

Economic Crime and Corporate Transparency Bill

EXPLANATORY NOTES

Explanatory notes to the Bill, prepared by the Home Office, are published separately as Bill 154-EN.

EUROPEAN CONVENTION ON HUMAN RIGHTS

Secretary Suella Braverman has made the following statement under section 19(1)(a) of the Human Rights Act 1998:

In my view the provisions of the Economic Crime and Corporate Transparency Bill are compatible with the Convention rights.

Economic Crime and Corporate Transparency Bill

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TO

Make provision about economic crime and corporate transparency; to make further provision about companies, limited partnerships and other kinds of corporate entity; and to make provision about the registration of overseas entities.

BE IT ENACTED by the King’s most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows: –

PART 1

COMPANIES ETC

The registrar of companies

1 The registrar’s objectives

(1) The Companies Act 2006 is amended as follows. 5

(2) In section 1059A (scheme of Part 35), in subsection (2), at the appropriate place insert –

“section 1081A (registrar’s objectives to promote integrity of registers etc),”.

(3) After section 1081 insert – 10

“1081A Registrar’s objectives to promote integrity of registers etc

The registrar must, in performing the registrar’s functions, seek to promote the following objectives.

Objective 1

Objective 1 is to ensure that any person who is required to deliver a document to the registrar does so (and that the requirements for proper delivery are complied with). 15

*Objective 2**Objective 2 is to ensure that documents delivered to the registrar are complete and contain accurate information.**Objective 3**Objective 3 is to minimise the risk of records kept by the registrar creating a false or misleading impression to members of the public.* 5*Objective 4**Objective 4 is to minimise the extent to which companies and others –*

- (a) carry out unlawful activities, or*
- (b) facilitate the carrying out by others of unlawful activities.”* 10

*Company formation***2 Memorandum of association: names to be included**

- (1) Section 8 of the Companies Act 2006 (memorandum of association) is amended as follows.
- (2) In subsection (1), after “stating” insert “the name of each subscriber and”. 15
- (3) After subsection (2) insert –
 - “(3) In this section “name”, in relation to a subscriber who is an individual, means the individual’s forename and surname.
 - (4) Where a subscriber is a peer or an individual usually known by a title, that title may be stated in the memorandum instead of the subscriber’s forename and surname.” 20

3 Statement as to lawful purposes

In section 9 of the Companies Act 2006 (registration documents), in subsection (2) –

- (a) omit the “and” at the end of paragraph (c); 25
- (b) at the end of paragraph (d) insert “, and
 - (e) that the subscribers wish to form the company for lawful purposes.”

4 Subscribers: disqualification

- (1) Section 9 of the Companies Act 2006 (registration of documents) is amended as follows. 30
- (2) In subsection (4), after paragraph (d) insert –
 - “(e) a statement that none of the subscribers to the memorandum of association is disqualified under the directors disqualification legislation (see section 159A(2)); 35

- (f) if any of them would be so disqualified but for the permission of a court to act, a statement to that effect, in respect of each of them, specifying –
 - (i) the subscriber’s name,
 - (ii) the court by which permission was given, and
 - (iii) the date on which permission was given.”
- (3) After subsection (6) insert –
 - “(7) In subsection (4)(f) “permission of a court to act” means permission under a provision mentioned in column 2 of the table in section 159A(2).”

5 Proposed officers: identity verification

- (1) Section 12 of the Companies Act 2006 (statement of proposed officers) is amended as follows.
- (2) After subsection (2) insert –
 - “(2A) The statement must, in the case of each individual named as a director –
 - (a) confirm that the individual’s identity is verified (see section 1110A), or
 - (b) confirm that the individual falls within any exemption that may be specified in regulations made by the Secretary of State for the purposes of this paragraph.”
- (3) After subsection (6) (inserted by section 6 of this Act) insert –
 - “(7) Regulations under subsection (2A)(b) are subject to affirmative resolution procedure.”
- (4) The provision that may be made under section 161(5) in connection with the coming into force of this section includes –
 - (a) provision requiring a company incorporated in pursuance of an application delivered before the coming into force of this section to deliver to the registrar, at the same time as a confirmation statement, a statement to the effect mentioned in section 12(2A)(a) or (b) of the Companies Act 2006 in relation to any individual who became a director of the company on its incorporation, and
 - (b) provision for section 853A(1)(b)(i) of the Companies Act 2006 (as substituted by section 57 of this Act) to have effect as if it included a reference to any duty imposed by virtue of paragraph (a).
- (5) In subsection (4) –
 - “confirmation statement” has the meaning given by section 853A of the Companies Act 2006;
 - “the registrar” has the same meaning as in the Companies Acts (see section 1060 of the Companies Act 2006).

6 Proposed officers: disqualification

- (1) The Companies Act 2006 is amended as follows

- (2) In section 12 (statement of proposed officers), at the end insert –
- “(4) The statement must also include a statement by the subscribers to the memorandum of association that no one named as a director is –
- (a) disqualified under the directors disqualification legislation (see section 159A(2)), or 5
 - (b) otherwise ineligible by virtue of any enactment for appointment as a director.
- (5) Where any of the persons named as directors would be disqualified under the directors disqualification legislation but for the permission of a court to act, the statement must also include a statement to that effect, in respect of each of them, specifying – 10
- (a) the person’s name,
 - (b) the court by which permission was given, and
 - (c) the date on which permission was given.
- (6) In subsection (5) “permission of a court to act” means permission under a provision mentioned in column 2 of the table in section 159A(2).” 15
- (3) In section 16 (effect of registration), in subsection (6), at the end insert “unless ineligible for appointment to that office by virtue of any enactment”.

7 **Persons with initial significant control: disqualification**

- (1) Section 12A of the Companies Act 2006 (statement of initial significant control) is amended as follows. 20
- (2) After subsection (1) insert –
- “(1A) If there is anyone who will be a registrable person, or a registrable relevant legal entity, in relation to the company on incorporation, the statement must also include – 25
- (a) a statement that none of them is disqualified under the directors disqualification legislation (see section 159A(2)), and
 - (b) if any of them would be so disqualified but for the permission of a court to act, the statement must also include a statement to that effect, in respect of each of them, specifying – 30
 - (i) the person’s name,
 - (ii) the court by which permission was given, and
 - (iii) the date on which permission was given.”
- (3) For subsection (4) substitute –
- “(4) In this section – 35
- “permission of a court to act” means permission under a provision mentioned in column 2 of the table in section 159A(2);
 - “registrable person” has the meaning given by section 790C (see also section 790J);
 - “registrable relevant legal entity” has the meaning given by section 790C (see also section 790J); 40
 - “required particulars” has the meaning given by section 790K.”

8 Persons with initial significant control: identity verification

After section 12A of the Companies Act 2006 insert –

“12B Option to provide ID verification information about PSCs

- (1) This section applies if an application for the registration of a company contains a statement of initial significant control that identifies a person who will be a registrable person, or a registrable relevant legal entity, in relation to the company on its incorporation. 5
- (2) In relation to any person who will be a registrable person, the statement may include a statement that the person’s identity is verified (see section 1110A). 10
- (3) In relation to any person who will be a registrable relevant legal entity, the statement may include a statement that –
 - (a) specifies the name of one of its relevant officers (within the meaning given by section 790LK(6)) who is an individual and whose identity is verified, and 15
 - (b) confirms that the individual’s identity is verified.
- (4) If a statement under subsection (3) is included in relation to a person who will be a registrable relevant legal entity, the application for registration of the company must be accompanied by a statement by the individual confirming that the individual is a relevant officer of that entity. 20
- (5) To find out what happens if the option in subsection (2) or (3) is not exercised, see sections 790LI and 790LK.
- (6) In this section –

“registrable person” has the meaning given by section 790C, except that it does not include a person mentioned in section 790C(12)(a) to (d) (see also section 790J); 25

“registrable relevant legal entity” has the meaning given by section 790C (see also section 790J).”

Company names 30

9 Names for criminal purposes

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 53 insert –

“53A Names for criminal purposes

- A company must not be registered under this Act by a name if, in the opinion of the Secretary of State, the registration of the company by that name is intended to facilitate – 35
- (a) the commission of an offence involving dishonesty or deception, or
 - (b) the carrying out of conduct that, if carried out in any part of the United Kingdom, would amount to such an offence.” 40
- (3) In section 1047 (registered name of overseas company), in subsection (4), after

paragraph (a) insert—

“(aa) section 53A (names for criminal purposes);”.

10 Names suggesting connection with foreign governments etc

(1) The Companies Act 2006 is amended as follows.

(2) After section 56 insert—

5

“56A Names suggesting connection with foreign governments etc

A company must not be registered under this Act by a name that, in the opinion of the Secretary of State, would be likely to give the false impression that the company is connected with—

(a) a foreign government or an agency or authority of a foreign government, or

10

(b) an international organisation whose members include two or more countries or territories (or their governments).”

(3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (b) insert—

15

“(bza) section 56A (names suggesting connection with foreign governments etc);”.

11 Names containing computer code

(1) The Companies Act 2006 is amended as follows.

(2) After section 57 insert—

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“Computer code

57A Names containing computer code

A company must not be registered under this Act by a name that, in the opinion of the Secretary of State, consists of or includes computer code.”

25

(3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (ba) insert—

“(bb) section 57A (names containing computer code);”.

12 Prohibition on re-registering name following direction

(1) The Companies Act 2006 is amended as follows.

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(2) After section 57A (inserted by section 11 of this Act) insert—

“Prohibitions where a company has been required to change a name

57B Prohibition on re-registering name following direction

(1) Where a company’s name has at any time been changed following a direction under section 67, 75, 76, 76A or 76B, or an order under section 73, the company must not subsequently be registered under this Act by the original name or a name that is similar to it.

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- (2) But subsection (1) does not prevent the registration of the company by any name approved by the Secretary of State.
- (3) In subsection (1) –
 - (a) the reference to the name of a company being changed following a direction under a particular section includes a case where a new name is determined for the company under section 76D because of its failure to comply with the direction; 5
 - (b) the reference to the name of a company being changed following an order under section 73 includes a case where a new name is determined for the company under section 73(4) because of its failure to comply with an order.” 10
- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (bb) (inserted by section 11 of this Act) insert –
 - “(bc) section 57B (restriction on re-registering name following direction).” 15

13 Prohibition on using name that another company has been directed to change

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 57B (inserted by section 12 of this Act) insert –
 - “57C Name that another company has been directed to change
 - (1) Where a company has at any time been directed under section 67, 75, 76, 76A or 76B, or ordered under section 73, to change its name, no other company may be registered under this Act by that name or a name that is similar if –
 - (a) that company is an existing company and there is a person who has, or has had, a relevant relationship with both companies, or 25
 - (b) an application has been made for the registration of that company and, if it is registered, there will on its incorporation be a person who has, or has had, a relevant relationship with both companies.
 - (2) But subsection (1) does not prevent the registration of the company by any name approved by the Secretary of State. 30
 - (3) For the purposes of subsection (1) it is irrelevant whether the person has, or has had, a relevant relationship with both companies at the same time.
 - (4) For the purposes of this section a person has a “relevant relationship” with a company if the person is – 35
 - (a) an officer, or
 - (b) a member or former member.
 - (5) In subsection (1) –
 - (a) the reference to the name of a company being changed following a direction under a particular section includes a case where a new name is determined for the company under section 76D because of its failure to comply with the direction; 40
 - (b) the reference to the name of a company being changed following an order under section 73 includes a case where a new 45

name is determined for the company under section 73(4) because of its failure to comply with an order.”

- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (bc) (inserted by section 12 of this Act) insert –
- “(bd) section 57C (names that another company has been directed to change);”.
- 5

14 Directions to change name: period for compliance

- (1) The Companies Act 2006 is amended as follows
- (2) In section 64 (power to direct change of name in case of company ceasing to be entitled to exemption), after subsection (2) insert –
- 10
- “(2A) The period must be a period of at least 28 days beginning with the date of the direction.
- (2B) The Secretary of State may by further direction in writing extend the period.
Any such direction must be given before the end of the period for the time being specified.”
- 15
- (3) In section 68 (direction to change name in case of similarity to existing name: supplementary provisions), after subsection (2) insert –
- “(2A) The period must be a period of at least 28 days beginning with the date of the direction.”
- 20
- (4) In section 75 (provision of misleading information etc), after subsection (2) insert –
- “(2A) The period must be at least 28 days beginning with the date of the direction.”
- (5) In section 76 (misleading indication of activities) –
- 25
- (a) for subsections (2) and (3) substitute –
- “(2) The direction must be in writing and must specify the period within which the company is to change its name.
- (3) The period must be a period of at least 28 days beginning with the date of the direction.
- 30
- (3A) The Secretary of State may by further direction in writing extend the period.
Any such direction must be given before the end of the period for the time being specified.”;
- (b) for subsection (4) substitute –
- 35
- “(4) A company may apply to the court to set aside a direction under subsection (1).
- (4A) Any application under subsection (4) must be made within the period of three weeks beginning with the date of the direction.”

- (c) after subsection (5) insert –
 - “(5A) If a company applies to the court under subsection (4) to set aside a direction, it is not required to comply with the direction while the proceedings are ongoing.”;
- (d) in subsection (6), for “this section” substitute “subsection (1)”. 5

15 Objections to company’s registered name

- (1) Section 69 of the Companies Act 2006 (objection to company’s registered name) is amended as follows.
- (2) In subsection (1)(b) –
 - (a) after “in the United Kingdom” insert “or elsewhere”; 10
 - (b) after “mislead” insert “members of the public in the United Kingdom or elsewhere”.
- (3) In subsection (3), for the second sentence substitute “Any of the following may be joined as respondents –
 - (a) any member or person who was a member at the time at which the name was registered; 15
 - (b) any director or person who was a director at the time at which the name was registered.”
- (4) In subsection (4), omit paragraph (b) (and the “or” at the end of that paragraph). 20
- (5) In subsection (5), omit “, (b)”.

16 Misleading indication of activities

In section 76 of the Companies Act 2006 (misleading indication of activities), in subsection (1), for “be likely to cause harm to the public” substitute “pose a risk of harm to the public in the United Kingdom or elsewhere”. 25

17 Direction to change name used for criminal purposes

- (1) The Companies Act 2006 is amended as follows.
- (2) Before section 75 insert –

“Provision of misleading information”.
- (3) Before section 76 insert – 30

“Misleading indication of activities and names used for criminal purposes”.
- (4) After section 76 insert –

“76A Power to direct change of name used for criminal purposes

 - (1) The Secretary of State may direct a company to change its name if it appears to the Secretary of State that the name has been used, or is intended to be used, by the company to facilitate – 35
 - (a) the commission of an offence involving dishonesty or deception, or

- (b) the carrying out of conduct that, if carried out in any part of the United Kingdom, would amount to such an offence.
- (2) The direction must be in writing and must specify the period within which the company is to change its name.
- (3) The period must be a period of at least 28 days beginning with the date of the direction. 5
- (4) The Secretary of State may by further direction in writing extend the period.
Any such direction must be given before the end of the period for the time being specified. 10
- (5) A company may apply to the court to set aside a direction under subsection (1).
- (6) Any application under subsection (5) must be made within the period of three weeks beginning with the date of the direction.
- (7) On an application under subsection (5) the court may set the direction aside or confirm it. 15
- (8) If on an application under subsection (5) the direction is confirmed, the court must specify the period within which the direction is to be complied with.
- (9) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates. 20
- (10) If a company applies to the court under subsection (5) to set aside a direction, the company is not required to comply with the direction while the proceedings are ongoing. 25
- (11) If a company fails to comply with a direction under subsection (1), an offence is committed by –
(a) the company, and
(b) every officer of the company who is in default.
For this purpose a shadow director is treated as an officer of the company. 30
- (12) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.” 35
- (5) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (f) insert –
“(g) section 76A (power to direct change of name used for criminal purposes);”.

18 Direction to change name wrongly registered 40

- (1) The Companies Act 2006 is amended as follows.

- (2) After section 76A (inserted by section 17 of this Act) insert –

“Direction to change name wrongly registered

76B Direction to change name wrongly registered

- (1) The Secretary of State may direct a company to change its name if –
 - (a) it appears to the Secretary of State that the company’s registration by that name was in contravention of any requirement imposed by this Part, or
 - (b) the Secretary of State did not, at the time at which the name was registered, form the opinion mentioned in section 53, 56A or 57A, but had proper grounds for doing so.
- (2) The direction must be in writing and must specify the period within which the company is to change its name.
- (3) The period must be a period of at least 28 days beginning with the date of the direction.
- (4) The Secretary of State may by further direction in writing extend the period.
Any such direction must be given before the end of the period for the time being specified.
- (5) A company may apply to the court to set aside a direction under subsection (1).
- (6) Any application under subsection (5) must be made within the period of three weeks beginning with the date of the direction.
- (7) On an application under subsection (5) the court may set the direction aside or confirm it.
- (8) If on an application under subsection (5) the direction is confirmed, the court must specify the period within which the direction is to be complied with.
- (9) Where a direction is given under subsection (1), the registrar may omit from the material on the register that is available for public inspection any mention of the name to which the direction relates.
- (10) If a company applies to the court under subsection (5) to set aside a direction, the company is not required to comply with the direction while the proceedings are ongoing.
- (11) If a company fails to comply with a direction under subsection (1), an offence is committed by –
 - (a) the company, and
 - (b) every officer of the company who is in default.
 For this purpose a shadow director is treated as an officer of the company.
- (12) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.”

- (3) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (g) (inserted by section 17 of this Act) insert –
 “(h) section 76B (direction to change name wrongly registered);”.

19 Registrar’s power to change names containing computer code

- (1) The Companies Act 2006 is amended as follows 5
- (2) In the heading of Chapter 4 of Part 5, after “Secretary of State” insert “and the registrar”.
- (3) After section 76B (inserted by section 18 of this Act) insert –

“Registrar’s powers to change names

76C Registrar’s power to change name containing computer code 10

- (1) Where, in the opinion of the registrar, a company’s registered name consists of or includes computer code, the registrar may –
 (a) determine a new name for the company, and
 (b) remove from the register any reference to the company’s old name. 15
- (2) If the registrar determines a new name for a company under this section, the registrar must –
 (a) give the company notice of the determination, and
 (b) place a note of the determination in the register.
- (3) Where a company is given a direction under section 76B to change its name – 20
 (a) that does not affect the registrar’s power to act under subsection (1), but
 (b) if the registrar does so, the direction lapses.”

20 Registrar’s power to change company’s name for breach of direction 25

After section 76C of the Companies Act 2006 (inserted by section 19 of this Act) insert –

“76D Registrar’s power to change name for failure to comply with direction

- (1) Where a company fails to comply with a direction to change its name, the registrar may determine a new name for the company. 30
- (2) The reference in subsection (1) to a direction to change a company’s name is to a direction under section 64, 67, 75, 76, 76A or 76B.
- (3) If the registrar determines a new name for a company under this section, the registrar must –
 (a) give the company notice of the determination, and
 (b) place a note of the determination in the register.” 35

21 Sections 19 and 20: consequential amendments

- (1) In section 80 (change of name: registration and issue of new certificate of

incorporation), for subsections (1) and (2) substitute –

“(1) This section applies where –

(a) the registrar receives notice of a change of a company’s name and is satisfied –

(i) that the new name complies with the requirements of this Part, and 5

(ii) that the requirements of the Companies Acts, and any relevant requirements of the company’s articles, with respect to a change of name are complied with, or

(b) the registrar determines a new name for a company under section 76C or 76D. 10

(2) The registrar must enter the new name on the register in place of the former name.”

(2) In section 1047 (registered name of overseas company), in subsection (4), after paragraph (h) (inserted by section 18 of this Act) insert – 15

“(i) section 76C (registrar’s power to change name containing computer code);

(j) section 76D (registrar’s power to change name for failure to comply with direction).”

22 Company names: exceptions based on national security etc 20

After section 76D of the Companies Act 2006 (inserted by section 20 of this Act) insert –

“CHAPTER 4A

EXCEPTIONS

76E Exceptions based on national security etc 25

(1) Nothing in this Part prevents the registration of a company under this Act by a name if the Secretary of State is satisfied that the registration of the company by that name is necessary –

(a) in the interests of national security, or

(b) for the purposes of preventing or detecting serious crime. 30

(2) For the purposes of subsection (1)(b) –

(a) “crime” means conduct which –

(i) constitutes a criminal offence, or

(ii) is, or corresponds to, any conduct which, if it all took place in any one part of the United Kingdom, would constitute a criminal offence, and 35

(b) crime is “serious” if –

(i) the offence which is or would be constituted by the conduct is an offence for which the maximum sentence (in any part of the United Kingdom) is imprisonment for 3 years or more, or 40

(ii) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.”

*Business names***23 Use of name suggesting connection with foreign governments etc**

In the Companies Act 2006, after section 1196 insert –

“1196A Names suggesting connection with foreign governments etc

- (1) A person must not carry on business in the United Kingdom under a name that would be likely to give the false impression that the business is connected with –
 - (a) a foreign government or an agency or authority of a foreign government, or
 - (b) an international organisation whose members include two or more countries or territories (or their governments).
- (2) A person who contravenes this section commits an offence.
- (3) Where an offence under this section is committed by a body corporate, an offence is also committed by every officer of the body who is in default.
- (4) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.”

24 Use of name giving misleading indication of activities

In section 1198 of the Companies Act 2006 (misleading indication of activities), in subsection (1), for “be likely to cause harm to the public” substitute “pose a risk of harm to the public in the United Kingdom or elsewhere”.

25 Use of name that a company has been required to change

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1192 (application of this Chapter), at the beginning of subsection (1) insert “Subject to any express provision to the contrary,”.
- (3) After section 1198 insert –

“Restrictions where a company has been required to change a name

1198A Name that a company has been required to change

- (1) Where a relevant direction has been given to a company to change its name, or it has been ordered under section 73 to change its name, the company must not carry on business in the United Kingdom under the name that it was directed or ordered to change, except as mentioned in subsection (2).
- (2) Subsection (1) does not prevent the use by a company of a name if –
 - (a) the period for complying with the direction or order has not yet expired,

- (b) the company complied with the direction or order and has since become registered with the name again following approval given under section 57B, or
 - (c) the direction was given, or the order was made, before section 25 of the Economic Crime and Corporate Transparency Act 2022 came fully into force. 5
- (3) If a company uses a name in contravention of this section an offence is committed by –
 - (a) the company, and
 - (b) every officer of the company who is in default. 10
- (4) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.
- (5) In this section – 15
 - “company” includes an overseas company;
 - “relevant direction” means a direction under section 67, 75, 76, 76A or 76B, other than a direction under section 76B(1)(b) given on the basis that, at the time at which a company’s name was registered, the Secretary of State had proper grounds for forming the opinion mentioned in section 57A.” 20

26 Use of name that another company has been required to change

After section 1198A of the Companies Act 2006 (inserted by section 25 of this Act) insert –

- “1198B Name that another company has been required to change 25**
- (1) Where a relevant direction has been given to a company to change its name, or it has been ordered under section 73 to change its name, another company must not carry on business in the United Kingdom under the name that the first company was directed or ordered to change if there is a person who has, or has had, a relevant relationship with both companies. 30
 - (2) Subsection (1) does not prevent the use by a company of a name if –
 - (a) it is registered under this Act by that name,
 - (b) the period for complying with the direction or order has not yet expired, or
 - (c) the direction was given, or the order was made, before section 26 of the Economic Crime and Corporate Transparency Act 2022 came fully into force. 35
 - (3) For the purposes of subsection (1) it is irrelevant whether the person has, or has had, a relevant relationship with both companies at the same time. 40
 - (4) For the purposes of this section a person has a “relevant relationship” with a company if the person is –
 - (a) an officer, or
 - (b) a member or former member. 45

- (5) If a company uses a name in contravention of this section an offence is committed by –
 - (a) the company, and
 - (b) every officer of the company who is in default.
- (6) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale. 5
- (7) In this section –
 - “company” includes an overseas company; 10
 - “relevant direction” means a direction under section 67, 75, 76A or 76B, other than a direction under section 76B(1)(b) given on the basis that, at the time at which a company’s name was registered, the Secretary of State had proper grounds for forming the opinion mentioned in section 57A.” 15

27 Use of names: exceptions based on national security etc

After section 1199 of the Companies Act 2006 insert –

“1199A Exceptions based on national security etc

- (1) The Secretary of State may, by written notice given to a person, provide that a prohibition imposed by this Chapter does not apply in relation to the carrying on of a business by that person under a name specified in the notice, if satisfied that to do so is necessary –
 - (a) in the interests of national security, or
 - (b) for the purposes of preventing or detecting serious crime.
- (2) For the purposes of subsection (1)(b) –
 - (a) “crime” means conduct which –
 - (i) constitutes a criminal offence, or
 - (ii) is, or corresponds to, any conduct which, if it all took place in any one part of the United Kingdom, would constitute a criminal offence, and 30
 - (b) crime is “serious” if –
 - (i) the offence which is or would be constituted by the conduct is an offence for which the maximum sentence (in any part of the United Kingdom) is imprisonment for 3 years or more, or 35
 - (ii) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.”

Registered offices

28 Registered office: appropriate addresses 40

- (1) The Companies Act 2006 is amended as follows.

- (2) In section 9 (registration documents), in subsection (5)(a), at the end insert “, which must be an appropriate address within the meaning given by section 86(2)”.

- (3) For section 86 substitute –

“86 Duty to ensure registered office at appropriate address 5

- (1) A company must ensure that its registered office is at all times at an appropriate address.

- (2) An address is an “appropriate address” if, in the ordinary course of events –

- (a) a document addressed to the company, and delivered there by hand or by post, would be expected to come to the attention of a person acting on behalf of the company, and 10
(b) the delivery of documents there is capable of being recorded by the obtaining of an acknowledgement of delivery.

- (3) If a company fails, without reasonable excuse, to comply with this section an offence is committed by – 15

- (a) the company, and
(b) every officer of the company who is in default.

- (4) A person guilty of an offence under this section is liable on summary conviction – 20

- (a) in England and Wales, to a fine;
(b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 25

- (5) Subsection (1) does not apply in relation to a company during any period for which the address of its registered office is a default address nominated by virtue of section 1097A(3)(h).”

- (4) In section 87 (change of address of registered office), after subsection (1) insert – 30

“(1A) The notice must include a statement that the new address is an appropriate address within the meaning given by section 86(2).”

- (5) In section 853B (duties to notify a relevant event), omit paragraph (a).

- (6) After section 853C insert –

“853CA Duty to notify a change in registered office 35

- (1) This section applies where –

- (a) a company makes a confirmation statement,
(b) the company’s registered office is not at an appropriate address within the meaning given by section 86(2), and
(c) the company has not given a notice under section 87 (change of registered office) that is awaiting registration by the registrar. 40

- (2) The company must deliver a notice under section 87 at the same time as it delivers the confirmation statement.”

29 Registered office: rectification of register

- (1) Section 1097A of the Companies Act 2006 (rectification of register relating to a company's registered office) is amended as follows.
- (2) For subsection (1) substitute –
 - “(1) The Secretary of State may by regulations make provision authorising or requiring the registrar to change the address of a company's registered office if satisfied that it is not an appropriate address within the meaning given by section 86(2). 5
 - (1A) The regulations may authorise or require the address to be changed on the registrar's own motion or on an application by another person.” 10
- (3) Omit subsection (2).
- (4) In subsection (3) –
 - (a) after paragraph (b) insert –
 - “(ba) the registrar requiring the company or an applicant to provide information for the purposes of determining anything under the regulations,”; 15
 - (b) in paragraph (c), for “and of its outcome” substitute “or that the registrar is considering the exercise of powers under the regulations”;
 - (c) after paragraph (c) insert –
 - “(ca) the notice to be given of any decision under the regulations,”; 20
 - (d) for paragraph (e) substitute –
 - “(e) how the registrar is to determine whether a company's registered office is at an appropriate address within the meaning given by section 86(2), including in particular the evidence, or descriptions of evidence, which the registrar may without further enquiry rely on to be satisfied that an address is an appropriate address,”; 25
 - (e) for paragraph (f) substitute –
 - “(f) the referral by the registrar of any question for determination by the court,”; 30
 - (f) in paragraph (h), at the end insert “(which need not be an appropriate address within the meaning given by section 86(2))”;
 - (g) after paragraph (h) insert –
 - “(ha) the period for which a company is permitted to have the default address as its registered office,”; 35
 - (h) for paragraph (i) substitute –
 - “(i) when the change of address takes effect and the consequences of registration of the change (including provision similar or corresponding to section 87(2)).” 40
- (5) Omit subsection (4).
- (6) Before subsection (5) insert –
 - “(4A) Provision made by virtue of subsection (3)(ha) may in particular include –
 - (a) provision creating summary offences punishable with a fine not exceeding level 3 on the standard scale or, for continued 45

- contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale;
- (b) provision—
- (i) for the registrar to strike a company’s name off the register if the company does not change the address of its registered office from the default address, and 5
 - (ii) for the restoration of a company to the register, in such circumstances as may be prescribed, on an application made to the registrar or in pursuance of a court order.
- (4B) The provision that may be made by virtue of subsection (4A) includes provision applying or writing out, in either case with or without modifications, any provision made by section 1000 or Chapter 3 of Part 31.” 10
- (7) For subsection (6) substitute—
- “(6) The regulations must confer a right on a company to appeal to the court against any decision to change the address of its registered office under the regulations. 15
- (6A) If the regulations enable a person to apply for a company’s registered office to be changed, they must also confer a right on the applicant to appeal to the court against a refusal of the application.” 20

Registered email addresses

30 Registered email addresses etc

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 9 (registration documents), in subsection (5), after paragraph (a) insert— 25
- “(aa) a statement of the intended registered email address of the company, which must be an appropriate email address within the meaning given by section 88A(2);”.
- (3) In section 16 (effect of registration), in subsection (4), after “status” insert “, registered email address”. 30
- (4) In the heading to Part 6 (a company’s registered office), after “registered office” insert “and email address”.
- (5) After section 88 insert—

“Registered email address

88A Duty to maintain a registered email address 35

- (1) A company must ensure that its registered email address is at all times an appropriate email address.
- (2) An email address is an “appropriate email address” if, in the ordinary course of events, emails sent to it by the registrar would be expected to come to the attention of a person acting on behalf of the company. 40

-
- (3) If a company fails, without reasonable excuse, to comply with this section an offence is committed by –
- (a) the company, and
 - (b) every officer of the company who is in default.
- (4) A person guilty of an offence under this section is liable on summary conviction –
- (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- 88B Change of registered email address**
- (1) A company may change its registered email address by giving notice to the registrar.
- (2) The notice must include a statement that the new address is an appropriate email address within the meaning given by section 88A(2).
- (3) The change takes effect upon the notice being registered by the registrar.”
- (6) After section 853CA (inserted by section 28 of this Act) insert –
- “853CB Duty to notify a change in registered email address**
- (1) This section applies where –
- (a) a company makes a confirmation statement,
 - (b) the company’s registered email address is not an appropriate email address within the meaning given by section 88A(2), and
 - (c) the company has not given a notice under section 88B (change of registered email address) that is awaiting registration by the registrar.
- (2) The company must deliver a notice under section 88B at the same time as it delivers the confirmation statement.”
- (7) In section 1087 (material not available for public inspection), in subsection (1), before paragraph (a) insert –
- “(za) an email address delivered to the registrar under –
- (i) section 9(5)(aa) or 88B (initial registered email address and change of address);
 - (ii) section 31 of the Economic Crime and Corporate Transparency Act 2022 (company’s registered email address: transitional provision);”.
- (8) In section 1115 (supplementary provisions relating to electronic communications), omit subsection (1).
- (9) In Schedule 4 (documents and information sent or supplied to a company) –

- (a) after Part 2 insert—

“PART 2A

COMMUNICATIONS IN ELECTRONIC FORM: FROM THE REGISTRAR OR THE
SECRETARY OF STATE

- 4A (1) A document or information is validly sent or supplied to a company by the registrar or the Secretary of State if it is sent or supplied in electronic form in accordance with subparagraph (2) or (3). 5
- (2) Where the document or information is sent or supplied by electronic means it may only be sent— 10
- (a) in the case of a company registered under this Act, to the company’s registered email address;
- (b) in the case of any company, to an address specified by the company for that purpose (generally or specifically). 15
- (3) Where the document or information is sent or supplied in electronic form by hand or by post, it must be sent or supplied to an address to which it could be validly sent if it were in hard copy form.”;
- (b) in the heading of Part 3, at the end insert “in other cases”; 20
- (c) in paragraph 5, after “company” insert “by a person other than the registrar or the Secretary of State”.

31 Registered email addresses: transitional provision

- (1) This section applies in relation to a company registered under the Companies Act 2006 in pursuance of an application for registration delivered to the registrar before section 30(2) comes fully into force. 25
- (2) On the first occasion on which the company delivers a confirmation statement with a confirmation date that is after the day on which section 30(2) comes fully into force—
- (a) it must, at the same time, deliver to the registrar a statement specifying its registered email address for the purposes of section 88A of that Act (inserted by section 30 of this Act); 30
- (b) section 853CB of that Act (inserted by section 30 of this Act) does not apply.
- (3) Section 853A(1)(b)(ii) of the Companies Act 2006 (as substituted by section 57 of this Act) has effect as if it included a reference to the duty imposed by subsection (2) (and section 853L of that Act applies accordingly). 35
- (4) Section 88A of the Companies Act 2006 (inserted by section 30 of this Act) does not apply in relation to the company until it has delivered the confirmation statement mentioned in subsection (2) or, if it does not deliver the statement on time, the latest time by which it was required to do so. 40
- (5) In this section—
“confirmation statement” has the meaning given by section 853A of the Companies Act 2006;

“the registrar” has the same meaning as in the Companies Acts (see section 1060 of the Companies Act 2006).

Disqualification in relation to companies

32 Disqualification of persons designated under sanctions legislation: GB

- (1) The Company Directors Disqualification Act 1986 is amended as follows. 5
- (2) After section 11 insert –

“11A Designated persons under sanctions legislation

 - (1) This section applies in relation to a person who becomes a designated person as defined by section 9(2) of the Sanctions and Anti-Money Laundering Act 2018 on or after the day on which section 32(2) of the Economic Crime and Corporate Transparency Act 2022 comes fully into force. 10
 - (2) It is an offence for the person to act as director of a company or directly or indirectly to take part in or be concerned in the promotion, formation or management of a company, without the leave of the court. 15
 - (3) But it is a defence for the person to prove that they did not know and could not reasonably have been expected to know that they were a designated person at the time at which they engaged in that conduct.
 - (4) In this section “the court” means the High Court or, in Scotland, the Court of Session.” 20
- (3) In section 13 (criminal penalties), after “section 11” insert “or 11A”.
- (4) In section 15 (personal liability for company’s debts where person acts while disqualified), in subsection (1)(a), after “section 11” insert “, 11A”.
- (5) In section 21 (interaction with Insolvency Act), in subsection (4), after “section 11” insert “, 11A”. 25

33 Section 32: application to other bodies

- (1) The Company Directors Disqualification Act 1986 is amended as follows.
- (2) In section 22A (application of Act to building societies), in subsection (3A)(a), for “and 7(2)(b)” substitute “, 7(2)(b) and 11A”.
- (3) In section 22B (application of Act to incorporated friendly societies), in subsection (3A)(a), for “and 8ZA to 8ZE” substitute “, 8ZA to 8ZE and 11A”. 30
- (4) In section 22C (application of Act to NHS foundation trusts), in subsection (2A)(a), for “and 7(2)(b)” substitute “, 7(2)(b) and 11A”.
- (5) In section 22E (application of Act to registered societies), in subsection (4)(f), for “and 8ZA to 8ZE” substitute “, 8ZA to 8ZE and 11A”. 35
- (6) In section 22F (application of Act to charitable incorporated organisations), in subsection (3), after paragraph (d) insert –

“(da) section 11A is to be disregarded;”.
- (7) In section 22G (application of Act to further education bodies), in subsection

- (3), after paragraph (c) insert –
“(d) section 11A is to be disregarded.”
 - (8) In section 22H (application of Act to protected cell companies), in subsection (4)(za), in subsection (4)(za), for “and 7(2)(b)” substitute “, 7(2)(b) and 11A”.
 - (9) The Secretary of State may by regulations repeal any of the previous subsections of this section before the subsection is brought into force. 5
- 34 Disqualification of persons designated under sanctions legislation: Northern Ireland**
- (1) The Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)) is amended as follows. 10
 - (2) After Article 15 insert –
“15A Designated persons under sanctions legislation
 - (1) This Article applies in relation to a person who became a designated person as defined by section 9(2) of the Sanctions and Anti-Money Laundering Act 2018 on or after the day on which section 34(2) of the Economic Crime and Corporate Transparency Act 2022 comes fully into force. 15
 - (2) It is an offence for the person to act as director of a company or directly or indirectly to take part in or be concerned in the promotion, formation or management of a company, without the leave of the High Court. 20
 - (3) But it is a defence for the person to prove that they did not know and could not reasonably have been expected to know that they were a designated person at the time at which they engaged in that conduct.”
 - (3) In Article 18 (criminal penalties) –
 - (a) omit “15,”; 25
 - (b) for “and” substitute “; and any person guilty of an offence under this Article or Article 15 or 15A”.
 - (4) In Article 19 (personal liability for company’s debts where person acts while disqualified), in paragraph (1)(a), after “Article 15” insert “, 15A”.
- 35 Section 34: application to other bodies** 30
- (1) The Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)) is amended as follows.
 - (2) In Article 24D (application of Order to building societies), in paragraph (3A)(a), for “and 10(2)(b) and (5A)” substitute “, 10(2)(b) and (5A) and 15A”.
 - (3) In Article 25 (application of Order to incorporated friendly societies), in paragraph (3A)(a), for “and 11A to 11E” substitute “, 11A to 11E and 15A”. 35
 - (4) In Article 25A (application of Order to registered societies), in paragraph (2)(g), for “and 11A to 11E” substitute “, 11A to 11E and 15A”.
 - (5) In Article 25B (application of Order to credit unions), in paragraph (3)(c), for “and 11A to 11E” substitute “, 11A to 11E and 15A”. 40

- (6) In Article 25C (application of Order to protected cell companies), in paragraph (4)(za), for “and 10(2)(b) and (5A)” substitute “, 10(2)(b) and (5A) and 15A”.
- (7) The Secretary of State may by regulations repeal any of the previous subsections of this section before the subsection is brought into force.

Directors

5

36 Disqualified directors

- (1) The Companies Act 2006 is amended as follows.
- (2) After section 159 insert—

“159A Disqualified person not to be appointed as director

- (1) A person may not be appointed a director of a company if the person is disqualified under the directors disqualification legislation (see subsection (2)). 10
- (2) In the table—
- (a) Part 1 defines “disqualified under the directors disqualification legislation” for the purposes of provisions of this Act so far as relating to— 15
- (i) a company registered in England and Wales or Scotland, or
- (ii) the delivery of a document to the registrar of companies for England and Wales or Scotland or a statement contained in such a document; 20
- (b) Part 2 defines “disqualified under the directors disqualification legislation” for the purposes of provisions of this Act so far as relating to—
- (i) a company registered in Northern Ireland, or 25
- (ii) the delivery of a document to the registrar of companies for Northern Ireland or a statement contained in such a document.

