An evaluation of customer due diligence and related anti-money laundering measures in the United Kingdom

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Abstract

Purpose – Customer due diligence measures that are employed in the United Kingdom (UK) to detect and combat money laundering are discussed. The UK adopted a progressive regulatory and enforcement framework to combat money laundering which relies, inter alia, on the use of customer due diligence measures to regulate and curb the occurrence of money laundering activities in its financial institutions and financial markets. However, other regulatory measures that could have contributed to the effective combating money laundering in the UK will not be explored in detail since the article is focused on the reliance and use of customer due diligence measures to curb money laundering activities. Accordingly, the strength, flaws and weaknesses of the UK anti-money laundering regulatory and enforcement framework are examined. Lastly, possible recommendations to address such flaws and weaknesses are provided.

Design/methodology/approach – The paper discusses customer due diligence measures that are used in the UK to detect and combat money laundering.

Findings – It is hoped that policymakers and other relevant persons will use the recommendations provided in the paper to enhance the curbing of money laundering in the UK.

Research limitations/implications – The paper does not provide empirical research.

Practical implications – The study is useful to all policymakers, lawyers, law students and regulatory bodies in the UK.

Social implications – The study seeks to curb money laundering in the UK society globally.

Originality/value – The study is original research on the use of customer due diligence measures to detect and combat money laundering in the UK.

Keywords Customer due diligence, Anti-money laundering, Measures, Regulation

Paper type Research paper

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1. Introductory remarks

Money laundering includes any practice, conduct or activity that has or is likely to have the effect of concealing or disguising the nature, source, location, disposition or movement of the proceeds of unlawful activities or any interest that anyone has in such proceeds and/or any activity that constitutes an offence relating to certain transactions that are conducted to avoid reporting duties (part 7 of the Proceeds of Crime Act of United Kingdom "UK"; s 1 of the Financial Intelligence Centre Act 38 of 2001 as amended, of South Africa). The UK's anti-money laundering regulatory and enforcement framework uses several regulatory tools and measures to detect and curb money laundering activities in its financial institutions and financial markets. This framework is largely based on the provisions of the Proceeds of Crime Act of 2002 (Proceeds of Crime Act) [1], as amended by the Serious Organised Crime and Police Act of 2005 (Organised Crime Act) [2], the Serious Crime Act of 2007 (Serious Crime Act) [3] and the Crime and Courts Act of 2013 (Crime and Courts Act) [4]. Prior to these Acts, money laundering offences were regulated by the Drug Trafficking Offences Act [5] in the UK. The Money Laundering, Terrorist Financing and Transfer of Funds Regulations [6] also forms part of the anti-money laundering regulatory and enforcement framework of the UK (Harrison and Ryder, 2013). The UK relies on both primary and secondary regulations to combat money laundering (Ahlosani, 2016). The secondary regulations include regulations issued by the Financial Conduct Authority and the Joint Money Laundering Steering Group (Ahlosani, 2016). The UK's anti-money laundering regulatory and enforcement framework is influenced by several international bodies like the European Union (EU), the United Nations (UN), the Basel Committee on Banking Supervision and the Financial Action Task Force (FATF) (Harrison and Ryder, 2013). The FATF was established in July in 1989 to establish measures to fight against money laundering internationally [7]. The FATF governs other international bodies which regulate and combat money laundering in the affected countries (Njotini, 2009). The FATF and other related international bodies have set standards, developed technical understanding, facilitated international cooperation and implemented international standards to combat money laundering in the affected signatory jurisdictions (The World Bank, 2009).

Customer due diligence is at the core of the anti-money laundering measures used internationally (Stokes and Arora, 2004). Accordingly, this article discusses the anti-money laundering regulatory approaches that are used to curb money laundering in the UK. The UK adopted a progressive regulatory and enforcement framework to combat money laundering which relies, inter alia, on the use of customer due diligence measures to regulate and curb the occurrence of money laundering activities in its financial institutions and financial markets. However, other regulatory approaches that could have contributed to the effective combating money laundering in the UK will not be explored in detail, as the article is focused on the reliance and use of customer due diligence measures to curb money laundering activities. Accordingly, the strength, flaws and weaknesses of the UK anti-money laundering regulatory and enforcement framework are examined. Lastly, possible recommendations to address such flaws and weaknesses are provided.

