respect of that insolvent bank; and

(b) with whom the credit institution begins to establish a business relationship within the period of 30 days beginning with the insolvency date in respect of that insolvent bank.".

(**a**) 2009 c. 1.
(**b**) 1986 c. 53.

Amendment of regulation 30A (requirement to report discrepancies in registers)

18. In regulation 30A(**a**)—

(a) in paragraph (1), for "Before" substitute "Subject to paragraph (8A), before";

(b) after paragraph (8), insert—

"(8A) In relation to an insolvent bank customer of a type described in any of sub-paragraphs (a) to (f) of paragraph (1), a credit institution may comply with the requirement in paragraph (1) after the establishment of a business relationship with that customer.

(8B) In this regulation, "insolvent bank customer" has the meaning given in regulation 30ZA(5).".

Amendment of regulation 33 (obligation to apply enhanced customer due diligence)

19. In regulation 33(**b**)—

(a) in paragraph (1)(b), for "high-risk third country", in both places it occurs, substitute "FATF call for action country";

(b) in paragraph (1)(f)(i), for "complex or unusually large" substitute "unusually complex or unusually large in each case given the nature of the transaction";

(c) in paragraph (3)(a), for the definition of "high-risk third country" substitute—

"a "FATF call for action country" means a country named on the list of High-Risk Jurisdictions subject to a Call for Action published by the Financial Action Task Force as such list has effect from time to time(**c**);".

Insertion of regulation 34A (enhanced customer due diligence: cryptoasset exchange providers, custodian wallet providers and correspondent relationships)

20. After regulation 34, insert—

"Enhanced customer due diligence: cryptoasset exchange providers, custodian wallet providers and correspondent relationships

34A.—(1) A cryptoasset exchange provider or a custodian wallet provider (the "correspondent") which has or proposes to have a correspondent relationship involving the execution of services of a type described in regulation 14A(1) or (2) with another provider providing similar services (the "respondent") from a third country must, in addition to the measures required by regulation 33—

(a) gather sufficient information about the respondent to understand fully the nature of its business;

(b) determine from publicly-available information from credible sources the reputation of the respondent and the quality of the supervision to which the respondent is subject;

(c) assess the respondent's controls to counter money laundering and terrorist financing;

(**a**) Regulation 30A was substituted by S.I. 2022/137; paragraph (1) was amended by S.I. 2022/860; paragraph (8) was inserted by S.I. 2022/860.

(**b**) Paragraph (1)(b) of regulation 33 was amended by S.I. 2019/1511; paragraph (1)(f) of regulation 33 was substituted by S.I. 2019/1511; paragraph (3)(a) was substituted by S.I. 2019/1511, S.I. 2021/392 and S.I. 2024/69.

(**c**) The list of High-Risk Jurisdictions Subject to a Call for Action published by the Financial Action Task Force as it has effect from time to time is available at https://www.fatf-gafi.org/en/topics/high-risk-and-other-monitored-jurisdictions.html. A hard copy of the list is available on request from HM Treasury at 1 Horse Guards Road, London SW1A 2HQ.

(d) obtain approval from senior management before establishing a new correspondent relationship;

(e) document the responsibilities of the respondent and correspondent in the correspondent relationship; and

(f) be satisfied that, in respect of those of the respondent's customers who have direct access to accounts with the correspondent, the respondent—

(i) has verified the identity of, and conducts ongoing customer due diligence measures in relation to, such customers; and

(ii) is able to provide to the correspondent, upon request, the documents or information obtained when applying such customer due diligence measures.

(2) Cryptoasset exchange providers and custodian wallet providers must not enter into, or continue, a correspondent relationship with a shell bank.

(3) Cryptoasset exchange providers and custodian wallet providers must take appropriate enhanced measures to ensure that they do not enter into, or continue, a correspondent relationship with a credit institution or financial institution which is known to allow its accounts to be used by a shell bank.

(4) For the purposes of this regulation—

(a) "cryptoasset" has the meaning given by regulation 14A(3)(a) and includes a right to, or interest in, the cryptoasset;

(b) "correspondent relationship" means the relationship between and among cryptoasset exchange providers, custodian wallet providers, credit institutions and financial institutions including where similar services are provided by a correspondent to a respondent, and including relationships established for transactions in, or transfers of, cryptoassets;

(c) "shell bank" has the meaning given by regulation 34(4)(b).".

Amendment of regulation 37 (application of simplified customer due diligence)

21. In regulation 37(2)(a)(**a**)—

(a) after "in regulations 28" insert ", 29";

(b) for "regulation 28" substitute "regulations 28 and 29(11) to (13)".

Amendment of regulation 38 (electronic money)

22. In regulation 38(**b**)—

(a) in paragraph (1)(a), for "150 euros" substitute "£150";

(b) in paragraph (1)(b)(ii), for "150 euros" substitute "£150";

(c) in paragraph (2)(a), for "50 euros" substitute "£50";

(d) in paragraph (2)(b), for "50 euros" substitute "£50".

Amendment of regulation 39 (reliance)

23. In regulation 39(4)(**c**), for "high-risk third country", in both places it occurs, substitute "FATF call for action country".