For those purposes a person (P) is disqualified under the directors disqualification legislation if:

Except in the application of the provision in relation to P acting in a capacity, or doing anything, for which P has the permission of a court by virtue of:

30

Part 1: England and Wales and Scotland

P is subject to a disqualification order or undertaking under the Company Directors Disqualification Act 1986.

Section 1(1), 1A(1) or 9B(4) of the 1986 Act.

35

<i>For those purposes a person (P) is disqualified under the directors disqualification legislation if:</i>	<i>Except in the application of the provision in relation to P acting in a capacity, or doing anything, for which P has the permission of a court by virtue of:</i>	5
Any of the circumstances mentioned in section 11 of the Company Directors Disqualification Act 1986 (bankruptcy etc) apply to P.	Section 11 of the 1986 Act.	
Section 11A of the Company Directors Disqualification Act 1986 (designated persons under sanctions legislation) applies to P.	Section 11A of the 1986 Act.	10
Section 12 of the Company Directors Disqualification Act 1986 (disabilities on revocation of administration order against an individual) applies to P.	Section 12 of the 1986 Act.	15
P is subject to a disqualification order or undertaking mentioned in section 12A or 12B of the Company Directors Disqualification Act 1986 (recognition of Northern Ireland disqualification orders and undertakings).	Section 12A or 12B of the 1986 Act.	20
P is disqualified as mentioned in section 1184(2)(a) or (b) or is subject to a disqualification undertaking under section 1184(3).	Section 1184(5).	25
Part 2: Northern Ireland		30
P is subject to a disqualification order or undertaking under the Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)).	Article 3(1), 4(1) or 13B(4) of the 2002 Order.	35
Any of the circumstances mentioned in Article 15 of the Company Directors Disqualification (Northern Ireland) Order 2002 (bankruptcy etc) apply to P.	Article 15 of the 2002 Order.	40
Article 15A of the Company Directors Disqualification (Northern Ireland) Order 2002 (designated persons under sanctions legislation) applies to P.	Article 15A of the 2002 Order.	45

<i>For those purposes a person (P) is disqualified under the directors disqualification legislation if:</i>	<i>Except in the application of the provision in relation to P acting in a capacity, or doing anything, for which P has the permission of a court by virtue of:</i>	
Article 16 of the Company Directors Disqualification (Northern Ireland) Order 2002 (disabilities on revocation of administration order against an individual) applies to P.	Article 16 of the 2002 Order.	5
P is subject to a disqualification order or undertaking mentioned in Article 17 of the Company Directors Disqualification (Northern Ireland) Order 2002 (recognition of GB disqualification orders and undertakings).	Article 17 of the 2002 Order.	10
P is disqualified as mentioned in section 1184(2)(a) or (b) or is subject to a disqualification undertaking under section 1184(3).	Section 1184(5).	15
		20
(3) An appointment made in contravention of this section is void.		
(4) Nothing in this section affects any liability of a person under any provision of the Companies Acts or any other enactment if the person –		
(a) purports to act as director, or		25
(b) acts as shadow director,		
although the person could not, by virtue of this section, be validly appointed as a director.”		
(3) After section 169 insert –		
“169A Removal from office of disqualified directors		30
(1) A person who has been appointed as a director of a company ceases to hold office by virtue of that appointment if the person becomes disqualified under the directors disqualification legislation (see section 159A(2)).		
(2) Nothing in this section affects any liability of a person under any provision of the Companies Acts or any other enactment, if, having ceased to hold office by virtue of subsection (1), the person –		35
(a) purports to act as director, or		
(b) acts as shadow director.		
(3) In relation to a person appointed as a director of a company before the time when this section comes into force, the reference in subsection (1) to a person who becomes disqualified includes a reference to a person who, at that time, is already disqualified.”		40

- (4) In Schedule 8 (index of defined expressions), at the appropriate place insert –

“disqualified under the directors section 159A(2)”.
disqualification legislation

37 Section 36: amendments to clarify existing corresponding provisions

- (1) The Companies Act 2006 is amended as follows. 5
- (2) In section 156C (existing director who is not a natural person) –
- (a) in subsection (2), for “be a director” substitute “hold office by virtue of that appointment”;
- (b) after subsection (2) insert –
- “(2A) Nothing in this section affects any liability of a person under any provision of the Companies Acts or any other enactment, if, having ceased to hold office by virtue of subsection (2), the person –
- (a) purports to act as director, or
- (b) acts as shadow director.” 10 15
- (3) In section 158 (power to provide for exceptions from minimum age requirement) –
- (a) in subsection (3), after “office” insert “by virtue of that appointment”;
- (b) after subsection (3) insert –
- “(3A) Nothing in subsection (3) affects any liability of a person under any provision of the Companies Acts or any other enactment, if, having ceased to hold office by virtue of that subsection, the person –
- (a) purports to act as director, or
- (b) acts as shadow director.” 20 25
- (4) Omit section 159 (which is spent).

38 Repeal of power to require additional statements

In the Companies Act 2006 –

- (a) omit section 1189 (power to require additional statements in connection with disqualified person becoming director or secretary); 30
- (b) in sections 1190(1) and 1191(1) (further provision and offences), omit “or 1189”.

39 Prohibition on director acting unless ID verified

After section 167L of the Companies Act 2006 (inserted by Schedule 2 to this Act) insert – 35

“Directors: duties relating to ID verification and notification

167M Prohibition on director acting unless ID verified

- (1) An individual must not act as a director of a company unless –

	(a) the individual's identity is verified (see section 1110A), or	
	(b) the individual falls within any exemption that may be specified in regulations made by the Secretary of State for the purposes of this paragraph.	
(2)	A company must ensure that an individual does not act as a director unless –	5
	(a) the individual's identity is verified (see section 1110A), or	
	(b) the individual falls within any exemption that may be specified in regulations made by the Secretary of State for the purposes of this paragraph.	10
(3)	A person who contravenes subsection (1) commits an offence.	
(4)	If a company contravenes subsection (2) an offence is committed by –	
	(a) the company, and	
	(b) every officer of the company who is in default.	
	For this purpose a shadow director is treated as an officer of the company.	15
(5)	A person guilty of an offence under this section is liable on summary conviction –	
	(a) in England and Wales, to a fine;	
	(b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.	20
(6)	The only consequences of contravening subsections (1) and (2) are the offences provided for by this section (so that, for example, a contravention does not in any way affect the validity of an individual's acts as a director).	25
(7)	Regulations under subsection (1)(b) or (2)(b) are subject to affirmative resolution procedure."	
40	Prohibition on acting unless directorship notified	30
	After section 167M of the Companies Act 2006 (inserted by section 39 of this Act) insert –	
	"167N Prohibition on acting unless directorship notified	
(1)	This section applies where –	
	(a) a person has become a director of a company otherwise than on its incorporation, and	35
	(b) notice under section 167G of the person having done so has not been given within the period mentioned in subsection (6) of that section.	
(2)	The person may not act as a director of the company until notice is given under section 167G.	40
(3)	A person who contravenes subsection (2) commits an offence.	
(4)	Where the offence is committed by a firm, every officer of the firm who is in default also commits the offence.	

- (5) It is a defence for a person charged with an offence under this section to prove that they reasonably believed that notice had been given under section 167G.
- (6) A person guilty of an offence under this section is liable on summary conviction—
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (7) The only consequence of a contravention of subsection (2) is the offence provided for by this section (so that, for example, a contravention does not in any way affect the validity of a person’s acts as a director)."

41 Consequence of breaching prohibition on acting as director: GB

- (1) The Company Directors Disqualification Act 1986 is amended as follows. 15
- (2) In section 3 (disqualification for persistent breaches of companies legislation)—
 - (a) in subsection (1), for the words from “provisions of the companies legislation” to the end substitute “relevant provisions of the companies legislation (see subsection (3B))”; 20
 - (b) in subsection (2), for “such provisions as are mentioned above” substitute “relevant provisions of the companies legislation”;
 - (c) in subsection (3) for “provision of that legislation” substitute “such provision”;
 - (d) after subsection (3A) insert— 25
 - “(3B) In this section “relevant provisions of the companies legislation” means—
 - (a) any provision of the companies legislation requiring any return, account or other document to be filed with, delivered or sent, or notice of any matter to be given, to the registrar of companies, 30
 - (b) sections 167M and 167N of the Companies Act 2006 (prohibitions on acting as director where identity not verified or where there has been a failure to notify a directorship), and 35
 - (c) sections 790LM and 790LN of the Companies Act 2006 (persons with significant control: ongoing duties in relation to identity verification).”
- (3) In section 5 (disqualification on summary conviction)—
 - (a) in subsection (1), for the words from “provision of the companies legislation” to “the registrar of companies” substitute “of the relevant provisions of the companies legislation”; 40
 - (b) for subsection (4A) substitute—
 - “(4A) In this section “relevant provisions of the companies legislation” has the meaning given by section 3(3B).” 45

42 Consequence of breaching prohibition on acting as director: Northern Ireland

- (1) The Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)) is amended as follows.
- (2) In Article 6 (disqualification for persistent default under companies legislation) – 5
 - (a) in paragraph (1), for the words from “provisions of the companies legislation” to the end substitute “relevant provisions of the companies legislation (see paragraph (3ZA))”; 10
 - (b) in paragraph (2), for “such provisions as are mentioned in paragraph (1)” substitute “relevant provisions of the companies legislation”; 10
 - (c) after paragraph (3) insert –

“(3ZA) In this Article “relevant provisions of the companies legislation” means –

 - (a) any provision of the companies legislation requiring any return, account or other document to be filed with, delivered or sent, or notice of any matter to be given, to the registrar, 15
 - (b) sections 167M and 167N of the Companies Act 2006 (prohibitions on acting as director where identity not verified or where there has been a failure to notify a directorship), and 20
 - (c) sections 790LM and 790LN of the Companies Act 2006 (persons with significant control: ongoing duties in relation to identity verification).”
- (3) In Article 8 (disqualification on summary conviction) – 25
 - (a) in paragraph (1), for the words from “provision of the companies legislation” to “the registrar” substitute “of the relevant provisions of the companies legislation”;
 - (b) for paragraph (4A) substitute –

“(4A) In this Article “relevant provisions of the companies legislation” has the meaning given by Article 6(3ZA).” 30
- (4) In Article 25A (application of Order to registered societies), in paragraph (2)(c), for “Articles 6(1) and 8(1)” substitute “Article 6(3ZA)(a)”. 35
- (5) In Article 25B (application of Order to credit unions), in paragraph (3)(b), for “Articles 6(1) and 8(1) references” substitute “Article 6(3ZA)(a) the reference”. 35

43 Registrar’s power to change a director’s service address

For section 246 of the Companies Act 2006 substitute –

“246 Putting the address on the public record

- (1) If the registrar decides in accordance with section 245 that a director’s usual residential address is to be put on the public record, the registrar must proceed as if each relevant company had given notice under section 167H – 40
 - (a) stating a change in the director’s service address, and
 - (b) stating the director’s usual residential address as their new service address. 45

- (2) The registrar must give notice of having done so –
 - (a) to the director, and
 - (b) to every relevant company.
- (3) The notice must state the date of the registrar’s decision to put the director’s usual residential address on the public record. 5
- (4) Where a director’s usual residential address has been put on the public record by the registrar under this section, for the period of five years beginning with the date of the registrar’s decision no service address may be registered for the director other than their usual residential address. 10
- (5) In this section “relevant company” means each company given notice under section 245(2)(b).”

Register of members

44 Register of members: name to be included

- (1) The Companies Act 2006 is amended as follows. 15
- (2) In section 112 (the members of a company), at the end insert –
 - “(4) Where a person’s name or title is entered in a company’s register of members in a form that does not comply with section 113(6A) and (6B), that does not affect the person becoming a member of the company by virtue of subsection (2).” 20
- (3) In section 113 (register of members), after subsection (6) –
 - “(6A) In this section “name”, in relation to a member who is an individual, means the individual’s forename and surname.
 - (6B) Where a member is a peer or an individual usually known by a title, the title may be entered in the register instead of the individual’s forename and surname (and references in any enactment to the name of a person entered in, or as it appears in, a company’s register of members are to be construed accordingly).” 25
- (4) In section 115 (index of members) –
 - (a) in subsection (1), for “names of the members of the company” substitute “names or titles of the members of the company (“the index of members’ names”); 30
 - (b) for subsection (3) substitute –
 - “(3) The index must include the same details of a person’s name or title as are included in the register of members.” 35

45 Register of members: power to amend required information

After section 113 of the Companies Act 2006 insert –

“113A Power to amend particulars to be included in register of members

- (1) The Secretary of State may by regulations amend section 113 so as to change the information required to be entered in a company’s register of members. 40

- (2) Regulations under this section are subject to affirmative resolution procedure.”

46 Additional ground for rectifying the register of members

In section 125 of the Companies Act 2006 (power of court to rectify the register), for subsection (1) substitute –

5

- “(1) If a company’s register of members –
- (a) does not include information that it is required to include, or
 - (b) includes information that it is not required to include,
- the person aggrieved, or any member of the company, or the company, may apply to the court for rectification of the register.”

10

47 Register of members: protecting information

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 114 (register to be kept available for inspection), in subsection (1), after paragraph (b) insert –
- “This is subject to any restriction imposed by regulations under section 120A (protected material).”
- (3) In section 115 (index of members), after subsection (4) insert –
- “(4A) Subsection (4) is subject to any restriction imposed by regulations under section 120A (protected material).”
- (4) In section 116 (rights to inspect and require copies) insert –
- “(2A) Subsections (1) and (2) are subject to any restriction imposed by regulations under section 120A (protected material).”
- (5) In section 120 (information as to state of register and index) insert –
- “(2A) Subsections (1) and (2) do not apply to an alteration that relates to information that the company is required to refrain from disclosing by virtue of regulations under section 120A (protected material).”
- (6) After section 120 of the Companies Act 2006 insert –

“120A Power to make regulations protecting material

- (1) The Secretary of State may by regulations –
- (a) confer power on the registrar, on application, to make an order requiring a company –
 - (i) to refrain from using individual membership information, except in circumstances specified in the regulations, or
 - (ii) to refrain from disclosing individual membership information, except in circumstances specified in the regulations;
 - (b) require a company to refrain from acting as mentioned in paragraph (a)(i) or (ii) where –
 - (i) an application has been made for an order,
 - (ii) the company has been notified of the application in accordance with the regulations, and

- (iii) the application has not yet been determined.
 - (2) “Individual membership information” means information that –
 - (a) relates to an individual who is a member or former member of the company, and
 - (b) is required to be entered in the company’s register of members or index of members’ names’. 5
 - (3) Regulations under this section may make provision as to –
 - (a) who may make an application;
 - (b) the grounds on which an application may be made;
 - (c) the information to be included in and documents to accompany an application; 10
 - (d) how an application is to be determined;
 - (e) the notice to be given of an application and its outcome;
 - (f) the duration of and procedures for revoking the restrictions on use and disclosure. 15
 - (4) Provision under subsection (3) may in particular –
 - (a) confer a discretion on the registrar;
 - (b) provide for a question to be referred to a person other than the registrar for the purposes of determining the application or revoking the restrictions. 20
 - (5) Regulations under this section are subject to affirmative resolution procedure.
 - (6) Nothing in this section or in regulations made under it affects the use or disclosure of information about a person in any other capacity (for example, the use or disclosure of information about a person in that person’s capacity as an officer of the company). 25
- 120B Offence of failing to comply with regulations under section 120A**
- (1) If a company contravenes a restriction on the use or disclosure of information imposed by virtue of regulations under section 120A, an offence is committed by –
 - (a) the company, and
 - (b) every officer of the company who is in default. 30
 - (2) A person guilty of an offence under this section is liable on summary conviction –
 - (a) in England and Wales, to a fine; 35
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.”
 - (7) In section 1087 (material not available for public inspection), in subsection (1), after paragraph (a) insert –
 - “(aa) any application or other document delivered to the registrar under regulations under section 120A (protection of individual membership information);”.
 40

48 Register of members: removal of option to use central register

- (1) The Companies Act 2006 is amended as follows.
- (2) Omit the following (which allow companies to keep information on the central register instead of entering it in their local register of members) –
 - (a) section 112A; 5
 - (b) Chapter 2A of Part 8.
- (3) After section 128 insert –

“128ZA Transitional provision where information kept on central register

 - (1) Where an election is made under section 128B (option to keep information on central register) at any time before the repeal of that section by the Economic Crime and Corporate Transparency Act 2022 –
 - (a) the company must enter in its register of members all of the information that it would have had to enter in that register if the election had never been made (but see subsection (2)), and 10
 - (b) the duty imposed by paragraph (a) is to be treated as having been imposed by the provision which would have required the information to be entered on the register if the election had never been made. 15
 - (2) Where, by virtue of section 128E(3)(a), (b) or (c), information delivered to the registrar while the election was in force did not include a date that, but for the election, the company would have had to enter in its register of members (a “relevant date”), the relevant date is to be treated as being the date recorded by the registrar under section 1081(1A).” 20
- (4) Schedule 1 contains consequential amendments. 25

49 Membership information: one-off confirmation statement

- (1) This section applies in relation to a traded company, or a non-traded company, registered under the Companies Act 2006 before section 44(3) comes fully into force.
- (2) On the first occasion on which the company delivers a confirmation statement with a confirmation date that is after the day on which section 44(3) comes fully into force it must, at the same time, deliver to the registrar the relevant membership information. 30
- (3) For this purpose “the relevant membership information” means –
 - (a) in relation to a traded company – 35
 - (i) the name and address (as they appear in the company’s register of members) of each person who, at the end of the confirmation date, held at least 5% of the issued shares of any class of the company, and
 - (ii) the number of shares of each class held by each such person at that time; 40
 - (b) in relation to a non-traded company –
 - (i) the name (as it appears in the company’s register of members) of every person who was a member of the company at the end of the confirmation date, and 45

- (ii) the number of shares of each class held at the end of the confirmation date by each person who was a member of the company at that time.
- (4) Section 853A(1)(b)(ii) of the Companies Act 2006 (as substituted by section 57 of this Act) has effect as if it included a reference to the duty imposed by subsection (2) (and section 853L of that Act applies accordingly). 5
- (5) In this section –
 - “confirmation statement” has the meaning given by section 853A(1)(b) of the Companies Act 2006;
 - “non-traded company” has the meaning given by section 853F(2) of that Act; 10
 - “traded company” has the meaning given by section 853G(2) and (3) of that Act.
- (6) Other expressions used in this section have the same meaning as in Part 24 of the Companies Act 2006. 15

Registration of directors, secretaries and persons with significant control

50 Abolition of local registers etc

- (1) Schedule 2 contains amendments to abolish requirements imposed on a company to keep its own –
 - (a) register of directors; 20
 - (b) register of directors’ residential addresses;
 - (c) register of secretaries;
 - (d) register of people with significant control (sometimes referred to as a PSC register).
- (2) It also contains related amendments requiring information to be provided to the registrar of companies. 25

51 Protection of date of birth information

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1087 (material not available for public inspection), for paragraph (da) substitute – 30
 - “(da) relevant date of birth information that section 1087A provides is not to be made available for public inspection;”.
- (3) For sections 1087A and 1087B substitute –
 - “1087A Protection of date of birth information**
 - (1) The registrar must not make available for public inspection – 35
 - (a) so much of any document delivered to the registrar as is required to contain relevant date of birth information;
 - (b) any record of the information contained in part of a document that is unavailable because of paragraph (a).
 - (2) This section has limited application in relation to documents delivered before it comes fully into force: see section 1087B. 40

-
- (3) “Relevant date of birth information” means –
- (a) information as to the day of the month (but not the month or year) on which a director (or proposed director) was born;
 - (b) information as to the day of the month (but not the month or year) on which a registrable person in relation to the company was born. 5
- (4) Information about a director (or proposed director) or registrable person does not cease to be relevant date of birth information when they cease to be a director (or proposed director) or registrable person.
- (5) Subsection (1)(b) does not affect the availability for public inspection of the same information contained in material derived from a part of a document that was not required to contain the information. 10
- (6) In this section “registrable person”, in relation to a company, has the meaning given by section 790C(4).
- 1087B Protection of date of birth information in old documents 15**
- (1) This section limits the extent to which section 1087A applies in relation to documents delivered to the registrar before that section comes fully into force (“old documents”).
- (2) Section 1087A does not apply in relation to any old documents registered before 10 October 2015. 20
- (3) Section 1087A does not apply in relation to any old document that is –
- (a) a statement of a company’s proposed officers delivered under section 9 in circumstances where the subscribers gave notice of election under section 167A (election to keep information on central register) in respect of the company’s register of directors when the statement was delivered; 25
 - (b) a document delivered by the company under section 167D (duty to notify registrar of changes while election in force);
 - (c) a statement of initial significant control delivered under section 9 in circumstances where the subscribers gave notice of election under section 790X in respect of the company when the statement was delivered; 30
 - (d) a document containing a statement or updated statement delivered by the company under section 790X(6)(b) or (7) (statement accompanying notice of election made after incorporation); 35
 - (e) a document delivered by the company under section 790ZA (duty to notify registrar of changes while election in force).
- (4) Section 1087A does not apply in relation to any old document if –
- (a) the document is – 40
 - (i) a statement of proposed officers delivered under section 9, or
 - (ii) notice given under section 167 of a person having become a director of the company,
 - (b) after the delivery of the document an election was made under section 167A in respect of the company’s register of directors, and 45

- (c) the relevant date of birth information relates to a person who was a director of the company when that election took effect.
- (5) References in subsections (3)(a) to (e) and (4)(a) to (c) to a provision of this Act are to the provision as it had effect at the time at which the document was delivered (the provisions in question were repealed by the Economic Crime and Corporate Transparency Act 2022). 5

1087C Disclosure of date of birth information

- (1) The registrar must not disclose relevant date of birth information except—
 - (a) in accordance with subsection (2) or (3), or 10
 - (b) as permitted by section 1110F (general powers of disclosure by the registrar).
- (2) The registrar may disclose relevant date of birth information if the information is made available for public inspection.
- (3) The registrar may disclose relevant date of birth information to a credit reference agency (as defined by section 243(7)). 15
- (4) Subsections (3) to (8) of section 243 (permitted disclosure of address information by the registrar) apply for the purposes of subsection (3) as for the purposes of that section (reading references there to protected information as references to relevant date of birth information). 20
- (5) In this section “relevant date of birth information” has the meaning given by section 1087A(3).”

Accounts and reports

52 Filing obligations of micro-entities

Before section 444 of the Companies Act 2006 (but after the italic heading before that section) insert— 25

“443A Filing obligations of micro-entities

- (1) The directors of a company that qualifies as a micro-entity in relation to a financial year, or that would do so but for being or having been a member of an ineligible group—
 - (a) must deliver to the registrar a copy of the company’s annual accounts, and 30
 - (b) may also deliver to the registrar a copy of the directors’ report.
- (2) The directors must also deliver to the registrar a copy of the auditor’s report on those accounts (and any directors’ report). 35
This does not apply if the company is exempt from audit and the directors have taken advantage of that exemption.
- (3) The copies of the balance sheet and any directors’ report delivered to the registrar under this section must state the name of the person who signed it on behalf of the board. 40
- (4) The copy of the auditor’s report delivered to the registrar under this section must—

-
- (a) state the name of the auditor and (where the auditor is a firm) the name of the person who signed it as senior statutory auditor, or
 - (b) if the conditions in section 506 (circumstances in which names may be omitted) are met, state that a resolution has been passed and notified to the Secretary of State in accordance with that section. 5
 - (5) If more than one person is appointed as auditor, the reference in subsection (4)(a) to the name of the auditor is to be read as a reference to the names of all the auditors. 10
- 53 Filing obligations of small companies other than micro-entities**
- For section 444 of the Companies Act 2006 substitute –
- “444 Filing obligations of small companies other than micro-entities**
- (1) The directors of a company that is subject to the small companies regime in relation to a financial year, or that would be so subject but for being or having been a member of an ineligible group, must deliver to the registrar a copy of – 15
 - (a) the company’s annual accounts, and
 - (b) the directors’ report.
 - (2) The directors must also deliver to the registrar a copy of the auditor’s report on those accounts (and on the directors’ report). 20
This does not apply if the company is exempt from audit and the directors have taken advantage of that exemption.
 - (3) The copies of the balance sheet and directors’ report delivered to the registrar under this section must state the name of the person who signed it on behalf of the board. 25
 - (4) The copy of the auditor’s report delivered to the registrar under this section must –
 - (a) state the name of the auditor and (where the auditor is a firm) the name of the person who signed it as senior statutory auditor, or 30
 - (b) if the conditions in section 506 (circumstances in which names may be omitted) are met, state that a resolution has been passed and notified to the Secretary of State in accordance with that section. 35
 - (5) If more than one person is appointed as auditor, the reference in subsection (4)(a) to the name of the auditor is to be read as a reference to the names of all the auditors.
 - (6) This section does not apply to companies within section 443A (filing obligations of companies that qualify as micro-entities).” 40

54 Sections 52 and 53: consequential amendments

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 415A (directors’ report: small companies exemption), for subsection

(2) substitute –	
“(2) The exemption is relevant to section 416(3) (contents of report: statement of amount recommended by way of dividend).”	
(3) In section 441 (duty to file accounts and reports with the registrar), in subsection (1) –	5
(a) at the appropriate place insert –	
“section 443A (filing obligations of micro-entities);”;	
(b) for “companies subject to small companies regime” substitute “small companies other than micro-entities”;	
(c) omit the entry for section 444A.	10
(4) Omit section 444A (filing obligations of companies entitled to small companies exemption in relation to directors’ report).	
(5) In section 445 (filing obligations of medium-sized companies), for subsection (7) substitute –	
“(7) This section does not apply to companies within –	15
(a) section 443A (filing obligations of micro-entities), or	
(b) section 444 (filing obligations of small companies other than micro-entities).”	
(6) In section 446 (filing obligations of unquoted companies), for subsection (5), substitute –	20
“(5) This section does not apply to companies within –	
(a) section 443A (filing obligations of micro-entities),	
(b) section 444 (filing obligations of small companies other than micro-entities), or	
(c) section 445 (filing obligations of medium-sized companies).”	25
(7) In section 473 (parliamentary procedure for certain regulations under this Part), in subsection (1), omit the entry in the list for section 444.	
55 Statements about exemption from audit requirements	
In section 475 of the Companies Act 2006 (requirement for audited accounts), for subsection (2) substitute –	30
“(2) A company is not entitled to any such exemption unless its balance sheet contains a statement by the directors –	
(a) identifying the exemption in question, and	
(b) confirming that the company qualifies for the exemption.”	
56 Removal of option to abridge Companies Act accounts	35
(1) Schedule 1 to the Small Companies and Groups (Accounts and Directors’ Report) Regulations 2008 (S.I. 2008/409) (Companies Act individual accounts) is amended as follows.	
(2) In paragraph 1(3), omit “Subject to paragraph 1A”.	
(3) Omit paragraph 1A (abridged accounts).	40
(4) In paragraph 1B(2), omit “, otherwise than pursuant to paragraph 1A(2).”.	

- (5) In paragraph 1C, omit –
 (a) “abridgment or”;
 (b) “1A or”.

Confirmation statements

57 Confirmation statements 5

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 853A (duty to deliver confirmation statements) –
 (a) in subsection (1), for paragraph (b) substitute –
 “(b) a statement (a “confirmation statement”) confirming –
 (i) that the company has delivered to the registrar, or is delivering to the registrar at the same time as the confirmation statement, all of the information that it is required to deliver in relation to the confirmation period concerned under any duty to notify a relevant event (see section 853B), 10
 (ii) that the company is delivering to the registrar at the same time as the confirmation statement any information that it is required to deliver by virtue of a duty imposed by any of sections 853BA to 853H, and 15
 (iii) in the case of a company’s first statement under this paragraph, that the company has delivered to the registrar, or is delivering to the registrar at the same time as the confirmation statement, any information that it is required to deliver under section 167I, 279I or 790LD (pre-incorporation changes).”; 25
 (b) omit subsection (2);
 (c) for subsections (7) and (8), substitute – 30
 “(7) For the purpose of making a confirmation statement a company is entitled to assume that information that has been delivered to the registrar has been properly delivered unless the registrar has notified the company otherwise.”
- (3) In section 853K (confirmation statements: power to make further provision by regulations), in subsection (3), for “section 853A(2)” substitute “section 853A(1)(b)”. 35

58 Duty to confirm lawful purposes

After section 853B of the Companies Act 2006 insert –

“853BA Duty to confirm lawful purpose 40

Where a company makes a confirmation statement it must at the same time deliver to the registrar a statement that the intended future activities of the company are lawful.”

59 Duty to notify a change in company’s principal business activities

In section 853C of the Companies Act 2006 (duty to notify a change in company’s principal business activities), after subsection (1) insert –

“(1A) This section also applies where –

- (a) a company makes its first confirmation statement, and
- (b) by the time of its incorporation, the company’s principal business activities had changed from those specified in the statement under section 9(5)(c).”

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60 Confirmation statements: offences

- (1) The Companies Act 2006 is amended as follows. 10
- (2) In section 853J (power to amend duties to deliver certain information), in subsection (4)(a) –
 - (a) at the end of sub-paragraph (i) insert “and”;
 - (b) for sub-paragraphs (ii) to (iv) substitute –
 - “(ii) every officer of the company who is in default;”. 15
- (3) In section 853L (failure to deliver confirmation statement) –
 - (a) in subsection (1) –
 - (i) at the end of paragraph (a) insert “and”;
 - (ii) for paragraphs (b) to (d) substitute –
 - “(b) every officer of the company who is in default.”; 20
 - (b) omit subsection (4).

Identity verification

61 Identity verification of persons with significant control

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 790J (power to make exemptions), in subsection (2)(e), after “790LD” (inserted by Schedule 2 to this Act) insert “and 790LI to 790LO”. 25
- (3) After section 790LH (inserted by Schedule 2 of this Act) insert –

“Identity verification obligations for persons with significant control

790LI Initial identity verification: registrable persons

- (1) This section applies in the following cases. 30

Case 1 is where –

- (a) a company is incorporated in pursuance of an application for registration containing a statement under section 12A(1)(a) naming a person as someone who will, on the company’s incorporation, become a registrable person (“the registrable person”), 35
- (b) the application does not include a statement under section 12B(2) in respect of the registrable person or it appears to the registrar that the statement is false, and

- (c) the company has not given a notice under section 790LD(1) in respect of the person.

Case 2 is where –

- (a) the registrar is notified under section 790LA that a person has become a registrable person in relation to a company (“the registrable person”), and 5
 - (b) the notice does not include a statement under section 790LB(1) or it appears to the registrar that the statement is false.
- (2) The registrar must direct the registrable person to deliver to the registrar, within the period of 14 days beginning with the date of the direction, a statement confirming that the person’s identity is verified (see section 1110A). 10
 - (3) The registrar may by further direction extend that period by up to 14 days at a time.
 - (4) A direction under this section must be in writing. 15
 - (5) A direction given to a person under this section lapses if notice is later given under section 790LD(1) in respect of that person.
 - (6) In this section “registrable person” does not include a person mentioned in section 790C(12)(a) to (d).

790LJ Initial identity verification for registrable persons: transitional cases 20

- (1) A person must deliver to the registrar the statement required by this section if the person –
 - (a) is a registrable person in relation to a company at any time during the appointed day, and
 - (b) either – 25
 - (i) became a registrable person on the incorporation of the company in pursuance of an application for registration delivered before section 12B(2) came fully into force, or
 - (ii) became a registrable person, otherwise than on the incorporation of the company, before the day on which section 790LB(1) came fully into force. 30
- (2) The statement required by this section is a statement confirming that person’s identity is verified (see section 1110A).
- (3) A statement required by this section must be delivered within the period of 14 days beginning with the appointed day. 35
- (4) But the registrar may by direction in writing extend that period by up to 14 days at a time.
- (5) In this section –
 - “the appointed day” means such day as the Secretary of State may by regulations appoint for the purposes of this section;
 - “registrable person” does not include a person mentioned in section 790C(12)(a) to (d). 40
- (6) The appointed day must not be before sections 12B(2) and 790LB(1) have been brought fully into force.

790LK Initial identity verification: registrable relevant legal entities

- (1) This section applies in the following cases.

Case 1 is where –

- (a) a company is incorporated in pursuance of an application for registration containing a statement under section 12A(1)(a) naming a person as a person who will, on the company’s incorporation become a registrable relevant legal entity (“the entity”), 5
- (b) the application does not include a statement under section 12B(3) in respect of the entity, or is not accompanied by a statement under section 12B(4) by the person whose name is specified in the statement under section 12B(3), or it appears to the registrar that either statement is false, and 10
- (c) the company has not given a notice under section 790LD(1) in respect of the entity. 15

Case 2 is where –

- (a) the registrar is notified under section 790LA that a person has become a registrable relevant legal entity in relation to a company (“the entity”), and
- (b) the notice does not include a statement under section 790LB(2), or it is not accompanied by a statement under section 790LB(3), or it appears to the registrar that either statement is false. 20

- (2) The registrar must direct the entity to deliver to the registrar, within the period of 28 days beginning with the date of the direction –
 - (a) a statement by the entity that – 25
 - (i) specifies the name of one of its relevant officers who is an individual and whose identity is verified, and
 - (ii) confirms that the individual’s identity is verified, and
 - (b) a statement by the individual confirming that the individual is a relevant officer of the entity. 30
- (3) The registrar may by further direction extend that period by up to 28 days at a time.
- (4) A direction under this section must be in writing.
- (5) A direction given to an entity under this section lapses if notice is later given under section 790LD(1) in respect of that entity. 35
- (6) In subsection (2) “relevant officer” –
 - (a) in relation to a company, means a director;
 - (b) in relation to a legal entity the affairs of which are managed by its members, means one of those members;
 - (c) in relation to any other legal entity, means an officer of the entity whose functions correspond to that of a director of a company. 40

790LL Initial identity verification in respect of registrable relevant legal entities: transitional cases

- (1) A person must deliver to the registrar the statements required by this section if the person –
 - (a) is a registrable relevant legal entity in relation to a company at any time during the appointed day, and 5
 - (b) either –
 - (i) became a registrable relevant legal entity on the incorporation of the company in pursuance of an application for registration delivered before section 12B(3) and (4) came fully into force, or 10
 - (ii) became a registrable relevant legal entity, otherwise than on the incorporation of the company, before section 790LB(2) and (3) came fully into force.
- (2) The statements are – 15
 - (a) a statement by the entity that –
 - (i) specifies the name of one of its relevant officers who is an individual and whose identity is verified, and
 - (ii) confirms that the individual’s identity is verified, and
 - (b) a statement by the individual confirming that the individual is a relevant officer of the entity. 20
- (3) The statements required by this section must be delivered within the period of 28 days beginning with the appointed day.
- (4) But the registrar may by direction in writing extend that period by up to 28 days at a time. 25
- (5) In this section –

“the appointed day” means such day as the Secretary of State may by regulations appoint for the purposes of this section;

“relevant officer” has the meaning given by section 790LK(6).
- (6) The appointed day must not be before sections 12B(3) and (4) and 790LB(2) and (3) have been brought fully into force. 30

790LM Registrable persons: duty to maintain verified identity status

- (1) A registrable person in relation to a company must ensure that, throughout the relevant period, they maintain the status of a person whose identity is verified (see section 1110A). 35
- (2) In this section “the relevant period” means the period –
 - (a) beginning with –
 - (i) the incorporation of the company, in a case where the person became a registrable person on its incorporation and the application for registration of the company included a statement under section 12B(2) in respect of the person, 40
 - (ii) the delivery to the registrar of a statement in respect of the person under section 790LB(1), in a case where the person became a registrable person after the incorporation of the company and such a statement was delivered to the registrar, 45

- (iii) the expiry of the period for complying with the direction under section 790LI, in a case where a direction under that section is given to the person, and
 - (iv) the expiry of the period for complying with section 790LJ, in a case where that section applies to the person, and
- (b) ending on the giving of a notice to the registrar under section 790LA that the person has ceased to be a registrable person in relation to the company.
- (3) In this section “registrable person” does not include a person mentioned in section 790C(12)(a) to (d).

790LN Registrable relevant legal entities: duty to maintain registered officer whose identity is verified

- (1) A registrable relevant legal entity in relation to a company must ensure that, throughout the relevant period, its registered officer –
 - (a) is a relevant officer of the entity, and
 - (b) is an individual whose identity is verified (see section 1110A).
- (2) In this section “registered officer”, in relation to a registrable relevant legal entity, means –
 - (a) the person whose name is specified in –
 - (i) a statement delivered to the registrar in respect of the entity under section 12B(3) or 790LB(2),
 - (ii) a statement delivered to the registrar by the entity in pursuance of a direction under section 790LK(2), or
 - (iii) a statement delivered to the registrar under section 790LL(2),
 unless the entity has changed its registered officer under section 790LO, or
 - (b) if the entity has changed its registered officer under section 790LO, the person specified in the latest notice under that section.
- (3) In this section “the relevant period” means the period –
 - (a) beginning with –
 - (i) the incorporation of the company, in a case where the entity became a relevant registrable legal entity on the incorporation of the company and the application for registration of the company included a statement under section 12B(3) in respect of the entity,
 - (ii) the delivery to the registrar of a statement in respect of the registrable relevant legal entity under section 790LB(2), in a case where the entity became a relevant registrable legal entity after the incorporation of the company and such a statement was delivered to the registrar,
 - (iii) the expiry of the period for complying with the direction 790LK, in a case where the entity is given a direction under that section, and
 - (iv) the expiry of the period for complying with section 790LL, where that section applies to the entity, and

- (b) ending with the giving of a notice to the registrar under section 790LA that the entity has ceased to be a relevant registrable legal entity in relation to the company,
but see subsection (4).
- (4) If the registered officer of a registrable relevant legal entity ceases to be a relevant officer of that entity, “the relevant period” does not include the period of 28 days beginning with the day on which the person so ceases. 5
- (5) In this section “relevant officer” has the meaning given by section 790LK(6). 10
- 790LO Registrable relevant legal entities: change of registered relevant officer**
- (1) A registrable relevant legal entity may change its registered officer for the purposes of section 790LN by giving notice to the registrar.
- (2) The notice must include a statement by the entity that the new registered officer – 15
- (a) is a relevant officer of the entity, and
- (b) is an individual whose identity is verified (see section 1110A).
- (3) The notice must be accompanied by a statement by the individual who is the new registered officer confirming that the individual is a relevant officer of the registrable relevant legal entity. 20
- (4) In this section “relevant officer” has the meaning given by section 790LK(6).
- 790LP Offence of failing to comply with sections 790LI to 790LN**
- (1) It is an offence for a person to fail, without reasonable excuse, to comply with – 25
- (a) any of the following sections –
- section 790LJ;
- section 790LL;
- section 790LM; 30
- section 790LN;
- (b) a direction under section 790LI or 790LK.
- (2) Where an offence under this section is committed by a registrable relevant legal entity, every officer of the entity who is in default also commits the offence. 35
- (3) A person guilty of an offence under this section is liable on summary conviction –
- (a) in England and Wales, to a fine;
- (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.” 40

62 Procedure etc for verifying identity

- (1) The Companies Act 2006 is amended as follows.