2. Customer due diligence and anti-money laundering measures in the UK

The regulation of money laundering in the UK date back to 1986. The UK's anti-money laundering regulatory and enforcement framework was largely influenced by the anti-money laundering provisions from the EU, the FATF recommendations and the UN conventions (Harrison and Ryder, 2013). Although the UK has implemented provisions to implement the UN Convention Against Illicit Traffic in Narcotic Drugs and Psychotropic Substances [8] into its anti-money laundering laws, the Drug Trafficking Offences Act [9] precedes the Vienna Convention (Booth *et al.*, 2011). This shows that the UK started developing its anti-money laundering regulatory and enforcement framework independent from the international best practices like the Vienna Convention and the FATF Recommendations (Fisher, 2010). This is also evidenced by the differences between the money laundering offences under the UK laws and the money laundering offences in terms of the FATF recommendations [10]. The UK was the first country to outlaw the offence of money laundering which probably explains why the UK is regarded as having the best anti-money laundering laws (Anyaoku, 2006). For the purpose of this article, it must be noted that the UK's anti-money laundering measures are explored from 1992 to date.

The first major regulatory step was the introduction of the 1993 Money Laundering Regulations [11] which came into effect on 1 April 1994. The second major step towards the development of the anti-money laundering regulatory and enforcement framework in the UK was the publication of the Performance and Innovation Unit (PIU) Report on Recovering the Proceeds of Crime (Blair, 2000). These two regulatory steps were generally aimed at deterring all people from committing money laundering crimes and recovering the proceeds of such crimes from the convicted persons (Booth *et al.*, 2011; Leong, 2016). The PIU Report led to the enactment of the Proceeds of Crime Act in 2002 [12]. The Proceeds of Crime Act combined drug-related money laundering offences and other money laundering activities from other crimes such as fraud and corruption [13]. However, it should be noted that these regulatory steps and the Proceeds of Crime Act had no provisions on use of customer due diligence measures to curb money laundering in the UK (Stokes and Arora, 2004). They only provided for the prohibition and penalties of money laundering offences in the UK (Ahlosani, 2016; Anyaoku, 2006). Accordingly, there were no customer due diligence measures to detect and control money laundering activities in the UK during that period (Booth *et al.*, 2011; Fisher, 2010). Thus, the current anti-money laundering regulatory and enforcement framework of the UK is made up of the Proceeds of Crime Act [14] and the Money Laundering Regulations [15].

2.1 The Proceeds of Crime Act

The Proceeds of Crime Act integrated all the money laundering crimes recognised in the UK into one legislation [16]. This Act does not expressly recognise proceeds from fraud, corruption and drug-related offences as money laundering activities [17]. Notably, the Proceeds of Crime Act regulates three money laundering offences and four related offences, namely, concealing criminal property, involvement in money laundering activities, acquiring criminal property and using or possessing criminal property [18].

Concealing criminal property includes disguising, converting, removing and transferring criminal property from the UK [19]. The concealed property forms part of the proceeds of criminal activity for money laundering purposes under the Proceeds of Crime Act [20]. Acquiring, using or possessing criminal property requires that the person in possession of such property must have the knowledge that it is part of the proceeds from a criminal activity [21]. It is crucial to note that money laundering generally emanates from the proceeds of criminal activities in the UK (Ahlosani, 2016; Bell, 2009). The Proceeds of Crime Act defines criminal property as property that is known or suspected to represent proceeds or benefits from criminal activity [22]. This definition implies that mere suspicion that the property in question was criminal property suffices for the commission of the money laundering offence in the UK [23]. Thus, a person charged with money laundering offence should not necessarily have actual knowledge of the criminal activity and/or that the property in question was part of the proceeds of criminal activities [24]. It should be noted that any person convicted of money laundering incurs civil and criminal penalties under the Proceeds of Crime Act [25].

The Proceeds of Crime Act outlaws the failure to disclose or report possible money laundering activities and any other conduct that prejudices money laundering investigations [26]. The Proceeds of Crime Act does not specify how such reporting should be done, and it is not clear whether this provision apply to whistle-blowers and/or regulatory bodies [27]. Moreover, the Proceeds of Crime Act does not expressly provide for the use of customer due diligence measures to combat money laundering in the UK [28].

2.2 Organised Crime Act, Serious Crime Act and Crime and Courts Act

The Organised Crime Act [29], the Serious Crime Act [30] and the Crime and Courts Act [31] are also utilised by the relevant regulatory bodies and enforcement authorities to tackle money laundering activities in the UK. Although these Acts are not discussed in detail in this article, it is important to note that they must be complimentary enforced by the relevant regulatory bodies, the courts and enforcement authorities to avoid confusion and related challenges of double jeopardy on the part of the accused persons.