(**a**) Paragraph (2) of regulation 37 was amended by S.I. 2020/991.
(**b**) Paragraphs (1) and (2) of regulation 38 were amended by S.I. 2019/1511.
(**c**) Paragraph (4) of regulation 39 was amended by S.I. 2021/392.

Amendment of regulation 42 (application of this Part)

24. In regulation 42(2)(b)(iii)(**a**)—

(a) at the end of sub-paragraph (aa), omit "or";

(b) after sub-paragraph (aa), insert—

"(aaa) acquired an interest in land in the United Kingdom before 6th October 2020 and continued to hold that interest up to and including the date on which this sub-paragraph comes into force; or".

Amendment of regulation 45 (register of beneficial ownership)

25.—(1) Regulation 45(**b**) is amended as follows.

(2) In paragraph (10G), in the opening words, for "or (10B)" substitute ", (10B) or (10C)".

(3) In paragraph (14), omit sub-paragraph (f).

Amendment of regulation 45ZA (register of beneficial ownership: additional types of trust)

26.—(1) Regulation 45ZA(**c**) is amended as follows.

(2) In paragraph (2)—

(a) in sub-paragraph (b)—

(i) omit the "or" at the end of paragraph (i);

(ii) at the end of paragraph (ii), insert "or";

(iii) after paragraph (ii), insert—

"(iii) acquired an interest in land in the United Kingdom before 6th October 2020 and continued to hold that interest up to and including the date on which this paragraph comes into force;";

(b) in sub-paragraph (c)—

(i) the words "acquire an interest in land in the United Kingdom" become sub-paragraph (c)(i);

(ii) at the end of that sub-paragraph, insert "or";

(iii) after that sub-paragraph, insert—

"(ii) acquired an interest in land in the United Kingdom before 6th October 2020 and continued to hold that interest up to and including the date on which this paragraph comes into force.".

(3) In paragraph (4), in the opening words, after "paragraph (1)" omit "(a) or (b)".

(4) In paragraph (5)—

(a) in sub-paragraphs (a) and (b), for "(b) or (c)" substitute "(b)(i), (b)(ii) or (c)(i)";

(b) after sub-paragraph (a), insert—

"(aa) on or before 1st September 2027, in the case of a trust which falls within paragraph (1)(b)(iii) or (c)(ii);".

(**a**) Paragraph (2)(b) of regulation 42 was amended by S.I. 2020/991.

(**b**) Paragraph (10G) of regulation 45 was inserted by S.I. 2020/991 and amended by S.I. 2022/137. Paragraph (14) was amended by S.I. 2018/1237.

(**c**) Regulation 45ZA was inserted by S.I. 2020/991 and was amended by S.I. 2022/137.

Amendment of regulation 45ZB (access to information on the register)

27. In regulation 45ZB(**a**), in paragraphs (3) and (8), for "or a type B trust" substitute ", a type B trust or a type C trust".

Amendment of regulation 50 (duty to co-operate)

28. In regulation 50(**b**)—

(a) in paragraph (1)(a), after "the Treasury", insert ", the registrar";

(b) in paragraph (1)(b), after "supervisory authorities", insert ", the registrar";

(c) after paragraph (4), insert—

"(4A) A reference to the registrar in this regulation is to the registrar of companies within the meaning of section 1060(3) of the Companies Act 2006(**c**).".

Amendment of regulation 52 (disclosure by supervisory authorities and other relevant authorities)

29. In regulation 52(**d**)—

(a) in paragraph (1)(b), omit "or";

(b) in paragraph (1)(c), for "functions." substitute "functions; or";

(c) after paragraph (1)(c), insert—

"(d) the functions of the investigator appointed under section 84 of the Financial Services Act 2012(**e**) in relation to the complaints scheme, within the meaning of that section.";

(d) in paragraph (1A), for "(e) or (f)" substitute "(e), (f) or (g)";

(e) in paragraph (1B), for "(e) or (f)" substitute "(e), (f) or (g)";

(f) after paragraph (5)(f), insert—

"(g) the investigator appointed under section 84 of the Financial Services Act 2012 in relation to the complaints scheme, within the meaning of that section.".

Amendment of regulation 52A (obligation of confidentiality)

30. In regulation 52A(**f**)—

(a) in paragraph (2), for "credit institution or financial institution" substitute "credit institution, financial institution or cryptoasset business";

(b) in paragraph (3)(a)(iii), for "credit institutions and financial institutions" substitute "credit institutions, financial institutions and cryptoasset businesses";

(c) in paragraph (3), after sub-paragraph (d), insert—

"(da) where the FCA is the supervisory authority, unless disclosure is otherwise permitted by this regulation, in accordance with sections 348 (restrictions on

(**a**) Regulation 45ZB was inserted by S.I. 2020/991.
(**b**) Paragraph (1) of regulation 50 was amended by S.I. 2020/628.
(**c**) 2006 c. 46.
(**d**) Paragraphs (1A) and (1B) were inserted by S.I. 2022/860; paragraph (5)(f) of regulation 52 was inserted by S.I. 2022/860.
(**e**) 2012 c. 21.
(**f**) Regulation 52A was inserted by S.I. 2019/1511; paragraph (3)(a) of regulation 52A was amended by S.I. 2022/860; paragraph (3)(d) of regulation 52A was inserted by S.I. 2020/991.