- (2) In section 1059A (scheme of Part 35), in subsection (3), at the appropriate place insert –
“sections 1110A to 1110C (identity verification),”.
- (3) In section 1087 (material not available for public inspection), in subsection (1), after paragraph (gb) (inserted by section 63 of this Act) insert –
“(gc) any document delivered to the registrar under section 1110A(1)(b) or under regulations under section 1110B;”.
- (4) After section 1110 insert –

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“Identity verification

1110A Meaning of “identity is verified” 10

- (1) For the purposes of this Act an individual’s “identity is verified” if –
 - (a) the individual’s identity has been verified by the registrar in accordance with regulations under section 1110B, or
 - (b) a verification statement in respect of the individual has been delivered to the registrar,
and the individual has not, since then, ceased to be an individual whose identity is verified by virtue of regulations under subsection (4).
- (2) A verification statement is a statement by an authorised corporate service provider confirming that it has verified an individual’s identity in accordance with regulations under section 1110B.
- (3) Where a person is required or authorised by any other provision to deliver a statement to the registrar that an individual’s identity is verified, that statement may be delivered at the same time as the verification statement by virtue of which the individual becomes someone whose identity is verified under subsection (1)(b).
- (4) The Secretary of State may provide for circumstances in which someone ceases to be an individual whose identity is verified.
- (5) The provision that can be made under subsection (4) includes –
 - (a) provision to confer a discretion on the registrar;
 - (b) provision that someone ceases to be an individual whose identity is verified unless, within a specified period of time –
 - (i) their identity is reverified by the registrar in accordance with regulations under section 1110B, or
 - (ii) an authorised corporate service provider delivers to the registrar a statement confirming that it has reverified the individual’s identity in accordance with regulations under section 1110B.
- (6) Regulations under this section are subject to affirmative resolution procedure.

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1110B Verification requirements 40

- (1) The Secretary of State may by regulations make provision for and in connection with verification or reverification of an individual’s identity for the purposes of this Act by the registrar or by an authorised corporate service provider.

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- (2) The regulations may, in particular, make provision about –
- (a) the procedure for verifying or reverifying an individual’s identity, including the evidence required;
 - (b) the records that a person who is or has been an authorised corporate service provider is required to keep in connection with the verification or reverification of an individual’s identity. 5
- (3) The regulations may create offences in relation to failures to comply with requirements imposed by virtue of subsection (2)(b).
- (4) The regulations must provide for any such offence to be punishable – 10
- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
 - (b) on summary conviction –
 - (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates’ court or a fine (or both); 15
 - (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both) and, for continued contravention, a daily default fine not exceeding one-fifth of the statutory maximum; 20
 - (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both) and, for continued contravention, a daily default fine not exceeding one-fifth of the statutory maximum. 25
- (5) The provision that can be made in regulations under this section includes provision conferring a discretion on the registrar, including provision conferring power to impose requirements by registrar’s rules. 30
- (6) Regulations under this section are subject to affirmative resolution procedure.”
- (5) In Schedule 8 (index of defined expressions), at the appropriate place insert –

“identity is verified

section 1110A”.

63 Authorisation of corporate service providers 35

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1059A (scheme of Part 35), in subsection (3), at the appropriate place insert –
- “sections 1098A to 1098I (authorised corporate service providers),”.
- (3) In section 1087 (material not available for public inspection), in subsection (1), 40

after paragraph (ga) insert –

“(gb) any application or other document delivered to the registrar under section 1098B, 1098D or 1098E or regulations under section 1098H (authorised corporate service providers);”.

(4) After section 1098 insert –

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“Authorised corporate service providers

1098A Meaning of “authorised corporate service provider”

In this Act “authorised corporate service provider” means a person –

- (a) whose application to the registrar to become an authorised corporate service provider for the purposes of this Act has been granted (see section 1098B), 10
- (b) who has not since ceased to be an authorised corporate service provider by virtue of section 1098F, and
- (c) whose status as an authorised corporate service provider is not for the time being suspended by virtue of section 1098G. 15

1098B Application to become authorised corporate service provider

- (1) A person may apply to the registrar to become an authorised corporate service provider for the purposes of this Act if –
 - (a) the person is a relevant person as defined by regulation 8(1) of the Money Laundering Regulations, 20
 - (b) in the case of an individual, their identity is verified (see section 1110A), and
 - (c) the person meets any other requirements imposed by regulations made by the Secretary of State for the purposes of this paragraph. 25
- (2) An application under this section must contain –
 - (a) the name of the applicant’s supervisory authority or authorities for the purposes of the Money Laundering Regulations,
 - (b) the required information about the applicant (see section 1098C), and 30
 - (c) in the case of an application by an individual, a statement that the individual’s identity is verified (see section 1110A).

(See also section 1098D, which imposes restrictions on who may deliver an application under this section on behalf of a firm.)
- (3) Where an application is made under this section, the registrar must check with the supervisory authority, or at least one of the supervisory authorities, specified in the application, to find out whether the applicant is known to and supervised by that authority. 35
- (4) Having carried out that check, the registrar may grant the application only if –
 - (a) the supervisory authority, or at least one of the supervisory authorities, specified in the application has confirmed that the applicant is known to and supervised by that authority,
 - (b) where the applicant is an individual, the registrar is satisfied that their identity is verified (see section 1110A), and 45

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- (c) any other conditions that may be specified by regulations made by the Secretary of State for the purposes of this paragraph are met.
- (5) The provision that can be made in regulations under subsection (4)(c) includes provision conferring a discretion on the registrar. 5
- (6) Regulations under subsection (1)(c) or (4)(c) are subject to affirmative resolution procedure.
- (7) For the purposes of this section –
 - “Money Laundering Regulations” means the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692); 10
 - “supervised”: a person is supervised by a supervisory authority if regulation 7(1) of the Money Laundering Regulations provides that it is a supervisory authority for that person;
 - “supervisory authority” means an authority that is a supervisory authority under the Money Laundering Regulations (see regulation 7 of those Regulations). 15

1098C The required information about an applicant

- (1) The “required information” about the applicant, in the case of a firm that is applying to become an authorised corporate service provider, means – 20
 - (a) firm name,
 - (b) registered or principal office,
 - (c) a service address,
 - (d) an email address, 25
 - (e) the legal form of the firm and the law by which it is governed, and
 - (f) if applicable, the register in which it is entered (including details of the state) and its registration number in that register.
- (2) The “required information” about the applicant, in the case of an individual who is applying to become an authorised corporate service provider, means – 30
 - (a) name, nationality and date of birth,
 - (b) a service address,
 - (c) an email address, and 35
 - (d) the part of the United Kingdom in which the person is usually resident or, if the person is usually resident in a country or state outside the United Kingdom, that country or state.
- (3) In subsection (2)(a) “name” means forename and surname.
- (4) Where the applicant is a peer or an individual usually known by a title, the requirement for the application to contain their name may be satisfied by providing that title instead of the individual’s forename and surname. 40
- (5) The Secretary of State may by regulations – 45
 - (a) amend this section so as to change the required information about the applicant in the case of a firm or individual applying to become an authorised corporate service provider;

- (b) repeal subsection (4).
- (6) Regulations under this section are subject to affirmative resolution procedure.

1098D Delivery of applications under section 1098B on behalf of a firm

An application under section 1098B by a firm mentioned in the first column of the table— 5

- (a) must be delivered to the registrar on its behalf by a relevant officer mentioned in the second column who is an individual (see also section 1067A(2)(a) and (d)), and
- (b) must be accompanied by a statement by the individual confirming their status as a relevant officer of the firm. 10

<i>Firm</i>	<i>Relevant officer</i>	
company	director	
body corporate other than a company	(a) where the body's affairs are managed by its members, a member of the body;	15
	(b) in any other case, any officer of the body whose functions correspond to that of a director of a company.	20
partnership	(a) in relation to a limited partnership, a general partner as defined by section 3 of the Limited Partnerships Act 1907;	
	(b) in relation to any other partnership, a member of the partnership	25
unincorporated body other than a partnership	(a) where the body's affairs are managed by its members, a member of the body;	30
	(b) in any other case, a member of the governing body.	

1098E Updating duties of authorised corporate service providers

- (1) A person who is an authorised corporate service provider must notify the registrar of any change in its supervisory authority or authorities for the purposes of the Money Laundering Regulations within the period of 14 days beginning with the date on which the change occurs. 35
- (2) Where the change is the result of an agreement under regulation 7(2) of the Money Laundering Regulations, for the purposes of this section the change is not to be treated as having occurred until the authority that 40

has agreed to act notifies the person or publishes the agreement under regulation 7(3).	
(3) A person who, without reasonable excuse, fails to comply with this section commits an offence.	
(4) Where the offence is committed by a firm, every officer of the firm who is in default also commits the offence.	5
(5) A person guilty of an offence under this section is liable on summary conviction—	
(a) in England and Wales, to a fine;	
(b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.	10
(6) In this section “Money Laundering Regulations” and “supervisory authority” have the meanings given by section 1098B(7).	15
1098F Ceasing to be an authorised corporate service provider	
(1) A person ceases to be an authorised corporate service provider if the person ceases to be a relevant person as defined by regulation 8(1) of the Money Laundering Regulations.	
(2) The Secretary of State may by regulations provide for other circumstances in which a person ceases to be an authorised corporate service provider.	20
(3) The provision that can be made in regulations under subsection (2) includes provision conferring a discretion on the registrar.	
(4) Regulations under subsection (2) are subject to affirmative resolution procedure.	25
(5) In this section “Money Laundering Regulations” has the meaning given by section 1098B(7).	
1098G Suspension of authorisation as a corporate service provider	
(1) The Secretary of State may by regulations provide for circumstances in which the registrar may suspend a person’s status as an authorised corporate service provider.	30
(2) The provision that can be made under subsection (1) includes provision as to—	
(a) the procedure for suspending a person’s status,	35
(b) the period of any suspension, and	
(c) the revocation of a suspension.	
(3) The provision that can be made in regulations under subsection (1) includes provision conferring a discretion on the registrar.	
(4) Regulations under this section are subject to affirmative resolution procedure.	40
1098H Power to impose duties to provide information	
(1) The Secretary of State may by regulations—	

- (a) require an authorised corporate service provider to provide information to the registrar in accordance with the regulations;
 - (b) require a person who ceases to be an authorised corporate service provider by virtue of section 1098F –
 - (i) to notify the registrar; 5
 - (ii) to provide the registrar with such information relating to the circumstances by virtue of which the person so ceased as may be specified in the regulations.
- (2) The provision that may be made by regulations under subsection (1)(a) includes provision requiring information to be provided on request, on the occurrence of an event or at regular intervals. 10
- (3) The circumstances that may be specified under section 1098F(2) or 1098G(1) (ceasing to be an authorised corporate service provider and suspension) include failure to comply with a requirement under subsection (1)(a). 15
- (4) Regulations under this section may create offences in relation to failures to comply with requirements imposed by the regulations.
- (5) The regulations must provide for any such offence to be punishable on summary conviction –
 - (a) in England and Wales with a fine; 20
 - (b) in Scotland or Northern Ireland, with a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (6) The provision that can be made in regulations under this section includes provision conferring a discretion on the registrar. 25
- (7) Regulations under this section are subject to affirmative resolution procedure.

1098I Power to enable authorisation of foreign corporate service providers

- (1) The Secretary of State may by regulations make provision for the purposes of enabling a person who is subject to a relevant regulatory regime under the law of a territory outside the United Kingdom to become an authorised corporate service provider, even if the person is not a relevant person as defined by regulation 8(1) of the Money Laundering Regulations. 30
- (2) In subsection (1) “relevant regulatory regime” means a regulatory regime that, in the opinion of the Secretary of State, has similar objectives to the regulatory regime under the Money Laundering Regulations for relevant persons and is likely to be no less effective in achieving those objectives. 40
- (3) Regulations under this section –
 - (a) may amend any of sections 1098B to 1098H or insert new sections into this Act;
 - (b) may make consequential amendments or repeals in other provisions of this Act. 45
- (4) Regulations under this section are subject to affirmative resolution procedure.

- (5) In this section “Money Laundering Regulations” has the meaning given by section 1098B(7).”
- (5) In Schedule 8 (index of defined expressions), at the appropriate place insert –

“authorised corporate service provider section 1098A”.

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64 General exemptions from identity verification: supplementary

After section 1110B of the Companies Act 2006 (inserted by section 62 of this Act) insert –

“1110C General exemptions from identity verification: supplementary

- (1) The Secretary of State may by regulations make provision requiring a relevant statement delivered to the registrar to be accompanied by additional statements or additional information in connection with the subject-matter of the relevant statement. 10
- (2) In this section “relevant statement” means a statement under any of the following (which relate to exemption from identity verification requirements) – 15
- (a) section 12(2A)(b) (statement of proposed officers);
 - (b) section 167G(3)(c)(ii) (duty to notify registrar of change in directors);
 - (c) section 1067A(3)(b) or (4)(d) (delivery of documents: identity verification requirements). 20
- (3) Regulations under this section are subject to affirmative resolution procedure.”

65 Exemption from identity verification: national security grounds

- (1) The Companies Act 2006 is amended as follows. 25
- (2) In section 1059A (scheme of Part 35), in subsection (4), at the appropriate place insert –
- “section 1110D (identity verification: exemption on national security grounds),”.
- (3) After section 1110C (inserted by section 64 of this Act) insert – 30

“1110D Identity verification: exemption on national security grounds etc

- (1) The Secretary of State may, by written notice given to a person, provide for one or more of the effects listed in subsection (2) to apply in relation to the person, if satisfied that to do so is necessary – 35
- (a) in the interests of national security, or
 - (b) for the purposes of preventing or detecting serious crime.
- (2) The effects for which the notice may provide are that –
- (a) where a statement of proposed officers names the person as a director, section 12(2A) does not require a statement under that subsection to be made in relation to the person; 40

- (b) section 167G(3)(c) does not apply in relation to a notice of the person having become a director;
 - (c) section 167M(1) does not apply in relation to the person;
 - (d) section 167N(1) does not apply in relation to the person;
 - (e) section 1067A does not apply in relation to the delivery of documents to the registrar by the person on their own behalf or on behalf of another; 5
 - (f) section 1098B(2)(c) does not apply in relation to the person.
- (3) For the purposes of subsection (1)(b) –
 - (a) “crime” means conduct which – 10
 - (i) constitutes a criminal offence, or
 - (ii) is, or corresponds to, any conduct which, if it all took place in any one part of the United Kingdom, would constitute a criminal offence, and
 - (b) crime is “serious” if – 15
 - (i) the offence which is or would be constituted by the conduct is an offence for which the maximum sentence (in any part of the United Kingdom) is imprisonment for 3 years or more, or
 - (ii) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.” 20

66 Allocation of unique identifiers

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1082 (allocation of unique identifiers) – 25
 - (a) in subsection (1) –
 - (i) after “in connection with the register” insert “or dealings with the registrar”;
 - (ii) after paragraph (b) (but before the “or” at the end of that paragraph) insert – 30
 - “(ba) is an authorised corporate service provider;
 - (bb) is an individual whose identity is verified.”;
 - (b) subsection (2)(c), for “a statement of the person’s name” substitute “any statement by or referring to the person”;
 - (c) in subsection (2), for paragraph (d) substitute – 35
 - “(d) confer power on the registrar –
 - (i) to give a person a new unique identifier;
 - (ii) to discontinue the use of a unique identifier for a person who is allocated a new identifier or who has more than one.” 40
- (3) In section 1087 (material not available for public inspection), after paragraph (d) insert –
 - “(dza) any statement made in accordance regulations made by virtue of section 1082(2)(c).”

67 Identity verification: material unavailable for public inspection

In section 1087 of the Companies Act 2006 (material unavailable for public inspection), in subsection (1), after paragraph (gc) (inserted by section 62 of this Act) insert—

- “(gd) any statement delivered to the registrar by virtue of any of the following provisions (which relate to identity verification) —
- section 12(2A);
 - section 12B(2) to (4);
 - section 167G(3)(c);
 - section 790LB(1) to (3);
 - section 790LI(2);
 - section 790LK(2);
 - section 790LO(1) to (3);
 - section 1067A(3) or (4);”.

Restoration to the register 15

68 Requirements for administrative restoration

In section 1025 of the Companies Act 2006 (requirements for administrative restoration), for subsection (5) substitute—

- “(5) The third condition is that the applicant has delivered to the registrar such documents relating to the company as are necessary to ensure that if the company is restored to the register the records kept by the registrar relating to the company will be up to date. 20

(5A) The fourth condition is —

- (a) that any outstanding penalties under section 453 or corresponding earlier provisions (civil penalty for failure to deliver accounts) in relation to the company have been paid, and 25
- (b) that each relevant person has paid any outstanding fines or financial penalties imposed on them in respect of an offence under the Companies Acts relating to the company. 30

(5B) In subsection (5A)(b) “relevant person” means —

- (a) the applicant,
- (b) any person who —
 - (i) was a director of the company immediately before it was dissolved or struck off, and
 - (ii) if the company is restored to the register, will be a director immediately after its restoration, or
- (c) any person who is a relevant officer of a firm where the firm is —
 - (i) a person mentioned in paragraph (a) or (b), or
 - (ii) a person falling within this paragraph. 35

(5C) In subsection (5B)(c) “relevant officer” —

- (a) in relation to a company, means a director;
- (b) in relation to a firm the affairs of which are managed by its members, means one of those members; 40

- (c) in relation to any other firm, means an officer of the firm whose functions correspond to that of a director of a company.”

Who may deliver documents

69 Delivery of documents: identity verification etc

- (1) The Companies Act 2006 is amended as follows. 5
- (2) In section 1059A (scheme of Part 35), in subsection (2), for “1068” substitute “1067A”.
- (3) After section 1067 insert –

“Who may deliver documents to the registrar

1067A Delivery of documents: identity verification requirements etc 10

- (1) An individual may not deliver documents to the registrar on their own behalf unless –
- (a) the individual’s identity is verified (see section 1110A), or
 - (b) the individual falls within any exemption that may be specified in regulations made by the Secretary of State for the purposes of this paragraph. 15
- (2) An individual may not deliver documents to the registrar on behalf of another person unless –
- (a) the individual’s identity is verified (see section 1110A),
 - (b) the individual is an authorised corporate service provider (see section 1098A), 20
 - (c) the individual is an employee of an authorised corporate service provider and is acting in the course of their employment, or
 - (d) the individual falls within any exemption that may be specified in regulations made by the Secretary of State for the purposes of this paragraph. 25
- (3) A document delivered to the registrar by an individual on their own behalf must be accompanied by –
- (a) a statement that the individual’s identity is verified, or
 - (b) a statement that the individual falls within an exemption specified in regulations under subsection (1)(b). 30
- (4) A document delivered to the registrar by an individual on behalf of another person must be accompanied by –
- (a) a statement that the individual’s identity is verified and that they have the person’s authority to deliver the document, 35
 - (b) a statement that the individual is an authorised corporate service provider and that they have the person’s authority to deliver the document,
 - (c) a statement that the individual is an employee of an authorised corporate service provider and is acting in the course of their employment and that the authorised corporate service provider has the person’s authority to deliver the document, or 40

- (d) a statement that the individual falls within an exemption specified in regulations under subsection (2)(d) and that they have the person’s authority to deliver the document.
- (5) Regulations under subsection (1)(b) or (2)(d) are subject to affirmative resolution procedure.”

5

70 Disqualification from delivering documents

After section 1067A of the Companies Act 2006 (inserted by section 69 of this Act) insert –

“1067B Disqualification from delivering documents

- (1) An individual who is a disqualified person may not deliver documents to the registrar on their own behalf or on behalf of another. 10
- (2) An individual may not deliver a document to the registrar on behalf of a disqualified person unless –
 - (a) the individual is an authorised corporate service provider (see section 1098A), or 15
 - (b) the individual is an employee of an authorised corporate service provider and acting in the course of their employment.
- (3) A document delivered to the registrar must be accompanied by the following two statements made by the individual delivering it.
- (4) The first is a statement that the individual is not a disqualified person. 20
- (5) The second is –
 - (a) a statement that the individual is delivering the document on their own behalf,
 - (b) a statement that the individual is delivering the document on behalf of another person who is not a disqualified person, or 25
 - (c) a statement that the individual is delivering the document on behalf of a disqualified person and that the individual –
 - (i) is an authorised corporate service provider, or
 - (ii) is an employee of an authorised corporate service provider and is acting in the course of their employment. 30
- (6) For the purpose of this section “disqualified person” means a person who is disqualified under the directors disqualification legislation (see section 159A(2)).”

71 Proper delivery: requirements about who may deliver documents

35

In section 1072 of the Companies Act 2006 (requirements for proper delivery), in subsection (1), after paragraph (a) insert –

- “(aa) any applicable requirements as regards who may deliver a document to the registrar;”.

Facilitating electronic delivery

72 Delivery of documents by electronic means

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1068 (registrar’s requirements as to form, authentication and manner of delivery) – 5
 - (a) after subsection (4) insert –

“(4A) Any requirements under subsection (4)(b) to (d) must be imposed by means of registrar’s rules.”;
 - (b) omit subsections (5) to (6A).
- (3) Omit section 1069 (power to require delivery by electronic means). 10
- (4) In section 1072 (requirements for proper delivery), in subsection (1)(b), omit “section 1069 (power to require delivery by electronic means),”.

73 Delivery of order confirming reduction of share capital

In section 649 of the Companies Act 2006 (registration of court order confirming reduction of share capital and statement of capital), in subsection (1), for the words from “production of an order” to “copy of the order” substitute “the delivery of a copy of a court order confirming the reduction of a company’s share capital”. 15

74 Delivery of statutory declaration of solvency

- (1) In section 89 of the Insolvency Act 1986 (statutory declaration of solvency) – 20
 - (a) in subsection (3), for “The declaration” substitute “A copy of the declaration”;
 - (b) in subsection (6), after “If” insert “a copy of”.
- (2) In Article 75 of the Insolvency (Northern Ireland) Order 1989 (S.I. 1989/2405 (N.I. 19)) (statutory declaration of solvency) – 25
 - (a) in paragraph (3), for “The declaration” substitute “A copy of the declaration”;
 - (b) in paragraph (6), after “If” insert “a copy of”.

75 Registrar’s rules requiring documents to be delivered together

- (1) The Companies Act 2006 is amended as follows. 30
- (2) After section 1068 insert –

“1068A Registrar’s rules requiring documents to be delivered together

- (1) Registrar’s rules may provide for circumstances where –
 - (a) a person who is required to deliver two or more documents to the registrar must deliver them together; 35
 - (b) a person who wishes to deliver two or more documents authorised to be delivered to the registrar is required to deliver them together (so that, for example, if one document is delivered on its own, the others cannot be delivered on a later occasion); 40

- (c) a person who wishes to deliver one or more documents authorised to be delivered to the registrar is required to deliver them together with one or more documents that the person is required to deliver to the registrar (so that, for example, if a document that is required to be delivered has been delivered on its own, the documents that are authorised to be delivered cannot be delivered on a later occasion). 5
- (2) Provision may not be made under subsection (1)(a) that would have the effect of requiring any document to be delivered earlier than it would otherwise be required to be delivered.” 10
- (3) In section 1072 (requirements for proper delivery), in subsection (1)(b), after the entry in the list for section 1068 insert –
“section 1068A (rules requiring documents to be delivered together),”.

Promoting the integrity of the register

76 Power to reject documents for inconsistencies 15

After section 1073 of the Companies Act 2006 insert –

“1073A Power to reject documents for discrepancies

- (1) The registrar may refuse to accept (and register) a document if –
 - (a) it appears to the registrar to be inconsistent with other information that is held by or available to the registrar, and 20
 - (b) in light of the inconsistency, the registrar has reasonable grounds to doubt whether it complies with any requirement as to its contents.
- (2) A document is refused by giving notice of the refusal to the person by whom the document was delivered to the registrar. 25
- (3) A document that is refused by the registrar is treated for the purposes of any provision authorising or requiring its delivery as not having been delivered.”

77 Informal correction of document

- (1) The Companies Act 2006 is amended as follows. 30
- (2) Omit section 1075 (informal correction of document).
- (3) In section 1081 (annotation of the register), in subsection (1), omit paragraph (b).
- (4) In section 1087 (material not available for public inspection), in subsection (1)(d), at the end insert “before the repeal of that section by the Economic Crime and Corporate Transparency Act 2022”. 35

78 Preservation of original documents

In section 1083 of the Companies Act 2006 (preservation of original documents), in subsection (1), for “three years” substitute “two years”.

79 Records relating to dissolved companies etc

- (1) The Companies Act 2006 is amended as follows.
- (2) Section 1084 (records relating to companies that have been dissolved etc) is to extend also to Scotland and is amended as follows –
 - (a) in subsection (1), after paragraph (c) insert – 5

“and a reference in this section to “the relevant date” is to the date on which the company was dissolved, the overseas company ceased to have that connection with the United Kingdom or the institution ceased to be within section 1050.”;
 - (b) after subsection (1) insert – 10

“(1A) The registrar need not make any information contained in records relating to the company or institution available for public inspection at any time after the end of the period of 20 years beginning with the relevant date.”;
 - (c) for subsections (2) and (3) substitute – 15

“(2) The registrar of companies for England and Wales may, at any time after the period of two years beginning with the relevant date, direct that any records relating to the company or institution that are held by the registrar are to be removed to the Public Record Office. 20

(2A) The registrar of companies for Northern Ireland may, at any time after the period of two years beginning with the relevant date, direct that any records relating to the company or institution that are held by the registrar are to be removed to the Public Record Office of Northern Ireland. 25

(3) Records in respect of which a direction is given under subsection (2) or (2A) are to be disposed of under the enactments relating to the Public Record Office or, as the case may be, the Public Record Office of Northern Ireland.”;
 - (d) omit subsections (4A) and (5). 30
- (3) Omit section 1087ZA (required particulars available for public inspection for limited period).

80 Power to require additional information

- (1) The Companies Act 2006 is amended in accordance with subsections (2) to (4).
- (2) After section 1092 insert – 35

“Additional information

1092A Power to require information

- (1) The registrar may by notice in writing require a person to provide information to the registrar for the purposes of enabling the registrar to determine – 40
 - (a) whether a person has complied with any obligation imposed by an enactment to deliver a document to the registrar,
 - (b) whether any document delivered to the registrar complies with the requirements for proper delivery, or

-
- (c) whether or how to exercise any power under any of the following provisions –
 sections 1093 to 1094;
 sections 27 and 28 of the Economic Crime (Transparency and Enforcement) Act 2022. 5
- (2) A requirement under this section may specify –
 (a) the form and manner in which the information is to be provided;
 (b) the period within which it is to be provided.
- (3) The registrar may by notice in writing extend a period specified in a requirement under this section. 10
- 1092B Offence relating to provision of information**
- (1) A person who, without reasonable excuse, fails to comply with a requirement under section 1092A commits an offence.
- (2) Where an offence under this section is committed by a firm, an offence is also committed by every officer of the firm who is in default. 15
- (3) A person guilty of an offence under this section is liable –
 (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
 (b) on summary conviction – 20
 (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates' court or a fine (or both);
 (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both) and, for continued contravention, a daily default fine not exceeding one-fifth of the statutory maximum; 25
 (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both), and, for continued contravention, a daily default fine not exceeding one-fifth of the statutory maximum. 30
- 1092C Privilege against self-incrimination**
- (1) A statement made by a person in response to a requirement under section 1092A may not be used against the person in criminal proceedings in which the person is charged with an offence to which this subsection applies. 35
- (2) Subsection (1) applies to any offence other than –
 (a) an offence under one of the following provisions (which concern false statements etc) – 40
 (i) section 1112 or 1112A;
 (ii) section 5 of the Perjury Act 1911;
 (iii) section 44(2) of the Criminal Law (Consolidation) (Scotland) Act 1995; 45
 (iv) Article 10 of the Perjury (Northern Ireland) Order 1979 (S.I. 1979/1714 (N.I. 19));

- (v) section 32 or 32A of the Economic Crime (Transparency and Enforcement) Act 2022;
 - (b) any offence, not within paragraph (a), an element of which is the delivery to the registrar of a document, or the making of a statement to the registrar, that is misleading, false or deceptive.” 5
 - (3) In section 1059A (scheme of Part 35), in subsection (2), at the appropriate place insert –
“sections 1092A to 1092C (powers to require further information),”.
 - (4) In section 1087 (material not available for public inspection), in subsection (1), after paragraph (e) insert –
“(ea) any information provided to the registrar under section 1092A (power to require further information);”.
 - (5) In section 22 of the Economic Crime (Transparency and Enforcement) Act 2022 (material unavailable for inspection), in subsection (1), after paragraph (f) (but before the “and” at the end of that paragraph) insert –
“(fa) any information provided to the registrar under section 1092A of the Companies Act 2006 (power to require further information),”.
- 81 Registrar’s notice to resolve inconsistencies** 20
 - (1) Section 1093 of the Companies Act 2006 (registrar’s notice to resolve inconsistency on the register) is amended as follows.
 - (2) For subsections (1) and (2) substitute –
“(1) Where it appears to the registrar that the information contained in a document delivered to the registrar in relation to a company is inconsistent with other information contained in records kept by the registrar under section 1080, the registrar may give notice to the company to which the document relates –
 - (a) stating in what respects the information contained in it appears to be inconsistent with other information in records kept by the registrar under section 1080, and 30
 - (b) requiring the company, within the period of 14 days beginning with the date on which the notice is issued, to take all such steps as are reasonably open to it to resolve the inconsistency by delivering replacement or additional documents or in any other way. 35
 - (2) The notice must state the date on which it is issued.”
- (3) In the heading, omit “on the register”.
- 82 Administrative removal of material from the register**
 - (1) The Companies Act 2006 is amended as follows. 40

- (2) For section 1094 substitute –

“1094 Removal of material from the register

- (1) The registrar may remove from the register anything that appears to the registrar to be –
 - (a) a document, or material derived from a document, accepted under section 1073 (power to accept documents not meeting requirements for proper delivery), or
 - (b) unnecessary material as defined by section 1074.
- (2) The power to remove material from the register under this section may be exercised –
 - (a) on the registrar’s own motion, or
 - (b) on an application made in accordance with regulations under section 1094A(2).
- (3) The registrar may exercise the power to remove from the register anything the registration of which had legal consequences only if satisfied that the interest of the company, or (if different) the applicant, in removing the material outweighs any interest of other persons in the material continuing to appear on the register.
- (4) The Secretary of State may by regulations provide that the registrar’s power to remove material from the register under this section following an application is limited to material of a description specified in the regulations.
- (5) Regulations under this section are subject to the negative resolution procedure.

1094A Further provision about removal of material from the register

- (1) The Secretary of State must by regulations make provision for notice to be given in accordance with the regulations where material is removed from the register under section 1094 otherwise than on an application.
- (2) The Secretary of State must by regulations make provision in connection with the making and determination of applications for the removal of material from the register under section 1094.
- (3) The provision that may be made under subsection (2) includes provision as to –
 - (a) who may make an application,
 - (b) the information to be included in and documents to accompany an application,
 - (c) the notice to be given of an application and of its outcome,
 - (d) a period in which objections to an application may be made, and
 - (e) how an application is to be determined, including provision as to evidence that may be relied upon by the registrar for the purposes of satisfying the test in section 1094(1).
- (4) The provision that may be made by virtue of subsection (3)(e) includes provision as to circumstances in which –
 - (a) evidence is to be treated by the registrar as conclusive proof that the test in section 1094(1) is met, and
 - (b) the power of removal must be exercised.

- (5) Regulations under this section are subject to the negative resolution procedure.

1094B Power of court to make consequential orders following removal

- (1) Where the registrar removes anything from the register otherwise than in pursuance of a court order, the court may, on an application by a person with sufficient interest, make such consequential orders as the court thinks fit as to the legal effects of the inclusion of the material on the register or its removal. 5
- (2) In this section the reference to the registrar removing material from the register includes the registrar determining that anything purported to be delivered to the registrar under any enactment was not in fact delivered under an enactment and therefore does not form part of the register.” 10
- (3) In section 1073 (power to accept documents not meeting requirements for proper delivery), in subsection (6)(a), for “section 1094(4)” substitute “regulations under section 1094A(1)”. 15
- (4) In section 1087 (material not available for public inspection), in subsection (1), for paragraph (f) substitute—
“ (f) any application or other document delivered to the registrar under section 1094 (removal of material from the register);”. 20
- (5) Omit section 1095 (rectification of register on application to registrar).

83 Rectification of the register under court order

- (1) Section 1096 of the Companies Act 2006 (rectification of the register under court order) is amended as follows.
- (2) For subsection (3) substitute— 25
“ (3) The court may make an order for the removal from the register of anything the registration of which had legal consequences only if satisfied that the interest of the company, or (if different) the applicant, in removing the material outweighs any interest of other persons in the material continuing to appear on the register.” 30
- (3) After subsection (5) insert—
“ (5A) This section does not apply to any material delivered to the registrar under Part 15.”
- (4) In subsection (6), omit paragraph (a) and the “or” at the end of that paragraph.

Inspection etc of the register 35

84 Inspection of the register: general

In section 1085 of the Companies Act 2006 (inspection of the register), for subsection (3) substitute—

- “ (3) This section has effect subject to—
section 76A(9) (names used for criminal purposes); 40
section 76B(9) (company names wrongly registered);

section 1084(1A) (records relating to dissolved companies etc);
section 1087 (material not available for public inspection).”

85 Copies of material on the register

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1086 (right to copy of material on the register) – 5
 - (a) in subsection (1), at the end insert “that is available for public inspection”;
 - (b) omit subsection (3).
- (3) In section 1089 (form of application for inspection or copy), omit subsection (2).
- (4) For section 1090 substitute – 10

“1090 Form and manner in which copies to be provided

The registrar may determine the form and manner in which copies are to be provided under section 1086.”
- (5) In section 1091 (certification of copies as accurate) – 15
 - (a) for subsections (1) and (2) substitute –
 - “(1) A copy provided under section 1086 must be certified by the registrar as a true copy if the applicant expressly requests such certification.”;
 - (b) in subsection (5), omit “Except in the case of an enhanced disclosure document (see section 1078),”.20

86 Material not available for public inspection

- In section 1087 of the Companies Act 2006 (material not available for public inspection), in subsection (1), after paragraph (j) insert –
- “(ja) any record of the information contained in a document (or part of a document) mentioned in any of the previous paragraphs of this subsection.” 25

87 Protecting information on the register

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 790ZF (protection of information as to usual residential address of PSCs), omit subsection (3). 30
- (3) In section 1087 (material not available for public inspection) –
 - (a) in subsection (1) for paragraph (e) substitute –
 - “(e) the following –
 - (i) any application or other document delivered to the registrar under regulations under section 1088 (regulations protecting material), other than information provided by virtue of section 1088(4); 35
 - (ii) any information which regulations under section 1088 require not to be made available for public inspection;”;40

- (b) for subsection (2) substitute –
 - “(2) Where subsection (1), or a provision referred to in subsection (1), imposes a restriction by reference to material deriving from a particular description of document (or part of a document), that does not affect the availability for public inspection of the same information contained in material derived from another description of document (or part of a document) in relation to which no such restriction applies.” 5
- (4) For section 1088 substitute –
 - “1088 Power to make regulations protecting material” 10**
 - (1) The Secretary of State may by regulations make provision requiring the registrar, on application –
 - (a) not to make available for public inspection any information on the register relating to an individual;
 - (b) to refrain from disclosing information on the register relating to an individual except in specified circumstances; 15
 - (c) not to make available for public inspection any address on the register that is not information to which paragraph (a) applies;
 - (d) to refrain from disclosing any such address except in specified circumstances. 20
 - (2) The regulations may make provision as to –
 - (a) who may make an application;
 - (b) the grounds on which an application may be made;
 - (c) the information to be included in and documents to accompany an application; 25
 - (d) the notice to be given of an application and of its outcome;
 - (e) how an application is to be determined;
 - (f) the duration of, and procedures for revoking, any restrictions on the making of information available for public inspection or its disclosure. 30
 - (3) Provision under subsection (2)(e) or (f) may in particular –
 - (a) confer a discretion on the registrar;
 - (b) provide for a question to be referred to a person other than the registrar for the purposes of determining the application or revoking the restrictions. 35
 - (4) Regulations under subsection (1)(a) or (c) may provide that information is not to be made unavailable for public inspection unless the person to whom it relates provides such alternative information as may be specified.
 - (5) The circumstances that may be specified under subsection (1)(b) or (d) by way of an exception to a restriction on disclosure include circumstances where the court has made an order, in accordance with the regulations, authorising disclosure. 40
 - (6) Regulations under subsection (1)(b) may not require the registrar to refrain from disclosing information under –
 - (a) sections 243 or 244 (or those sections as applied by section 790ZF) (residential address information); 45

	(b) section 1087C(1) (disclosure of date of birth information);	
	(c) any provision of regulations under section 1046 corresponding to provision mentioned in paragraph (a) or (b);	
	(d) section 1110F (general powers of disclosure by the registrar).	
(7)	Regulations under subsection (1)(d) may not require the registrar to refrain from disclosing information under section 1110F (general powers of disclosure by the registrar).	5
(8)	Regulations under this section are subject to affirmative resolution procedure.”	
	<i>Registrar's functions and fees</i>	10
88	Analysis of information for the purposes of crime prevention or detection	
	After section 1062 of the Companies Act 2006 insert –	
	“1062A Analysis of information for the purposes of crime prevention or detection	
(1)	The registrar must carry out such analysis of information within the registrar’s possession as the registrar considers appropriate for the purposes of preventing or detecting crime.	15
(2)	See also section 1110F (which, among other things, allows the registrar to disclose information to other public authorities).”	
89	Fees: costs that may be taken into account	20
(1)	Section 1063 of the Companies Act 2006 (fees) is amended as follows.	
(2)	After subsection (3) insert –	
“(3A)	<i>In deciding what provision to make under subsection (3)(a), the Secretary of State may take into account any costs incurred or likely to be incurred by any person for the purposes of the carrying out of –</i>	25
(a)	<i>any function of the Secretary of State under or in connection with –</i> <i>the Limited Partnerships Act 1907;</i> <i>Part 14 of the Companies Act 1985;</i> <i>the Company Directors Disqualification Act 1986;</i> <i>the Limited Liability Partnerships Act 2000;</i> <i>Part 1 of the Economic Crime (Transparency and Enforcement) Act 2022;</i> <i>this Act;</i>	30
(b)	<i>any function of the Secretary of State under or in connection with the Insolvency Act 1986, so far as relating to bodies corporate or other firms;</i>	35
(c)	<i>any function carried out by the Insolvency Service on behalf of the Secretary of State in connection with the detection, investigation or prosecution of offences, or the recovery of the proceeds of crime, so far as relating to bodies corporate or other firms.”</i>	40
(3)	In subsection (4), for “this section” substitute “subsection (1)”.	

(4) After subsection (6) insert—

“(6A) The Secretary of State may by regulations amend the reference in subsection (3A)(c) to functions carried out by the Insolvency Service on behalf of the Secretary of State, so long as the functions referred to are functions of the Secretary of State that are of a similar nature.

5

(6B) Regulations under subsection (6A) are subject to affirmative resolution procedure.”

Information sharing and use

90 Disclosure of information

(1) The Companies Act 2006 is amended as follows.

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(2) In section 1059A (scheme of Part 35), in subsection (2), at the appropriate place insert—

“sections 1110E to 1110G (disclosure of information),”.