2.3 Money Laundering Regulations 2017

Customer due diligence measures are found in the Money Laundering Regulations 2017 [32]. The Money Laundering Regulations 2017 apply to all UK financial institutions (Ahlosani, 2016; Ulph and Tugendhath, 2006). In this article, financial institutions are persons that provide money service businesses [33]. These financial institutions are vulnerable to money laundering activities because of their nature of dealing with money-related transactions and money launderers also use them to integrate their laundered money (Srivastava *et al.*, 2023). Financial institutions are also crucial in the detection of money laundering activities in the UK. They do this through the proper implementation of customer due diligence measures (Srivastava *et al.*, 2023). The Money Laundering Regulations 2017 provides for customer due diligence as an anti-money laundering measure [34]. In the UK, the application of customer due diligence measures is influenced by four factors, namely, the type of business relationships, the type of customers, the type of transactions and the type of products [35]. These factors determine the levels of customer due diligence measures that are applicable in every situation in the UK (Ulph and Tugendhath, 2006; Harrison and Ryder, 2013). Effective application of customer due diligence measures entails the implementation of the appropriate level of customer due diligence measures that is commensurate with the level of money laundering risk that is posed to the affected financial institution (Booth *et al.*, 2011; Fisher, 2010). Financial institutions enforce customer due diligence measures on a simplified, enhanced, ongoing or risk sensitive basis, depending on the level of money laundering risk the customer poses to the financial institution in question (Njotini, 2009).

2.4 Standard approach to customer due diligence measures

In the UK, the application of customer due diligence measures is based on a general rule (Harrison and Ryder, 2013), which states that such measures should be performed when establishing business relationships between customers and financial institutions [36]. Customer due diligence measures are also performed where there is suspicion of money laundering activities, especially when concluding suspicious transactions and/or where there is reasonable belief that the information provided by a customer is unreliable [37]. The Money Laundering Regulations 2017 [38] provides that customer due diligence refers to the identification and verification of customers and beneficial owners' identities or the obtaining of information for the purpose of establishing a business relationship between customers and financial institutions in the UK (Ahlosani, 2016). Nonetheless, the Money Laundering Regulations 2017 do not expressly define the term "customer" [39]. In this regard, we submit that the term "customer" refers to persons that conduct businesses or various financial transactions and/or those involved in business relationships with financial institutions such as banks [40].

The standard approach to customer due diligence measures is mandatory to all financial institutions in the UK, except where simplified or enhanced customer due diligence measures are applied (Hudson, 2013; Ahlosani, 2016). Standard customer due diligence measures include [41] establishing customer identity and verification of the identity, identifying beneficial owners and verifying their identity and establishing the nature and aim of the business relationship between the customer and the financial institution [42]. The data that is obtained by financial institutions from customers includes customer's names, addresses and date of birth (Harrison and Ryder, 2013). The required verification documents include valid passport, photograph, driving license, identity card, firearm certificate, shotgun license or any other document obtained from reliable sources [43].

The Money Laundering Regulations 2017 require financial institutions to complete verification procedures even after commencement of a business relationship between the customer and the financial institution [44]. This follows the fact that standard customer due diligence measures are performed on customers who do not pose high money laundering risks to the financial institution [45]. As such, a standard approach to customer due diligence measures is applied in a less stringent way. However, verification of customer details by the financial institution should still be carried out as soon as possible to enable the financial institution to create detailed customer profiles [46]. Detailed customer profiles provide relevant information about the customer to financial institutions for the purpose of implementing customer due diligence measures according to the customer's risk profile (De Koker, 2004; Harrison and Ryder, 2013).

Ongoing monitoring of customer account activities by financial institutions is also a procedure of the standard approach to customer due diligence measures that is employed in the UK (Hudson, 2013; Ahlosani, 2016). Ongoing monitoring involves monitoring the customer's transactions and ensuring that the transactions conform to the financial institution's knowledge about the customer's risk profile [47]. Ongoing monitoring also entails keeping updated records of the data and information obtained from customers during customer due diligence verification processes by financial institutions (Hudson, 2013; Ahlosani, 2016). The process of ongoing monitoring is less stringent than the identification and verification process. It involves little administration as financial institutions would have already obtained information required to conduct ongoing monitoring from the customers [48]. A financial institution that fails to adopt and apply standard customer due diligence measures and/or procedures may not establish business relationships with customers in the UK [49]. The standard approach to customer due diligence measures is applied to prevent and reduce money laundering activities in the UK. This enables all financial institutions to timeously and effectively detect and combat money laundering activities (Srivastava *et al.*, 2023).