disclosure of confidential information by FCA, PRA etc.)(**a**) and 349 (exceptions from section 348)(**b**) of FSMA where those sections shall apply for the purposes of this sub-paragraph subject to the modifications in paragraph (3A).";

(d) after paragraph (3), insert—

"(3A) Section 348 of FSMA is to be read as if—

(a) in subsection (1), for any reference to "a primary recipient" or "the primary recipient" there were substituted "the FCA";

(b) in subsection (2)(b)—

(i) for "the primary recipient" there were substituted "the FCA";

(ii) for the words from ", the PRA" to the end of that subsection there were substituted "under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017";

(c) subsection (2A) were omitted;

(d) in subsection (3)(a), for "this Act" there were substituted "the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017";

(e) subsections (5) to (8) were omitted;

(f) any reference to "primary recipient" in regulations made under section 349 of FSMA were a reference to "the FCA".";

(e) in paragraph (4)(a)—

(i) for "a credit institution or a financial institution" substitute "a credit institution, a financial institution or a cryptoasset business";

(ii) for "credit institutions or financial institutions" substitute "credit institutions, financial institutions or cryptoasset businesses";

(f) in paragraph (4)(b)—

(i) in the opening words, for "credit or financial institution", substitute "credit or financial institution or cryptoasset business";

(ii) in paragraph (i), for "credit institutions or financial institutions" substitute "credit institutions, financial institutions or cryptoasset businesses";

(iii) in paragraph (ii), for "credit institutions or financial institutions" substitute "credit institutions, financial institutions or cryptoasset businesses";

(g) in paragraph (7), for "credit institutions or financial institutions" substitute "credit institutions, financial institutions or cryptoasset businesses".

(**a**) 2000 c. 8. Section 348 was amended by paragraph 18 of Schedule 12 to the Financial Services Act 2012, section 86 and paragraph 9 of Schedule 12 to the Financial Services and Markets Act 2023 (c. 29), section 41 and paragraph 45 of Schedule 2 to the Bank of England and Financial Services Act 2016 (c. 14), S.I. 2016/1239, sections 24, 26 and paragraph 26 of Schedule 2 to the Financial Services Act 2010 (c. 28), section 86 and paragraph 9 of Schedule 12 to the Financial Services and Markets Act 2023, section 148 and paragraph 5 of Schedule 8 to the Financial Services (Banking Reform) Act 2013 (c. 33) and section 41 and paragraph 45 to Schedule 2 of the Bank of England and Financial Services Act 2016.

(**b**) Section 349 was amended by paragraph 19 of Schedule 12 to the Financial Services Act 2012, sections 964 and 1300 of the Companies Act 2006, S.I. 2019/681, paragraph 1 of Schedule 5 to the European Union (Withdrawal Agreement) Act 2020 (c. 1) and S.I. 2007/1093.

Amendment of regulation 52B (obligation of confidentiality: offence)

31. In regulation 52B(**a**), at the end of paragraph (3)(a), omit "and".

Amendment of regulation 64C (information accompanying an inter-cryptoasset business transfer)

32. In regulation 64C(4)(**b**), for "1,000 euros" substitute "£800".

Amendment of regulation 64G (requesting information: unhosted wallet transfers and cryptoasset businesses)

33. In regulation 64G(1)(b)(**c**), for "1,000 euros" substitute "£800".

Amendment of Schedule 1 (professional bodies)

34. In Schedule 1, for "International Association of Bookkeepers" substitute "Institute of Accountants and Bookkeepers".

Amendment of Schedule 3A (excluded trusts)

35.—(1) Schedule 3A(**d**) is amended as follows.

(2) After paragraph 1, insert—

"1A. A trust which ceases to be an excluded trust under paragraph 1 of this Schedule where—

(a) the trust had been an excluded trust by virtue of section 34 of the Trustee Act 1925(**e**);

(b) the sole reason for paragraph 1 ceasing to apply is the death of one of the trustees; and

(c) less than two years has passed since that person's death.".

(3) After paragraph 8, insert—

"8A.—(1) A trust created under a deed or instrument which—

(a) varies any of the dispositions of property comprised in a person's ("P's") estate on death, and

(b) was made by the persons or any of the persons who benefit or would benefit from the dispositions,

where less than two years has passed since P's death.

(2) In this paragraph, a person's "estate" means the aggregate of all property to which that person is beneficially entitled.".

(4) After paragraph 9, insert—

"9A. A trust which ceases to be an excluded trust under paragraph 9 of this Schedule where—

(**a**) Regulation 52B was inserted by S.I. 2019/1511.
(**b**) Regulation 64C was inserted by S.I. 2022/860.
(**c**) Regulation 64G was inserted by S.I. 2022/860.
(**d**) Schedule 3A was inserted by S.I. 2020/991. There are amendments to this Schedule but none are relevant to these Regulations.
(**e**) 1925 c. 19. Section 34 was amended by the Trusts of Land and Appointment of Trustees Act 1996 (c. 47).

(a) the sole reason for paragraph 9 ceasing to apply is the death of one of the trustees, and

(b) less than two years have passed since that person's death.