(3) After section 1110D (inserted by section 65 of this Act) insert—

“Disclosure of information

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1110E Disclosure to the registrar

Any person may disclose information to the registrar for the purposes of the exercise of any of the registrar’s functions.

1110F Disclosure by the registrar

(1) The registrar may disclose information—

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- (a) to any person for purposes connected with the exercise of any of the registrar’s functions;
- (b) to a public authority for purposes connected with the exercise of any of that public authority’s functions.

(2) In this section “public authority” includes any person or body having functions of a public nature.

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1110G Disclosure: supplementary

(1) Except as provided by subsection (2), the disclosure of information under section 1110E or 1110F does not breach—

- (a) any obligation of confidence owed by the person making the disclosure, or
- (b) any other restriction on the disclosure of information (however imposed).

30

(2) Sections 1110E and 1110F do not authorise a disclosure of information if the disclosure would contravene the data protection legislation (but in determining whether a disclosure would do so, take into account the powers conferred by those sections).

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(3) HMRC information may not be disclosed by the registrar under section 1110F without authorisation from HMRC.

- (4) If the registrar discloses HMRC information under section 1110F, the information must not be disclosed by the recipient, or by any person obtaining the information directly or indirectly from them, without authorisation from HMRC.
- (5) It is an offence for a person to disclose, in contravention of subsection (3) or (4), any revenue and customs information relating to a person whose identity –
 - (a) is specified in the disclosure, or
 - (b) can be deduced from it.
- (6) It is a defence for a person charged with an offence under subsection (5) to prove that the person reasonably believed –
 - (a) that the disclosure was lawful, or
 - (b) that the information had already lawfully been made available to the public.
- (7) Subsections (4) to (7) of section 19 of the Commissioners for Revenue and Customs Act 2005 apply to an offence under subsection (5) as they apply to an offence under that section.
- (8) In this section –
 - “the data protection legislation” has the same meaning as in the Data Protection Act 2018 (see section 3 of that Act);
 - “HMRC” means the Commissioners for His Majesty’s Revenue and Customs;
 - “HMRC information” means information disclosed to the registrar under section 1110E by HMRC or a person acting on behalf of HMRC;
 - “revenue and customs information relating to a person” has the meaning given by section 19(2) of the Commissioners for Revenue and Customs Act 2005.”
- (4) In section 1114 (application of provisions about documents and delivery), in subsection (1)(b), at the end insert “(but do not include the provision of any information by virtue of section 1110E or any other enactment authorising the disclosure of information to the registrar)”.
- (5) Schedule 3 contains consequential amendments.

91 Use or disclosure of directors’ address information by companies

- In section 241 of the Companies Act 2006 (protected information: restriction on use or disclosure by company), after subsection (2) insert –
- “(3) If a company uses or discloses information in contravention of subsection (1), an offence is committed by –
 - (a) the company, and
 - (b) every officer of the company who is in default.
 - (4) A person guilty of an offence under this section is liable on summary conviction –
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily

default fine not exceeding one-tenth of level 5 on the standard scale.”

92 Use or disclosure of PSC information by companies

- (1) The Companies Act 2006 is amended as follows.
- (2) For section 790ZG substitute – 5
“790ZG Power to make regulations protecting material
 - (1) The Secretary of State may by regulations –
 - (a) confer power on the registrar, on application, to make an order requiring a company –
 - (i) to refrain from using relevant PSC particulars, except in circumstances specified in the regulations, or 10
 - (ii) to refrain from disclosing relevant PSC particulars, except in circumstances specified in the regulations;
 - (b) require a company to refrain from acting as mentioned in paragraph (a)(i) or (ii) where – 15
 - (i) an application has been made for an order,
 - (ii) the company has been notified of the application in accordance with the regulations, and
 - (iii) the application has not yet been determined.
 - (2) “Relevant PSC particulars” means such particulars of a person with significant control over the company as may be prescribed. 20
 - (3) The reference in subsection (2) to a person with significant control over the company –
 - (a) includes a person who used to be such a person, but
 - (b) does not include any person in relation to which this Part has effect by virtue of section 790C(12) as if the person were an individual. 25
 - (4) Regulations under this section may make provision as to –
 - (a) who may make an application;
 - (b) the grounds on which an application may be made; 30
 - (c) the information to be included in and documents to accompany an application;
 - (d) how an application is to be determined;
 - (e) the notice to be given of an application and its outcome;
 - (f) the duration of and procedures for revoking the restrictions on use and disclosure. 35
 - (5) Provision under subsection (4) may in particular –
 - (a) confer a discretion on the registrar;
 - (b) provide for a question to be referred to a person other than the registrar for the purposes of determining the application or revoking the restrictions. 40
 - (6) Regulations under this section are subject to affirmative resolution procedure.

- (7) Nothing in this section or in regulations made under it affects the use or disclosure of particulars of a person in any other capacity (for example, the use or disclosure of particulars of a person in that person's capacity as a member or director of the company).

790ZH Offence of failing to comply with regulations under section 790ZG 5

- (1) If a company contravenes a restriction on the use or disclosure of information imposed by virtue of regulations under subsection 790ZG, an offence is committed by –
- (a) the company, and
 - (b) every officer of the company who is in default. 10
- (2) A person guilty of an offence under this section is liable on summary conviction –
- (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.” 15
- (3) In section 1087 (material not available for public inspection), in subsection (1), for paragraph (bc) substitute –
- “(bc) any application or other document delivered to the registrar under regulations under section 790ZG (protection of PSC information);”.
- 20

93 Use of directors' address information by registrar

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 242 (protected information: restriction on use or disclosure by registrar) –
- (a) in subsection (3), omit “use or” in each place it occurs;
 - (b) in the heading, omit “use or”. 25
- (3) In section 243 (permitted use or disclosure by registrar) –
- (a) omit subsection (1);
 - (b) in the heading, omit “use or”. 30

General offences and enforcement

94 General false statement offences

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1059A (scheme of Part 35), in subsection (3), for the entry relating to sections 1112 and 1113 substitute –
- “sections 1112, 1112A and 1113 (enforcement).”
- 35
- (3) For section 1112 substitute –
- “1112 False statements: basic offence**
- (1) It is an offence for a person, without reasonable excuse, to –
- 40

- (a) deliver or cause to be delivered to the registrar, for any purpose of the Companies Acts, a document that is misleading, false or deceptive in a material particular, or
 - (b) make to the registrar, for any purpose of the Companies Acts, a statement that is misleading, false or deceptive in a material particular. 5
- (2) Where the offence is committed by a firm, every officer of the firm who is in default also commits the offence.
- (3) A person guilty of an offence under this section is liable –
 - (a) on summary conviction in England and Wales, to a fine; 10
 - (b) on summary conviction in Scotland, to a fine not exceeding level 5 on the standard scale;
 - (c) on summary conviction in Northern Ireland, to a fine not exceeding level 5 on the standard scale.
- 1112A False statements: aggravated offence 15**
- (1) It is an offence for a person knowingly to –
 - (a) deliver or cause to be delivered to the registrar, for any purpose of the Companies Acts, a document that is misleading, false or deceptive in a material particular, or
 - (b) make to the registrar, for any purpose of the Companies Acts, a statement that is misleading, false or deceptive in a material particular. 20
- (2) Where the offence is committed by a firm, every officer of the firm who is in default also commits the offence.
- (3) A person guilty of an offence under this section is liable – 25
 - (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
 - (b) on summary conviction –
 - (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates’ court or a fine (or both); 30
 - (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both);
 - (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both).” 35
- (4) In section 1126 (consents required for certain prosecutions) –
 - (a) in subsection (1), for the entry relating to section 1112 substitute –
 - “section 1112 or 1112A of this Act (false statement offences);”;
 - (b) in subsections (2)(a)(iv) and (3)(a)(iv), after “1112” insert “or 1112A”. 40

95 False statement offences: national security etc defence

- (1) The Companies Act 2006 is amended as follows.
- (2) In section 1059A (scheme of Part 35), in subsection (2), at the appropriate place 45

insert –

“section 1112B (false statement offences: national security etc defence).”

- (3) After section 1112A (inserted by section 94 of this Act) insert –

“1112B False statements offences: national security etc defence” 5

- (1) A person to whom a certificate is issued by the Secretary of State for the purposes of this section is not liable for the commission of any offence relating to the delivery to the registrar, or the making of a statement, that is misleading, false or deceptive.
- (2) The Secretary of State may issue a certificate to a person for the purposes of this section only if satisfied that it is necessary for the person to engage in conduct amounting to such an offence –
 - (a) in the interests of national security, or
 - (b) for the purposes of preventing or detecting serious crime.
- (3) A certificate under this section may be revoked by the Secretary of State at any time. 15
- (4) For the purposes of subsection (2)(b) –
 - (a) “crime” means conduct which –
 - (i) constitutes a criminal offence, or
 - (ii) is, or corresponds to, any conduct which, if it all took place in any one part of the United Kingdom, would constitute a criminal offence, and
 - (b) crime is “serious” if –
 - (i) the offence which is or would be constituted by the conduct is an offence for which the maximum sentence (in any part of the United Kingdom) is imprisonment for 3 years or more, or
 - (ii) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.” 20 25 30

96 Financial penalties

- (1) The Companies Act 2006 is amended as follows.
- (2) In the heading to Part 36 (Offences under the Companies Acts), at the end insert “and financial penalties”.
- (3) After section 1132 insert – 35

“Financial penalties

1132A Power to make provision for financial penalties

- (1) The Secretary of State may by regulations make provision conferring power on the registrar to impose a financial penalty on a person if satisfied, beyond reasonable doubt, that the person has engaged in conduct amounting to a relevant offence under this Act. 40
- (2) “Relevant offence under this Act” means any offence under this Act other than an offence under a provision contained in –

- (a) Part 12 (company secretaries);
 - (b) Part 13 (resolutions and meetings);
 - (c) Part 16 (audit).
- (3) The regulations may include provision –
 - (a) about the procedure to be followed in imposing penalties; 5
 - (b) about the amount of penalties;
 - (c) for the imposition of interest or additional penalties for late payment;
 - (d) conferring rights of appeal against penalties;
 - (e) about the enforcement of penalties. 10
- (4) Provision made under subsection (3)(b) must ensure that the maximum financial penalty that may be imposed does not exceed £10,000.
- (5) The regulations must provide that –
 - (a) no financial penalty may be imposed under the regulations on a person in respect of conduct amounting to an offence if the person has been convicted of that offence in respect of that conduct, and 15
 - (b) no proceedings may be brought or continued against a person in respect of conduct amounting to an offence if the person has been given a financial penalty under the regulations in respect of that conduct. 20
- (6) *Amounts recovered by the registrar under the regulations are to be paid into the Consolidated Fund.*
- (7) Regulations under this section are subject to affirmative resolution procedure. 25
- (8) In this section “conduct” means an act or omission.”

97 Financial penalties and directors’ disqualification: GB

- (1) The Company Directors Disqualification Act 1986 is amended as follows.
- (2) In section 3 (disqualification for persistent breaches of companies legislation), in subsection (3), after paragraph (a) (but before the “or” at the end of that paragraph) insert –
 - “(aa) a financial penalty is imposed on the person in respect of such an offence by virtue of regulations under section 1132A of the Companies Act 2006,”.
 30
- (3) In section 5 (disqualification on summary conviction) –
 - (a) for subsection (3) substitute –
 - “(3) Those circumstances are that, during the 5 years ending with the date of the conviction, there have been no fewer than 3 relevant findings of guilt in relation to the person.
 - (3A) For these purposes, there is a relevant finding of guilt in relation to the person if –
 - (a) the person is convicted of an offence counting for the purposes of this section (including the offence of which the person is convicted as mentioned in subsection (2)
 35

- and any other offence of which the person is convicted on the same occasion),
- (b) a financial penalty of the kind mentioned in section 3(3)(aa) is imposed on the person, or
 - (c) a default order within the meaning of section 3(3)(b) is made against the person.”; 5
- (b) in subsection (4), omit paragraph (b) and the “and” before it.

98 Financial penalties and directors’ disqualification: NI

- (1) The Company Directors Disqualification (Northern Ireland) Order 2002 (S.I. 2002/3150 (N.I. 4)) is amended as follows. 10
- (2) In Article 6 (disqualification for persistent breaches of companies legislation), in paragraph (3), after sub-paragraph (a) (but before the “or” at the end of that sub-paragraph) insert –
 - “(aa) a financial penalty is imposed on the person by the registrar in respect of such an offence by virtue of regulations under section 1132A of the Companies Act 2006,”. 15
- (3) In Article 8 (disqualification on summary conviction) –
 - (a) for paragraph (3) substitute –
 - “(3) Those circumstances are that, during the 5 years ending with the date of the conviction, there have been no fewer than 3 relevant findings of guilt in relation to the person. 20
 - (3A) For these purposes, there is a relevant finding of guilt in relation to the person if –
 - (a) the person is convicted of an offence counting for the purposes of this Article (including the offence of which the person is convicted as mentioned in paragraph (2) and any other offence of which the person is convicted on the same occasion), 25
 - (b) a financial penalty of the kind mentioned in Article 6(3)(aa) is imposed on the person, or 30
 - (c) a default order within the meaning of Article 6(3)(b) is made against the person.”;
 - (b) omit paragraph (4).

PART 2

LIMITED PARTNERSHIPS ETC 35

Meaning of “limited partnership”

99 Meaning of “limited partnership”

- (1) The Limited Partnerships Act 1907 is amended in accordance with subsections (2) and (3).
- (2) In section 3 (interpretation of terms), in subsection (1) (created by section 100 40

of this Act), at the appropriate place insert –

““limited partnership” means a firm that is registered as a limited partnership under this Act;”.

- (3) Omit section 5 (registration of limited partnership required).
- (4) In section 1099 of the Companies Act 2006 (the registrar’s index of company names), in subsection (3)(a), for “in the United Kingdom” substitute “under the Limited Partnerships Act 1907”. 5

Required information about limited partnerships

100 Required information about partners

- (1) The Limited Partnerships Act 1907 is amended as follows. 10
- (2) In section 3 (interpretation of terms) –
 - (a) the existing text becomes subsection (1);
 - (b) in that subsection, at the appropriate places insert –
 - ““body corporate” has the same meaning as in the Companies Acts (see section 1173 of the Companies Act 2006);”;
 - ““managing officer” –
 - (a) in relation to a company, means a director or shadow director;
 - (b) in relation to a legal entity the affairs of which are managed by some or all of its members, means one of those members;
 - (c) in relation to any other legal entity, means an officer of the entity whose functions correspond to that of a director of a company;”;
 - ““legal entity” means a body corporate or other entity that (in each case) is a legal person under the law by which it is governed;”;
 - ““service address” has the same meaning as in the Companies Acts (see section 1141(1) and (2) of the Companies Act 2006).”;
- (c) after that subsection insert –
 - “(2) For the purposes of the definition of “managing officer” in subsection (1), “director” and “shadow director” have the same meanings as in the Companies Acts (see sections 250 and 251 of the Companies Act 2006).” 35
- (3) In section 4 (definition and constitution of limited partnership), in subsection (4), for “body corporate” substitute “legal entity”.
- (4) In section 8A (application for registration) –
 - (a) in subsection (1)(c), after “each” insert “proposed”; 40
 - (b) in subsections (2)(b) and (c), for “name of each” substitute “required information about each proposed”;
 - (c) in subsection (2)(d), after “each” insert “proposed”;
 - (d) in subsections (3)(a) and (b), for “name of each” substitute “required information about each proposed”; 45

(e) after subsection (3) insert –

“(3A) For the required information about a proposed general partner or a proposed limited partner see Part 2 of the Schedule.”

- (5) Schedule 4 inserts a Schedule into the Limited Partnerships Act 1907 setting out the required information about partners. 5

101 Required information about partners: transitional provision

- (1) This section applies in relation to a limited partnership that was registered under the Limited Partnerships Act 1907 in pursuance of an application for registration delivered to the registrar before section 100(4) came fully into force. 10
- (2) The general partners in the limited partnership must, within the transitional period, deliver a statement to the registrar specifying the required information (within the meaning of the Schedule to that Act (inserted by Schedule 4 to this Act)) about each person who –
- (a) is a partner in the limited partnership, and 15
 - (b) became a partner on the registration of the limited partnership.
- (3) If a change in the required information about such a partner occurs before whichever is earlier of –
- (a) the end of the transitional period, and
 - (b) the delivery of the statement mentioned in subsection (2), 20
- the general partners in the limited partnership are not required by the provisions mentioned in subsection (4) to give notice to the registrar of the change, unless it is a change to the partner’s name.
- (4) The provisions are –
- (a) section 8R(1) of the Limited Partnerships Act 1907 (inserted by section 111 of this Act), and 25
 - (b) so far as it relates to section 8R(1) of the Limited Partnerships Act 1907, section 10E(2)(a) of that Act (inserted by section 116 of this Act).
- (5) In this section –
- “the registrar” has the same meaning as in the Limited Partnerships Act 1907 (see section 15 of that Act); 30
 - “transitional period” means the period of 6 months beginning when section 100(4) came fully into force.
- (6) Failure by the general partners in a limited partnership to comply with subsection (2) is, in the absence of any evidence to the contrary, to be treated by the registrar as reasonable cause to believe that the limited partnership has been dissolved for the purposes of section 18 of the Limited Partnerships Act 1907 (registrar’s power to confirm dissolution of limited partnership) (inserted by section 125 of this Act). 35
- (7) Where the registrar proposes to rely on a failure by the general partners in the limited partnership to comply with subsection (2) as grounds for exercising the power in section 18 of the Limited Partnerships Act 1907, subsections (2) to (4) of that section (publication of warning notice) do not apply. 40

102 Details about general nature of partnership business

In section 8A of the Limited Partnerships Act 1907 (application for registration) –

(a) after subsection (2) insert –

“(2A) The details referred to in subsection (2)(a) about the general nature of the partnership business may be given by reference to one or more categories of any system of classifying business activities prescribed by regulations made by the Secretary of State for the purposes of this section.”; 5

(b) after subsection (8) insert – 10

“(9) Regulations under subsection (2A) are subject to the negative resolution procedure.”

Registered offices

103 A limited partnership’s registered office

(1) The Limited Partnerships Act 1907 is amended as follows. 15

(2) In section 3 (interpretation of terms) –

(a) in subsection (1) (created by section 100 of this Act), at the appropriate place insert –

““authorised corporate service provider” has the same meaning as in the Companies Act 2006 (see section 1098A of that Act);”; 20

(b) after subsection (2) (inserted by section 100 of this Act) insert –

“(3) Section 1125 of the Companies Act 2006 (meaning of “daily default fine”) applies for the purpose of any provision made by this Act as it applies for the purposes of provisions of the Companies Acts.” 25

(3) In section 8A (application for registration) –

(a) in subsection (1), after paragraph (a) insert –

“(aa) specify the intended address of the limited partnership’s registered office, which must be an appropriate address within the meaning given by section 8E(2), 30

(ab) specify which of the addresses mentioned in section 8E(2)(c) the intended address is;”; 35

(b) after subsection (1) insert –

“(1A) An application for registration of a limited partnership which specifies that the intended address of its registered office is an address mentioned in section 8E(2)(c)(iv) must be accompanied by a statement by the authorised corporate service provider confirming that the address is the authorised corporate service provider’s address.” 40

(4) After section 8D insert –

“A limited partnership’s registered office

8E Duty to ensure registered office at appropriate address

- (1) The general partners in a limited partnership must ensure that its registered office is at all times at an appropriate address. 5
- (2) An address is an “appropriate address” if –
 - (a) in the ordinary course of events –
 - (i) a document addressed to the limited partnership, and delivered there by hand or by post, would be expected to come to the attention of a person acting on behalf of the limited partnership, and 10
 - (ii) the delivery of documents there is capable of being recorded by the obtaining of an acknowledgement of delivery,
 - (b) it is in the part of the United Kingdom in which the limited partnership is registered, and 15
 - (c) it is at least one of the following –
 - (i) the address of the principal place of business of the limited partnership;
 - (ii) the usual residential address of a general partner who is an individual; 20
 - (iii) the address of the registered or principal office of a general partner that is a legal entity;
 - (iv) an address of an authorised corporate service provider that is acting for the limited partnership. 25
- (3) If the general partners fail to comply with this section an offence is committed by each general partner who is in default.
- (4) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default. 30
- (5) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if –
 - (a) the managing officer is an individual who is in default, or 35
 - (b) the managing officer is a legal entity that is in default and one of its managing officers is in default.
- (6) A person guilty of an offence under this section is liable on summary conviction –
 - (a) in England and Wales, to a fine; 40
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.

- (7) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.
 - (8) Subsection (1) does not apply in relation to a limited partnership during any period for which the address of its registered office is an address nominated by the registrar by virtue of regulations made under section 8G. 5
- 8F Change of address of registered office by general partners**
- (1) The address of a limited partnership’s registered office can be changed by the general partners giving notice to the registrar. 10
 - (2) The notice must include a statement –
 - (a) that the new address is an appropriate address within the meaning given by section 8E(2)), and
 - (b) specifying which of the addresses in section 8E(2)(c) the address is. 15
 - (3) If the statement under subsection (2)(b) specifies that the address is an address mentioned in section 8E(2)(c)(iv), the notice must be accompanied by a statement by the authorised corporate service provider confirming that the address is the authorised corporate service provider’s address. 20
 - (4) The change takes effect upon the notice being registered by the registrar, but until the end of the period of 14 days beginning with the date on which it is registered a person may validly serve any document on the limited partnership at the address previously registered.
- 8G Regulations about change of address of registered office by registrar** 25
- (1) The Secretary of State may by regulations make provision authorising or requiring the registrar to change the address of a limited partnership’s registered office if satisfied that it is not an appropriate address within the meaning given by section 8E(2).
 - (2) The regulations may authorise or require the address to be changed on the registrar’s own motion or on an application by another person. 30
 - (3) The regulations –
 - (a) may include provision corresponding or similar to any provision that may be included in regulations under section 1097A of the Companies Act 2006; 35
 - (b) must include –
 - (i) provision about appeals corresponding to the provision that must be included in regulations under section 1097A by virtue of subsections (6) and (6A) of that section; 40
 - (ii) provision corresponding to section 1097A(7) of that section.
 - (4) The provision that may be made by virtue of subsection (3)(a) that is corresponding or similar to provision that may be made by virtue of section 1097A(4A)(b) and (4B) of the Companies Act 2006 (strike off and restoration) includes provision applying or writing out, with or 45

without modifications, any provision made by section 18 (power to confirm dissolution) or section 19 (administrative revival).

- (5) Regulations under this section are subject to the affirmative resolution procedure.”

104	A limited partnership’s registered office: transitional provision	5
(1)	This section applies in relation to a limited partnership registered under the Limited Partnerships Act 1907 in pursuance of an application for registration delivered to the registrar before section 103(3) came fully into force.	
(2)	The general partners must, within the transitional period, deliver to the registrar a statement specifying –	10
	(a) the address of its registered office (which must be an appropriate address within the meaning given by section 8E(2) of that Act (inserted by section 103(4) of this Act)), and	
	(b) which of the addresses in section 8E(2)(c) of that Act the address is.	
(3)	If the statement under subsection (2)(b) specifies that the address is an address mentioned in section 8E(2)(c)(iv) of the Limited Partnerships Act 1907, the notice must be accompanied by a statement by the authorised corporate service provider confirming that the address is the authorised corporate service provider’s address.	15
(4)	The provisions mentioned in subsection (5) do not apply in respect of the limited partnership until –	20
	(a) the end of the transitional period, or	
	(b) if earlier, the delivery of the statement mentioned in subsection (2).	
(5)	Those provisions are –	
	(a) section 8E of the Limited Partnerships Act 1907 (inserted by section 103(4) of this Act);	25
	(b) section 10E(2)(b) of that Act (inserted by section 116 of this Act).	
(6)	In this section –	
	“the registrar” has the same meaning as in the Limited Partnerships Act 1907 (see section 15 of that Act);	30
	“transitional period” means the period of 6 months beginning when section 103(3) came fully into force.	
(7)	Failure by the general partners in the limited partnership to comply with subsection (2) is, in the absence of any evidence to the contrary, to be treated by the registrar as reasonable cause to believe that the limited partnership has been dissolved for the purposes of section 18 of the Limited Partnerships Act 1907 (registrar’s power to confirm dissolution of limited partnership) (inserted by section 125 of this Act).	35
(8)	Where the registrar proposes to rely on a failure by the general partners in the limited partnership to comply with subsection (2) as grounds for exercising the power in section 18 of the Limited Partnerships Act 1907, subsections (2) to (4) of that section (publication of warning notice) do not apply.	40

Registered email addresses

105 A limited partnership’s registered email address

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) In section 8A (application for registration), in subsection (1), after paragraph (ab) (inserted by section 103 of this Act) insert— 5
 - “(ac) specify the intended registered email address of the limited partnership, which must be an appropriate email address within the meaning given by section 8H(2),”.
- (3) After section 8G (inserted by section 103 of this Act) insert—

“Registered email address” 10

8H Duty to maintain a registered email address

- (1) The general partners in a limited partnership must ensure that its registered email address is at all times an appropriate email address.
- (2) An email address is an “appropriate email address” if, in the ordinary course of events, emails sent to it by the registrar would be expected to come to the attention of a person acting on behalf of the limited partnership. 15
- (3) If the general partners fail to comply with this section an offence is committed by each general partner who is in default.
- (4) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default. 20
- (5) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if— 25
 - (a) the managing officer is an individual who is in default, or
 - (b) the managing officer is a legal entity that is in default and one of its managing officers is in default.
- (6) A person guilty of an offence under this section is liable on summary conviction— 30
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard 35 scale.
- (7) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.

8I Change of registered email address 40

- (1) A limited partnership’s registered email address can be changed by the general partners giving notice to the registrar.

- (2) The notice must include a statement that the new address is an appropriate email address within the meaning given by section 8H(2).
- (3) The change takes effect upon the notice being registered by the registrar.”

106 A limited partnership’s registered email address: transitional provision 5

- (1) This section applies in relation to a limited partnership registered under the Limited Partnerships Act 1907 in pursuance of an application for registration delivered to the registrar before section 105(2) came fully into force.
- (2) The general partners must, within the transitional period, deliver to the registrar a statement specifying its registered email address (which must be an appropriate email address within the meaning given by section 8H(2) of that Act (inserted by section 105(3) of this Act)). 10
- (3) The provisions mentioned in subsection (4) do not apply in respect of the limited partnership until—
 - (a) the end of the transitional period, or 15
 - (b) if earlier, the delivery of the statement mentioned in subsection (2).
- (4) Those provisions are —
 - (a) section 8H of the Limited Partnerships Act 1907 (inserted by section 105(3) of this Act);
 - (b) section 10E(2)(c) of that Act (inserted by section 116 of this Act). 20
- (5) In this section —
 - “the registrar” has the same meaning as in the Limited Partnerships Act 1907 (see section 15 of that Act);
 - “transitional period” means the period of 6 months beginning when section 105(2) came fully into force. 25
- (6) Failure by the general partners in a limited partnership to comply with subsection (2) is, in the absence of any evidence to the contrary, to be treated by the registrar as reasonable cause to believe that the limited partnership has been dissolved for the purposes of section 18 of the Limited Partnerships Act 1907 (registrar’s power to confirm dissolution of limited partnership) (inserted by section 125 of this Act). 30
- (7) Where the registrar proposes to rely on a failure by the general partners in the limited partnership to comply with subsection (2) as grounds for exercising the power in section 18 of the Limited Partnerships Act 1907, subsections (2) to (4) of that section (publication of warning notice) do not apply. 35

The general partners

107 Restrictions on general partners

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) In section 8A (application for registration) —
 - (a) after subsection (1A) (inserted by section 103 of this Act) insert — 40
 - “(1B) The application must also contain —

- (a) a statement that none of the proposed general partners is disqualified under the directors disqualification legislation (see section 8J(3)), and
 - (b) if any of the general partners would be so disqualified but for the permission of a court to act, a statement to that effect specifying, in respect of each of them –
 - (i) the general partner’s name,
 - (ii) the court by which permission was given, and
 - (iii) the date on which permission was given.”;
 - (b) in subsection (8), at the appropriate place insert –

““permission of a court to act” means permission under a provision mentioned in column 2 of the table in section 159A(2) of the Companies Act 2006;”.
- (3) After section 8I (inserted by section 105 of this Act) insert –

“Duty to remove disqualified general partners” 15

8J Duty to remove disqualified general partners

- (1) The general partners in a limited partnership must take any steps that are necessary to ensure that any general partner in the limited partnership who is disqualified under the directors disqualification legislation (see subsection (3)) ceases to be a general partner. 20
- (2) Examples of the types of steps that the general partners might need to take include –
 - (a) enforcing any express or implied agreement between the partners;
 - (b) giving any notice, making any application or otherwise acting to dissolve the limited partnership. 25
- (3) “Disqualified under the directors disqualification legislation” has the meaning given by –
 - (a) Part 1 of the table in section 159A(2) of the Companies Act 2006 for the purposes of the provisions of this Act so far as relating to –
 - (i) a limited partnership registered in England and Wales or Scotland, or
 - (ii) the delivery of a document to the registrar for England and Wales or Scotland or a statement contained in such a document; 35
 - (b) Part 2 of the table in section 159A(2) of the Companies Act 2006 for the purposes of provisions of this Act so far as relating to –
 - (i) a limited partnership registered in Northern Ireland, or
 - (ii) the delivery of a document to the registrar for Northern Ireland or a statement contained in such a document. 40
- (4) Subsection (1) applies irrespective of whether the general partner concerned became disqualified under the directors disqualification legislation before or after this section comes into force.
- (5) If the general partners fail to comply with this section an offence is committed by each general partner who is in default. 45

- (6) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default.
- (7) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if—
 - (a) the managing officer is an individual who is in default, or
 - (b) the managing officer is a legal entity that is in default and one of its managing officers is in default.
- (8) A person guilty of an offence under this section is liable on summary conviction—
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (9) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.”

108 Officers of general partners

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) In section 3 (interpretation of terms), in subsection (1) (created by section 100 of this Act), at the appropriate place insert—
 - ““corporate managing officer” means a managing officer that is a legal entity;”.
- (3) In section 8A (application for registration), after subsection (1B) (inserted by section 107 of this Act) insert—
 - “(1C) The application must be accompanied by a statement by each proposed general partner that is a legal entity (if any) specifying the name of its proposed registered officer, who must be an individual who meets the requirements in section 8K(1)(a) and (b). 30
 - (1D) The application must also be accompanied by one of the following statements by each proposed general partner that is a legal entity (if any)— 35
 - (a) a statement that the general partner does not have any corporate managing officers, or
 - (b) if the general partner has one or more corporate managing officers, a statement specifying, for each corporate managing officer, the name of the proposed named contact for the corporate managing officer. 40
 - (1E) The proposed named contact for a corporate managing officer must be an individual who is a managing officer of the corporate managing officer.
 - (1F) A statement under subsection (1C) must— 45

- (a) contain the required information about the proposed registered officer (see Part 3 of the Schedule),
 - (b) if the proposed registered officer would be disqualified under the directors disqualification legislation (see section 8J(3)) but for the permission of a court to act, contain a statement to that effect specifying –
 - (i) the court by which permission was given, and
 - (ii) the date on which permission was given, and
 - (c) be accompanied by a statement by the individual who is the proposed registered officer confirming that the individual meets the requirements in section 8K(1)(a) and (b).
- (1G) A statement under subsection (1D)(b) must –
 - (a) contain the required information about each proposed named contact specified in the statement (see Part 4 of the Schedule), and
 - (b) be accompanied by a statement by each proposed named contact confirming that the proposed named contact is a managing officer of the corporate managing officer concerned.”
- (4) After section 8J (inserted by section 107 of this Act) insert –

“Officers of general partners

8K Duty to maintain registered officer and named contacts

- (1) A general partner that is a legal entity must at all times ensure that its registered officer –
 - (a) is an individual who is one of its managing officers, and
 - (b) is not someone who is disqualified under the directors disqualification legislation (see section 8J(3)).
- (2) A general partner that is a legal entity and that has one or more corporate managing officers must at all times ensure that the named contact for each corporate managing officer is an individual who is a managing officer of the corporate managing officer.
- (3) In this section “registered officer”, in relation to a general partner that is a legal entity, means –
 - (a) the individual whose name is specified by the general partner in –
 - (i) a statement delivered to the registrar under section 8A(1C) or 8Q(4), or
 - (ii) a statement delivered to the registrar under section 109(2)(a) or 113(2)(a) of the Economic Crime and Corporate Transparency Act 2022 (transitional cases), unless the general partner has changed its registered officer under section 8L(1), or
 - (b) if the general partner has changed its registered officer under section 8L(1), the individual specified in the latest notice under that provision.
- (4) In this section “named contact”, in relation to the corporate managing officer of a general partner, means –

- (a) the individual whose name is specified by the general partner for that corporate managing officer in –
 - (i) a statement delivered to the registrar under section 8A(1D)(b), 8Q(5)(b) or 8N(3), or
 - (ii) a statement delivered to the registrar under section 109(2)(b)(ii) or 113(2)(b)(ii) of the Economic Crime and Corporate Transparency Act 2022 (transitional cases), unless the general partner has changed the named contact for that corporate managing officer under section 8L(2), or
 - (b) if the general partner has changed the named contact for that corporate managing officer under section 8L(2), the individual specified in the latest notice under that provision.
- (5) If a general partner's registered officer ceases to fall within the description mentioned in subsection (1)(a) or (b), the general partner does not fail to comply with subsection (1) by reason of that fact during the period of 14 days beginning with the day on which the registered officer so ceases.
- (6) If the named contact for a general partner's corporate managing officer ceases to be a managing officer of the corporate managing officer, the general partner does not fail to comply with subsection (2) by reason of that fact during the period of 14 days beginning with the day on which the named contact so ceases.

8L Change of registered officers and named contacts by general partner

- (1) A general partner may change its registered officer for the purposes of section 8K(1) by giving notice to the registrar containing the required information about the new registered officer (see Part 3 of the Schedule).
- (2) A general partner may change the named contact for a corporate managing officer of the general partner for the purposes of section 8K(2) by giving notice to the registrar containing the required information about the new named contact (see Part 4 of the Schedule).
- (3) A notice under subsection (1) must –
 - (a) include a statement by the general partner that the new registered officer meets the requirements in section 8K(1)(a) and (b), and
 - (b) be accompanied by a statement by the individual who is the new registered officer confirming that the individual meets the requirements in section 8K(1)(a) and (b).
- (4) A notice under subsection (2) must –
 - (a) include a statement by the general partner that the new named contact for the corporate managing officer is a managing officer of the corporate managing officer, and
 - (b) be accompanied by a statement by the individual who is the new named contact confirming that the individual is an managing officer of the corporate managing officer.

8M Duty to notify changes in general partner’s registered officer

- (1) A general partner that is a legal entity must give notice to the registrar of any change in the required information about its registered officer (see Part 3 of the Schedule).
- (2) A general partner that is a legal entity must give notice to the registrar of any change in the required information about its proposed registered officer that occurred –
 - (a) after the application for registration of the limited partnership in which the entity is a general partner was delivered to the registrar under section 8A, but
 - (b) before the limited partnership was registered.
- (3) A notice under this section must specify the date on which the change to which it relates occurred.
- (4) A notice under subsection (1) must be given within the period of 14 days beginning with the day on which the change occurs.
- (5) A notice under subsection (2) must be given within the period of 14 days beginning with the day on which the limited partnership was registered.
- (6) In this section “registered officer” has the meaning given by section 8K(3).

8N Duty to notify named contact

- (1) A general partner that is a legal entity must give notice to the registrar if a legal entity becomes a corporate managing officer of the general partner.
- (2) A general partner that is a legal entity must give notice to the registrar if a legal entity became a corporate managing officer of the general partner –
 - (a) after the application for registration of the limited partnership in which the entity is a general partner was delivered to the registrar under section 8A, but
 - (b) before the limited partnership was registered.
- (3) A notice under this section must include a statement specifying the name of the proposed named contact for the corporate managing officer.
- (4) The proposed named contact for a corporate managing officer must be an individual who is a managing officer of the corporate managing officer.
- (5) The statement must –
 - (a) contain the required information about the proposed named contact specified in the statement (see Part 4 of the Schedule), and
 - (b) be accompanied by a statement by the proposed named contact confirming that the proposed named contact is a managing officer of the corporate managing officer.

- (6) A notice under subsection (1) must be given within the period of 14 days beginning with the day on which the legal entity becomes a corporate managing officer of the general partner.
- (7) A notice under subsection (2) must be given within the period of 14 days beginning with the day on which the limited partnership was registered. 5

8O Duty to notify changes in named contacts

- (1) This section applies where a general partner that is a legal entity has one or more corporate managing officers.
- (2) The general partner must give notice to the registrar of any change in the required information about the named contact for any corporate managing officer (see Part 4 of the Schedule). 10
- (3) The general partner must give notice to the registrar of any change in the required information about the proposed named contact for any corporate managing officer that occurred – 15
 - (a) after the application for registration of the limited partnership in which the entity is a general partner was delivered to the registrar under section 8A, but
 - (b) before the limited partnership was registered.
- (4) A notice under this section must specify the date on which the change to which it relates occurred. 20
- (5) A notice under subsection (2) must be given within the period of 14 days beginning with the day on which the change occurs.
- (6) A notice under subsection (3) must be given within the period of 14 days beginning with the day on which the limited partnership was registered. 25
- (7) In this section “named contact” has the meaning given by section 8K(4).

8P Failure to comply with obligations relating to officers

- (1) If a general partner fails to comply with section 8K, 8M, 8N or 8O an offence is committed by – 30
 - (a) the general partner, and
 - (b) if the general partner is a legal entity, any of its managing officers who is in default.
- (2) A person guilty of an offence under this section is liable on summary conviction – 35
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 40
- (3) A managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.

- (4) But a corporate managing officer does not commit an offence as a managing officer in default unless one of its managing officers is in default.
- (5) Where any such offence is committed by a corporate managing officer the managing officer in question also commits the offence (subject to subsection (4)).” 5

109 Officers of general partners: transitional provision

- (1) This section applies in relation to a limited partnership that was registered under the Limited Partnerships Act 1907 in pursuance of an application for registration delivered to the registrar before section 108(3) came fully into force. 10
- (2) Each general partner that is a legal entity and became a general partner in the limited partnership on its registration must, within the transitional period, deliver to the registrar –
 - (a) a statement of the kind mentioned in section 8A(1C) of the Limited Partnerships Act 1907 containing the information, and accompanied by the statement, mentioned in section 8A(1F) of that Act (both inserted by section 108(3) of this Act), and 15
 - (b) either –
 - (i) a statement that the general partner does not have any corporate managing officers, or 20
 - (ii) if the general partner has one or more corporate managing officers, a statement of the kind mentioned in section 8A(1D)(b) of the Limited Partnerships Act 1907 containing the information, and accompanied by the statement, mentioned in section 8A(1G) of that Act (both inserted by section 108(3) of this Act). 25
- (3) A general partner mentioned in subsection (2) is not required by the provisions mentioned in subsection (4) to give notice to the registrar if a legal entity becomes a corporate managing officer of the general partner before whichever is earlier of – 30
 - (a) the end of the transitional period, and
 - (b) the delivery of the statement mentioned in subsection (2)(b).
- (4) The provisions are –
 - (a) section 8N(1) of the Limited Partnerships Act 1907 (inserted by section 108 of this Act), and 35
 - (b) so far as it relates to section 8N(1) of the Limited Partnerships Act 1907, section 10E(2)(a) of that Act (inserted by section 116 of this Act).
- (5) In this section –
 - “the registrar” has the same meaning as in the Limited Partnerships Act 1907 (see section 15 of that Act); 40
 - “transitional period” means the period of 6 months beginning when section 108(3) came fully into force.

