STATUTORY INSTRUMENTS

2001 No. 3948

BANKS AND BANKING

FINANCIAL SERVICES

The Protection of the Euro against Counterfeiting Regulations 2001

Made - - - -	*10th December 2001*
Laid before Parliament	*10th December 2001*
Coming into force	*1st January 2002*

The Treasury, being a government department designated**(a)** for the purposes of section 2(2) of the European Communities Act 1972**(b)** in relation to measures relating to the protection of the euro against counterfeiting, in exercise of the powers conferred by that section hereby make the following Regulations:

1.—(1) These Regulations may be cited as the Protection of the Euro against Counterfeiting Regulations 2001 and shall come into force on 1st January 2002.

(2) In these Regulations—

(a) "the Community Regulation" means Council Regulation (EC) No. 1338/2001 of 28th June 2001 laying down measures necessary for the protection of the euro against counterfeiting**(c)**; and

(b) expressions used in the Community Regulation have the same meaning in these Regulations as they have in the Community Regulation.

2. A credit institution, or other institution or establishment within Article 6(1) of the Community Regulation, which fails to withdraw from circulation a euro note or euro coin received by it which it knows or has sufficient reason to believe to be counterfeit shall be guilty of an offence and liable—

(a) on summary conviction, to a fine not exceeding the statutory maximum or to three months' imprisonment, or to both; or

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

3.—(1) A credit institution, or other institution or establishment within Article 6(1) of the Community Regulation, which fails immediately to hand over to the relevant body (or to a person

(a) S.I. 2001/961.
(b) 1972 c.68.
(c) O.J. No. L181, 4.7.01, p.6.

with authority to act on behalf of the relevant body for the purposes of this regulation) a euro note or euro coin received by that institution or establishment which it knows or has sufficient reason to believe to be counterfeit shall be guilty of an offence and liable—

(a) on summary conviction, to a fine not exceeding the statutory maximum; or

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

(2) In paragraph (1), "the relevant body" means—

(a) in the case of euro notes, the Bank of England or the National Criminal Intelligence Service,

(b) in the case of euro coins, the Royal Mint or the National Criminal Intelligence Service.

4.—(1) If an offence under these Regulations committed by a body corporate is shown—

(a) to have been committed with the consent or connivance of any director, manager, secretary or other similar officer of the body corporate, or any person who was purporting to act in any such capacity, or

(b) to be attributable to any neglect on his part,

he as well as the body corporate shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

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

(3) If an offence under these Regulations committed by a partnership is shown—

(a) to have been committed with the consent or connivance of any partner, or any person who was purporting to act as a partner, or

(b) to be attributable to any neglect on his part,

he as well as the partnership shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

(4) If an offence under these Regulations committed by an unincorporated association (other than a partnership) is shown—

(a) to have been committed with the consent or connivance of an officer of the association or a member of its governing body, or any person who was purporting to act in any such capacity, or

(b) to be attributable to any neglect on his part,

he as well as the association shall be guilty of the offence and shall be liable to be proceeded against and punished accordingly.

Tony McNulty
Anne McGuire
Two of the Lords Commissioners
of Her Majesty's Treasury

10th December 2001

EXPLANATORY NOTE

(This note is not part of the Regulations)

These Regulations, which come into force on 1st January 2002, implement the United Kingdom's obligations under Article 6(2) of Council Regulation (EC) No. 1338/2001, laying down measures necessary for the protection of the euro against counterfeiting, as applied to the United Kingdom by Article 1 of Council Regulation (EC) No. 1339/2001, extending the effects of Regulation (EC) No. 1338/2001 to those Member States of the European Community which have not adopted the euro as their single currency (O.J. No. L181, 4.7.01, p.11).

Regulations 2 and 3 create two criminal offences and set out the maximum sentences which can be imposed on persons convicted of those offences. Regulation 4 provides for directors and managers of companies, partners of partnerships and other similar persons to be liable to conviction if these offences are committed by the company, partnership or other body with their consent or connivance or as a result of their neglect.

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