Revocation of survivorship destination trusts

9B. A trust created under a deed or instrument which—

(a) revokes a survivorship destination in respect of common property in Scotland; and

(b) provides that from the date of execution of the deed or instrument the common property is held in trust for the common owners equally between them and for their respective executors and assignees.".

(5) After paragraph 23, insert—

"General exclusion

23A.—(1) A trust which—

(a) does not hold any interest in land in the United Kingdom;

(b) does not hold assets of appreciable worth with a value exceeding £2,000 in total;

(c) has not held property with a cumulative total value exceeding £10,000 since the date on which it was created; and

(d) does not have an income exceeding £5,000 per annum.

(2) This paragraph does not apply to a trust which is a UK trust which is an express trust where—

(a) the settlor has, during his or her lifetime, created one or more other UK trusts which are express trusts, and

(b) one of the trusts mentioned in paragraph (a) is or was an excluded trust under this paragraph.

(3) In this paragraph, "assets of appreciable worth" includes works of art, antiques, collectibles, jewellery and other non-financial assets capable of increasing in value over time.".

Amendment of Schedule 6 (meaning of "relevant requirement")

36. In paragraph 7 of Schedule 6—

(a) after sub-paragraph (d), insert—

"(dza) regulation 30ZA (insolvent bank customers);";

(b) after sub-paragraph (g), insert—

"(ga) regulation 34A (enhanced customer due diligence: cryptoasset exchange providers, custodian wallet providers and correspondent relationships);".

Substitution of Schedule 6B (changes in control of registered cryptoasset businesses)

37. For Schedule 6B(**a**) substitute—

(**a**) Schedule 6B was inserted by S.I. 2022/680.

"SCHEDULE 6B

Regulation 60B

Changes in Control of Registered Cryptoasset Businesses

Modifications: Control over registered cryptoasset businesses registered before 25th October 2027

1. Part 12 of FSMA (control over authorised persons) applies, with the modifications specified in paragraph 2, to a registered cryptoasset business that is included in the register before 25th October 2027 and to which Part 12 of FSMA would not otherwise apply.

2. The modifications specified in this paragraph are—

(a) references to a "UK authorised person" are to be read as references to a registered cryptoasset business;

(b) references to "appropriate regulator" and "each regulator" are to be read as references to the FCA;

(c) section 178 (obligation to notify the appropriate regulator: acquisitions of control)(**a**) is to be read as if subsections (2ZA) and (2A) were omitted;

(d) section 181 (acquiring control)(**b**) is to be read as if it said—

"181. Acquiring control

(1) For the purposes of this Part, a person ("A") acquires control over a registered cryptoasset business ("B") if, should the acquisition proceed—

(a) A would become a beneficial owner within the meaning of regulation 5 or 6 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 of—

(i) B; or

(ii) a parent undertaking of B ("P"); or

(b) if paragraph (a) does not apply A would—

(i) hold 10% or more of the shares in B or P;

(ii) hold 10% or more of the voting power in B or P; or

(iii) otherwise hold shares or voting power in B or P as a result of which A is able to exercise significant influence over the management of B.";

(e) section 182 (increasing control)(**c**) is to be read as if it said—

"182. Increasing control

(1) For the purposes of this Part, a person ("A") increases control over a registered cryptoasset business ("B") if, should the increase in control proceed—

(a) A would become a beneficial owner within the meaning given by regulation 5 or 6 of the Money Laundering, Terrorist Financing and

(**a**) Section 178 was substituted by S.I. 2009/534; subsection (2ZA) was added by S.I. 2018/135; subsection (2A) was added by section 26(3) of the Financial Services Act 2012 (c. 21).

(**b**) Section 181 was substituted by S.I. 2009/534.

(**c**) Section 182 was substituted by S.I. 2009/534.

Transfer of Funds (Information on the Payer) Regulations 2017 of—

(i) B; or

(ii) a parent undertaking of B ("P"); or

(b) if paragraph (a) does not apply—

(i) the percentage of shares which A holds in B or P would increase by any of the steps mentioned in subsection (2);

(ii) the percentage of voting power A holds in B or P would increase by any of the steps mentioned in subsection (2); or

(iii) A becomes a parent undertaking of B.

(2) The steps are—

(a) from less than 20% to 20% or more;

(b) from less than 30% to 30% or more;

(c) from less than 50% to 50% or more.";

(f) section 183 (reducing or ceasing to have control)(**a**) is to be read as if it said—

"183. Reducing or ceasing to have control

(1) For the purposes of this Part, a person ("A") reduces control over a registered cryptoasset business ("B") if, should the decrease in control proceed—

(a) A would cease to be a beneficial owner within the meaning given by regulation 5 or 6 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 of—

(i) B; or

(ii) a parent undertaking of B ("P"); or

(b) if paragraph (a) does not apply—

(i) the percentage of shares which A holds in B or P would decrease by any of the steps mentioned in subsection (2);

(ii) the percentage of voting power A holds in B or P would decrease by any of the steps mentioned in subsection (2); or

(iii) A ceases to be a parent undertaking of B.

(2) The steps are—

(a) from 50% or more to less than 50%;

(b) from 30% or more to less than 30%;

(c) from 20% or more to less than 20%.