*Removal of option to authenticate application by signature***110 Removal of option to authenticate application by signature**

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) In section 8A (application for registration), in subsection (1), in paragraph (c), omit “signed or otherwise”. 5
- (3) In section 8D (application for designation as a private fund limited partnership), in subsection (2), in paragraph (e), omit “signed or otherwise”.

*Changes in partnerships***111 Notification of information about partners**

After section 8P of the Limited Partnerships Act 1907 (inserted by section 108 of this Act) insert— 10

*“Notification of information about partners***8Q Duty to notify registrar of change in partners**

- (1) The general partners in a limited partnership must give notice to the registrar if a person— 15
 - (a) becomes a general partner or limited partner in the limited partnership, or
 - (b) ceases to be a general partner or limited partner in the limited partnership.
- (2) A notice under subsection (1)(a) must contain the required information about the general partner or limited partner (see Part 2 of the Schedule). 20
- (3) A notice under subsection (1)(a) of a person becoming a general partner must contain a statement that—
 - (a) the new general partner is not disqualified under the directors disqualification legislation (see section 8J(2)), and 25
 - (b) if the general partner would be so disqualified but for the permission of a court to act, a statement to that effect specifying—
 - (i) the court by which permission was given, and
 - (ii) the date on which permission was given. 30
- (4) A notice under subsection (1)(a) of a legal entity becoming a general partner must be accompanied by a statement by the general partner specifying the name of its proposed registered officer, who must be an individual who meets the requirements in section 8K(1)(a) and (b).
- (5) A notice under subsection (1)(a) of a legal entity becoming a general partner must be accompanied by one of the following statements by the general partner— 35
 - (a) a statement that the general partner does not have any corporate managing officers, or
 - (b) if the general partner has one or more corporate managing officers, a statement specifying, for each corporate managing 40

- officer, the name of the proposed named contact for the corporate managing officer.
- (6) The proposed named contact for a corporate managing officer must be an individual who is a managing officer of the corporate managing officer. 5
- (7) A statement under subsection (4) must –
- (a) contain the required information about the proposed registered officer (see Part 3 of the Schedule),
 - (b) if the proposed registered officer would be disqualified under the directors disqualification legislation (see section 8J(3)) but for the permission of a court to act, contain a statement to that effect specifying –
 - (i) the court by which permission was given, and
 - (ii) the date on which permission was given, and
 - (c) be accompanied by a statement by the individual who is the proposed registered officer confirming that the individual meets the requirements in section 8K(1)(a) and (b). 10 15
- (8) A statement under subsection (5)(b) must –
- (a) contain the required information about each proposed named contact specified in the statement (see Part 4 of the Schedule), and 20
 - (b) be accompanied by a statement by each proposed named contact confirming that the proposed named contact is a managing officer of the corporate managing officer concerned.
- (9) Subsection (1)(a) does not require the general partners, on registration of the limited partnership, to give notice in relation to a person named as a proposed general partner or a proposed limited partner in the application for registration under section 8A. 25
- (10) A notice under subsection (1) must specify the date on which the person became or ceased to be a general partner or limited partner in the limited partnership. 30
- (11) A notice under subsection (1) must be given within the period of 14 days beginning with the day on which the person becomes or ceases to be a general partner or a limited partner.
- (12) In this section “permission of a court to act” means permission under a provision mentioned in column 2 of the table in section 159A(2) of the Companies Act 2006. 35
- 8R Duty to notify registrar of changes of information about partners**
- (1) The general partners in a limited partnership must give notice to the registrar of any change in the required information about a partner (see Part 2 of the Schedule). 40
- (2) The general partners in a limited partnership that is not a private fund limited partnership must give notice to the registrar of any change to the sum contributed by any limited partner.
- (3) The general partners in a private fund limited partnership that was registered as a limited partnership before 6th April 2017 must give notice to the registrar of any withdrawal by a limited partner of the 45

partner's contribution which has the effect that the amount of the partner's contribution is less than it was on the date on which the limited partnership was designated as a private fund limited partnership.

- (4) A notice under this section must specify the date on which the change to which it relates occurred. 5
- (5) A notice under this section must be given within the period of 14 days beginning with the day on which the change occurs.

8S Notification of changes occurring before registration

- (1) The general partners in a limited partnership must give notice to the registrar if a person named as a proposed general partner or a proposed limited partner in the application for registration under section 8A did not become a general partner or limited partner on registration of the limited partnership. 10
- (2) The general partners in a limited partnership must give notice to the registrar of any change in the required information about a proposed general partner or a proposed limited partner (see Part 2 of the Schedule) that occurred – 15
 - (a) after the application for the limited partnership's registration under section 8A was delivered to the registrar, but 20
 - (b) before the limited partnership was registered.
- (3) A notice under subsection (2) must specify the date on which the change occurred.
- (4) But the general partners are not required to give notice under subsection (2) in respect of a person if they give notice under subsection (1) in respect of the person. 25
- (5) A notice under this section must be given within the period of 14 days beginning with the day on which the limited partnership was registered.

8T Failure to notify information about partners 30

- (1) If the general partners fail to comply with section 8Q, 8R or 8S an offence is committed by each general partner who is in default.
- (2) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default. 35
- (3) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if – 40
 - (a) the managing officer is an individual who is in default, or
 - (b) the managing officer is a legal entity that is in default and one of its managing officers is in default.
- (4) A person guilty of an offence under this section is liable on summary conviction – 45
 - (a) in England and Wales, to a fine;

- (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (5) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention. 5
- 8U Prohibition on acting unless general partner notified**
- (1) This section applies where –
 - (a) a person has become a general partner in a limited partnership otherwise than on its registration, and 10
 - (b) notice under section 8Q of the person having done so has not been given within the period mentioned in subsection (11) of that section.
- (2) The general partner may not take part in the management of the partnership business until notice is given under section 8Q. 15
- (3) If a general partner contravenes subsection (2) an offence is committed by –
 - (a) the general partner, and
 - (b) if the general partner is a legal entity, any of its managing officers who is in default. 20
- (4) But it is a defence for a person charged with an offence under this section to prove that they reasonably believed that notice had been given under section 8Q.
- (5) A person guilty of an offence under this section is liable on summary conviction – 25
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 30
- (6) A managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.
- (7) But a corporate managing officer does not commit an offence as a managing officer in default unless one of its managing officers is in default. 35
- (8) Where any such offence is committed by a corporate managing officer the managing officer in question also commits the offence (subject to subsection (7)). 40
- (9) The only consequence of contravening subsection (2) is the offence provided for by this section (so that, for example, a contravention does not in any way affect the validity of the general partner’s actions).
- (10) Nothing in this section shall affect the liability of the general partner for all debts and obligations of the firm.” 45

112 New partners: transitional provision about required information

- (1) This section applies in relation to a person who –
 - (a) is a partner in a limited partnership, and
 - (b) became a partner in the limited partnership before section 111 came fully into force, 5
 other than a person who became a partner in the limited partnership on its registration.
- (2) The general partners in the limited partnership must, within the transitional period, deliver a statement to the registrar specifying the required information about the partner (within the meaning of the Schedule to the Limited Partnerships Act 1907 (inserted by Schedule 4 to this Act)). 10
- (3) If a change in the required information about the partner occurs before whichever is earlier of –
 - (a) the end of the transitional period, and
 - (b) the delivery of the statement mentioned in subsection (2), 15
 the general partners in the limited partnership are not required by the provisions mentioned in subsection (4) to give notice to the registrar of the change, unless it is a change to the partner's name.
- (4) The provisions are –
 - (a) section 8R(1) of the Limited Partnerships Act 1907 (inserted by section 111 of this Act), and 20
 - (b) so far as it relates to section 8R(1) of the Limited Partnerships Act 1907, section 10E(2)(a) of that Act (inserted by section 116 of this Act).
- (5) In this section –

“the registrar” has the same meaning as in the Limited Partnerships Act 1907 (see section 15 of that Act); 25

“transitional period” means the period of 6 months beginning when section 111 came fully into force.
- (6) Failure by the general partners in a limited partnership to comply with subsection (2) is, in the absence of any evidence to the contrary, to be treated by the registrar as reasonable cause to believe that the limited partnership has been dissolved for the purposes of section 18 of the Limited Partnerships Act 1907 (registrar's power to confirm dissolution of limited partnership) (inserted by section 125 of this Act). 30
- (7) Where the registrar proposes to rely on a failure by the general partners in the limited partnership to comply with subsection (2) as grounds for exercising the power in section 18 of the Limited Partnerships Act 1907, subsections (2) to (4) of that section (publication of warning notice) do not apply. 35

113 New general partners: transitional provision about officers

- (1) This section applies in relation to a general partner that – 40
 - (a) is a legal entity, and
 - (b) became a general partner before section 111 came fully into force,
 other than a legal entity that became a general partner in a limited partnership on its registration.

- (2) The general partner must, within the transitional period, deliver to the registrar –
 - (a) a statement of the kind mentioned in section 8Q(4) of the Limited Partnerships Act 1907 containing the information, and accompanied by the statement, mentioned in section 8Q(7) of that Act (both inserted by section 111 of this Act), and 5
 - (b) either a statement –
 - (i) that the general partner does not have any corporate managing officers, or
 - (ii) if the general partner has one or more corporate managing officers, a statement of the kind mentioned in section 8Q(5)(b) of the Limited Partnerships Act 1907 containing the information, and accompanied by the statement, mentioned in section 8Q(8) of that Act (both inserted by section 111 of this Act). 10 15
- (3) The general partner is not required by the provisions mentioned in subsection (4) to give notice to the registrar if a legal entity becomes a corporate managing officer of the general partner before whichever is earlier of –
 - (a) the end of the transitional period, and
 - (b) the delivery of the statement mentioned in subsection (2)(b). 20
- (4) The provisions are –
 - (a) section 8N(1) of the Limited Partnerships Act 1907 (inserted by section 108 of this Act), and
 - (b) so far as it relates to section 8N(1) of the Limited Partnerships Act 1907, section 10E(2)(a) of that Act (inserted by section 116 of this Act). 25
- (5) In this section –

“the registrar” has the same meaning as in the Limited Partnerships Act 1907 (see section 15 of that Act);

“transitional period” means the period of 6 months beginning when section 111 came fully into force. 30

114 Registrar’s power to change an individual’s service address

After section 10 of the Limited Partnerships Act 1907 insert –

“Registrar’s power to change an individual’s service address

10A Registrar’s power to change an individual’s service address

- (1) The registrar may change the service address of a relevant individual in accordance with this section if – 35
 - (a) the individual’s service address is different to their usual residential address, and
 - (b) either –
 - (i) communications sent by the registrar to the individual’s service address and requiring a response within a specified period remain unanswered, or 40
 - (ii) there is evidence that service of documents at the service address are not effective to bring them to the notice of the individual. 45

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- (2) In this section “relevant individual” means an individual who is –
 - (a) a general partner, or
 - (b) a general partner’s registered officer (within the meaning given by section 8K(3)).
 - (3) Before changing the service address of an individual the registrar must give notice of the proposed change –
 - (a) to the individual,
 - (b) to every limited partnership of which the registrar has been notified that the individual is a general partner, and
 - (c) to every general partner of which the individual is a registered officer (within the meaning given by section 8K(3)).
 - (4) The notice must –
 - (a) state the grounds on which it is proposed to change the individual’s service address;
 - (b) specify a period within which representations may be made before that is done.
 - (5) The notice must be sent to the individual at their usual residential address.
 - (6) The registrar must take account of any representations received within the specified period.
 - (7) If the registrar decides to change the individual’s service address the registrar must proceed as if the general partners in each limited partnership given notice under subsection (3)(b) and each general partner given notice under subsection (3)(c) had given notice to the registrar –
 - (a) specifying a change to the individual’s service address, and
 - (b) stating the individual’s usual residential address as their service address.
 - (8) The registrar must give notice of having proceeded as mentioned in subsection (7) –
 - (a) to the individual,
 - (b) to every limited partnership given notice under subsection (3)(b), and
 - (c) to every general partner given notice under subsection (3)(c).”
- 115 Notification of other changes**
- (1) The Limited Partnerships Act 1907 is amended as follows.
 - (2) In section 8A (application for registration), in subsection (2), for paragraph (a) substitute –
 - “(a) the intended general nature of the limited partnership’s business,”.
 - (3) Omit section 9 (registration of changes in partnerships).

- (4) After section 10A (inserted by section 114 of this Act) insert –

“Notification of other changes in partnerships

10B Duty to notify registrar of other changes in partnerships

- (1) The general partners in a limited partnership must give notice to the registrar of any change mentioned in subsection (2). 5
- (2) The changes are –
 - (a) in the case of any limited partnership, changes to –
 - (i) the firm name, or
 - (ii) the address of the principal place of business of the limited partnership; 10
 - (b) in the case of a limited partnership that is not a private fund limited partnership, changes to –
 - (i) the general nature of the limited partnership’s business, or
 - (ii) the term or character of the limited partnership. 15
- (3) The notice must specify the date on which the change occurred.
- (4) A notice under subsection (2)(b)(i) may specify the change to the general nature of the partnership business by reference to one or more categories of any system of classifying business activities prescribed by regulations made by the Secretary of State under section 8A(2A). 20
- (5) A notice under this section must be given within the period of 14 days beginning with the day on which the change occurs.

10C Notification of other changes occurring before registration

- (1) The general partners in a limited partnership must give notice to the registrar if, on registration of the limited partnership, the address of the principal place of business of the limited partnership is different to that contained in the application for registration under section 8A. 25
- (2) The general partners in a limited partnership that is not a private fund limited partnership must give notice to the registrar if, on registration of the limited partnership, any of the following details are different to those contained in the application for registration under section 8A –
 - (a) the general nature of the limited partnership’s business,
 - (b) the term of the limited partnership,
 - (c) the amount of the capital contribution of a limited partner, or
 - (d) the form of the capital contribution of a limited partner. 35
- (3) A notice under subsection (1) must specify the address of the principal place of business of the limited partnership.
- (4) A notice under subsection (2)(a) –
 - (a) must specify the general nature of the limited partnership’s business, and
 - (b) may do so by reference to one or more categories of any system of classifying business activities prescribed by regulations made by the Secretary of State under section 8A(2A). 40

- (5) A notice under subsection (2)(b), (c) or (d) must specify the details mentioned in the paragraph under which the notice is given.
- (6) A notice under this section must be given within the period of 14 days beginning with the day on which the limited partnership was registered.

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10D Failure to notify other changes in partnerships

- (1) If the general partners fail to comply with section 10B or 10C an offence is committed by each general partner who is in default.
- (2) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default.
- (3) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity who is in default also commits the offence if –
 - (a) the managing officer is an individual, or
 - (b) the managing officer is a legal entity and one of its managing officers is in default.
- (4) A person guilty of an offence under this section is liable on summary conviction –
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.
- (5) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.”

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116 Confirmation statements

After section 10D of the Limited Partnerships Act 1907 (inserted by section 115 of this Act) insert –

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*“Confirmation statements***10E Duty to deliver confirmation statements**

- (1) The general partners in a limited partnership must, within the period of 14 days after each review period, deliver to the registrar a statement (a “confirmation statement”) confirming that any information required by subsection (2) is being delivered at the same time as the confirmation statement.
- (2) The information that must be delivered at the same time as the confirmation statement is –
 - (a) a notice of any notifiable change in respect of which a notice under section 8N, 8Q, 8R or 10B has not been delivered,
 - (b) a notice under section 8F if –

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- (i) the limited partnership’s registered office is not at an appropriate address within the meaning given by section 8E(2) when the confirmation statement is made, and
 - (ii) the limited partnership has not given a notice under section 8F that is awaiting registration by the registrar,
 - (c) a notice under section 8I if –
 - (i) the limited partnership’s registered email address is not at an appropriate email address within the meaning given by section 8H(2) when the confirmation statement is made, and
 - (ii) the limited partnership has not given a notice under section 8I that is awaiting registration by the registrar,
 - (d) a notice under section 8L(1) by each general partner that –
 - (i) is a legal entity,
 - (ii) has a registered officer who does not meet the requirements in section 8K(1)(a) and (b), and
 - (iii) has not given a notice under section 8L(1) that is awaiting registration by the registrar, and
 - (e) if any general partner that is a legal entity has one or more corporate managing officers –
 - (i) for which the named contact is not an individual who is a managing officer of the corporate managing officer, and
 - (ii) in respect of which the general partner has not given a notice under section 8L(2) that is awaiting registration by the registrar,
 a notice under section 8L(2) by each such general partner in respect of each such corporate managing officer.
- (3) For the purposes of this section, each of the following is a review period –
 - (a) where the limited partnership was registered before this section comes fully into force, the period –
 - (i) beginning with the date of the limited partnership’s registration, and
 - (ii) ending with the period of 6 months beginning when this section comes fully into force;
 - (b) where the limited partnership was registered after this section comes fully into force, the period of 12 months beginning with the date of the limited partnership’s registration;
 - (c) each period of 12 months beginning with the day after the end of the previous review period.
- (4) But a review period may be shortened by the general partners –
 - (a) notifying the registrar of the shortened review period, and
 - (b) delivering the confirmation statement within the period of 14 days after that shortened review period.
- (5) For the purpose of making a confirmation statement, the general partners in a limited partnership are entitled to assume that information that has been delivered to the registrar has been properly

delivered unless the registrar has notified the limited partnership otherwise.

- (6) In this section a “notifiable change” means a change mentioned in section 8N(1), 8Q(1), 8R(1) to (3) or 10B(2) that occurred during the review period. 5
- (7) This section does not apply to a limited partnership registered in Scotland.

10F Power to amend matters to be confirmed in confirmation statement

- (1) The Secretary of State may by regulations make further provision about the matters that must be confirmed in a confirmation statement delivered under section 10E(1). 10
- (2) The regulations may –
 - (a) amend or repeal the provisions of section 10E, and
 - (b) provide for exceptions from the requirements of that section as it has effect from time to time. 15
- (3) Regulations under this section are subject to the affirmative resolution procedure.

10G Failure to deliver confirmation statement

- (1) If the general partners fail to comply with section 10E(1) an offence is committed by each general partner who is in default. 20
- (2) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default.
- (3) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if –
 - (a) the managing officer is an individual who is in default, or
 - (b) the managing officer is a legal entity that is in default and one of its managing officers is in default. 25
- (4) A person guilty of an offence under this section is liable on summary conviction –
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 30
- (5) The contravention continues until such time as the general partners have delivered the statement required by section 10E(1). 35
- (6) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.” 40

117 Confirmation statements: Scottish partnerships

- (1) The Scottish Partnerships (Register of People with Significant Control) Regulations 2017 (S.I. 2017/694) are amended as follows.
- (2) In regulation 35 (duty to deliver a confirmation statement), after paragraph (3) insert – 5
 - “(4) The Secretary of State may by regulations made by statutory instrument amend this regulation so as to make further provision about the matters that must be confirmed in a confirmation statement delivered by a Scottish limited partnership.
 - (5) The regulations may provide for exceptions from the requirements of this regulation as it has effect from time to time in relation to Scottish limited partnerships. 10
 - (6) A statutory instrument containing regulations under paragraph (4) may not be made by the Secretary of State unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament.” 15
- (3) In regulation 37 (review period), for paragraphs (4) and (5) substitute –
 - “(4) For the purpose of making a confirmation statement, an eligible Scottish partnership is entitled to assume that information that has been delivered to the registrar has been properly delivered unless the registrar has notified the eligible Scottish partnership otherwise.” 20

Accounts

118 Power for HMRC to obtain accounts

After section 10G of the Limited Partnerships Act 1907 (inserted by section 116 of this Act) insert – 25

“Power for HMRC to obtain accounts

10H Power for HMRC to obtain accounts

- (1) HMRC may by notice in writing require the general partners in a limited partnership to –
 - (a) prepare accounts in accordance with regulations made by the Secretary of State for the purposes of this paragraph; 30
 - (b) deliver those accounts to HMRC, together with –
 - (i) an auditor’s report prepared in accordance with regulations made by the Secretary of State for the purposes of this sub-paragraph; 35
 - (ii) such supporting evidence as may be required by regulations made by the Secretary of the State for the purposes of this sub-paragraph.
- (2) A requirement under this section may specify –
 - (a) the period to which the accounts must relate; 40
 - (b) the form and manner in which the documents are to be delivered;

- (c) the period within which they are to be delivered.
- (3) HMRC may by notice in writing extend a period specified in a requirement under this section.
- (4) If the general partners in a limited partnership fail to comply with a requirement under this section an offence is committed by each general partner who is in default. 5
- (5) But where the general partner is a legal entity, it does not commit an offence as a general partner in default unless one of its managing officers is in default.
- (6) Where any such offence is committed by a general partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity also commits the offence if – 10
- (a) the managing officer is an individual who is in default, or
- (b) the managing officer is a legal entity that is in default and one of its managing officers is in default. 15
- (7) A person guilty of an offence under this section is liable –
- (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
- (b) on summary conviction – 20
- (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates’ court or a fine (or both);
- (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both) and, for continued contravention, a daily default fine not exceeding one-fifth of the statutory maximum; 25
- (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both) and, for continued contravention, a daily default fine not exceeding one-fifth of the statutory maximum. 30
- (8) A general partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention. 35
- (9) In this section “HMRC” means the Commissioners for His Majesty’s Revenue and Customs.
- (10) Regulations under this section are subject to the affirmative resolution procedure.” 40

Dissolution and winding up of partnerships

119 Dissolution and winding up of limited partnerships

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) In section 6 (modifications of general law in case of limited partnerships) –

- (a) for subsection (1A) substitute –
 - “(1A) Section 6A (actions by limited partners) makes provision supplementing subsection (1).”;
- (b) in subsection (2) omit “or bankruptcy”;
- (c) after subsection (2) insert – 5
 - “(2A) A limited partnership shall not be dissolved under section 33(1) of the Partnership Act 1890 by the bankruptcy of a partner.
 - (2B) A limited partnership is dissolved if it ceases to have a general partner or ceases to have a limited partner.”;
- (d) omit subsection (3); 10
- (e) for subsections (3A) and (3B) substitute –
 - “(3A) If a limited partnership is dissolved at a time when the partnership has at least one general partner, the general partners at that time must –
 - (a) notify the registrar that the limited partnership has been dissolved, and 15
 - (b) subject to any express or implied agreement between all of the partners as to the winding up of the affairs of the limited partnership, wind up its affairs.
 - (3B) If a limited partnership is dissolved at a time when the partnership does not have a general partner – 20
 - (a) the limited partners at that time must notify the registrar that the limited partnership has been dissolved, and
 - (b) the affairs of the partnership must be wound up by a person who is not a limited partner, appointed by those who are limited partners at that time, subject to any express or implied agreement between the limited partners at that time as to the winding up of the affairs of the partnership. 25
 - (3BA) If a limited partnership is dissolved as mentioned in subsection (3B) the limited partners may apply to the court for an order as to who should wind up the affairs of the limited partnership.”; 30
- (f) in subsection (3C) for “(3A) to (3B)” substitute “(2B) to (3BA)”;
- (g) in subsection (3D), after “any order of the court” insert “under subsection (3BA) or any other order of a court”. 35
- (3) After section 6 insert –
 - “6ZA Failure to notify registrar of dissolution**
 - (1) If the general partners mentioned in section 6(3A) fail to comply with section 6(3A)(a) an offence is committed by each general partner who is in default. 40
 - (2) If the limited partners mentioned in section 6(3B)(a) fail to comply with section 6(3B)(a) an offence is committed by each limited partner who is in default.
 - (3) But where the general partner or limited partner is a legal entity, it does not commit an offence as a general partner or limited partner in default unless one of its managing officers is in default. 45

- (4) Where any such offence is committed by a general partner or limited partner that is a legal entity, or any such offence is by virtue of this subsection committed by a managing officer that is a legal entity, any managing officer of the legal entity who is in default also commits the offence if – 5
- (a) the managing officer is an individual, or
 - (b) the managing officer is a legal entity and one of its managing officers is in default.
- (5) A person guilty of an offence under this section is liable on summary conviction – 10
- (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 15
- (6) A general partner, limited partner or managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention.”
- (4) In section 6A (private fund limited partnerships: actions by limited partners) – 20
- (a) in the heading, omit “private fund limited partnerships.”;
 - (b) before subsection (1) insert –
- “(A1) A limited partner in a limited partnership is not to be regarded as taking part in the management of the partnership business for the purposes of section 6(1) merely because the limited partner appoints a person to wind up the limited partnership pursuant to section 6(3B).”;
- (c) omit subsection (2)(b);
 - (d) in subsection (4) – 25
 - (i) in paragraph (a), omit “private fund”;
 - (ii) omit paragraph (b) and the “or” before it; 30 - (e) after subsection (4) insert –
- “(5) Nothing in subsections (1) to (3) affects the circumstances in which a limited partner in a limited partnership that is not a private fund limited partnership may be regarded as taking part in the management of the partnership business.” 35

120 Dissolution by the court when a partner has a mental disorder

- (1) In section 35 of the Partnership Act 1890 (dissolution by the Court), for paragraph (a) substitute – 40
- “(a) When a partner has a mental disorder within the meaning of section 328 of the Mental Health (Care and Treatment) (Scotland) Act 2003 or section 305 of the Mental Capacity Act (Northern Ireland) 2016 (as the case may be).”;
- (2) In section 6 of the Limited Partnerships Act 1907 (modifications of general law in case of limited partnerships), in subsection (2), omit the words from “; and” to the end. 45

The register of limited partnerships

121 The register of limited partnerships

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) In section 3 (interpretation of terms), in subsection (1) (created by section 100 of this Act), at the appropriate place insert – 5
““the register of limited partnerships” means the records kept by the registrar under section 1080 of the Companies Act 2006 relating to limited partnerships;”.
- (3) Omit sections 13 and 14.
- (4) For section 16 substitute – 10

“The register of limited partnerships

16 Inspection and copies of the register of limited partnerships

- (1) Any person may –
 - (a) inspect the register of limited partnerships;
 - (b) require a copy of any material on the register of limited partnerships that is available for inspection. 15
- (2) The right of inspection extends to the originals of documents delivered to the registrar in hard copy form if, and only if, the record kept by the registrar of the contents of the document is illegible or unavailable (see section 1083(1) of the Companies Act 2006 for provision about the retention of hard copies by the registrar). 20
- (3) The registrar may specify the form and manner in which an application is to be made for inspection or a copy.
- (4) The registrar may determine the form and manner in which the copies are to be provided. 25
- (5) Section 1091 of the Companies Act 2006 (certification of copies), and any regulations made under it, apply in relation to copies provided under this section as they apply in relation to the copies provided as mentioned in that section.
- (6) This section has effect subject to section 16A and 16B.” 30

122 Material not available for public inspection

- (1) After section 16 of the Limited Partnerships Act 1907 insert –

“16A Material not available for public inspection

- (1) The registrar must not make available for public inspection –
 - (a) any document delivered to the registrar in response to a notice under section 10A(3) (notice of proposal to change an individual’s service address); 35
 - (b) so much of any document delivered to the registrar as is required to contain –
 - (i) a limited partnership’s registered email address, 40

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- (ii) the email address of the named contact for a general partner’s managing officer,
 - (iii) protected date of birth information, or
 - (iv) protected residential address information;
 - (c) any statement delivered to the registrar by virtue of section 26(3) (documents to be delivered by authorised corporate service providers); 5
 - (d) any statement made in accordance with regulations made by virtue of section 1082(2)(c) of the Companies Act 2006 (statement of unique identifier); 10
 - (e) any document provided to the registrar under section 1092A of the Companies Act 2006 (power to require further information);
 - (f) any record of the information contained in a document or part of a document that is unavailable because of any of the previous paragraphs of this subsection; 15
 - (g) any e-mail address, identification code or password deriving from a document delivered for the purpose of authorising or facilitating electronic filing procedures or providing information by telephone;
 - (h) any other material excluded from public inspection by or under any other enactment. 20
- (2) The registrar need not retain material to which subsection (1) applies for longer than appears to the registrar reasonably necessary for the purposes for which the material was delivered to the registrar.
- (3) In this section – 25
- “protected date of birth information” means information as to the day of the month (but not the month or year) on which –
 - (a) a partner was born, or
 - (b) a general partner’s registered officer was born;
 - “protected residential address information” means information as to the usual residential address of – 30
 - (a) a partner,
 - (b) a general partner’s registered officer, or
 - (c) the named contact for a general partner’s managing officer. 35
- (4) Information about a partner, registered officer or named contact does not cease to be protected date of birth information or protected residential address information when they cease to be a partner, registered officer or named contact.
- (5) The restrictions on making information available for public inspection imposed by subsection (1)(f) and (g) do not affect the availability for public inspection of the same information contained in material derived from another description of document (or part of a document) in relation to which the relevant restriction does not apply. 40
- (6) In this section “registered officer” and “named contact” have the meanings given by section 8K(3) and (4).” 45
- (2) In section 1083 of the Companies Act 2006 (preservation of original

documents), in subsection (1), for the second sentence substitute –

“This is subject to –

- (a) section 1087(3) (extent of obligation to retain material not available for public inspection), and
- (b) section 16A(2) of the Limited Partnerships Act 1907 (extent of obligation to retain material not available for public inspection).”

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123 Records relating to dissolved limited partnerships

After section 16A of the Limited Partnerships Act 1907 (inserted by section 122 of this Act) insert –

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“16B Records relating to dissolved limited partnerships

- (1) This section applies where a limited partnership is dissolved.
- (2) The registrar need not make any information contained in records relating to the limited partnership available for public inspection at any time after the end of the period of 20 years beginning with the date on which the limited partnership is dissolved. 15
- (3) The registrar of companies for England and Wales may, at any time after the period of two years beginning with the date on which the limited partnership is dissolved, direct that any records relating to the limited partnership that are held by the registrar are to be removed to the Public Record Office. 20
- (4) The registrar of companies for Northern Ireland may, at any time after the period of two years beginning with the date on which the limited partnership is dissolved, direct that any records relating to the limited partnership that are held by the registrar are to be removed to the Public Record Office of Northern Ireland. 25
- (5) Records in respect of which a direction is given under subsection (3) or (4) are to be disposed of under the enactments relating to the Public Record Office or, as the case may be, the Public Record Office of Northern Ireland.” 30

Disclosure of information

124 Disclosure of information about partners

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) After section 16B of the Limited Partnerships Act 1907 (inserted by section 123 of this Act) insert – 35

“Restriction on disclosure of information by registrar

16C Restriction on disclosure of information by registrar

- (1) The registrar must not disclose protected date of birth information or protected residential address information except – 40
 - (a) in accordance with subsection (2) or (3),

- (b) in accordance with section 16E (disclosure of protected residential address information under court order), or
 - (c) as permitted by section 1110F of the Companies Act 2006 (general powers of disclosure by the registrar).
- (2) The registrar may disclose protected date of birth information or protected residential address information if the same information is required to be made available for public inspection as a result of being contained in a document, part of a document or record to which section 16A(1) does not apply. 5
- (3) The registrar may disclose protected date of birth information or protected residential address information to a credit reference agency. 10
- (4) The Secretary of State may make provision by regulations specifying conditions for the disclosure of protected date of birth information or protected residential address information in accordance with subsection (3). 15
- (5) The Secretary of State may make provision by regulations requiring the registrar, on application, to refrain from disclosing protected date of birth information or protected residential address information to a credit reference agency.
- (6) Regulations under subsection (5) may make provision of the kind referred to in section 243(5) and (6) of the Companies Act 2006. 20
- (7) In this section –
 - “credit reference agency” means a person carrying on a business comprising the provision of information relevant to the financial standing of individuals, being information collected by the agency for that purpose; 25
 - “protected date of birth information” has the meaning given by section 16A(3);
 - “protected residential address information” has the meaning given by section 16A(3). 30
- (8) Regulations under this section are subject to the negative resolution procedure.

Restriction on use or disclosure of information by partners

16D Restriction on use or disclosure of information by partners

- (1) A limited partner must not – 35
 - (a) use or disclose protected residential address information, except for communicating with the individual concerned, or
 - (b) use or disclose protected date of birth information.
- (2) A general partner must not use or disclose protected residential address information, except – 40
 - (a) for communicating with the individual concerned,
 - (b) in order to comply with any requirement of this Act as to information to be sent to the registrar, or
 - (c) in accordance with section 16E (disclosure of residential address information under court order). 45

- (3) A general partner must not use or disclose protected date of birth information except in order to comply with any requirement of this Act as to information to be sent to the registrar.
- (4) Subsections (1), (2) and (3) do not prohibit any use or disclosure of protected date of birth information or protected residential address information with the consent of the individual concerned. 5
- (5) If a partner uses or discloses information in contravention of subsection (1), (2) or (3) an offence is committed by –
 - (a) the partner, and
 - (b) if the partner is a legal entity, any of its managing officers who is in default. 10
- (6) A person guilty of an offence under this section is liable on summary conviction –
 - (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 15
- (7) A managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention. 20
- (8) But a corporate managing officer not commit an offence as a managing officer in default unless one of its managing officers is in default.
- (9) Where any such offence is committed by a corporate managing officer the managing officer in question also commits the offence (subject to subsection (8)). 25
- (10) In this section –
 - “protected date of birth information” has the meaning given by section 16A(3);
 - “protected residential address information” has the meaning given by section 16A(3). 30

Disclosure of protected residential address information under court order

16E Disclosure of protected residential address information under court order

- (1) The court may make an order for the disclosure of protected residential address information by the appropriate limited partnership or by the registrar if –
 - (a) there is evidence that service of documents at a service address other than the individual’s usual residential address is not effective to bring them to the notice of the individual, or 40
 - (b) it is necessary or expedient for the information to be provided in connection with the enforcement of an order or decree of the court,and the court is otherwise satisfied that it is appropriate to make the order. 45

- (2) An order for disclosure by the registrar may be made only if –
 - (a) the appropriate limited partnership does not have the protected residential address information, or
 - (b) the appropriate limited partnership was dissolved.
- (3) The order may be made on the application of a liquidator, creditor or partner of the appropriate limited partnership, or any other person appearing to the court to have a sufficient interest. 5
- (4) The order must specify the persons to whom, and purposes for which, disclosure is authorised.
- (5) In this section – 10
 - “appropriate limited partnership” –
 - (a) in relation to protected residential address information about a partner in a limited partnership means that limited partnership;
 - (b) in relation to protected residential address information about a registered officer of a general partner in a limited partnership means that limited partnership; 15
 - (c) in relation to protected residential address information about a named contact for the managing officer of a general partner in a limited partnership means that limited partnership; 20
 - “named contact” has the meaning given by section 8K(4);
 - “protected residential address information” has the meaning given by section 16A(3);
 - “registered officer” has the meaning given by section 8K(3).” 25
- (3) In section 3 (interpretation of terms), in subsection (1) (created by section 100 of this Act), at the appropriate place insert –
 - ““the court” has the same meaning as in the Companies Acts (see section 1156 of the Companies Act 2006);”.

Dissolution, revival and deregistration 30

125 Registrar’s power to confirm dissolution of limited partnership

- (1) The Limited Partnerships Act 1907 is amended as follows.
- (2) After section 17 (power of board of trade to make rules) insert –

“Dissolution, revival and deregistration

18 Registrar’s power to confirm dissolution of limited partnership 35

- (1) If the registrar has reasonable cause to believe that a limited partnership has been dissolved, the registrar may publish a notice in the Gazette (a “dissolution notice”) stating that fact.
- (2) Where the registrar proposes to publish a dissolution notice, the registrar must first publish in the Gazette a notice (a “warning notice”) – 40
 - (a) explaining the registrar’s proposal and its effect (see subsection (6)), and

- (b) inviting any person to make representations about the registrar’s proposal.
 - (3) The registrar must send a copy of the warning notice to—
 - (a) the registered office of the limited partnership, and
 - (b) at least one person who appears in the register of limited partnerships as a general partner in the limited partnership (if there are any).5
 - (4) The registrar may not publish a dissolution notice until after the end of the period of two months beginning with the first day on which the registrar has complied with subsection (2) and subsection (3). 10
 - (5) The dissolution notice must—
 - (a) state the firm name of the limited partnership,
 - (b) state the limited partnership’s registration number, and
 - (c) explain the effect of the publication of the notice (see subsection (6)). 15
 - (6) On the publication of a dissolution notice, the limited partnership to which it relates is dissolved if it was not already dissolved.
 - (7) For the purposes of subsection (3), a person “appears in the register of limited partnerships as a general partner in the limited partnership” if— 20
 - (a) either—
 - (i) the person was named as a proposed general partner in the application for registration of the limited partnership under section 8A, or
 - (ii) the general partners have given the registrar notice under section 8Q that the person has become a general partner in the limited partnership, and 25
 - (b) the general partners have not since—
 - (i) given the registrar notice under section 8Q that the person has ceased to be a general partner in the limited partnership, or 30
 - (ii) given the registrar notice under section 8S that the person did not become a general partner on registration of the limited partnership.
- 19 Administrative revival 35**
 - (1) On an application under this section the registrar must revive a limited partnership if the registrar is satisfied that the following conditions are met.
 - (2) Condition 1 is that the limited partnership was dissolved under section 18(6) (dissolution on publication of notice in Gazette). 40
 - (3) Condition 2 is that the applicant has delivered to the registrar such documents as are necessary to ensure that, if the limited partnership is revived, the records kept by the registrar relating to the limited partnership will be up to date.
 - (4) Condition 3 is that each relevant person has paid any outstanding fines or financial penalties that were imposed on them in respect of an offence— 45

- (a) under this Act, or
 - (b) by virtue of regulations made under section 7A of this Act, relating to the limited partnership.
- (5) An application under this section may only be made by a person who was a general partner in the limited partnership immediately before it was dissolved. 5
- (6) The application must include a statement that –
 - (a) the conditions in subsections (2), (3) and (4) are met, and
 - (b) the applicant is a person mentioned in subsection (5).
- (7) An application under this section may not be made after the end of the period of six years beginning with the date on which the limited partnership was dissolved. 10
- (8) For the purpose of subsection (7) an application is made when it is received by the registrar.
- (9) In subsection (4) “relevant person” means – 15
 - (a) the applicant,
 - (b) any person who –
 - (i) was a general partner in the limited partnership immediately before it was dissolved, and
 - (ii) if the limited partnership is revived, will be a general partner in the limited partnership immediately after its revival, or
 - (c) any person who is a managing officer of a legal entity where the legal entity is –
 - (i) a person mentioned in paragraph (a) or (b), or 20
 - (ii) a person falling within this paragraph. 25
- 20 Registrar’s decision on application for administrative revival**
 - (1) The registrar must give notice to the applicant of the decision on an application under section 19.
 - (2) If the limited partnership is revived, the revival takes effect on the date that the notice is sent. 30
 - (3) If the limited partnership is revived the registrar must –
 - (a) enter on the register of limited partnerships a note of the date on which the revival of the limited partnership takes effect, and
 - (b) cause notice of the revival to be published in the Gazette. 35
 - (4) The notice under subsection (3)(b) must state –
 - (a) the limited partnership’s name (which must be the name that it had before it was dissolved under section 18(6)),
 - (b) the limited partnership’s registration number, and
 - (c) the date on which the revival of the limited partnership takes effect. 40

21 Effect of administrative revival

- (1) The general effect of administrative revival is that the limited partnership is to be treated as having continued in existence as if it had not been dissolved under section 18(6).
- (2) The court may give such directions and make such provision as seems just for placing the limited partnership and all other persons in the same position (as nearly must be) as if the limited partnership had not been dissolved under section 18(6). 5
- (3) An application to the court for such directions or provision may be made at any time within the period of three years beginning with the date on which the revival of the limited partnership took effect. 10

22 Application to court for revival

- (1) An application may be made to the court to revive a limited partnership that has been dissolved under section 18(6) (dissolution on publication of notice in Gazette). 15
- (2) An application under this section may be made by –
 - (a) the Secretary of State,
 - (b) a person who was a partner in the limited partnership immediately before it was dissolved, or
 - (c) any other person appearing to the court to have an interest in the matter. 20
- (3) An application to the court for the revival of a limited partnership may only be made –
 - (a) within the period of six years beginning with the date on which the limited partnership was dissolved, or 25
 - (b) where the applicant made an application under section 19 that was refused, within the period of 28 days beginning with the date on which notice of the registrar’s decision was sent by the registrar to the applicant.