2.5 Simplified customer due diligence measures

In the UK, simplified customer due diligence entails a complete waiver of customer due diligence measures in exceptional circumstances [50]. It is argued that simplified customer due diligence measures are applied to customers who pose little or no money laundering risk to the financial institution (Scott and Stephenson, 2008). Accordingly, the financial institutions in the UK prefer wavering customer due diligence measures on low-risk customers and preserve resources for high-risk customers (Scott and Stephenson, 2008). Simplified customer due diligence measures are applied in exceptional circumstances such as during transactions with a public authority in the UK and transactions with financial institutions that are subject to the UK laws and regulations [51]. Usually, the identification and verification of customer identities is disregarded under simplified due diligence (Njotini, 2009). However, it remains mandatory for financial institutions to conduct ongoing monitoring during simplified customer due diligence measures (Ahlosani, 2016). This implies that financial institutions in the UK should always assess their customer transactions to detect any inconsistencies, threats or emerging money laundering risks (Scott and Stephenson, 2008).

2.6 Comprehensive customer due diligence

In the UK, comprehensive customer due diligence measures are also referred to as enhanced customer due diligence measures [52]. Enhanced customer due diligence is applied to customers who pose a high money laundering risk or high-risk customers [53]. The Money Laundering Regulations 2017 outlines circumstances where financial institutions could use enhanced customer due diligence measures [54]. The circumstances mostly apply to non-face-to-face customers and politically exposed persons.

Non-face-to-face customers are customers who would have not been physically present at the financial institution for identification and verification [55]. Physical presence of customers at the financial institution is essential for verification (Scott and Stephenson, 2008). In this regard, verification entails scrutinising whether the photograph on the identity documents submitted by the customer is similar to the appearance of the customer (Scott and Stephenson, 2008; Ahlosani, 2016). This implies that customers should be physically present at the financial institution during customer identification and verification [56].

A politically exposed person is a person who has in the past or is currently occupying a senior public position in a jurisdiction other than the UK [57]. Politically exposed persons and their immediate family members are regarded as high-risk customers in the UK (Njotini, 2009). Financial institutions should get approval from their senior management to establish business relationships with politically exposed persons [58]. The source of wealth involved in the transactions should be established as a measure of deterring persons from concluding transactions with proceeds from criminal activities (Ahlosani, 2016). Enhanced customer due diligence measures are relaxed on politically exposed persons a year after they leave their public office (Njotini, 2009).

Enhanced customer due diligence includes requesting additional data or documents from customers to supplement the data required for standard customer due diligence (Njotini, 2009). The additional information required should be commensurate with the money laundering risk the customer poses to the financial institution (Ahlosani, 2016). This improves the detection of money laundering activities by monitoring customer activities and reporting suspicious account activity to the relevant authorities (Scott and Stephenson, 2008; Ahlosani, 2016). Additional information can be obtained from another financial institution that is subject to the anti-money laundering measures of the UK [59]. The nature and type of business relationships of the customer are some of the additional information that must be obtained by financial institutions to detect and combat money laundering activities (Njotini, 2009). However, it should be noted that the classification of customers as high-risk persons does not automatically mean that they are money launderers (Srivastava *et al.*, 2023). This follows the fact that money laundering can also be committed by low-risk customers through methods such as smurfing and smuggling [60]. A cumulative criterion should be used by financial institutions when classifying customers as high or low-risk customers to enhance the detection and combating of money laundering activities in the UK (Srivastava *et al.*, 2023).

2.7 Ongoing due diligence

Ongoing due diligence is a measure applied to both low and high-risk customers in the UK [61]. Ongoing due diligence refers to the careful monitoring of customer account activities and transactions by all financial institutions in the UK [62]. Customer transactions are monitored beyond the registration of customers with financial institutions to ensure that such transactions are consistent with the customers' risk profile (Njotini, 2009; Srivastava *et al.*, 2023). This is done in the UK to curb money laundering activities by detecting and reporting unusual transactions (Scott and Stephenson, 2008; Shepherd, 2009). Ongoing customer due diligence also involves continuous update of the data that was initially submitted to the financial institution at verification [63]. Financial institutions should maintain updated customer profiles to retain and adopt appropriate risk-based approach procedures as discussed in the subheading below [64]. Ongoing customer due diligence is applied according to the unusual nature of a customer's transactions, origin of payments, parties involved and the nature of a series of account activities [65].