(3) For the purposes of this Part, A ceases to have control over B if—

(a) A ceases to be a beneficial owner within the meaning given by regulation 5 or 6 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 of B or P; or

(b) if paragraph (a) does not apply, A ceases to be in the position of holding—

(**a**) Section 183 was substituted by S.I. 2009/534.

(i) 10% or more of the shares in B;

(ii) 10% or more of the voting power in B or P; or

(iii) shares or voting power in B or P as a result of which A is able to exercise significant influence over the management of B.";

(g) section 184 (disregarded holdings)(**a**) is to be read as if subsections (4) to (10) were omitted;

(h) section 185 (assessment: general)(**b**) is to be read as if—

(i) in subsection (2)(a), "and the financial soundness of the acquisition" were omitted;

(ii) in subsection (3)(a), in relation to a section 178 notice-giver who falls within section 181(a) or 182(1)(a), for "matters" there were substituted "matter";

(i) section 186 (assessment criteria)(**c**) is to be read in relation to a section 178 notice-giver who falls within section 181(a) or 182(1)(a) as if it said—

"186. Assessment criterion

The matter specified in section 185(3)(a) is whether the section 178 notice-giver is a fit and proper person within the meaning of regulation 58A of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (fit and proper test: cryptoasset businesses).";

(j) section 187 (approval with conditions)(**d**) is to be read as if subsection (2)(b) were omitted;

(k) section 187A (assessment: consultation by PRA with FCA)(**e**) is to be disregarded;

(l) section 187B (assessment: consultation by FCA with PRA) is to be disregarded;

(m) section 187C (variation etc of conditions) is to be disregarded;

(n) section 189 (assessment: procedure)(**f**) is to be read as if—

(i) subsections (1A), (1ZB) and (1B) were omitted;

(ii) in subsection (6), "Unless section 190A applies" were omitted;

(o) section 190 (requests for further information)(**g**) is to be read as if subsections (1A) and (4)(b) were omitted;

(p) section 190A (assessment and resolution)(**h**) is to be disregarded;

(**a**) Section 184 was substituted by S.I. 2009/534 and amended by S.I. 2013/3115, 2015/1755 and 2019/534.

(**b**) Section 185 was substituted by S.I. 2009/534 and amended by subsection 26(2) of the Financial Services Act 2012 (c. 21).

(**c**) Section 186 was substituted by S.I. 2009/534.

(**d**) Section 187 was substituted by S.I. 2009/534; subsection (2) was substituted by section 26(5) of the Financial Services Act 2012 and amended by section 61 of the Financial Services and Markets Act 2023 (c. 29).

(**e**) Sections 187A, 187B and 187C were inserted by section 26(6) of the Financial Services Act 2012.

(**f**) Section 189 was substituted by S.I. 2009/534; subsection (1A) was substituted by section 41(3) and paragraph 39(2) of Schedule 2 to the Bank of England and Financial Services Act 2016 (c. 14), S.I. 2019/632 and inserted by S.I. 2014/3329; subsection (1ZB) was inserted by section 41(2) and paragraph 39(3) of Schedule 2 to the Bank of England and Financial Services Act 2016 and substituted by S.I. 2019/632; subsection (1B) was substituted by section 41(3) and paragraph 39(4) of Schedule 2 to the Bank of England and Financial Services Act 2016 and S.I. 2017/43; subsection (6) was inserted by S.I. 2016/1239.

(**g**) Section 190 was substituted by S.I. 2009/534; subsection (1A) was inserted by S.I. 2014/3329 and amended by paragraph 40 of Schedule 2 to the Bank of England and Financial Services Act 2016.

(**h**) Section 190A was inserted by S.I. 2016/1239. There have been amendments to section 190A but none are relevant.

(q) section 191A (objection by the appropriate regulator)(**a**) is to be read as if—

(i) in subsection (2)(c), for "matters in" there were substituted "matter specified in";

(ii) subsection (4A) were omitted;

(r) section 191B (restriction notices)(**b**) is to be read as if—

(i) in subsection (2)(a), after "voting power" there were inserted "or otherwise being a beneficial owner (within the meaning of regulations 5 or 6 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017) of the registered cryptoasset business ("B") or a parent undertaking of B";

(ii) in subsection (2)(b), "in relation to the shares or voting power," were omitted;

(iii) subsection (2A) were omitted;

(iv) after subsection (3) there were inserted—

"(3ZA) In a restriction notice, the FCA may direct that, in respect of a beneficial owner of B or P, until further notice, no influence over the management or activities of B is to be exercisable by the beneficial owner.";

(v) subsection (3A) were omitted;

(vi) in subsection (6)(b), after "held in" there were inserted ", or beneficial ownership of,";

(s) section 191C (orders for sale of shares)(**c**) is to be read as if—

(i) subsections (2A), (7) and (8) were omitted;

(ii) in subsection (2B) for "Where the appropriate regulator is the FCA, it" there were substituted "The FCA";

(t) section 191D (obligation to notify the appropriate regulator: dispositions of control)(**d**) is to be read as if subsection (1A) were omitted;

(u) section 191F (offences under this Part)(**e**) is to be read as if—

(i) in subsection (2), "or section 190A applies" were omitted;

(ii) subsection (4A) were omitted;

(iii) for subsections (8) and (9) there were substituted—

"(8) A person guilty of an offence under subsection (1) to (3) or (5) to (7) is liable—

(a) on summary conviction—

(i) in England and Wales, to a fine;

(ii) in Scotland or Northern Ireland, to a fine not exceeding the statutory minimum;

(**a**) Section 191A was substituted by S.I. 2009/534; subsection (2) was amended by section 26(2) of the Financial Services Act 2012; subsection (4A) was inserted by section 26(7) of that Act. There have been other amendments but none are relevant.