23 Decision on application for revival by the court 30

- (1) If, on an application under section 22, the court orders revival of the limited partnership, the revival takes effect on a copy of the court’s order being delivered to the registrar.
- (2) The registrar must publish a notice in the Gazette of the revival of the limited partnership. 35
- (3) The notice must state –
 - (a) the limited partnership’s name (which must be the name that it had before it was dissolved under section 18(6)),
 - (b) the limited partnership’s registration number, and
 - (c) the date on which the revival of the limited partnership takes effect. 40

24 Effect of court order for revival

- (1) The general effect of an order by the court for revival is that the limited partnership is to be treated as having continued in existence as a limited partnership as if it had not been dissolved under section 18(6). 45

- (2) The court may give such directions and make such provision as seems just for placing the limited partnership and all other persons in the same position (as nearly must be) as if the limited partnership had not been dissolved under section 18(6).
- (3) The court may also give directions as to— 5
- (a) the delivery to the registrar of such documents relating to the limited partnership as are necessary to bring up to date the records kept by the registrar, or
 - (b) the payment of the costs (in Scotland, expenses) of the registrar in connection with the proceedings for the revival of the limited partnership.” 10
- (3) In section 3 (interpretation of terms), in subsection (1) (created by section 100 of this Act), at the appropriate place insert—
- ““the Gazette” means—
- (a) as respects limited partnerships registered in England and Wales, the London Gazette, 15
 - (b) as respects limited partnerships registered in Scotland, the Edinburgh Gazette, and
 - (c) as respects limited partnerships registered in Northern Ireland, the Belfast Gazette;” 20
- (4) In section 10 (advertisement in Gazette), omit subsection (2).

126 Registrar’s power to confirm dissolution: transitional provision

If the registrar exercises the power in section 18(1) of the Limited Partnerships Act 1907 (power to confirm dissolution of limited partnership) during the period of 6 months beginning when section 125(2) of this Act comes fully into force, subsections (2) to (4) of section 18 of the Limited Partnerships Act 1907 (publication of warning notice) do not apply. 25

127 Voluntary deregistration of limited partnership

After section 24 of the Limited Partnerships Act 1907 (inserted by section 125 of this Act) insert— 30

“25 Voluntary deregistration of limited partnership

- (1) The registrar must deregister a limited partnership if a statement is delivered to the registrar which is authenticated by or on behalf of each partner confirming that they want the limited partnership to be deregistered. 35
- (2) The registrar deregisters the limited partnership by publishing a notice in the Gazette of the limited partnership’s deregistration (a “deregistration notice”).
- (3) The deregistration notice must state— 40
 - (a) the firm name of the limited partnership, and
 - (b) the limited partnership’s registration number.
- (4) On publication of the deregistration notice the limited partnership ceases to be registered as a limited partnership under this Act (but this does not prevent any ongoing relationship from being a partnership).”

Delivery of documents

128 Delivery of documents relating to limited partnerships

After section 25 of the Limited Partnerships Act 1907 (inserted by section 127 of this Act) insert—

“Delivery of documents to the registrar 5

26 Documents to be delivered by authorised corporate service providers

- (1) An individual may not deliver a document under a provision listed in subsection (4) to the registrar on their own behalf (and, accordingly, any delivery of a document under such a provision must be made on the individual’s behalf in accordance with subsections (2) and (3)). 10
- (2) An individual may not deliver a document under a provision listed in subsection (4) to the registrar on behalf of another person unless —
 - (a) the individual is an authorised corporate service provider, or
 - (b) the individual is an employee of an authorised corporate service provider and is acting in the course of their employment. 15
- (3) The document must be accompanied by —
 - (a) a statement that the individual is an authorised corporate service provider and that they have the person’s authority to deliver the document, or
 - (b) a statement that the individual is an employee of an authorised corporate service provider and is acting in the course of their employment and that the authorised corporate service provider has the person’s authority to deliver the document. 20
- (4) The provisions are —
 - (a) section 8A (application for registration); 25
 - (b) section 8F (change of address of registered office) or 8I (change of registered email address);
 - (c) section 8L, 8M, 8N or 8O (changes relating to officers of general partners);
 - (d) section 8Q, 8R or 8S (changes relating to partners); 30
 - (e) section 10B or 10C (other changes in partnerships), other than a notice under section 10B(2)(b)(i) or 10C(2)(a);
 - (f) section 10E (confirmation statements);
 - (g) section 19 (administrative revival).
- (5) The Secretary of State may by regulations amend the list in subsection (4). 35
- (6) Regulations under subsection (5) are subject to the affirmative resolution procedure.

27 Exemption from delivery by authorised corporate service providers

- (1) The Secretary of State may, by written notice given to a person, provide for section 26 (documents to be delivered by authorised corporate service providers) to not apply in relation to the delivery of documents to the registrar by the person on their own behalf or on behalf of another, if satisfied that to do so is necessary — 40

- (a) in the interests of national security, or
 - (b) for the purposes of preventing or detecting serious crime.
- (2) For the purposes of subsection (1)(b) –
 - (a) “crime” means conduct which –
 - (i) constitutes a criminal offence, or 5
 - (ii) is, or corresponds to, any conduct which, if it all took place in any one part of the United Kingdom, would constitute a criminal offence, and
 - (b) crime is “serious” if –
 - (i) the offence which is or would be constituted by the conduct is an offence for which the maximum sentence (in any part of the United Kingdom) is imprisonment for 3 years or more, or 10
 - (ii) the conduct involves the use of violence, results in substantial financial gain or is conduct by a large number of persons in pursuit of a common purpose.” 15

129 General false statement offences

- (1) After section 27 of the Limited Partnerships Act 1907 (inserted by section 128 of this Act) insert –
 - “28 False statements: basic offence 20**
 - (1) It is an offence for a person, without reasonable excuse, to –
 - (a) deliver or cause to be delivered to the registrar, for the purposes of this Act, a document that is misleading, false or deceptive in a material particular, or
 - (b) make to the registrar, for the purposes of this Act, a statement that is misleading, false or deceptive in a material particular. 25
 - (2) Where the offence is committed by a legal entity, every managing officer of the entity who is in default also commits the offence.
 - (3) A person guilty of an offence under this section is liable –
 - (a) on summary conviction in England and Wales, to a fine; 30
 - (b) on summary conviction in Scotland, to a fine not exceeding level 5 on the standard scale;
 - (c) on summary conviction in Northern Ireland, to a fine not exceeding level 5 on the standard scale.
 - (4) A managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention. 35
 - (5) But a corporate managing officer does not commit an offence as a managing officer in default unless one of its managing officers is in default. 40
 - (6) Where any such offence is committed by a corporate managing officer the managing officer in question also commits the offence (subject to subsection (5)).

29 False statements: aggravated offence

- (1) It is an offence for a person knowingly to –
 - (a) deliver or cause to be delivered to the registrar, for the purposes of this Act, a document that is misleading, false or deceptive in a material particular, or 5
 - (b) make to the registrar, for the purposes of this Act, a statement that is misleading, false or deceptive in a material particular.
- (2) Where the offence is committed by a legal entity, every managing officer of the entity who is in default also commits the offence.
- (3) A person guilty of an offence under this section is liable – 10
 - (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
 - (b) on summary conviction –
 - (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates’ court or a fine (or both); 15
 - (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both);
 - (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both). 20
- (4) A managing officer is “in default” for the purposes of this section if they authorise or permit, participate in, or fail to take all reasonable steps to prevent, the contravention. 25
- (5) But a corporate managing officer does not commit an offence as a managing officer in default unless one of its managing officers is in default.
- (6) Where any such offence is committed by a corporate managing officer the managing officer in question also commits the offence (subject to subsection (5)).” 30

Service on a limited partnership

130 Service on a limited partnership

After section 29 of the Limited Partnerships Act 1907 (inserted by section 129 of this Act) insert – 35

“Service of documents

30 Service of documents on limited partnership

A document may be served on a limited partnership by leaving it at, or sending it by post to, the limited partnership’s registered office.”

*Application of other laws***131 Application of company law**

After section 7 of the Limited Partnerships Act 1907 insert –

“7A Application of company law

- (1) The Secretary of State may by regulations – 5
 - (a) make provision in relation to limited partnerships that corresponds or is similar to any provision relating to companies or other corporations made by or under, or capable of being made under, any Act;
 - (b) provide for any such provision which would otherwise have effect in relation to limited partnerships not to apply to them or to apply to them with such modifications as appear appropriate. 10
- (2) Regulations under subsection (1) may amend or repeal provision made by this Act, the Partnership Act 1890 or the Companies Act 2006. 15
- (3) The provision which may be made by regulations under subsection (1) by virtue of section 31(1) includes provision amending, repealing or revoking provision made by or under any Act, whenever passed or made.
- (4) Regulations under subsection (1) are subject to the negative resolution procedure if they only make provision that corresponds or is similar to provision made or capable of being made by regulations subject to the negative resolution procedure. 20
- (5) Any other regulations under subsection (1) are subject to the affirmative resolution procedure.” 25

132 Application of Partnership Act 1890 (meaning of firm)

In section 4 of the Partnership Act 1890 (meaning of firm), after subsection (2) insert –

- “(3) In relation to a limited partnership registered under the Limited Partnerships Act 1907, subsection (2) applies only if the limited partnership was registered by the registrar for Scotland.” 30

*Regulations***133 Limited partnerships: regulations**

After section 30 of the Limited Partnerships Act 1907 (inserted by section 130 of this Act) insert – 35

*“Regulations***31 Regulations**

- (1) A power to make regulations under any provision of this Act includes power to make –

- (a) consequential, supplementary, incidental, transitional or saving provision;
 - (b) different provision for different purposes.
- (2) Regulations under this Act are to be made by statutory instrument.
- (3) Where regulations under this Act are subject to “the affirmative resolution procedure”, the regulations may not be made unless a draft of the statutory instrument containing them has been laid before and approved by a resolution of each House of Parliament. 5
- (4) Where regulations under this Act are subject to “the negative resolution procedure”, the statutory instrument containing the regulations is subject to annulment in pursuance of a resolution of either House of Parliament. 10
- (5) Any provision that may be made by regulations under this Act subject to the negative resolution procedure may be made by regulations subject to the affirmative resolution procedure.” 15

Further amendments

134 Limited partnerships: further amendments

- (1) Section 17 of the Limited Partnerships Act 1907 is omitted.
- (2) Schedule 5 contains consequential amendments relating to this Part.

PART 3 20

REGISTER OF OVERSEAS ENTITIES

135 Register of overseas entities

In section 3 of the Economic Crime (Transparency and Enforcement) Act 2022, in subsection (2) –

- (a) in paragraph (b), omit “, or otherwise in connection with the register”; 25
- (b) after paragraph (b) (but before the “and” at the end) insert –
 - “(ba) documents delivered to the registrar under or by virtue of Part 35 of the Companies Act 2006 in connection with the register or the delivery of other documents that, on registration, will form part of the register,”. 30

136 False statement offences in connection with information notices

For section 15 of the Economic Crime (Transparency and Enforcement) Act 2022 substitute –

“15 Failure to comply with notice under section 12 or 13

- (1) A person who, without reasonable excuse, fails to comply with a notice under section 12 or 13 commits an offence. 35
- (2) Where the offence is committed by a legal entity, the offence is also committed by every officer of the entity who is in default.

-
- (3) It is a defence for a person charged with an offence under this section to prove that the requirement to give information was frivolous or vexatious.
- (4) A person guilty of an offence under this section is liable –
- (a) on summary conviction in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates' court or a fine (or both); 5
 - (b) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both); 10
 - (c) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both);
 - (d) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both). 15
- 15A False statements under section 12 or 13: basic offence**
- (1) A person who is given a notice under section 12 or 13 commits an offence if, in purported compliance with the notice and without reasonable excuse, the person makes a statement that is misleading, false or deceptive in a material particular. 20
- (2) Where the offence is committed by a legal entity, the offence is also committed by every officer of the entity who is in default.
- (3) A person guilty of an offence under this section is liable –
- (a) on summary conviction in England and Wales, to a fine;
 - (b) on summary conviction in Scotland, to a fine not exceeding level 5 on the standard scale; 25
 - (c) on summary conviction in Northern Ireland, to a fine not exceeding level 5 on the standard scale.
- 15B False statements under section 12 or 13: aggravated offence**
- (1) A person who is given a notice under section 12 or 13 commits an offence if, in purported compliance with the notice, the person makes a statement that the person knows to be misleading, false or deceptive in a material particular. 30
- (2) Where the offence is committed by a legal entity, the offence is also committed by every officer of the entity who is in default. 35
- (3) A person guilty of an offence under this section is liable –
- (a) on summary conviction in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates' court or a fine (or both);
 - (b) on summary conviction in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both); 40
 - (c) on summary conviction in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both); 45
 - (d) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both)."

137 General false statement offences

For section 32 of the Economic Crime (Transparency and Enforcement) Act 2022 substitute—

“32 False statements: basic offence

- (1) It is an offence for a person, without reasonable excuse, to— 5
 - (a) deliver or cause to be delivered to the registrar, for the purposes of this Part, a document that is misleading, false or deceptive in a material particular, or
 - (b) make to the registrar, for the purposes of this Part, a statement that is misleading, false or deceptive in a material particular. 10
- (2) Where the offence is committed by a legal entity, every officer of the entity who is in default also commits the offence.
- (3) A person guilty of an offence under this section is liable—
 - (a) on summary conviction in England and Wales, to a fine;
 - (b) on summary conviction in Scotland, to a fine not exceeding level 5 on the standard scale; 15
 - (c) on summary conviction in Northern Ireland, to a fine not exceeding level 5 on the standard scale.

32A False statements: aggravated offence

- (1) It is an offence for a person knowingly to— 20
 - (a) deliver or cause to be delivered to the registrar, for the purposes of this Part, a document that is misleading, false or deceptive in a material particular, or
 - (b) make to the registrar, for the purposes of this Part, a statement that is misleading, false or deceptive in a material particular. 25
- (2) Where the offence is committed by a legal entity, every officer of the entity who is in default also commits the offence.
- (3) A person guilty of an offence under this section is liable—
 - (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both); 30
 - (b) on summary conviction—
 - (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates’ court or a fine (or both);
 - (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both); 35
 - (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both).” 40

138 Meaning of “service address”

In section 44 of the Economic Crime (Transparency and Enforcement) Act 2022 (interpretation), at the appropriate place, insert—

““service address” has the same meaning as in the Companies Acts (see section 1141(1) and (2) of the Companies Act 2006).” 45

139 Meaning of “registered overseas entity” in land registration legislation

- (1) In Schedule 4A to the Land Registration Act 2002 (overseas entities), for paragraph 8 substitute—
- “8 (1) For the purpose of this Schedule, an overseas entity that has failed to comply with any of the following duties is not to be treated as being a “registered overseas entity” until it remedies the failure. 5
- (2) The duties are—
- (a) the duty to deliver to the registrar of companies the documents required by section 7 of the Economic Crime (Transparency and Enforcement) Act 2022 (updating duty); 10
- (b) the duty to provide information to the registrar of companies in accordance with a notice under section 1092A of the Companies Act 2006 (power of registrar to require information).
- (3) For the purposes of this paragraph the failure is remedied when the documents are delivered, or the information is provided, to the registrar of companies.” 15
- (2) In schedule 1A to the Land Registration etc (Scotland) Act 2012 (asp 5) (land transactions: overseas entities), in paragraph 9, for sub-paragraphs (2) and (3) substitute— 20
- “(2) For the purpose of this schedule, an overseas entity that has failed to comply with any of the following duties is not to be treated as being a “registered overseas entity” until it remedies the failure.
- (3) The duties are—
- (a) the duty to deliver to the registrar of companies the documents required by section 7 of the Economic Crime (Transparency and Enforcement) Act 2022 (updating duty); 25
- (b) the duty to provide information to the registrar of companies in accordance with a notice under section 1092A of the Companies Act 2006 (power of registrar to require information). 30
- (4) For the purposes of sub-paragraph (2) the failure is remedied when the documents are delivered, or the information is provided, to the registrar of companies.”
- (3) In Schedule 8A to the Land Registration Act (Northern Ireland) 1970 (c. 18 (N.I.)) (overseas entities), for paragraph 7 substitute— 35
- “7 (1) For the purpose of this Schedule, an overseas entity that fails to comply with any of the following duties is not to be treated as being a “registered overseas entity” until it remedies the failure.
- (2) The duties are— 40
- (a) the duty to deliver to the registrar of companies the documents required by section 7 of the Economic Crime (Transparency and Enforcement) Act 2022 (updating duty);
- (b) the duty to provide information to the registrar of companies in accordance with a notice under section 1092A of the Companies Act 2006 (power of registrar to require information). 45

- (3) For the purposes of this paragraph a failure is remedied when the documents are delivered, or the information is provided, to the registrar of companies.”

140 Power to apply Part 1 amendments to register of overseas entities

Where provision made by the Economic Crime (Transparency and Enforcement) Act 2022 corresponds to provision made by the Companies Act 2006, the Secretary of State may by regulations make amendments to the 2022 Act corresponding to any amendments made by Part 1 of this Act to the provision in the 2006 Act. 5

PART 4

10

CRYPTOASSETS

141 Cryptoassets: confiscation orders

Schedule 6 amends the Proceeds of Crime Act 2002 to make provision in connection with cryptoassets and confiscation orders under Parts 2, 3 and 4 of that Act. 15

142 Cryptoassets: civil recovery

Schedule 7 amends the Proceeds of Crime Act 2002 to make provision for a civil recovery regime in relation to cryptoassets.

PART 5

MISCELLANEOUS

20

Money laundering and terrorist financing

143 Money laundering: exiting and paying away exemptions

- (1) The Proceeds of Crime Act 2002 is amended as follows.
- (2) In section 327 (concealing etc), after subsection (2C) insert—
 - “(2D) A person (“P”) who does an act mentioned in paragraph (c) or (d) of subsection (1) does not commit an offence under that subsection if— 25
 - (a) P is carrying on business in the regulated sector that is not excluded business,
 - (b) P does the act, in the course of that business— 30
 - (i) in transferring or handing over to a customer or client money or other property of, or owing to, the customer or client, and
 - (ii) for the purposes of the termination of P’s business relationship with the customer or client,
 - (c) the total value of the criminal property so transferred or handed over to the customer or client by P for those purposes is less than the threshold amount determined under section 339A for the act, and 35

- (d) before the act is done, P has complied with the customer due diligence duties.
- (2E) For the purposes of subsection (2D) –
- (a) business is “excluded” if it is of a description specified in regulations made by the Secretary of State for the purposes of this paragraph; 5
 - (b) a reference to property being transferred or handed over to the customer or client includes a reference to property being transferred or handed over to another person at the direction of the customer or client; 10
 - (c) “customer due diligence duties” means all duties imposed on P in relation to the customer or client by regulation 28(2), (3), (3A), (4), (8) or (10) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692) (customer due diligence measures).” 15
- (3) In section 328 (arrangements), after subsection (5) insert –
- “(6) A person (“P”) who does an act mentioned in subsection (1) does not commit an offence under that subsection if –
- (a) P is carrying on business in the regulated sector that is not excluded business, 20
 - (b) P does the act, in the course of that business –
 - (i) in transferring or handing over to a customer or client money or other property of, or owing to, the customer or client, and
 - (ii) for the purposes of the termination of P’s business relationship with the customer or client, 25
 - (c) the total value of the criminal property so transferred or handed over to the customer or client by P for those purposes is less than the threshold amount determined under section 339A for the act, and 30
 - (d) before the act is done, P has complied with the customer due diligence duties.
- (7) For the purposes of subsection (6) –
- (a) business is “excluded” if it is of a description specified in regulations made by the Secretary of State for the purposes of this subsection; 35
 - (b) a reference to property being transferred or handed over to the customer or client includes a reference to property being transferred or handed over to another person at the direction of the customer or client; 40
 - (c) “customer due diligence duties” means all duties imposed on P in relation to the customer or client by regulation 28(2), (3), (3A), (4), (8) or (10) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692) (customer due diligence measures).” 45
- (4) In section 329 (acquisition, use and possession), after subsection (2C) insert –
- “(2D) A person (“P”) who does an act mentioned in subsection (1) does not commit an offence under that subsection if –

- (a) P is carrying on business in the regulated sector that is not excluded business,
 - (b) P does the act, in the course of that business –
 - (i) in transferring or handing over to the customer or client property of, or owing to, a customer or client, and 5
 - (ii) for the purposes of the termination of P’s business relationship with the customer or client,
 - (c) the total value of the criminal property so transferred or handed over to the customer or client by P for those purposes is less than the threshold amount determined under section 339A for the act, and 10
 - (d) before the act is done, P has complied with the customer due diligence duties.
- (2E) For the purposes of subsection (2D) –
 - (a) business is “excluded” if it is of a description specified in regulations made by the Secretary of State for the purposes of this subsection; 15
 - (b) a reference to property being transferred or handed over to the customer or client includes a reference to property being transferred or handed over to another person at the direction of the customer or client; 20
 - (c) “customer due diligence duties” means all duties imposed on P in relation to the customer or client by regulation 28(2), (3), (3A), (4), (8) or (10) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692) (customer due diligence measures).” 25
- (5) In section 339A (threshold amounts) –
 - (a) for subsection (1) substitute –
 - “(1) In this section –
 - (a) subsections (2) to (6) apply for the purposes of sections 327(2C), 328(5) and 329(2C), and 30
 - (b) subsection (6A) applies for the purposes of sections 327(2D), 328(6) and 329(2D).”;
 - (b) after subsection (6) insert –
 - “(6A) The threshold amount for acts done by a person carrying on business in the regulated sector, for the purposes of the termination of a business relationship with a customer or client, is £1000.”; 35
 - (c) in subsection (7), after “subsection (2)” insert “or (6A)”.
- (6) In section 340 (interpretation of Part 7), after subsection (16) insert – 40
 - “(17) “Business relationship” means a business, professional or commercial relationship between a person carrying on business in the regulated sector and a customer or client, where the relationship –
 - (a) arises out of the business of that person, and
 - (b) is expected by that person, at the time when contact is established, to have an element of duration.” 45
- (7) In section 459 (orders and regulations) –

- (a) in subsection (4), after paragraph (aza) insert –
“(azaa) regulations under section 327(2E)(a), 328(7)(a) or 329(2E)(a);”;
- (b) after subsection (6ZB) insert –
“(6ZBA) No regulations may be made by the Secretary of State under section 327(2E)(a), 328(7)(a) or 329(2E)(a) unless a draft of the regulations has been laid before Parliament and approved by a resolution of each House.”

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144 Money laundering: exemptions for mixed-property transactions

- (1) The Proceeds of Crime Act 2002 is amended as follows. 10
- (2) In section 327 (concealing etc), after subsection (2E) (inserted by section 143) insert –
 - “(2F) A person (“P”) who does an act mentioned in paragraph (c), (d) or (e) of subsection (1) does not commit an offence under that subsection if –
 - (a) P is carrying on business in the regulated sector, 15
 - (b) P does the act in the course of that business, on behalf of a customer or client, in operating an account or accounts maintained with P or in connection with holding any property for the customer or client,
 - (c) at the time of the act, P knows or suspects that part but not all of the funds in the account or accounts, or of the property so held, is criminal property (“the relevant criminal property”), 20
 - (d) it is not possible, at the time the act takes place, to identify the part of the funds or property that is the relevant criminal property, and 25
 - (e) the value of the funds in the account or accounts, or of the property so held, is not, as a direct or indirect result of the act, less than the value of the relevant criminal property at the time of the act.
 - (2G) Where subsection (2F) applies – 30
 - (a) if P does the act in operating an account or accounts, the funds in the account or accounts immediately after the act are assumed to include the relevant criminal property, and
 - (b) if P does the act in connection with holding any property for the customer or client, such of that property as is held by P immediately after the act is assumed to include the relevant criminal property.” 35
- (3) In section 328 (arrangements), after subsection (7) (inserted by section 143) insert –
 - “(8) A person (“P”) who does an act mentioned in subsection (1) does not commit an offence under that subsection if –
 - (a) P is carrying on business in the regulated sector,
 - (b) P does the act in the course of that business, on behalf of a customer or client, in operating an account or accounts maintained with P or in connection with holding any property for the customer or client, 45

- (c) at the time of the act, P knows or suspects that part but not all of the funds in the account or accounts, or of the property so held, is criminal property (“the relevant criminal property”),
 - (d) it is not possible, at the time the act takes place, to identify the part of the funds or property that is the relevant criminal property, and 5
 - (e) the value of the funds in the account or accounts, or of the property so held, is not, as a direct or indirect result of the act, less than the value of the relevant criminal property at the time of the act. 10
- (9) Where subsection (8) applies –
 - (a) if P does the act in operating an account or accounts, the funds in the account or accounts immediately after the act are assumed to include the relevant criminal property, and
 - (b) if P does the act in connection with holding any property for the customer or client, such of that property as is held by P immediately after the act is assumed to include the relevant criminal property.” 15
- (4) In section 329 (acquisition, use and possession), after subsection (2E) (inserted by section 143), insert – 20
 - “(2F) A person (“P”) who does an act mentioned in subsection (1) does not commit an offence under that subsection if –
 - (a) P is carrying on business in the regulated sector,
 - (b) P does the act in the course of that business, on behalf of a customer or client, in operating an account or accounts maintained with P or in connection with holding any property for the customer or client, 25
 - (c) at the time of the act, P knows or suspects that part but not all of the funds in the account or accounts, or of the property so held, is criminal property (“the relevant criminal property”), 30
 - (d) it is not possible, at the time the act takes place, to identify the part of the funds or property that is the relevant criminal property, and
 - (e) the value of the funds in the account or accounts, or of the property so held, is not, as a direct or indirect result of the act, less than the value of the relevant criminal property at the time of the act. 35
- (2G) Where subsection (2F) applies –
 - (a) if P does the act in operating an account or accounts, the funds in the account or accounts immediately after the act are assumed to include the relevant criminal property, and 40
 - (b) if P does the act in connection with holding any property for the customer or client, such of that property as is held by P immediately after the act is assumed to include the relevant criminal property.” 45

145 Information orders: money laundering

- (1) Section 339ZH of the Proceeds of Crime Act 2002 (further information orders) is amended in accordance with subsections (2) to (11).

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- (2) In the heading for “Further information” substitute “Information”.
- (3) In subsection (1) –
- (a) for “a further” substitute “an”, and
 - (b) for “either condition 1 or condition 2” substitute “one of conditions 1 to 4”.
- (4) In subsection (3) for “A further” substitute “An”.
- (5) In subsection (4) for “a further” substitute “an”.
- (6) In subsection (5) for “a further” substitute “an”.
- (7) After subsection (6) insert –
- “(6A) Condition 3 for the making of an information order is met if –
- (a) the information would assist an authorised NCA officer to conduct –
 - (i) operational analysis of information that is relevant to money laundering or suspected money laundering, or
 - (ii) strategic analysis identifying trends or patterns in the conduct of money laundering, or systemic deficiencies or vulnerabilities which have been, are being or are likely to be, exploited for the purposes of money laundering,
 for the purposes of the criminal intelligence function of the National Crime Agency, so far as it relates to money laundering,
 - (b) the respondent is a person carrying on a business in the regulated sector,
 - (c) where the application for the order is made to a magistrates’ court, the person making the application has had regard to the code of practice under section 339ZL,
 - (d) where the application for the order is made to the sheriff –
 - (i) the application is made by a procurator fiscal at the request of the Director General of the National Crime Agency or an authorised NCA officer, and
 - (ii) the person making that request has had regard to the code of practice under section 339ZL, and
 - (e) it is reasonable in all the circumstances for the information to be provided.
- (6B) Condition 4 for the making of an information order is met if –
- (a) the information would assist a foreign FIU to conduct –
 - (i) operational analysis of information that is relevant to money laundering or suspected money laundering, or
 - (ii) strategic analysis identifying trends or patterns in the conduct of money laundering, or systemic deficiencies or vulnerabilities which have been, are being or are likely to be, exploited for the purposes of money laundering,
 - (b) a request has been made by the foreign FIU to the National Crime Agency for the provision of the information,
 - (c) the respondent is a person carrying on a business in the regulated sector,

- (d) the information is likely to be of substantial value to the foreign FIU in carrying out analysis of a kind mentioned in paragraph (a),
 - (e) where the application for the order is made to a magistrates' court, the person making the application has had regard to the code of practice under section 339ZL, 5
 - (f) where the application for the order is made to the sheriff—
 - (i) the application is made by a procurator fiscal at the request of the Director General of the National Crime Agency or an authorised NCA officer, and 10
 - (ii) the person making that request has had regard to the code of practice under section 339ZL, and
 - (g) it is reasonable in all the circumstances for the information to be provided.
- (6C) In subsections (6A) and (6B) references to “money laundering” include references to any criminal conduct which constitutes a predicate offence in respect of money laundering.” 15
- (8) In subsection (7) for “A further” substitute “An”.
- (9) In subsection (8) for “a further” substitute “an”.
- (10) In subsection (12), at the appropriate places, insert— 20
 - ““authorised NCA officer” means a National Crime Agency officer authorised by the Director General (whether generally or specifically) for the purposes of this section;”;
 - ““the criminal intelligence function” has the meaning given by section 1(5) of the Crime and Courts Act 2013;”;
 - ““foreign FIU” means a body in a foreign country carrying out the functions of a financial intelligence unit within the meaning of Recommendation 29 of the Financial Action Task Force (as that Recommendation has effect from time to time);”.
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- (11) In that subsection, in the definition of “relevant person”, in paragraph (a), for “other National Crime Agency officer” to the end substitute “authorised NCA officer,”. 30
- (12) After section 339ZK of the Proceeds of Crime Act 2002 insert—

“339ZL Code of practice about certain information orders

 - (1) The Secretary of State must make a code of practice in connection with the exercise of the following functions by the Director General of the National Crime Agency or an authorised NCA officer— 35
 - (a) the making of an application to the magistrates' court for an information order in reliance on Condition 3 or 4 in section 339ZH being met; 40
 - (b) the making of a request to a procurator fiscal for the procurator fiscal to apply for an information order in reliance on Condition 3 or 4 in section 339ZH being met.
 - (2) Where the Secretary of State proposes to issue a code of practice the Secretary of State must— 45
 - (a) publish a draft,
 - (b) consider any representations made about the draft, and

- (c) if the Secretary of State thinks appropriate, modify the draft in the light of any such representations.
- (3) The Secretary of State must lay a draft of the code before Parliament.
- (4) When the Secretary of State has laid a draft of the code before Parliament the Secretary of State may bring it into operation by regulations. 5
- (5) The Secretary of State may revise the whole or any part of the code and issue the code as revised; and subsections (2) to (4) apply to a revised code as they apply to the original code.
- (6) A failure by a person to comply with a provision of the code does not of itself make the person liable to criminal or civil proceedings. 10
- (7) The code is admissible in evidence in criminal or civil proceedings and is to be taken into account by a court or tribunal in any case in which it appears to the court or tribunal to be relevant.
- (8) A code of practice made under this section may be combined with a code of practice under section 22F of the Terrorism Act 2000 (code of practice relating to information orders under section 22B(1A) of that Act). 15
- (9) In this section “authorised NCA officer” has the meaning given in section 339ZH(12).” 20
- (13) In section 459 of that Act (orders and regulations) –
- (a) in subsection (4), after paragraph (azaa) (inserted by section 143(7)(a) of this Act) insert –
- “(azab) regulations under section 339ZL(4);”;
- (b) after subsection (6ZBA) (inserted by section 143(7)(b) of this Act) insert – 25
- “(6ZBB) No regulations may be made by the Secretary of State under section 337ZL(4) unless a draft of the regulations has been laid before Parliament and approved by a resolution of each House.” 30
- (14) In consequence of further information orders being renamed information orders by this section, the following amendments are also made to that Act –
- (a) in the italic heading before section 339ZH for “Further information” substitute “Information”;
- (b) in section 339ZI (statements), in subsection (1) for “a further” substitute “an”; 35
- (c) in section 339ZJ (appeals), in subsections (1) and (4)(a) for “a further” substitute “an”;
- (d) in section 339ZK (supplementary) –
- (i) in subsection (1) for “A further” substitute “An”; 40
- (ii) in subsection (3) for “a further” substitute “an”;
- (iii) in subsection (4) for “a further” substitute “an”;
- (iv) in subsection (5) omit “further”;
- (e) in section 340 (interpretation), in subsection (15) for “Further information” substitute “Information”. 45

146 Information orders: terrorist financing

- (1) Section 22B of the Terrorism Act 2000 (further information orders) is amended in accordance with subsections (2) to (12).
- (2) In the heading for “Further information” substitute “Information”.
- (3) In subsection (1) for “a further” substitute “an”. 5
- (4) After subsection (1) insert—
“(1A) A magistrates’ court or (in Scotland) the sheriff may, on an application made—
 - (a) in the case of a magistrates’ court, by the Director General of the National Crime Agency or an authorised NCA officer, and 10
 - (b) in the case of the sheriff, by a procurator fiscal,
make an information order if satisfied that either condition 3 or condition 4 is met.”
- (5) In subsection (3) for “A further” substitute “An”.
- (6) In subsection (4) for “a further” substitute “an”. 15
- (7) In subsection (5) for “a further” substitute “an”.
- (8) After subsection (6) insert—
“(6A) Condition 3 for the making of an information order is met if—
 - (a) the information would assist an authorised NCA officer to conduct— 20
 - (i) operational analysis of information that is relevant to terrorist financing or suspected terrorist financing, or
 - (ii) strategic analysis identifying trends or patterns in the conduct of terrorist financing, or systemic deficiencies or vulnerabilities which have been, are being or are likely to be, exploited for the purposes of terrorist financing, 25
for the purposes of the criminal intelligence function of the National Crime Agency so far as it relates to terrorist financing,
 - (b) the respondent is a person carrying on a business in the regulated sector, 30
 - (c) where the application for the order is made to a magistrates’ court, the person making the application has had regard to the code of practice under section 22F,
 - (d) where the application for the order is made to the sheriff— 35
 - (i) the application is made by a procurator fiscal at the request of the Director General of the National Crime Agency or an authorised NCA officer, and
 - (ii) the person making that request has had regard to the code of practice under section 22F, and 40
 - (e) it is reasonable in all the circumstances for the information to be provided.
- (6B) Condition 4 for the making of an information order is met if—
 - (a) the information would assist a foreign FIU to conduct—

-
- (i) operational analysis of information that is relevant to terrorist financing or suspected terrorist financing, or
 - (ii) strategic analysis identifying trends or patterns in the conduct of terrorist financing, or systemic deficiencies or vulnerabilities which have been, are being or are likely to be, exploited for the purposes of terrorist financing, 5
 - (b) a request has been made by the foreign FIU to the National Crime Agency for the provision of the information,
 - (c) the respondent is a person carrying on a business in the regulated sector, 10
 - (d) the information is likely to be of substantial value to the foreign FIU in carrying out analysis of a kind mentioned in paragraph (a),
 - (e) where the application for the order is made to a magistrates' court, the person making the application has had regard to the code of practice under section 22F, 15
 - (f) where the application for the order is made to the sheriff –
 - (i) the application is made by a procurator fiscal at the request of the Director General of the National Crime Agency or an authorised NCA officer, and 20
 - (ii) the person making that request has had regard to the code of practice under section 22F, and
 - (g) it is reasonable in all the circumstances for the information to be provided.” 25
 - (9) In subsection (7) for “A further” substitute “An”.
 - (10) In subsection (8) for “a further” substitute “an”.
 - (11) In subsection (12), after “this section” insert “in reliance on Condition 1 or 2”.
 - (12) In subsection (14), at the appropriate places, insert –
 - ““authorised NCA officer” means an officer of the National Crime Agency authorised by the Director General (whether generally or specifically) for the purposes of this section;”;
 - ““the criminal intelligence function” has the meaning given by section 1(5) of the Crime and Courts Act 2013;”;
 - ““foreign FIU” means a body in a foreign country carrying out the functions of a financial intelligence unit within the meaning of Recommendation 29 of the Financial Action Task Force (as that Recommendation has effect from time to time);”;
 - ““terrorist financing” means –
 - (a) for the purposes of subsection (6A), an act which constitutes an offence under any of sections 15 to 18;
 - (b) for the purposes of subsection (6B), an act which constitutes a corresponding terrorist financing offence.”
 - (13) After section 22E of the Terrorism Act 2000 insert –
 - “22F Code of practice about certain information orders 45**
 - (1) The Secretary of State must make a code of practice in connection with the exercise of the following functions by the Director General of the National Crime Agency or an authorised NCA officer –

- (a) the making of an application to the magistrates’ court for an information order under section 22B(1A) (information orders made in reliance on Condition 3 or 4 in section 22B being met);
 - (b) the making of a request to a procurator fiscal for the procurator fiscal to apply for an information order under section 22B(1A). 5
 - (2) Where the Secretary of State proposes to issue a code of practice the Secretary of State must –
 - (a) publish a draft,
 - (b) consider any representations made about the draft, and
 - (c) if the Secretary of State thinks appropriate, modify the draft in the light of any such representations. 10
 - (3) The Secretary of State must lay a draft of the code before Parliament.
 - (4) When the Secretary of State has laid a draft of the code before Parliament the Secretary of State may bring it into operation by regulations. 15
 - (5) The Secretary of State may revise the whole or any part of the code and issue the code as revised; and subsections (2) to (4) apply to a revised code as they apply to the original code.
 - (6) A failure by a person to comply with a provision of the code does not of itself make the person liable to criminal or civil proceedings. 20
 - (7) The code is admissible in evidence in criminal or civil proceedings and is to be taken into account by a court or tribunal in any case in which it appears to the court or tribunal to be relevant.
 - (8) A code of practice made under this section may be combined with a code of practice under section 339ZL of the Proceeds of Crime Act 2002 (code of practice relating to certain information orders under section 339ZH of that Act). 25
 - (9) In this section “authorised NCA officer” has the meaning given in section 22B(14).”
- (14) In section 123(4) of that Act (orders and regulations subject to affirmative procedure), after paragraph (a) insert – 30

“(aza) section 22F(4);”.
- (15) In consequence of further information orders being renamed information orders by this section, the following amendments are also made to that Act –
 - (a) in the italic heading before section 22B for “Further information” substitute “Information”; 35
 - (b) in section 22C (statements), in subsection (1) for “a further” substitute “an”;
 - (c) in section 22D (appeals), in subsections (1) and (4)(a) for “a further” substitute “an”; 40
 - (d) in section 22E (supplementary) –
 - (i) in subsection (1) for “A further” substitute “An”;
 - (ii) in subsection (3) for “a further” substitute “an”;
 - (iii) in subsection (4) for “a further” substitute “an”;
 - (iv) in subsection (5) omit “further”; 45

- (e) in section 120C (enforcement of orders in other parts of UK), in subsection (2)(a) omit “further”.