2.8 Risk-sensitive approach to customer due diligence measures

The Money Laundering Regulations 2017 provide that the basis of a risk-sensitive and/or risk-based approach is ensuring that customer due diligence measures are proportionally enforced to the risk established [66]. The risk-sensitive approach is completed in several steps, such as identifying the money laundering risk, assessing the money laundering risk, designing risk control measures, implementing measures to mitigate risk, monitoring the effectiveness of the control measures and keeping record of the measures used to mitigate money laundering risks (Njotini, 2009; Goldsmith *et al.*, 2007).

The risk-sensitive approach is applied as a measure to alleviate the costs incurred by financial institutions when applying customer due diligence measures [67]. The risk-sensitive approach ensures that more resources are allocated to high-risk customers who require more sophisticated attention in the prevention of money laundering in the UK (Harrison and Ryder, 2013; Goldsmith *et al.*, 2007). Thus, the risk-sensitive approach enables regulatory bodies to minimise the costs of implementing customer due diligence measures [68]. This is done through allocation of resources to high money laundering risks (Shepherd, 2009). It is submitted that the risk-sensitive approach should continue to be carefully used in the UK to ensure that customer due diligence measures are effectively enforced to combat money laundering without worsting resources [69]. The proper enforcement of the risk-sensitive approach empowers financial institutions to assess and use relevant customer due diligence measures to different types of customers in all circumstances in the UK (Njotini, 2009). The risk-sensitive approach provides, inter alia, that comprehensive customer due diligence measures should be implemented on high-risk customers to effectively detect and combat money laundering activities and unusual transactions in the financial institutions and financial markets of the UK (Shepherd, 2009).

3. Concluding remarks

As indicated above, the UK employs customer due diligence measures to detect and curb money laundering. The UK has not departed much from the FATF recommendations and the traditional reliance on customer due diligence measures by financial institutions (Njotini, 2009; Sharrock *et al.*, 2016). Various types of customer due diligence measures are utilised to detect and combat money laundering activities in the UK. Notably, the Money Laundering

Regulations 2017 provides that comprehensive customer due diligence measures must be performed to high-risk customers in accordance with the FATF recommendations [70]. The UK has generally relied on the FATF recommendations as a yardstick for designing its customer due diligence measures and anti-money laundering laws (Ahlosani, 2016; Njotini, 2009). It is submitted that the UK has to date fairly implemented customer due diligence measures in line with the FATF recommendations to effectively detect and combat money laundering activities in its financial institutions and financial markets.

Notes

1. 2002 Chapter 29, see part 7.
2. 2005 Chapter 15, see s 107.
3. 2007 Chapter 27, see s 6.
4. 2013 Chapter 22, see s 27.
5. 1986 Chapter 32, s 1-5; see discussion by Booth *et al.* (2011).
6. 2017 No. 2157 (*Money Laundering Regulations* 2017), regulations 27-37.
7. Goldsmith *et al.*, 2007; see related discussion by Alldridge (2008).
8. United Nations Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances (1988) (*Vienna Convention*), see Article 3(c)(i).
9. 1986 Chapter 32, see s 24.
10. See ss 327-329 of the Proceeds of Crime Act, Article 3 of the Vienna Convention and recommendation 2 of the FATF recommendations. The Proceeds of Crime Act makes no reference to the mental element of money laundering in ss 327-329. Unlike the Proceeds of Crime Act, the Vienna Convention and the FATF recommendations require an investigation into the criminal's state of mind, knowledge and intention before conviction on money laundering offences.
11. The Money Laundering Regulations of 1993 (Money Laundering Regulations 1993), regulation 5.
12. 2002 (c29), ss 327-334.
13. See s 327 of the Proceeds of Crime Act.
14. See ss 327-334 of the Proceeds of Crime Act; see also Booth *et al.* (2011).
15. Regulations 27-37 of the *Money Laundering Regulations 2017*; see also Fisher (2010).
16. Part 7 of the Proceeds of Crime Act; Srivastava *et al.* (2023).
17. See s 327(1) of the Proceeds of Crime Act; see also Ahlosani (2016).
18. See s 327 of the Proceeds of Crime Act; see related discussion by Van Jaarsveld (2011).
19. See s 327(1) of the Proceeds of Crime Act; see also Ahlosani (2016).
20. S 327 of the Proceeds of Crime Act; *R* v *Montila* [2004] UKHL 50; see discussion by Fortson (2008).
21. *Warner v Metropolitan Police Commissioner* [1969] 2AC 256.
22. S 326(4) of the Proceeds of Crime Act; see also Srivastava *et al.* (2023).
23. Sujee *A study of the Anti-Money Laundering Framework in South Africa and the United Kingdom* 24; see also Van Jaarsveld (2011).