(**b**) Section 191B was substituted by S.I. 2009/534; subsection (2) was amended by section 26(2) of the Financial Services Act 2012; subsection (2A) was inserted by section 26(8) of that Act. There have been other amendments but none are relevant.

(**c**) Section 191C was substituted by S.I. 2009/534; subsection (2A) was added by section 26(9) of the Financial Services Act 2012; subsection (2A) was added by section 26(8) of that Act; Subsections (7) and (8) were added by S.I. 2016/1239. There have been other amendments but none are relevant.

(**d**) Section 191D was substituted by S.I. 2009/534. Subsection (1A) was added by section 26(10) of the Financial Services Act 2012. There have been other amendments but none are relevant.

(**e**) Section 191F was substituted by S.I. 2009/534; subsection (2) was amended by S.I. 2013/423 and S.I. 2016/1239; subsection (4A) was inserted by S.I. 2016/1239; subsection (9) was amended by S.I. 2016/1239.

(b) on conviction on indictment, to a fine.

(9) A person guilty of an offence under subsection (4) is liable—

(a) on summary conviction—

(i) in England and Wales, to a fine;

(ii) in Scotland and Northern Ireland, to a fine not exceeding the statutory minimum;

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

(iv) after subsection (9) there were inserted—

"(10) A person is not guilty of an offence under this section if that person took all reasonable steps and exercised all due diligence to avoid committing the offence.";

(v) section 191G (interpretation)(**a**) is to be read—

(i) as if the definitions of "the appropriate regulator", "qualifying credit institution" and "UK authorised person" were omitted;

(ii) at the appropriate places there were inserted—

""registered cryptoasset business" means a cryptoasset exchange provider or a custodian wallet provider which is included in the register maintained by the FCA under regulation 54(1A) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.".

Modifications: Control over registered cryptoasset businesses registered on and after 25 October 2027

3. Part 12 of FSMA (control over authorised persons) applies, with the modifications specified in paragraph 4, to a registered cryptoasset business that is included in the register on or after 25th October 2027 and to which Part 12 of FSMA would not otherwise apply.

4. The modifications specified in this paragraph are—

(a) references to a "UK authorised person" are to be read as references to a registered cryptoasset business;

(b) references to "appropriate regulator" and "each regulator" are to be read as references to the FCA;

(c) section 178 (obligation to notify the appropriate regulator: acquisitions of control) is to be read as if subsections (2ZA) and (2A) were omitted;

(d) section 184 (disregarded holdings) is to be read as if subsections (4) to (10) were omitted;

(e) section 185 (assessment: general) is to be read as if in subsection (2)(a), "and the financial soundness of the acquisition" were omitted;

(f) section 187 (approval with conditions) is to be read as if subsection (2)(b) were omitted;

(g) section 187A (assessment: consultation by PRA with FCA) is to be disregarded;

(h) section 187B (assessment: consultation by FCA with PRA) is to be disregarded;

(**a**) Section 191G was substituted by S.I. 2009/534 and amended by section 26(12) of the Financial Services Act 2012 and S.I. 2019/632.

(i) section 187C (variation etc of conditions) is to be disregarded;

(j) section 189 (assessment: procedure) is to be read as if—

(i) subsections (1A), (1ZB) and (1B) were omitted;

(ii) in subsection (6), "Unless section 190A applies" were omitted;

(k) section 190 (requests for further information) is to be read as if subsections (1A) and (4)(b) were omitted;

(l) section 190A (assessment and resolution) is to be disregarded;

(m) section 191A (objection by the appropriate regulator) is to be read as if—

(i) in subsection (2)(c), for "matters in" there were substituted "matter specified in";

(ii) subsection (4A) were omitted.

(n) section 191B (restriction notices) is to be read as if subsection (2A) were omitted;

(o) section 191C (orders for sale of shares) is to be read as if—

(i) subsections (2A), (7) and (8) were omitted;

(ii) for "Where the appropriate regulator is the FCA, it" there were substituted "the FCA";

(p) section 191D (obligation to notify the appropriate regulator: dispositions of control) is to be read as if subsection (1A) were omitted;

(q) section 191F (offences under this Part) is to be read as if—

(i) in subsection (2), "or section 190A applies" were omitted;

(ii) subsection (4A) were omitted;

(iii) for subsections (8) and (9) there were substituted—

"(8) A person guilty of an offence under subsection (1) to (3) or (5) to (7) is liable—

(a) on summary conviction—

(i) in England and Wales, to a fine;

(ii) in Scotland and Northern Ireland, to a fine not exceeding the statutory minimum;

(b) on conviction on indictment, to a fine.