147 Enhanced due diligence: designation of high-risk countries

- (1) The Sanctions and Anti-Money Laundering Act 2018 is amended as follows.
- (2) In Schedule 2 (money laundering and terrorist financing etc) – 5
 - (a) in paragraph 4 –
 - (i) the existing text becomes sub-paragraph (1);
 - (ii) after sub-paragraph (1) insert –

“(2) Provide for the imposition of requirements relating to enhanced customer due diligence measures by reference to a list of high-risk countries published and amended from time to time by the Treasury.”; 10
 - (b) in paragraph 23, after sub-paragraph (2) insert –

“(2A) In paragraph 4 (measures in relation to customers of relevant persons), the reference in sub-paragraph (2) to requirements includes requirements imposed by or under the Money Laundering Regulations 2017.” 15
- (3) In section 55 (parliamentary procedure for regulations), omit subsections (2) and (9).

Disclosures to prevent, detect or investigate economic crime etc 20

148 Direct disclosures of information: no breach of obligation of confidence

- (1) A disclosure made by a person (“A”) to another person (“B”) does not breach any obligation of confidence owed by A if –
 - (a) A is carrying on business to which subsection (2) applies,
 - (b) B is also carrying on business to which that subsection applies, 25
 - (c) the information relates to a person who is a customer or former customer of A (“the customer”),
 - (d) either the request condition or the warning condition is met,
 - (e) A is satisfied that the disclosure of the information will or may assist B in carrying out relevant actions of B, and 30
 - (f) the disclosure is not a privileged disclosure.
- (2) This subsection applies to –
 - (a) business in the regulated sector, and
 - (b) business of a description prescribed by regulations made by the Secretary of State for the purposes of this paragraph. 35
- (3) The request condition is that –
 - (a) the disclosure is made in response to a request made by B, and
 - (b) at the time the request is made, B has reason to believe that A holds information relating to the customer the disclosure of which will or may assist B in carrying out relevant actions of B. 40

- (4) The warning condition is that A, due to concerns about risks of economic crime, has decided to take safeguarding action (or would have decided to take such action but for the customer having ceased to be a customer of A).
- (5) For the purposes of subsection (4), “safeguarding action” means –
 - (a) terminating a business relationship with the customer, 5
 - (b) refusing the customer a product or service, or
 - (c) restricting the customer’s access to elements of a product or service available to other customers of A.
- (6) Where a disclosure is made to which subsection (1) applies, B’s use of the disclosed information, for the purposes of any of B’s relevant actions, does not breach any obligation of confidence owed by B. 10
- (7) A disclosure made by a person (“R”) who is carrying on business to which subsection (2) applies to another person for the purpose of making a disclosure request does not breach any obligation of confidence owed by R if, and to the extent that, R has reason to believe that other person – 15
 - (a) is carrying on business to which subsection (2) applies, and
 - (b) has in their possession information about a customer or former customer of theirs that will or may assist R to carry out any of R’s relevant actions.
- (8) Where a disclosure is made to which subsection (7) applies, the use by that other person of the disclosed information, for the purposes of enabling a disclosure to be made by them to which subsection (1) applies, does not breach any obligation of confidence owed by them. 20
- (9) Nothing in this section requires or authorises a disclosure of information that would contravene the data protection legislation. 25

149 Indirect disclosure of information: no breach of obligation of confidence

- (1) A disclosure made by a person (“A”) to another person (“B”) does not breach any obligation of confidence owed by A if Condition 1 is met.
- (2) Condition 1 is that –
 - (a) A is carrying on business to which subsection (3) applies, 30
 - (b) the information relates to a person who is a customer or former customer of A (“the customer”),
 - (c) due to concerns about the risk of economic crime, A has decided to –
 - (i) terminate a business relationship with the customer,
 - (ii) refuse the customer a product or service, or 35
 - (iii) restrict the customer’s access to elements of a product or service which are available to other customers,
 - (d) A is satisfied that the information disclosed to B, if it is disclosed by B to one or more persons carrying on business to which subsection (3) applies, will or may assist those persons in carrying out their relevant actions, 40
 - (e) to the extent that the information is personal data, the UK GDPR applies to the disclosure of the information by A,
 - (f) A and B are parties to an agreement the terms of which provide that, to the extent that the information is personal data, B will only disclose or otherwise process it in circumstances where the UK GDPR applies to the disclosure or other processing, and 45

- (g) the disclosure is not a privileged disclosure.
- (3) This subsection applies to—
- (a) business in the regulated sector as—
 - (i) a deposit-taking body,
 - (ii) an electronic money institution, 5
 - (iii) a payment institution,
 - (iv) a cryptoasset exchange provider, or
 - (v) a custodian wallet provider, and
 - (b) business of a description prescribed by regulations made by the Secretary of State for the purposes of this paragraph. 10
- (4) Where subsection (1) applies to a disclosure of information made by A to B, a further disclosure of that information made by B to another person (“C”) does not breach any obligation of confidence owed by B if Condition 2 is met.
- (5) Condition 2 is that—
- (a) C is carrying on business to which subsection (3) applies, and 15
 - (b) to the extent that the information is personal data, the UK GDPR applies to all processing of the information by B, up to and including the disclosure of the information to C.
- (6) Where a disclosure is made to which subsection (4) applies, C’s use of the disclosed information, for the purposes of any of C’s relevant actions, does not breach any obligation of confidence owed by C. 20
- (7) A disclosure made by a person (“R”), who is carrying on business to which subsection (3) applies, to another person, for the purposes of making a request for a disclosure of information to be made to R by that other person, does not breach any obligation of confidence owed by R if, and to the extent that, at the time the request is made, R has reason to believe that the disclosure of information to which the request relates would be one to which subsection (4) applies. 25
- (8) Where a disclosure is made to which subsection (7) applies, the use by that other person, of the disclosed information, for the purposes of enabling a disclosure to be made by them to which subsection (4) applies, does not breach any obligation of confidence owed by them. 30
- (9) Nothing in this section authorises a disclosure of information that would contravene the data protection legislation.
- 150 Meaning of “privileged disclosure” 35**
- (1) For the purposes of sections 148 and 149, “privileged disclosure” means a disclosure of information made by a professional legal adviser or relevant professional adviser in circumstances where the information disclosed came to the adviser in privileged circumstances.
- (2) Information comes to a professional legal adviser or relevant professional adviser in privileged circumstances if it is communicated or given to the adviser—
- (a) by (or by a representative of) a client of the adviser in connection with the giving by that person of legal advice to the client,
 - (b) by (or by a representative of) a person seeking legal advice from the adviser, or 45

- (c) by a person in connection with legal proceedings or contemplated legal proceedings.
- (3) For the purposes of this section a “relevant professional adviser” means an accountant, auditor or tax adviser who is a member of a professional body which is established for accountants, auditors or tax advisers (as the case may be) and which makes provision for –
 - (a) testing the competence of those seeking admission to membership of such a body as a condition for such admission, and
 - (b) imposing and maintaining professional and ethical standards for its members, as well as imposing sanctions for non-compliance with those standards.

151 Meaning of “relevant actions”

In sections 148 and 149, “relevant actions”, of a person, means the actions of –

- (a) determining, for the purposes of preventing, detecting or investigating economic crime –
 - (i) whether it is appropriate to apply any customer due diligence measures, or any similar measures, in respect of a customer or proposed customer of the person;
 - (ii) the nature or extent of the measures;
- (b) carrying out, for such purposes –
 - (i) effective measures for identifying or verifying the identity of, or
 - (ii) any other customer due diligence measures in respect of, a customer or proposed customer of the person;
- (c) determining, for such purposes, whether it is appropriate to –
 - (i) terminate an existing business relationship with a customer or proposed customer of the person;
 - (ii) decline to establish a new business relationship with such a customer;
 - (iii) decline to provide a product or service to such a customer;
 - (iv) restrict the access of such a customer to an existing product or service which is normally available to other customers;
 - (v) decline to carry out a transaction for such a customer.

152 Meaning of “business relationship”

- (1) In sections 148 to 151, “business relationship” means a business, professional or commercial relationship between a person carrying on relevant business and a customer or client which –
 - (a) arises out of the business of the person, and
 - (b) has, or is expected by the person (at the time when contact is established) to have, an element of duration.
- (2) In subsection (1) “relevant business” means –
 - (a) in the case of section 148 (and section 151 as it applies for the purposes of that section), business within section 148(2);
 - (b) in the case of section 149 (and section 151 as it applies for the purposes of that section), business within section 149(3).

153 Other defined terms in sections 148 to 151

- (1) In sections 148 to 151 –
- “cryptoasset exchange provider” has the meaning given by paragraph 1(12)(a) of Schedule 9 to the Proceeds of Crime Act 2002;
 - “custodial wallet provider” has the meaning given by paragraph 1(12)(b) of Schedule 9 to the Proceeds of Crime Act 2002; 5
 - “customer due diligence measures” has the meaning given by regulation 3(1) of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 (S.I. 2017/692);
 - “the data protection legislation” has the same meaning as in the Data Protection Act 2018 (see section 3); 10
 - “deposit-taking body” means –
 - (a) a business which engages in the activity of accepting deposits, or
 - (b) the National Savings Bank; 15
 - “economic crime” means an act which –
 - (a) constitutes an offence listed in Schedule 8 (“a listed offence”),
 - (b) constitutes an attempt, conspiracy or incitement to commit a listed offence, or
 - (c) would constitute a listed offence or an offence specified in paragraph (b) if done in the United Kingdom; 20
 - “electronic money institution” has the same meaning as in the Electronic Money Regulations 2011 (S.I. 2011/99) (see regulation 2 of those Regulations);
 - “enactment” includes – 25
 - (a) an enactment contained in subordinate legislation (as defined in section 21 of the Interpretation Act 1978);
 - (b) an enactment contained in, or in an instrument made under, a Measure or Act of Senedd Cymru;
 - (c) an enactment contained in, or in an instrument made under, an Act of the Scottish Parliament; 30
 - (d) an enactment contained in, or in an instrument made under, Northern Ireland legislation;
 - (e) any retained direct EU legislation;
 - “payment institution” means an authorised payment institution or small payment institution (each as defined in regulation 2 of the Payment Services Regulations 2017 (S.I. 2017/752)); 35
 - “personal data” and “processing” have the same meaning as in the Data Protection Act 2018 (see section 3 of that Act);
 - “regulated sector”: see subsection (2); 40
 - “the UK GDPR” has the same meaning as in the Data Protection Act 2018 (see section 3 of that Act).
- (2) Part 1 of Schedule 9 to the Proceeds of Crime Act 2002 has effect for the purpose of determining what is a business in the regulated sector.
- (3) The Secretary of State may, by regulations, add an offence to or remove an offence from the list in Schedule 8. 45

Regulatory and investigatory powers

154 Law Society: powers to fine in cases relating to economic crime

- (1) In section 44D of the Solicitors Act 1974 (disciplinary powers of Law Society), after subsection (2) insert –
 - “(2A) In a case where this subsection applies, subsection (2)(b) has effect as if the words after “penalty” (which set a limit on the amount of the penalty a person may be directed to pay) were omitted. 5
 - (2B) Subsection (2A) applies where the Society takes action against a person under subsection (2)(b) –
 - (a) for failure to comply with a requirement or rule referred to in subsection (1)(a), where – 10
 - (i) the requirement or rule applies only for purposes relating to the prevention or detection of economic crime, or
 - (ii) the failure consisted of an act or omission which had the effect of inhibiting the prevention or detection of economic crime, or 15
 - (b) for professional misconduct as referred to in subsection (1)(b), where the misconduct consisted of an act or omission which had the effect of inhibiting the prevention or detection of economic crime. 20
 - (2C) In subsection (2B) “economic crime” has the meaning given by section 153(1) of the Economic Crime and Corporate Transparency Act 2022.”
- (2) In paragraph 14B of Schedule 2 to the Administration of Justice Act 1985 (disciplinary powers of Law Society), after sub-paragraph (2) insert – 25
 - “(2A) In a case where this sub-paragraph applies, sub-paragraph (2)(b) has effect as if the words after “penalty” (which set a limit on the amount of the penalty a person may be directed to pay) were omitted.
 - (2B) Sub-paragraph (2A) applies where the Society takes action against a person under sub-paragraph (2)(b) for failure to comply with a requirement or rule referred to in sub-paragraph (1) where – 30
 - (a) the requirement or rule applies only for purposes relating to the prevention or detection of economic crime, or
 - (b) the failure consisted of an act or omission which had the effect of inhibiting the prevention or detection of economic crime. 35
 - (2C) In sub-paragraph (2B) “economic crime” has the meaning given by section 153(1) of the Economic Crime and Corporate Transparency Act 2022.”
- (3) The amendments made by this section do not apply in relation to any act or omission occurring before the day on which this section comes into force. 40

155 Regulators of legal services: objective relating to economic crime

- (1) Section 1 of the Legal Services Act 2007 (regulatory objectives) is amended as follows.

- (2) In subsection (1), after paragraph (h) insert—
“(i) promoting the prevention and detection of economic crime.”
- (3) After subsection (4) insert—
“(5) In subsection (1)(i) “economic crime” has the meaning given by section 153(1) of the Economic Crime and Corporate Transparency Act 2022”. 5

156 Serious Fraud Office: pre-investigation powers

- (1) In section 2A of the Criminal Justice Act 1987 (Director’s pre-investigation powers in relation to bribery and corruption: foreign officers etc), omit the following—
 - (a) in the heading, the words from “in relation to” to the end; 10
 - (b) in subsection (1), the words from “in a case” to the end;
 - (c) subsection (5).
- (2) In Schedule 1 to the Bribery Act 2010 (consequential amendments), omit paragraph 2 and the preceding italic heading.

Reports on payments to governments 15

157 Reports on payments to governments regulations: false statement offences etc

For regulation 16 of the Reports on Payments to Governments Regulations 2014 (S.I. 2014/3209) substitute—

“16 False statements: basic offence

- (1) It is an offence for a person, without reasonable excuse, to— 20
 - (a) deliver or cause to be delivered to the registrar, for the purposes of these Regulations, a document that is misleading, false or deceptive in a material particular, or
 - (b) make to the registrar, for the purposes of these Regulations, a statement that is misleading, false or deceptive in a material particular. 25
- (2) Where the offence is committed by a firm, every officer of the firm who is in default also commits the offence.
- (3) In paragraph (2) “firm” has the meaning given by section 1173(1) of the Act. 30
- (4) Sections 1121 to 1123 of the Act (liability of officers default: interpretation etc) apply for the purposes of paragraph (2) as they apply for the purposes of provisions of the Companies Acts.
- (5) A person guilty of an offence under this regulation is liable— 35
 - (a) on summary conviction in England and Wales, to a fine;
 - (b) on summary conviction in Scotland, to a fine not exceeding level 5 on the standard scale;
 - (c) on summary conviction in Northern Ireland, to a fine not exceeding level 5 on the standard scale.
- (6) No proceedings are to be brought for an offence under this regulation— 40

- (a) in England and Wales except by or with the consent of the Secretary of State or the Director of Public Prosecutions;
- (b) in Northern Ireland except by or with the consent of the Secretary of State or the Director of Public Prosecutions for Northern Ireland.

5

16A False statements: aggravated offence

- (1) It is an offence for a person knowingly to –
 - (a) deliver or cause to be delivered to the registrar, for the purposes of these Regulations, a document that is misleading, false or deceptive in a material particular, or 10
 - (b) make to the registrar, for the purposes of these Regulations, a statement that is misleading, false or deceptive in a material particular.
- (2) Where the offence is committed by a firm, every officer of the firm who is in default also commits the offence. 15
- (3) In paragraph (2) “firm” has the meaning given by section 1173(1) of the Act.
- (4) Sections 1121 to 1123 of the Act (liability of officers default: interpretation etc) apply for the purposes of paragraph (2) as they apply for the purposes of provisions of the Companies Acts. 20
- (5) A person guilty of an offence under this regulation is liable –
 - (a) on conviction on indictment, to imprisonment for a term not exceeding two years or a fine (or both);
 - (b) on summary conviction –
 - (i) in England and Wales, to imprisonment for a term not exceeding the general limit in a magistrates’ court or a fine (or both); 25
 - (ii) in Scotland, to imprisonment for a term not exceeding 12 months or a fine not exceeding the statutory maximum (or both); 30
 - (iii) in Northern Ireland, to imprisonment for a term not exceeding 6 months or a fine not exceeding the statutory maximum (or both).
- (6) No proceedings are to be brought for an offence under this regulation –
 - (a) in England and Wales except by or with the consent of the Secretary of State or the Director of Public Prosecutions; 35
 - (b) in Northern Ireland except by or with the consent of the Secretary of State or the Director of Public Prosecutions for Northern Ireland.”

PART 6

40

GENERAL

158 Power to make consequential provision

- (1) The Secretary of State may by regulations make provision that is consequential on this Act.

- (2) Regulations under this section may amend, repeal or revoke provision made by or under primary legislation passed –
 - (a) before this Act, or
 - (b) later in the same session of Parliament as this Act.

- (3) In this section “primary legislation” means – 5
 - (a) an Act,
 - (b) an Act or Measure of Senedd Cymru,
 - (c) an Act of the Scottish Parliament, or
 - (d) Northern Ireland legislation.

159 Regulations 10

- (1) A power to make regulations under any provision of this Act includes power to make –
 - (a) consequential, supplementary, incidental, transitional or saving provision;
 - (b) different provision for different purposes. 15
- (2) Regulations under this Act are to be made by statutory instrument.
- (3) A statutory instrument containing any of the following (whether alone or with other provision) may not be made unless a draft of the instrument has been laid before and approved by a resolution of each House of Parliament – 20
 - (a) regulations under section 33;
 - (b) regulations under section 35;
 - (c) regulations under section 140;
 - (d) regulations under section 153;
 - (e) regulations under section 158 that amend or repeal provision made by an Act. 25
- (4) Any other statutory instrument containing regulations under this Act is subject to annulment in pursuance of a resolution of either House of Parliament.
- (5) This section does not apply to regulations under section 161.

160 Extent

- (1) This Act extends to England and Wales, Scotland and Northern Ireland, subject to subsection (2). 30
- (2) An amendment, repeal or revocation made by this Act has the same extent as the provision amended, repealed or revoked.

161 Commencement

- (1) This Part comes into force on the day on which this Act is passed. 35
- (2) Any provision of, or amendment made by, Parts 1 to 5 comes into force on the day on which this Act is passed so far as it confers a power to make regulations or relates to the exercise of the power.
- (3) Parts 1 to 5 come into force (so far as not brought into force by subsection (2)) on such day as the Secretary of State may by regulations appoint. 40

- (4) Different days may be appointed for different purposes.
- (5) The Secretary of State may by regulations make transitional or saving provision in connection with the coming into force of any provision of this Act.
- (6) The power to make regulations under subsection (5) includes power to make different provision for different purposes. 5
- (7) Transitional provision and savings made under subsection (5) are additional, and without prejudice, to those made by or under any other provision of this Act.
- (8) Regulations under this section are to be made by statutory instrument.

162 Short title

10

This Act may be cited as the Economic Crime and Corporate Transparency Act 2022.

SCHEDULES

SCHEDULE 1

Section 48

REGISTER OF MEMBERS: CONSEQUENTIAL AMENDMENTS

- 1 The Companies Act 2006 is amended as follows.
- 2 In section 112 (the members of a company), omit subsection (3). 5
- 3 (1) Section 127 (register to be evidence) is amended as follows.
 - (2) The existing text becomes subsection (1).
 - (3) In that subsection “for section 128H” substitute “subsection (2)”.
 - (4) After that subsection insert—
 - “(2) The central register is prima facie evidence of any matters about 10
which a company was required to deliver information to the
registrar under Chapter 2A by virtue of an election under section
128B at any time before the repeal of that Chapter (including that
section) by the Economic Crime and Corporate Transparency Act 2022. 15
 - (3) Subsection (2) does not apply to information required to be included
in a statement under section 128B(5)(b) or in any updated statement
under section 128B(6) before their repeal by that Act.
 - (4) In this section “the central register” means the register kept by the
registrar (see section 1080).” 20
- 4 In section 129 (overseas branch registers), omit subsection (6).
- 5 In section 286 (votes of joint holders of shares), in subsection (2), omit the
words from “(or” to “section 1080)”.
- 6 In section 311 (contents of notices of meetings), in subsection (3)(b)(i), omit
the words from “(or” to “section 1080)”. 25
- 7 In section 360B (traded companies: requirements for participating in and
voting at general meetings), omit subsection (5).
- 8 In section 554 (registration of allotment), omit subsection (2A).
- 9 In section 558 (when shares are allotted), omit the words from “(or” to
“registrar)”. 30
- 10 In section 588 (liability of subsequent holders of shares), in subsection (3)(a),
omit the words from “(or” to “registrar)”.
- 11 In section 605 (liability of subsequent holders of shares), in subsection (4)(a),
omit the words from “(or” to “registrar)”.

12	In section 616 (interpretation of Chapter 7), in subsection (3), omit the words from “(or” to “registrar”.	
13	In section 655 (shares no bar to damages against company), omit the words from “(or” to “registrar”.	
14	In section 724 (Treasury shares), in subsection (4), omit the words from “(or” to “Part 8”.	5
15	In section 770 (registration of transfer), omit subsection (3).	
16	In section 771 (procedure on transfer being lodged), omit subsection (2A).	
17	In section 772 (transfer of shares on application of transferor) – (a) omit the words from “(or” to “Part 8”; (b) omit “(or delivery)”.	10
18	In section 786 (provision enabling or requiring arrangements to be adopted), in subsection (3)(a), omit the words from “(or” to “Part 8”.	
19	In section 853B (duties to notify a relevant event), omit paragraph (b).	
20	In section 853F (duty to deliver shareholder information: non-traded companies), in subsection (1), omit paragraph (b) and the “and” before it.	15
21	In section 1028A (administrative restoration of company with share warrants), in subsection (7), omit paragraph (b) and the “or” before it.	
22	In section 1032A (restoration by court of company with share warrants), in subsection (8), omit paragraph (b) and the “or” before it.	20
23	(1) Section 1081 (annotation of the register) is amended as follows. (2) Omit subsection (1A). (3) In subsection (6), omit “or (1A)”.	
24	In section 1136 (regulations about where certain company records to be kept available for inspection), in subsection (2), omit the entry for section 128D (historic register of members).	25
25	In Schedule 5 (communications by a company), in paragraph 16, omit subparagraph (3A).	

SCHEDULE 2

Section 50

ABOLITION OF CERTAIN LOCAL REGISTERS

30

PART 1

REGISTER OF DIRECTORS

1	The Companies Act 2006 is amended as follows.	
2	Omit – (a) sections 161A to 167F (register of directors etc); (b) the italic heading before section 161A.	35

- 3 (1) Before section 168 (and before the italic heading before that section) insert –

“Notification of information about directors

167G Duty to notify registrar of change in directors

- (1) A company must give notice to the registrar if a person –
 - (a) becomes a director of the company, or 5
 - (b) ceases to be a director of the company.
- (2) The notice must specify the date on which the person became or ceased to be a director of the company.
- (3) A notice under subsection (1)(a) of a person having become a director must contain – 10
 - (a) a statement of the required information about the new director (see sections 167J and 167K);
 - (b) a statement by the company that the person has consented to act in that capacity;
 - (c) if the person is an individual, a statement – 15
 - (i) that their identity is verified (see section 1110A), or
 - (ii) that they fall within any exemption that may be specified in regulations made by the Secretary of State for the purposes of this sub-paragraph;
 - (d) a statement that the person is not – 20
 - (i) disqualified under the directors disqualification legislation (see section 159A(2)), or
 - (ii) otherwise ineligible by virtue of any enactment for appointment as a director;
 - (e) if the person would be disqualified under the directors disqualification legislation but for the permission of a court to act, a statement to that effect specifying – 25
 - (i) the court by which permission was given, and
 - (ii) the date on which permission was given.
- (4) In subsection (3)(e) “permission of a court to act” means permission 30
 under a provision mentioned in column 2 of the table in section 159A(2).
- (5) Subsection (1)(a) does not require a company, on its incorporation, to give notice in relation to a person named as a proposed director in the statement under section 12. 35
- (6) A notice under this section must be given within the period of 14 days beginning with the day on which the person becomes or ceases to be a director.
- (7) Regulations under subsection (3)(c)(ii) are subject to affirmative resolution procedure. 40

167H Duty to notify registrar of changes of information

- (1) A company must give notice to the registrar of any change in the required information about a director (see sections 167J and 167K).
- (2) The notice must specify the date on which the change occurred.

- (3) A notice under this section must be given within the period of 14 days beginning with the day on which the change occurs.
- (4) Where a company gives notice of a change of a director’s service address but not their residential address, the notice must contain a statement that the residential address is unchanged. 5

167I Notification of changes occurring before company’s incorporation

- (1) A company must give notice to the registrar if a person named in the statement under section 12 as a proposed director of the company did not become a director on its incorporation.
- (2) A company must give notice to the registrar of any change in the required information about a proposed director that occurred – 10
 - (a) after the application for the company’s registration under section 9 was delivered to the registrar, but
 - (b) before the company was incorporated.
- (3) But a company is not required to give notice under subsection (2) in respect of a person if it gives notice under subsection (1) in respect of the person. 15
- (4) A notice under subsection (2) must specify the date on which the change occurred.
- (5) A notice under this section must be given within the period of 14 days beginning with the day on which the company was incorporated. 20

167J Required information about a director: individuals

- (1) The required information about a director (or proposed director) who is an individual is – 25
 - (a) name, date of birth and nationality;
 - (b) any relevant former names;
 - (c) a service address (which may be stated as “The company’s registered office”);
 - (d) usual residential address; 30
 - (e) the part of the United Kingdom in which the individual is usually resident or, if the individual is usually resident in a country or state outside the United Kingdom, that country or state.
- (2) In subsection (1)(b) “relevant former name” means any former name other than – 35
 - (a) in the case of a peer, or an individual normally known by a British title, the name by which the individual was known previous to the adoption of or succession to the title, or
 - (b) in the case of any person – 40
 - (i) a former name which was changed or disused before the person attained the age of 16 years,
 - (ii) a former name which has been changed or disused for 20 years or more, or
 - (iii) a former name which the registrar is required to refrain from making available for public inspection or 45

from disclosing (or both) by virtue of regulations under section 1088(1)(a) or (b).

- (3) In this section –
 - “former name” means a name by which the individual was formerly known for business purposes; 5
 - “name” means the individual’s forename and surname.
- (4) Where a director (or proposed director) is a peer or an individual usually known by a title, any requirement imposed by this Act to provide the individual’s name because it forms part of the required information may be satisfied by providing that title instead of the individual’s forename and surname. 10
- (5) The Secretary of State may by regulations –
 - (a) amend this section so as to change the required information about a director (or proposed director) who is an individual;
 - (b) repeal subsection (4). 15
- (6) Regulations under this section are subject to affirmative resolution procedure.

167K Required information about a director: corporate directors and firms

- (1) The required information about a director (or proposed director) that is a body corporate, or a firm that is a legal person under the law by which it is governed, is – 20
 - (a) corporate or firm name;
 - (b) registered or principal office;
 - (c) in the case of a limited company that is a UK-registered company, the registered number; 25
 - (d) in any other case, particulars of –
 - (i) the legal form of the company or firm and the law by which it is governed, and
 - (ii) if applicable, the register in which it is entered (including details of the state) and its registration number in that register. 30
- (2) The Secretary of State may by regulations amend this section so as to change the required information about a director (or proposed director) of a description mentioned in subsection (1).
- (3) Regulations under this section are subject to affirmative resolution procedure. 35

167L Directors: offence of failure to notify of changes

- (1) If a company fails, without reasonable excuse, to comply with section 167G, 167H or 167I, an offence is committed by – 40
 - (a) the company, and
 - (b) every officer of the company who is in default.
- (2) For this purpose a shadow director is treated as an officer of the company.
- (3) A person guilty of an offence under this section is liable on summary conviction – 45

- (a) in England and Wales, to a fine;
 - (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale.” 5
- (2) The provision that may be made under section 161(5) in connection with the coming into force of this paragraph includes –
 - (a) provision requiring a company to deliver to the registrar, at the same time as a confirmation statement, a statement to the effect mentioned in section 167G(3)(c)(i) or (ii) of the Companies Act 2006 in relation to any individual who became a director of the company, otherwise than on its incorporation, before the coming into force of this paragraph, and 10
 - (b) provision for section 853A(1)(b)(i) of the Companies Act 2006 (as substituted by section 57 of this Act) to have effect as if it included a reference to the duty imposed by virtue of paragraph (a). 15
- (3) In sub-paragraph (2) –
 - “confirmation statement” has the meaning given by section 853A of the Companies Act 2006;
 - “the registrar” has the same meaning as in the Companies Acts (see section 1060 of the Companies Act 2006). 20

PART 2

REGISTER OF SECRETARIES

- 4 The Companies Act 2006 is amended as follows.
- 5 Omit sections 274A to 279F (register of secretaries etc) (including the italic heading before section 279A). 25
- 6 Before section 280 insert –

“Notification of information about secretaries

279G Duty to notify registrar of change in secretary or joint secretary

- (1) A company must give notice to the registrar if a person – 30
 - (a) becomes the secretary or one of the joint secretaries of the company, or
 - (b) ceases to be the secretary or one of the joint secretaries of the company.
- (2) The notice must specify the date on which the person became or ceased to be the secretary or one of the joint secretaries of the company. 35
- (3) A notice under subsection (1)(a) must contain –
 - (a) a statement of the required information about the secretary or joint secretary (see sections 279J and 279K), and 40
 - (b) a statement by the company that the person has consented to act in that capacity.

- (4) Subsection (1)(a) does not require a company, on its incorporation, to give notice in relation to a person named as the proposed secretary or one of the proposed joint secretaries of the company in the statement under section 12.
- (5) A notice under this section must be given within the period of 14 days beginning with the day on which the person becomes or ceases to be the secretary or a joint secretary. 5

279H Duty to notify registrar of changes of information

- (1) A company must give notice to the registrar of any change in the required information about the secretary or one of the joint secretaries of the company (see sections 279J and 279K). 10
- (2) The notice must specify the date on which the change occurred.
- (3) A notice under this section must be given within the period of 14 days beginning with the day on which the change occurs.

279I Notification of changes occurring before company's incorporation 15

- (1) A company must give notice to the registrar if –
 - (a) a person named in the statement under section 12 as the proposed secretary of the company did not become the secretary on its incorporation, or
 - (b) a person named in the statement under section 12 as one of the proposed joint secretaries of the company become did not become one of the joint secretaries on its incorporation. 20
- (2) A company must give notice to the registrar of any change in the required information about a proposed secretary, or one of the proposed joint secretaries, that occurred – 25
 - (a) after the application for the company's registration under section 9 was delivered to the registrar, but
 - (b) before the company was incorporated.
- (3) But a company is not required to give notice under subsection (2) in respect of a person if it gives notice under subsection (1) in respect of the person. 30
- (4) A notice under subsection (2) must specify the date on which the change occurred.
- (5) A notice under this section must be given within the period of 14 days beginning with the day on which the company was incorporated. 35

279J Required information about a secretary etc: individuals

- (1) The required information about a secretary or joint secretary (or proposed secretary or joint secretary) who is an individual is – 40
 - (a) name;
 - (b) any relevant former names;
 - (c) a service address (which may be stated as “The company's registered office”).
- (2) In subsection (1)(b) “relevant former name” means any former name other than – 45

- (a) in the case of a peer, or an individual normally known by a British title, the name by which the individual was known previous to the adoption of or succession to the title, or
 - (b) in the case of any person –
 - (i) a former name which was changed or disused before the person attained the age of 16 years, or 5
 - (ii) a former name which has been changed or disused for 20 years or more, or
 - (iii) a former name which the registrar is required to refrain from making available for public inspection or from disclosing (or both) by virtue of regulations under section 1088(1)(a) or (b). 10
 - (3) In this section –
 - “former name” means a name by which the individual was formerly known for business purposes; 15
 - “name” means the individual’s forename and surname.
 - (4) Where a secretary or joint secretary (or proposed secretary or joint secretary) is a peer or an individual usually known by a title, any requirement of this Act to provide the individual’s name because it forms part of the required information may be satisfied by providing that title instead of the individual’s forename and surname. 20
 - (5) The Secretary of State may by regulations –
 - (a) amend this section so as to change the required information about a secretary or joint secretary (or proposed secretary or joint secretary) who is an individual; 25
 - (b) repeal subsection (4).
 - (6) Regulations under this section are subject to affirmative resolution procedure.

279K Required information about a secretary etc: corporate secretaries and firms 30

 - (1) The required information about a secretary or joint secretary (or proposed secretary or joint secretary) that is a body corporate, or a firm that is a legal person under the law by which it is governed, is –
 - (a) corporate or firm name;
 - (b) registered or principal office; 35
 - (c) in the case of a limited company that is a UK-registered company, the registered number;
 - (d) in any other case, particulars of –
 - (i) the legal form of the company or firm and the law by which it is governed, and 40
 - (ii) if applicable, the register in which it is entered (including details of the state) and its registration number in that register.
 - (2) The Secretary of State may by regulations amend this section so as to change the required information about a secretary or joint secretary (or proposed secretary or joint secretary) of a description mentioned in subsection (1). 45

- (3) Regulations under this section are subject to affirmative resolution procedure.

279L Firms all of whose partners are joint secretaries

- (1) This section applies where –
 (a) all the members in a firm are joint secretaries (or proposed joint secretaries) of a company, and 5
 (b) the firm is not a legal person under the law by which it is governed.
- (2) Any requirement imposed by this Act to provide the required information about the members as joint secretaries (or proposed joint secretaries) may instead be satisfied by providing the information that would be required if the firm were a legal person and the firm had been appointed as secretary. 10

279M Secretary or joint secretary: offence of failure to notify of changes

- (1) If a company fails, without reasonable excuse, to comply with section 279G, 279H or 279I, an offence is committed by – 15
 (a) the company, and
 (b) every officer of the company who is in default.
- (2) For this purpose a shadow director is treated as an officer of the company. 20
- (3) A person guilty of an offence under this section is liable on summary conviction –
 (a) in England and Wales, to a fine;
 (b) in Scotland or Northern Ireland, to a fine not exceeding level 5 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 5 on the standard scale. 25

Person acting in dual capacity”.

PART 3

REGISTER OF PEOPLE WITH SIGNIFICANT CONTROL 30

- 7 The Companies Act 2006 is amended as follows.
- 8 In section 790A (overview of Part) –
 (a) in paragraph (b), for “keep the register required by Chapter 3” substitute “notify the registrar of the information in accordance with Chapter 2A”; 35
 (b) for paragraphs (c) and (d) substitute –
 “(c) Chapter 2A requires companies to notify the registrar of information relating to persons with significant control;”.
- 9 (1) Section 790C (key terms) is amended as follows. 40

- (2) After subsection (9) insert—
 - “(9A) For the purposes of this Part a person “appears in the register as a registrable person or a registrable relevant legal entity” in relation to a company if—
 - (a) either—
 - (i) the person was included in the statement of initial significant control under section 12A, or
 - (ii) the company has given the registrar notice under section 790LA that the person has become a registrable person, or a registrable relevant legal entity, in relation to the company, and
 - (b) the company has not since—
 - (i) notified the registrar under section 790LA that the person has ceased to be a registrable person, or a registrable relevant legal entity, in relation to the company, or
 - (ii) notified the registrar under section 790LD(1) that the person did not become a registrable person, or a registrable relevant legal entity, on incorporation of the company.”
- (3) Omit subsection (10).
- 10 (1) Section 790E (company’s duty to keep information up-to-date) is amended as follows.
 - (2) For subsection (1) substitute—
 - “(1) This section applies if a person appears in the register as a registrable person, or a registrable relevant legal entity, in relation to the company.”
 - (3) In subsection (3)(b) and (4)(b), omit “PSC”.
- 11 In section 790G (duty to supply information), in subsection (1), for paragraph (c) substitute—
 - “(c) the person does not appear in the register as a registrable person, or a registrable relevant legal entity, in relation to the company,”.
- 12 (1) Section 790H (duty to update information) is amended as follows.
 - (2) In subsection (1)—
 - (a) for paragraph (a) substitute—
 - “(a) a person appears in the register as a registrable person, or a registrable relevant legal entity, in relation to the company,”;
 - (b) for paragraph (d) substitute—
 - “(d) no record of a notification under section 790LA or 790LC in respect of the change appears in the register,”.
 - (3) In subsection (2)(c), omit “PSC”.
- 13 In section 790J (power to make exemptions), in subsection (2)(e), for “section 790M” substitute “any of sections 12A, 790LA, 790LC, 790LD”.

- 14 (1) Section 790K (required particulars) is amended as follows.
- (2) In subsection (1), omit paragraph (i) and the “and” before it.
- (3) For subsection (4) substitute—
- “(4) In this section “name”, in relation to an individual, means the individual’s forename and surname. 5
- (4A) Where an individual is a peer or an individual usually known by a title, any requirement imposed by this Act to provide the individual’s name because it forms part of the required particulars under this section may be satisfied by providing that title instead of the individual’s forename and surname.” 10
- 15 In section 790L (required particulars: power to amend), for subsection (1) substitute—
- “(1) The Secretary of State may by regulations—
- (a) amend section 790K so as to change the “required particulars” in relation to— 15
- (i) an individual who is a registrable person;
- (ii) a person in relation to which this Part has effect by virtue of section 790C(12) as if the person were an individual;
- (iii) a registrable relevant legal entity; 20
- (b) repeal section 790K(4A).”
- 16 After section 790L insert—

“CHAPTER 2A

DUTY TO NOTIFY REGISTRAR OF PERSONS WITH SIGNIFICANT CONTROL AND ID VERIFICATION 25

Duty to notify registrar

790LA Duties to notify changes in persons with significant control

- (1) A company must give notice to the registrar if it becomes aware that a person has—
- (a) become a registrable person or a registrable relevant legal entity in relation to the company, or 30
- (b) ceased to be a registrable person or a registrable relevant legal entity in relation to it.
- (2) The notice must specify the date on which the person became or ceased to be a registrable person or a registrable relevant legal entity in relation to the company. 35
- (3) A notice under subsection (1)(a) must contain a statement of the required particulars about the person (see section 790K).
- (4) A notice under subsection (1) must be given within the period of 14 days beginning with the day on which the company is both aware as mentioned there and has all of the information that it is required to put in the notice. 40

- (5) Subsection (1)(a) does not require a company, on its incorporation, to give notice in relation to a person included in the statement of initial significant control under section 12A.
- (6) Nothing in section 126 (notice of trusts not receivable by registrar) affects the duty to give a notice under this section (or the receipt of that notice by the registrar). 5

790LB Option to provide ID verification information in notice of change

- (1) A notice under section 790LA(1)(a) that relates to a registrable person may include a statement that the person’s identity is verified (see section 1110A). 10
- (2) A notice under section 790LA(1)(a) that relates to a registrable relevant legal entity may include a statement that –
 - (a) specifies the name of one of its relevant officers (within the meaning given by section 790LK(6)) who is an individual and whose identity is verified, and 15
 - (b) confirms that the individual’s identity is verified.
- (3) If the notice includes a statement under subsection (2), it must be accompanied by a statement by the individual confirming that the individual is a relevant officer of the registrable relevant legal entity.
- (4) To find out what happens if the option in subsection (1) or (2) is not exercised, see sections 790LI and 790LK. 20
- (5) In subsection (1) “registrable person” does not include a person mentioned in section 790C(12)(a) to (d).