24. S 340(3) of the Proceeds of Crime Act; see also Ahlosani (2016).
25. S 334 of the Proceeds of the Crime Act; Srivastava *et al.* (2023).
26. S 328 of the Proceeds of Crime Act; see also S. Gentle, "Proceeds of Crime Act 2002: Update" *Compliance Officer Bulletin* (May 2008) 14.
27. See ss 327-334 of the Proceeds of Crime Act.
28. Ss 327-334 of the Proceeds of Crime Act; see also Bell (2009).
29. 2005 Chapter 15, see s 107.
30. 2007 Chapter 27, see s 6.
31. 2013 Chapter 22, see s 27.
32. *Money Laundering, Terrorist Financing and Transfer of Funds Regulations 2017* No. 2157, Regulations 20-27; see related discussion by Stokes and Arora (2004).
33. Regulation 3(1) of the *Money Laundering Regulations* 2017.
34. Regulation 27(1) of the *Money Laundering Regulations* 2017; see also Padified (2004).
35. Regulation 7(3)(a) of the *Money Laundering Regulations*; see discussion by Padified (2004).
36. Regulation 27(1)(a) of the *Money Laundering Regulations* 2017; see Jung and Lishan (2009).
37. Regulations 27(1)(a)-(e) of the *Money Laundering Regulations* 2017; see Ahlosani (2016).
38. Regulations 27 of the *Money Laundering Regulations* 2017; see also Ahlosani (2016).
39. Regulations 27-37 of the *Money Laundering Regulations* 2017.
40. Njotini (2009); Regulation 2(1) of the *Money Laundering Regulations* 2017.
41. Regulation 27 of the *Money Laundering Regulations* 2017.
42. Regulation 27 of the *Money Laundering Regulations* 2017; see discussion by Ahlosani (2016).
43. Regulation 27 of the *Money Laundering Regulations* 2017; see also Njotini (2009).
44. Regulation 28(3) of the *Money Laundering Regulations* 2017.
45. Regulation 28(3)(b) of the *Money Laundering Regulations* 2017; see also Jung and Lishan (2009).
46. Regulation 30 of the *Money Laundering Regulations* 2017.
47. Regulation 28(11) of the *Money Laundering Regulations* 2017.
48. Regulation 28 of the *Money Laundering Regulations* 2017.
49. Regulation 31 of the *Money Laundering Regulations* 2017; see also Ahlosani (2016).
50. Regulation 36 of the *Money Laundering Regulations* 2017; see also Ahlosani (2016); Njotini (2009).
51. Regulation 36(1)(a)-(c)of the *Money Laundering Regulations* 2017.
52. Regulations 33(1) of the *Money Laundering Regulations* 2017; see also Ahlosani (2016).
53. Regulations 33(1)(a) of the *Money Laundering Regulations* 2017; see discussion by Njotini (2009).
54. Regulation 33 of the *Money Laundering Regulations* 2017.
55. Regulation 34 of the *Money Laundering* Regulations 2017.
56. Regulation 28 of the *Money Laundering Regulations* 2017.

57. Regulation 14(5)(a) of the *Money Laundering Regulations* 2017.
58. Regulation 14(4)(a) of the *Money Laundering Regulations* 2017.
59. Regulation 14(2)(a)-(c) of the *Money Laundering Regulations* 2017.
60. This discussion has been done elsewhere.
61. Regulation 28(11) of the *Money Laundering Regulations* 2017.
62. Regulation 28(11) of the *Money Laundering Regulations* 2017; see discussion by Njotini (2009).
63. Regulation 39 of the *Money Laundering Regulations* 2017.
64. Regulation 39 of the *Money Laundering Regulations* 2017; see also Njotini (2009).
65. Rooke and Ward "Practical Systems and Controls" 206.
66. Regulation 18(1) of the *Money Laundering Regulations* 2017; see also Spedding (2004).
67. Recommendation 5 of the FATF Recommendations; Harrison and Ryder (2013).
68. Regulation 18 of the *Money Laundering Regulations* 2017; see also Njotini (2009).
69. Regulation 18(1) of the *Money Laundering Regulations* 2017; see also Harrison and Ryder (2013).
70. Recommendation 10 of the FATF Recommendations; see also Regulations 33 of the *Money Laundering Regulations* 2017.

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