(9) A person guilty of an offence under subsection (4) is liable—

(a) on summary conviction—

(i) in England and Wales, to a fine;

(ii) in Scotland or Northern Ireland, to a fine not exceeding the statutory maximum;

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

(iv) after subsection (9) there were inserted—

"(10) A person is not guilty of an offence under this section if that person took all reasonable steps and exercised all due diligence to avoid committing the offence."

(r) section 191G (interpretation) is to be read as if—

(i) the definitions of "the appropriate regulator", "qualifying credit institution" and "UK authorised person" were omitted;

(ii) at the appropriate place there were inserted—

""registered cryptoasset business" means a cryptoasset exchange provider or a custodian wallet provider which is included in the register maintained by the FCA under regulation 54(1A) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.".

Interpretation

5. In this Schedule—

"cryptoasset business" means a cryptoasset exchange provider or a custodian wallet provider;

"cryptoasset exchange provider" has the meaning given by regulation 14A(1)(**a**);

"custodian wallet provider" has the meaning given by regulation 14A(2);

"registered cryptoasset business" means a cryptoasset exchange provider which is included in the register maintained by the FCA under regulation 54(1A)(**b**).".

PART 3

Amendment of primary legislation

Amendment of the Terrorism Act 2000

38.—(1) Schedule 3A (regulated sector and supervisory authorities) to the Terrorism Act 2000(**c**) is amended as follows.

(2) In paragraph 1—

(a) in sub-paragraph (1)(c), after "long-term insurance" insert "other than a reinsurance contract";

(b) in sub-paragraph (1)(q), for "10,000 euros" substitute "£10,000";

(c) in sub-paragraph (1)(u), for "10,000 euros", in both places, substitute "£10,000";

(d) in sub-paragraph (4), after paragraph (a), insert—

"(ab) selling an off-the-shelf firm;";

(e) after sub-paragraph (4), insert—

"(4A) For the purposes of sub-paragraph (4)(ab), an "off-the-shelf firm" means a firm that either—

(a) does not carry on business; or

(b) carries on business but such business is not the main activity carried on by the firm or sole practitioner selling the firm.";

(f) in sub-paragraph (6B), for "10,000 euros" substitute "£10,000".

(3) In paragraph 2—

(a) in sub-paragraph (1)(c), for "or 40 to 49" substitute ", 40 to 49 or 58";

(**a**) Regulation 14A was inserted by S.I. 2019/1511.
(**b**) Regulation 54(1A) was inserted by S.I. 2019/1511.
(**c**) 2000 c. 11. Schedule 3A was inserted by section 3 of the Anti-Terrorism, Crime and Security Act 2001 (c. 24). There are other amendments to paragraphs 1 and 2 but none are relevant.

(b) in sub-paragraph (3)(b), for "1,000 euros" substitute "£1,000".

Amendment of the Proceeds of Crime Act 2002

39.—(1) Schedule 9 (regulated sector and supervisory authorities) to the Proceeds of Crime Act 2002(**a**) is amended as follows.

(2) In paragraph 1—

(a) in sub-paragraph (1)(c), after "long-term insurance" insert "other than a reinsurance contract";

(b) in sub-paragraph (1)(q), for "10,000 euros" substitute "£10,000";

(c) in sub-paragraph (1)(u), for "10,000 euros", in both places, substitute "£10,000";

(d) in sub-paragraph (4), after paragraph (a), insert—

"(ab) selling an off-the-shelf firm";

(e) after sub-paragraph (4), insert—

"(4A) For the purposes of sub-paragraph (4)(ab), an "off-the-shelf firm" means a firm that either—

(a) does not carry on business; or

(b) carries on business but such business is not the main activity carried on by the firm or sole practitioner.";

(f) in sub-paragraph (6B), for "10,000 euros" substitute "£10,000".

(3) In paragraph 2—

(a) in sub-paragraph (1)(c), for "or 40 to 49" substitute ", 40 to 49 or 58";

(b) in sub-paragraph (3)(b), for "1,000 euros" substitute "£1,000".

Stephen Morgan
Christian Wakeford
9th June 2026 Two of the Lords Commissioners of His Majesty's Treasury

(**a**) 2002 c. 29. Part 1 of Schedule 9 was substituted by S.I. 2007/3287. Paragraph 1 of that Schedule was amended by S.I. 2017/692, 2019/742, 2019/1511. Paragraph 2 of that Schedule was amended by S.I. 2017/692. There are other amendments to paragraphs 1 and 2 but none are relevant.

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations amend the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692) (the "MLRs").

They replace various references to euros throughout the MLRs with references to sterling, converting these references on a 1:1 basis (for example, 10,000 euros becomes £10,000), except where to do so would risk failing to meet the recommendations on combating money laundering and the financing of terrorism and proliferation, set by the Financial Action Task Force ("FATF"), the inter-governmental body that sets international standards which the UK is committed to implementing (see regulations 3(b) and (c), 8, 9, 10(b), 14(a) to (e), (f)(ii), (g)(iii), (h) and (i), 22, 32 and 33).

Regulations 4 and 7 amend regulations 4 and 12 of the MLRs to bring the service of selling an "off-the-shelf firm" within scope of the services that a "trust or company service provider" provides and specify that this service is to be treated as a business relationship.

They make provision in relation to customer and enhanced due diligence. Regulations 5, 15 and 21 amend regulations 8, 29 and 37 of the MLRs to require relevant persons providing a customer with a pooled account to undertake additional customer due diligence measures to understand the purpose of the pooled account and assess, manage and mitigate the level of money laundering and terrorist financing risk. Customers are required to maintain written records and provide information, on request, in respect of the pooled account. Measures undertaken in relation to pooled accounts may be adjusted as part of the application of simplified due diligence.

Regulation 14(f)(i) and (g)(i) and (ii) amends regulation 27 of the MLRs to align the customer due diligence transaction-based triggers for letting agents and art market participants with those for high value dealers.

These Regulations make provision in relation to insolvent bank customers. Regulation 17 inserts a new regulation 30ZA into the MLRs. Its effect is that, subject to certain requirements, a credit institution may permit an insolvent bank customer to open an account and transact from it prior to completing customer due diligence measures (including enhanced due diligence measures, where relevant) other than identifying the customer and, if applicable, identifying a person purporting to act on the customer's behalf (and verifying that such person is authorised so to act). Regulations 16 and 18 amend regulations 30 and 30A of the MLRs respectively, to disapply verification timing requirements and delay the requirement to report discrepancies in registers when a credit institution establishes a business relationship with an insolvent bank customer under regulation 30ZA.

Regulations 19(a), 19(c) and 23 amend regulations 33 and 39 of the MLRs to substitute the definition of "high-risk third country" for a new definition of "FATF call for action country".

Regulation 20 inserts new regulation 34A into the MLRs to require cryptoasset businesses to conduct enhanced customer due diligence in correspondent relationships (as defined in new regulation 34A(4)(b) of the MLRs). This is consistent with FATF recommendations 13 (correspondent banking) and 15 (new technologies).

These Regulations make provision in relation to trust registration. Regulations 24 to 26 amend regulations 42, 45 and 45ZA of the MLRs to extend the requirement to register to trusts, other

than excluded trusts, which acquired an interest in UK land before 6th October 2020 and continued to hold that interest at the date at which the amendments to regulations 42 and 45ZA come into force. Regulation 25(3) omits Stamp Duty Reserve Tax (SDRT) from regulation 45(14) of the MLRs so that a liability to pay SDRT will not result in a trust becoming a taxable trust that must be registered. Regulation 27 amends regulation 45ZB of the MLRs to extend the access to information provisions to include type C trusts (as defined in regulation 45ZA(2)(c) of the MLRs). Regulation 35 amends Schedule 3A to the MLRs to expand the list of excluded trusts which are not required to register.

These Regulations make amendments in relation to supervision. Regulation 28 extends the supervisory duty to cooperate to the registrar of companies (regulation 50 of the MLRs) and regulation 29 makes provision on disclosure by supervisory authorities and other relevant authorities (regulation 52 of the MLRs).

Regulation 30(a), (b) and (e) to (g) amends regulation 52A of the MLRs so that all provisions in that regulation relating to credit institutions and financial institutions also extend to cryptoasset businesses.

The remainder of regulation 30 and regulation 31 amend regulations 52A and 52B of the MLRs in respect of confidential information to expand the Financial Conduct Authority's (FCA) disclosure gateways under the MLRs to include the existing exceptions to section 348 of the Financial Services and Markets Act 2000 (c. 8) (FSMA) and amend the defence to the offence in regulation 52B(1) to no longer require both 52B(3)(a) and (b) to be satisfied. Instead, the accused needs only to prove either one of 52B(3)(a) or (b).

Regulation 37 substitutes a new Schedule 6B into the MLRs. This amendment aligns with the establishment of a new financial services regulatory regime for cryptoassets under the Financial Services and Markets Act 2000 (Cryptoassets) Order 2026 (S.I. 2026/102). In particular for a cryptoasset exchange provider or a custodian wallet provider that is registered under the MLRs before those regulatory changes take effect on 25th October 2027, the category required to give notice of a change of control is expanded to include a person who would be considered "a controller" within the meaning of FSMA.

The Regulations also make provision for various other matters including: varying the threshold for enhanced due diligence measures so that they apply to transactions that are unusually complex or unusually large given the nature of the transaction; excluding reinsurance contracts from the definition of "insurance undertaking"; excluding Norges Bank from the application of certain Parts of the MLRs when carrying out activities for which it is exempt from regulation under FSMA; requiring authorised persons to report to the FCA within 30 days an inaccuracy in, or material change affecting, information provided under regulation 23 of the MLRs; amending Schedule 1 to the MLRs to update the list of professional bodies; amending Schedule 6 to the MLRs, which sets out provisions of the MLRs that are "relevant requirements" for the purposes of enforcement action under Part 9, to include new regulations 30ZA and 34A; and making related amendments to the Terrorism Act 2000 (c. 11) and the Proceeds of Crime Act 2002 (c. 29).

An impact assessment of the effect that this instrument will have on the costs of business, the voluntary sector and the public sector is available from HM Treasury at 1 Horse Guards Road, London SW1A 2HQ and is published alongside this instrument on www.legislation.gov.uk.

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