790LC Duties to notify of changes in required particulars

- (1) A company must give notice to the registrar if it becomes aware of any change in the required particulars relating to a person who appears in the register as a registrable person, or a registrable relevant legal entity, in relation to the company. 25
- (2) The notice must state –
 - (a) the change in the required particulars, and 30
 - (b) the date on which the change occurred.
- (3) A notice under this section must be given within the period of 14 days beginning with the day on which the company is both aware of the change and has all of the information that it is required to put in the notice. 35
- (4) Nothing in section 126 (notice of trusts not receivable by registrar) affects the duty to give a notice under this section (or the receipt of that notice by the registrar).

790LD Notification of changes occurring before company is incorporated

- (1) A company must give notice to the registrar if it becomes aware that a person named in the statement under section 12A(1)(a) as a person who would, on the company’s incorporation, become a registrable person or a registrable relevant legal entity did not so become. 40

-
- (2) A company must give notice to the registrar if it becomes aware of any change in the required particulars of a person named in a statement under section 12A(1)(a) that occurred –
- (a) after the application for the company’s registration under section 9 was delivered to the registrar, but
 - (b) before the company was incorporated.
- (3) But a company is not required to give notice under subsection (2) in respect of a person if it gives notice under subsection (1) in respect of the person.
- (4) A notice under subsection (2) must state –
- (a) the change in the required particulars, and
 - (b) the date on which the change occurred.
- (5) A notice under subsection (1) must be given within the period of 14 days beginning with the day on which the company becomes aware as mentioned there.
- (6) A notice under subsection (2) must be given within the period of 14 days beginning with the day on which the company is both aware as mentioned there and has all of the information that it is required to put in the notice.
- 790LE Power to create further duties to notify information**
- (1) The Secretary of State may by regulations impose further duties on a company to deliver information to the registrar about registrable persons, or registrable relevant legal entities, in relation to the company.
- (2) Regulations under this section are subject to affirmative resolution procedure.
- 790LF Persons with significant control: offence of failure to notify**
- (1) If a company fails, without reasonable excuse, to comply with section 790LA, 790LC or 790LD, or regulations under section 790LE, an offence is committed by –
- (a) the company, and
 - (b) every officer of the company who is in default.
- (2) For this purpose a shadow director is treated as an officer of the company.
- (3) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale and, for continued contravention, a daily default fine not exceeding one-tenth of level 3 on the standard scale.
- 790LG Power of court to order company to remedy defaults or delay**
- (1) Where a company makes default in complying with section 790LA, 790LC or 790LD, or regulations under section 790LE, an application may be made to the court for an order requiring the company to deliver to the registrar the information (or statements) necessary to rectify the position.
- (2) The application may be made by –

- (a) any person aggrieved by the default,
 - (b) any member of the company, or
 - (c) any person who is a registrable person or a registrable relevant legal entity in relation to the company.
 - (3) On an application under subsection (1) the court may either refuse the application or may make the order and order the company to pay any damages sustained by any party aggrieved. 5
 - (4) On an application under subsection (1) the court may decide –
 - (a) any question as to whether the name of any person who is a party to the application should or should not be included in or omitted from information delivered to the registrar under this Chapter about persons who are a registrable person or a registrable relevant legal entity in relation to the company, and 10
 - (b) any question necessary or expedient to be decided for rectifying the position. 15
 - (5) Nothing in this section affects a person’s rights under section 1094 or 1096 (rectification of register).
- 790LH Information as to whether information has been delivered**
- (1) A person may request a company to tell the person whether all of the information that it is required to deliver to the registrar under this Chapter has been delivered. 20
 - (2) The company must comply with the request within the period of 14 days beginning with the day on which the request is made.
 - (3) If the company fails, without reasonable excuse, to do so, an offence is committed by – 25
 - (a) the company, and
 - (b) every officer of the company who is in default.
 - (4) A person guilty of an offence under this section is liable on summary conviction to a fine not exceeding level 3 on the standard scale. 30
 - (5) Subsection (1) does not apply in relation to information if the company is aware that, by virtue of regulations under section 1088, the registrar is required to refrain from making that information available for public inspection.”
- 17 Omit Chapters 3 and 4 of Part 21A (company registers of people with significant control etc). 35

PART 4

CONSEQUENTIAL AMENDMENTS

- 18 The Companies Act 2006 is amended as follows.
- 19 (1) Section 12 (statement of proposed officers) is amended as follows. 40
- (2) In subsection (1), for “particulars of” substitute “information about”.

-
- (3) For subsection (2) substitute –
- “(2) For the required information –
- (a) in relation to proposed directors, see sections 167J and 167K;
- (b) in relation to proposed secretaries or joint secretaries, see sections 279J and 279K.” 5
- 20 In section 12A (statement of initial significant control), for subsection (1) substitute –
- “(1) The statement of initial significant control required to be delivered to the registrar must –
- (a) state whether, on incorporation, there will be anyone who is either a registrable person or a registrable relevant legal entity in relation to the company, and 10
- (b) include the required particulars of any such person.”
- 21 (1) Section 95 (statement of proposed secretary) is amended as follows.
- (2) In subsection (1), for “particulars of” substitute “information about”. 15
- (3) For subsection (2) substitute –
- “(2) For the required information in relation to proposed secretaries or joint secretaries, see sections 279J and 279K.”
- 22 (1) Section 156 (direction requiring company to make appointment of director) is amended as follows. 20
- (2) In subsections (4)(b) and (5), for “section 167” substitute “section 167G”.
- (3) After subsection (5) insert –
- “(5A) Nothing in subsection (4) or (5) affects the duty imposed by section 167G to give notice within the period mentioned in subsection (6) of that section.” 25
- 23 In section 156B (power to provide for exceptions from requirement that each director to be a natural person), omit subsection (5).
- 24 In section 156C (existing director who is not a natural person), for subsections (3) to (5) substitute –
- “(3) If it appears to the registrar that, as a result of subsection (2), a company should have given notice under section 167G of a person having ceased to be a director but has failed to do so, the registrar must include a note in the register recording that fact.” 30
- 25 In section 853B (duties to notify a relevant event) –
- (a) for paragraph (c) substitute – 35
- “(c) the duty to give notice of a change as mentioned in section 167G or 167H (changes in directors or required information about a director);”;
- (b) omit paragraph (d);
- (c) for paragraph (e) substitute – 40
- “(e) the duty to give notice of a change as mentioned in section 279G or 279H (change in secretary or joint secretaries or in required information about a secretary or joint secretary);”;

- (d) omit paragraphs (f) and (fa);
 - (e) for paragraph (g) substitute –
 - “(g) the duty to deliver anything as mentioned in section 790LA or 790LC (information about persons with significant control);”.
- 26 In section 1079B (duty to notify directors), in subsections (1)(b) and (2)(b), for “section 167 or 167D” substitute “section 167G”.
- 27 In section 1136 (regulations about where certain company records to be kept available for inspection), in subsection (2), omit –
 - “section 162 (register of directors);”
 - “section 275 (register of secretaries);”
 - “section 790M (register of people with significant control over a company);”
 - “section 790Z (historic PSC register);”.
- 28 In paragraph 4 of Schedule 5 (communications by a company) –
 - (a) in sub-paragraph (1)(d), for “the company’s register of directors” substitute “the register”;
 - (b) omit sub-paragraph (1A).
- 29 In Schedule 8 (index of defined expressions), omit the entries relating to –
 - “the central register”;
 - “PSC register”;
 - “register of directors”;
 - “register of directors’ residential addresses”;
 - “register of secretaries”.

SCHEDULE 3

Section 90 25

DISCLOSURE OF INFORMATION: CONSEQUENTIAL AMENDMENTS

Companies Act 2006

- 1 The Companies Act 2006 is amended as follows.
- 2 In section 242 (protected information: restriction on disclosure by registrar), in subsection (3) –
 - (a) omit the “or” at the end of paragraph (a);
 - (b) at the end of paragraph (b) insert “, or
 - (c) as permitted by section 1110F (general powers of disclosure by the registrar).”
- 3 (1) Section 243 (permitted disclosure by the registrar) is amended as follows. 35
 - (2) For subsection (2) substitute –
 - “(2) The registrar may disclose protected information to a credit reference agency.”
 - (3) In subsection (7), omit –
 - (a) the definition of “public authority”; 40

(b) the “and” before that definition.

Economic Crime (Transparency and Enforcement) Act 2022

- 4 The Economic Crime (Transparency and Enforcement) Act 2022 is amended
as follows.
- 5 (1) Section 23 (disclosure of information about trusts) is amended as follows. 5
- (2) In subsection (2), for paragraph (b) substitute –
- “(b) the disclosure is permitted by section 1110F of the Companies
Act 2006 (general powers of disclosure by the registrar)”.
- (3) Omit subsections (3) and (4).
- 6 (1) Section 24 (disclosure of protected information) is amended as follows. 10
- (2) In subsection (1), for paragraph (b) substitute –
- “(b) the disclosure is permitted by section 1110F of the Companies
Act 2006 (general powers of disclosure by the registrar)”.
- (3) Omit subsections (2), (3) and (6).
- 7 In section 25 (power to protect other information), after subsection (1) 15
insert –
- “(1A) But regulations under subsection (1)(b) may not require the registrar
to refrain from making disclosures permitted by section 1110F of the
Companies Act 2006 (general powers of disclosure by the registrar).”
- 8 In section 40 (sharing of information by HMRC), in subsection (1), omit “or 20
the registrar”.
- 9 In section 44 (interpretation), in subsection (1), at the end of the definition of
“document”, insert “and references to delivering a document are to be read
in accordance with section 1114(1)(b) of the Companies Act 2006”.

SCHEDULE 4

Section 100 25

REQUIRED INFORMATION

After section 31 of the Limited Partnerships Act 1907 (inserted by section 133
of this Act) insert the following as a Schedule to that Act –

“SCHEDULE

REQUIRED INFORMATION 30

PART 1

INTRODUCTION

- 1 In this Schedule –
- (a) Part 2 sets out the required information about a partner (or
proposed partner) for the purposes of sections 8A, 8Q, 8R 35
and 8S,

- (b) Part 3 sets out the required information about a registered officer (or proposed registered officer) for the purposes of sections 8A, 8L, 8M and 8Q, and
- (c) Part 4 sets out the required information about a named contact (or proposed named contact) for the purposes of sections 8A, 8L, 8N, 8O and 8Q. 5

PART 2

PARTNERS

Individuals

- 2 (1) Where a partner (or proposed partner) is an individual, the required information about the partner is – 10
 - (a) name, date of birth and nationality;
 - (b) any relevant former names;
 - (c) usual residential address;
 - (d) the part of the United Kingdom in which the individual is usually resident or, if the individual is usually resident in a country or state outside the United Kingdom, that country or state; 15
 - (e) in the case of a general partner, a service address (which may be stated as “The limited partnership’s registered office”). 20
- (2) In sub-paragraph (1)(b) “relevant former name” means any former name other than –
 - (a) in the case of a peer, or an individual normally known by a British title, the name by which the individual was known previous to the adoption of or succession to the title, or 25
 - (b) in the case of any person, a former name which –
 - (i) was changed or disused before the person attained the age of 16 years, or 30
 - (ii) has been changed or disused for 20 years or more.
- (3) In this paragraph –
 - “former name” means a name by which the individual was formerly known for business purposes;
 - “name” means the individual’s forename and surname. 35
- (4) Where a partner (or proposed partner) who is an individual is a peer or an individual usually known by a title, any requirement imposed by this Act to provide the individual’s name because it forms part of the required information may be satisfied by providing that title instead of the individual’s forename and surname. 40

Legal entities

- 3 (1) Where a partner (or proposed partner) is a legal entity, the required information about the partner is –
 - (a) name; 45

- (b) registered or principal office;
- (c) a service address (which may be stated as “The limited partnership’s registered office”);
- (d) the legal form of the entity and the law by which it is governed; 5
- (e) in the case of a general partner, any register in which the general partner is entered (including details of the state) and, if applicable, its registration number in that register.

PART 3

REGISTERED OFFICERS 10

- 4 (1) The required information about a registered officer (or proposed registered officer) is –
- (a) name, date of birth and nationality;
 - (b) any relevant former names;
 - (c) usual residential address; 15
 - (d) the part of the United Kingdom in which the individual is usually resident or, if the individual is usually resident in a country or state outside the United Kingdom, that country or state;
 - (e) a service address (which may be stated as “The limited partnership’s registered office”). 20
- (2) In sub-paragraph (1)(b) “relevant former name” has the meaning given by paragraph 2(2).
- (3) In this paragraph “former name” and “name” have the meanings given by paragraph 2(3). 25
- (4) Where a registered officer (or proposed registered officer) who is an individual is a peer or an individual usually known by a title, any requirement imposed by this Act to provide the individual’s name because it forms part of the required information may be satisfied by providing that title instead of the individual’s forename and surname. 30

PART 4

NAMED CONTACTS

- 5 (1) The required information about a named contact (or proposed named contact) is – 35
- (a) name;
 - (b) usual residential address;
 - (c) email address.
- (2) In this paragraph “name” has the meaning given by paragraph 2(3).” 40

SCHEDULE 5

Section 134

LIMITED PARTNERSHIPS: CONSEQUENTIAL AMENDMENTS

- 1 The Limited Partnerships Act 1907 is amended as follows.
- 2 Before section 1 (short title) insert —

“Short title and interpretation”. 5
- 3 Before section 4 (definition and constitution of limited partnership) insert —

“Definition and constitution of limited partnership”.
- 4 Before section 6 (modifications of general law in case of limited partnerships) insert —

“Application of other laws to limited partnerships”. 10
- 5 Before section 8 (duty to register and designate) insert —

“Registration and designation”.
- 6 Before section 15 (the registrar) insert —

“The registrar”.

SCHEDULE 6

Section 141 15

CRYPTOASSETS: CONFISCATION ORDERS

PART 1

ENGLAND AND WALES

Introductory

- 1 Part 2 of the Proceeds of Crime Act 2002 (confiscation: England and Wales) is amended as follows. 20

Seizure of property

- 2 In section 47B (conditions for exercise of seizure powers) —
 - (a) in subsection (2), omit paragraph (b);
 - (b) in subsection (3), omit paragraph (b). 25
- 3 (1) Section 47C (power to seize property) is amended as follows.
 - (2) In subsection (2), after “not” insert “under subsection (1)”.

(3) After subsection (5) insert—

- “(5A) On being satisfied as mentioned in section 47B(1) an appropriate officer may seize any free property if the officer has reasonable grounds for suspecting that it is a cryptoasset-related item.
- (5B) A “cryptoasset-related item” is an item of property that is, or that contains or gives access to information that is, likely to assist in the seizure under subsection (1) of any cryptoasset. 5
- (5C) The circumstances in which a cryptoasset is “seized” for the purposes of subsection (1) include circumstances in which it is transferred into a crypto wallet controlled by the appropriate officer. 10
- (5D) If an appropriate officer is lawfully on any premises, the officer may, for the purpose of—
- (a) determining whether any property is a cryptoasset-related item, or
 - (b) enabling or facilitating the seizure under subsection (1) of any cryptoasset, 15
- require any information which is stored in any electronic form and accessible from the premises to be produced in a form in which it can be taken away and in which it is visible and legible, or from which it can readily be produced in a visible and legible form. 20
- (5E) But subsection (5D) does not authorise an appropriate officer to require a person to produce information which the person would be entitled to refuse to provide on grounds of legal professional privilege in proceedings in the High Court.
- (5F) Where an appropriate officer has seized a cryptoasset-related item under subsection (5A), they may use any information obtained from it for the purpose of— 25
- (a) identifying or gaining access to a crypto wallet, and
 - (b) by doing so, enabling or facilitating the seizure under subsection (1) of any cryptoassets.” 30
- 4 In section 47R (release of property), in subsection (3)(b), at the end insert “or (5A)”.

Detention and release of property

- 5 In section 47K (further detention pending making of restraint order), after subsection (4) insert— 35
- “(5) Exempt property seized under section 47C(5A) may be detained under subsections (2) and (3) only with the approval of a senior officer.
- (6) In subsection (5) —
- “exempt property” has the meaning given in section 47C(4) (reading references there to the defendant as references to the person by whom the property is held); 40
 - “senior officer” has the meaning given in section 47G(3) (and for this purpose, the powers under subsections (2) and (3) to detain property are to be treated as exercised by the appropriate officer who seized the property).” 45

- 6 In section 47L (further detention pending variation of restraint order), after subsection (3) insert –
 - “(4) Exempt property seized under section 47C(5A) may be detained under subsections (2) and (3) only with the approval of a senior officer. 5
 - (5) In subsection (4) –
 - “exempt property” has the meaning given in section 47C(4) (reading references there to the defendant as references to the person by whom the property is held);
 - “senior officer” has the meaning given in section 47G(3) (and for this purpose, the powers under subsections (2) and (3) to detain property are to be treated as exercised by the appropriate officer who seized the property).” 10
- 7 (1) Section 47M (further detention in other cases) is amended as follows.
 - (2) In subsection (2)(b), omit “(within the meaning of section 47C(4))”. 15
 - (3) After subsection (2) insert –
 - “(2A) A magistrates’ court may by order extend the period for which the property may be detained under section 47J if satisfied that –
 - (a) any of the conditions in section 47B is met (reading references in that section to the officer as references to the court), 20
 - (b) the property is free property, and
 - (c) there are reasonable grounds for suspecting that the property is a cryptoasset-related item.
 - (2B) An order under subsection (2A) may not be made in respect of exempt property unless the court is satisfied that the person applying for the order is working diligently and expeditiously –
 - (a) to determine whether the property is a cryptoasset-related item, or
 - (b) if it has already been determined to be such an item, to seize any related cryptoassets under section 47C(1). 30
 - (2C) An order under subsection (2A) may not extend the period for which the property may be detained beyond the period of –
 - (a) six months beginning with the date of the order, or
 - (b) in the case of exempt property, 14 days beginning with that date. 35

This does not prevent the period from being further extended by another order under this section.
 - (2D) The period of 14 days referred to in subsection (2C)(b) is to be calculated in accordance with section 47H(7) (reading the reference there to 48 hours as a reference to 14 days).” 40
 - (4) In subsection (6), after “section” insert “–
 - “exempt property” has the meaning given in section 47C(4) (reading references there to the defendant as references to the person by whom the property is held);”.

- 8 In section 47R (release of property), after subsection (5) insert –
- “(6) If a cryptoasset-related item which has been released is not claimed within the period of a year beginning with the date on which it was released, the appropriate officer may –
- (a) retain the item and deal with it as they see fit, 5
 - (b) dispose of the item, or
 - (c) destroy the item.
- (7) The powers in subsection (6) may be exercised only –
- (a) where the appropriate officer has taken reasonable steps to notify – 10
 - (i) the person from whom the item was seized, and
 - (ii) any other persons who the appropriate officer has reasonable grounds to believe have an interest in the item,
 - that the item has been released, and 15
 - (b) with the approval of a senior officer.
- (8) “Senior officer” in subsection (7)(b) has the meaning given in section 47G(3).
- (9) *Any proceeds of a disposal of the item are to be paid into the Consolidated Fund.* 20

Property held by persons subject to confiscation orders: destruction, realisation etc

- 9 In section 10A (determination of extent of defendant’s interest in property), in subsection (3)(a), after “realisation” insert “or destruction”.
- 10 (1) Section 51 (powers of enforcement receiver) is amended as follows.
- (2) In subsection (2), at the end insert – 25
- “(e) so far as the property consists of cryptoassets, power to destroy the property.”
- (3) In subsection (8)(a), for “or (c)” substitute “, (c) or (e)”.
- (4) After subsection (9) insert –
- (9A) The court may confer the power mentioned in subsection (2)(e) only 30 where –
- (a) it is not reasonably practicable to realise the cryptoassets in question, or
 - (b) there are reasonable grounds to believe that the realisation of the cryptoassets would be contrary to the public interest, 35 having regard in particular to how likely it is that the entry of the cryptoassets into general circulation would facilitate criminal conduct by any person.
- (9B) An order conferring that power – 40
- (a) must set out the court’s assessment of the market value of the cryptoassets to which it relates;
 - (b) may confer power to destroy the cryptoassets only to the extent that their market value, as set out in the order, is less

- than or equal to the amount remaining to be paid under the
confiscation order.
- (9C) If the receiver destroys any cryptoassets in the exercise of that power,
the defendant is to be treated as having paid, towards satisfaction of
the confiscation order, an amount equal to the market value, as set
out in the order, of the cryptoassets which have been destroyed.” 5
- 11 (1) Section 67 (seized money) is amended as follows.
- (2) In subsection (1)(b), for “bank or a building society” substitute “relevant
financial institution”.
- (3) In subsection (5A) – 10
- (a) for “a bank or building society” substitute “a relevant financial
institution”;
- (b) for “the bank or building society” substitute “the relevant financial
institution”.
- (4) In subsection (6), for “bank or building society” substitute “relevant financial
institution”. 15
- (5) In subsection (7A), for “bank or building society” substitute “relevant
financial institution”.
- (6) In subsection (8) –
- (a) in paragraph (a) of the definition of “appropriate person”, for the
words from “a bank” to the end substitute “a relevant financial
institution, the relevant financial institution”; 20
- (b) at the appropriate places insert –
- ““electronic money institution” has the same meaning as
in the Electronic Money Regulations 2011 (S.I. 2011/
99) (see regulation 2 of those Regulations);”;
- ““payment institution” means an authorised payment
institution or a small payment institution (each as
defined in regulation 2 of the Payment Services
Regulations 2017 (S.I. 2017/752));”;
- ““relevant financial institution” means a bank, a
building society, an electronic money institution or a
payment institution;”.
- (7) For the heading substitute “Money”. 25
- 12 After section 67 insert – 35
- “67ZA Cryptoassets**
- (1) This section applies to cryptoassets which –
- (a) are held by a person, and
- (b) are held in a crypto wallet administered by a UK-connected
cryptoasset service provider, 40
- but only so far as the cryptoassets are free property.
- (2) Subsection (3) applies if –
- (a) a confiscation order is made against a person holding
cryptoassets to which this section applies, and

- (b) a receiver has not been appointed under section 50 in relation to the cryptoassets.
- (3) A magistrates’ court may order the UK-connected cryptoasset service provider which administers the crypto wallet in which the cryptoassets are held – 5
- (a) to realise the cryptoassets, or a portion of the cryptoassets having a specified value,
- (b) to pay the proceeds of that realisation to the designated officer for the court on account of, and up to a maximum of, the amount payable under the confiscation order, and 10
- (c) to the extent that the proceeds of the realisation exceed the amount payable under the confiscation order, to pay the excess to an appropriate officer identified in the order.
- “Appropriate officer” has the same meaning as in section 41A.
- (4) A person applying for an order under subsection (3) must give notice of the application to the UK-connected cryptoasset service provider. 15
- (5) Where the crypto wallet in which the cryptoassets are held is administered on behalf of someone other than the person against whom the confiscation order is made, a magistrates’ court –
- (a) may make an order under subsection (3) only if the extent of the person’s interest in the money has been determined under section 10A, and 20
- (b) must have regard to that determination in deciding what is the appropriate order to make.
- (6) If a UK-connected cryptoasset service provider fails to comply with an order under subsection (3) – 25
- (a) the magistrates’ court may order it to pay an amount not exceeding £5,000, and
- (b) for the purposes of the Magistrates’ Courts Act 1980 the sum is to be treated as adjudged to be paid by a conviction of the court. 30
- (7) In order to take account of changes in the value of money the Secretary of State may by order substitute another sum for the sum for the time being specified in subsection (6)(a).
- (8) Where a UK-connected cryptoasset service provider – 35
- (a) is required by an order under subsection (3) to realise a portion of cryptoassets having a specified value, but
- (b) on realising cryptoassets under the order, obtains proceeds of an amount which differs from that value,
- it does not fail to comply with the order solely because of that difference in value, provided that it took reasonable steps to obtain proceeds equal to the value specified. 40

67ZB Meaning of “UK-connected cryptoasset service provider”

- (1) “UK-connected cryptoasset service provider” in section 67ZA means a cryptoasset service provider which – 45
- (a) is acting in the course of business carried on by it in the United Kingdom,

- (b) has terms and conditions with the persons to whom it provides services which provide for a legal dispute to be litigated in the courts of a part of the United Kingdom,
 - (c) holds in the United Kingdom any data relating to the persons to whom it provides services, or 5
 - (d) meets the condition in subsection (2).
- (2) The condition in this subsection is that –
 - (a) the cryptoasset service provider has its registered office or, if it does not have one, its head office in the United Kingdom, and 10
 - (b) the day-to-day management of the provider’s business is the responsibility of that office or another establishment maintained by it in the United Kingdom.
- (3) “Cryptoasset service provider” in subsections (1) and (2) includes a cryptoasset exchange provider and a custodian wallet provider; and for this purpose – 15
 - “cryptoasset exchange provider” means a firm or sole practitioner who by way of business provides one or more of the following services, including where the firm or sole practitioner does so as creator or issuer of any of the cryptoassets involved – 20
 - (a) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets;
 - (b) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another; 25
 - (c) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets; 30
 - “custodian wallet provider” means a firm or sole practitioner who by way of business provides services to safeguard, or to safeguard and administer –
 - (a) cryptoassets on behalf of its customers, or
 - (b) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets. 35
- (4) In the definition of “cryptoasset exchange provider” in subsection (3), “cryptoasset” includes a right to, or interest in, a cryptoasset.
- (5) The Secretary of State may by regulations amend the definitions in subsection (3) (including by amending subsection (4)).” 40

13 After section 67A insert –

“67AA Destruction of seized cryptoassets

- (1) This section applies to cryptoassets which are held by a person and which have been seized by an appropriate officer under a relevant seizure power. 45
- (2) A magistrates’ court may by order authorise an appropriate officer to destroy the cryptoassets if –

-
- (a) a confiscation order is made against the person by whom the cryptoassets are held,
 - (b) a receiver has not been appointed under section 50 in relation to the cryptoassets, and
 - (c) either – 5
 - (i) it is not reasonably practicable to realise the cryptoassets, or
 - (ii) there are reasonable grounds to believe that the realisation of the cryptoassets would be contrary to the public interest, having regard in particular to how likely it is that the entry of the cryptoassets into general circulation would facilitate criminal conduct by any person. 10
 - (3) An order under this section – 15
 - (a) must set out the court’s assessment of the market value of the cryptoassets to which it relates;
 - (b) may authorise the destruction of cryptoassets only to the extent that their market value, as set out in the order, is less than or equal to the amount remaining to be paid under the confiscation order. 20
 - (4) Before making an order under this section, the court must give persons who hold interests in the cryptoassets a reasonable opportunity to make representations to it.
 - (5) If cryptoassets held by a person are destroyed following an order under this section, the person is to be treated as having paid, towards satisfaction of the confiscation order, an amount equal to the market value, as set out in the order, of the cryptoassets which have been destroyed. 25
 - (6) In this section “appropriate officer” and “relevant seizure power” have the same meaning as in section 41A.” 30
- 14 (1) Section 67C (sections 67A and 67B: appeals) is amended as follows.
- (2) In subsection (1), for “67A” substitute “67ZA(3), 67A(3) or 67AA(2)”.
 - (3) In subsection (2), for “67A” substitute “67ZA(3), 67A(3) or 67AA(2)”.
 - (4) In subsection (3), for “67A(2)(a)” substitute “67ZA(2)(a), 67A(3)(a) or 67AA(2)(a) (as applicable)”.
 - (5) In the heading, for “67A and” substitute “67ZA to”.
- 15 In section 67D (proceeds of realisation), in subsection (1)(b), after “section” insert “67ZA or”.
- 16 For the italic heading before section 67, substitute “Enforcement: money, cryptoassets and personal property”. 40
- 17 In section 69 (powers of court and receiver etc), after subsection (2) insert –
- “(2A) Subsection (2)(a) does not apply to –
- (a) the power conferred on a court by paragraph (e) of section 51(2) (which enables the court to give a receiver the power to destroy cryptoassets), 45

- (b) a power conferred on a receiver by virtue of that paragraph, or
- (c) the power conferred on a magistrates’ court by section 67AA (power to order destruction of cryptoassets).”

Interpretation and miscellaneous provision

5

18 After section 84 insert –

“84A Cryptoassets etc

- (1) “Cryptoasset” means a cryptographically secured digital representation of value or contractual rights that uses a form of distributed ledger technology and can be transferred, stored or traded electronically. 10
- (2) “Crypto wallet” means –
 - (a) software,
 - (b) hardware,
 - (c) a physical item, or 15
 - (d) any combination of the things mentioned in paragraphs (a) to (c),

which is used to store the cryptographic private key that allows cryptoassets to be accessed.
- (3) “Cryptoasset-related item” has the meaning given in section 47C(5B). 20
- (4) The circumstances in which a cryptoasset is taken to be “destroyed” include circumstances where it is –
 - (a) disposed of,
 - (b) transferred, or
 - (c) otherwise dealt with, 25

in such a way as to ensure, or to make it virtually certain, that it will not be the subject of any further transactions or be dealt with again in any other way.
- (5) The Secretary of State may by regulations amend the definitions of “cryptoasset” and “crypto wallet” in this section.” 30

PART 2

SCOTLAND

Introductory

- 19 Part 3 of the Proceeds of Crime Act 2002 (confiscation: Scotland) is amended as follows. 35

Seizure of property

- 20 In section 127B (conditions for exercise of seizure powers) –
 - (a) in subsection (2), omit paragraph (b);
 - (b) in subsection (3), omit paragraph (b).
- 21 (1) Section 127C (power to seize property) is amended as follows. 40

-
- (2) In subsection (2), after “not” insert “under subsection (1)”.
- (3) After subsection (5) insert –
- “(5A) On being satisfied as mentioned in section 127B(1) an appropriate officer may seize any free property if the officer has reasonable grounds for suspecting that it is a cryptoasset-related item. 5
- (5B) A “cryptoasset-related item” is an item of property that is, or that contains or gives access to information that is, likely to assist in the seizure under subsection (1) of any cryptoasset.
- (5C) The circumstances in which a cryptoasset is “seized” for the purposes of subsection (1) include circumstances in which it is transferred into a crypto wallet controlled by the appropriate officer. 10
- (5D) If an appropriate officer is lawfully on any premises, the officer may, for the purpose of –
- (a) determining whether any property is a cryptoasset-related item, or 15
- (b) enabling or facilitating the seizure under subsection (1) of any cryptoasset,
- require any information which is stored in any electronic form and accessible from the premises to be produced in a form in which it can be taken away and in which it is visible and legible, or from which it can readily be produced in a visible and legible form. 20
- (5E) But subsection (5D) does not authorise an appropriate officer to require a person to produce any items subject to legal privilege (as defined in section 412).
- (5F) Where an appropriate officer has seized a cryptoasset-related item under subsection (5A), they may use any information obtained from it for the purpose of – 25
- (a) identifying or gaining access to a crypto wallet, and
- (b) by doing so, enabling or facilitating the seizure under subsection (1) of any cryptoassets.” 30
- 22 In section 127Q (release of property), in subsection (3)(b), at the end insert “or (5A)”.

Detention and release of property

- 23 In section 127K (further detention pending making of restraint order), after subsection (4) insert – 35
- “(5) Exempt property seized under section 127C(5A) may be detained under subsections (2) and (3) only with the approval of a senior officer.
- (6) In subsection (5) –
- “exempt property” has the meaning given in section 127C(4) (reading references there to the accused as references to the person by whom the property is held); 40
- “senior officer” has the meaning given in section 127G(3) (and for this purpose, the powers under subsections (2) and (3) to

- detain property are to be treated as exercised by the appropriate officer who seized the property).”
- 24 In section 127L (further detention pending variation of restraint order), after subsection (3) insert –
- “(4) Exempt property seized under section 127C(5A) may be detained under subsections (2) and (3) only with the approval of a senior officer. 5
- (5) In subsection (4) –
- “exempt property” has the meaning given in section 127C(4) (reading references there to the accused as references to the person by whom the property is held); 10
- “senior officer” has the meaning given in section 127G(3) (and for this purpose, the powers under subsections (2) and (3) to detain property are to be treated as exercised by the appropriate officer who seized the property).” 15
- 25 (1) Section 127M (further detention in other cases) is amended as follows.
- (2) In subsection (2)(b), omit “(within the meaning of section 127C(4))”.
- (3) After subsection (2) insert –
- “(2A) The sheriff may by order extend the period for which the property may be detained under section 127J if satisfied that – 20
- (a) any of the conditions in section 127B is met (reading references in that section to the officer as references to the sheriff),
- (b) the property is free property, and
- (c) there are reasonable grounds for suspecting that the property is a cryptoasset-related item. 25
- (2B) An order under subsection (2A) may not be made in respect of exempt property unless the sheriff is satisfied that the person applying for the order is working diligently and expeditiously –
- (a) to determine whether the property is a cryptoasset-related item, or 30
- (b) if it has already been determined to be such an item, to seize any related cryptoassets under section 127C(1).
- (2C) An order under subsection (2A) may not extend the period for which the property may be detained beyond the period of – 35
- (a) six months beginning with the date of the order, or
- (b) in the case of exempt property, 14 days beginning with that date.
- This does not prevent the period from being further extended by another order under this section. 40
- (2D) The period of 14 days referred to in subsection (2C)(b) is to be calculated in accordance with section 127H(7) (reading the reference there to 48 hours as a reference to 14 days).”

-
- (4) In subsection (6), after “section” insert “–
“exempt property” has the meaning given in section 127C(4)
(reading references there to the accused as references to the
person by whom the property is held);”.
- 26 In section 127Q (release of property), after subsection (5) insert – 5
- “(6) If a cryptoasset-related item which has been released is not claimed
within the period of a year beginning with the date on which it was
released, the appropriate officer may –
- (a) retain the item and deal with it as they see fit, 10
- (b) dispose of the item, or
- (c) destroy the item.
- (7) The powers in subsection (6) may be exercised only –
- (a) where the appropriate officer has taken reasonable steps to
notify –
- (i) the person from whom the item was seized, and 15
- (ii) any other persons who the appropriate officer has
reasonable grounds to believe have an interest in the
item,
that the item has been released, and
- (b) with the approval of a senior officer. 20
- (8) “Senior officer” in subsection (7)(b) has the meaning given in section
127G(3).
- (9) Any proceeds of a disposal of the item are to be paid into the Scottish
Consolidated Fund.”
- Property held by persons subject to confiscation orders: destruction, realisation etc* 25
- 27 (1) Section 128 (enforcement administrators) is amended as follows.
- (2) In subsection (6), at the end insert –
- “(d) so far as the property consists of cryptoassets, power to
destroy the property.”
- (3) In subsection (11)(a), for “or (c)” substitute “, (c) or (d)”. 30
- (4) After subsection (13) insert –
- (13A) The court may confer the power mentioned in subsection (6)(d) only
where –
- (a) it is not reasonably practicable to realise the cryptoassets in
question, or 35
- (b) there are reasonable grounds to believe that the realisation of
the cryptoassets would be contrary to the public interest,
having regard in particular to how likely it is that the entry of
the cryptoassets into general circulation would facilitate
criminal conduct by any person. 40
- (13B) An order conferring that power –
- (a) must set out the court’s assessment of the market value of the
cryptoassets to which it relates;

- (b) may confer power to destroy the cryptoassets only to the extent that their market value, as set out in the order, is less than or equal to the amount remaining to be paid under the confiscation order.
- (13C) If the administrator destroys any cryptoassets in the exercise of that power, the accused is to be treated as having paid, towards satisfaction of the confiscation order, an amount equal to the market value, as set out in the order, of the cryptoassets which have been destroyed.” 5
- 28 (1) Section 131ZA (seized money) is amended as follows. 10
 - (2) In subsection (1)(b), for “bank or building society” substitute “relevant financial institution”.
 - (3) In subsection (7), for “bank or building society” substitute “relevant financial institution”.
 - (4) In subsection (9) – 15
 - (a) in paragraph (a) of the definition of “appropriate person”, for the words from “a bank” to the end substitute “a relevant financial institution, the relevant financial institution”;
 - (b) at the appropriate places insert –
 - ““electronic money institution” has the same meaning as 20in the Electronic Money Regulations 2011 (S.I. 2011/99) (see regulation 2 of those Regulations);”;
 - ““payment institution” means an authorised payment institution or a small payment institution (each as defined in regulation 2 of the Payment Services Regulations 2017 (S.I. 2017/752));”;
 - ““relevant financial institution” means a bank, a building society, an electronic money institution or a payment institution;”.
 - (5) For the heading substitute “Money”. 30
- 29 After section 131ZA insert –
 - “131ZB Cryptoassets
 - (1) This section applies to cryptoassets which –
 - (a) are held by a person, and
 - (b) are held in a crypto wallet administered by a UK-connected cryptoasset service provider, 35but only so far as the cryptoassets are free property.
 - (2) Subsection (3) applies if –
 - (a) a confiscation order is made against a person holding cryptoassets to which this section applies, and 40
 - (b) an administrator has not been appointed under section 128 in relation to the cryptoassets.
 - (3) The sheriff may order the UK-connected cryptoasset service provider which administers the crypto wallet in which the cryptoassets are held – 45

-
- (a) to realise the cryptoassets, or a portion of the cryptoassets having a specified value,
 - (b) to pay the proceeds of that realisation to the appropriate clerk of court on account of, and up to a maximum of, the amount payable under the confiscation order, and 5
 - (c) to the extent that the proceeds of the realisation exceed the amount payable under the confiscation order, to pay the excess to an appropriate officer identified in the order.
 - (4) In subsection (3) –
 - “appropriate clerk of court” means the sheriff clerk of the sheriff court responsible for enforcing the confiscation order under section 211 of the Procedure Act as applied by section 118(1);
 - “appropriate officer” has the same meaning as in section 120A. 10
 - (5) An order under subsection (3) may be made –
 - (a) on the application of the prosecutor, or 15
 - (b) by the sheriff of the sheriff’s own accord.
 - (6) Where a UK-connected cryptoasset service provider –
 - (a) is required by an order under subsection (3) to realise a portion of cryptoassets having a specified value, but
 - (b) on realising cryptoassets under the order, obtains proceeds of an amount which differs from that value, 20

it does not fail to comply with the order solely because of that difference in value, provided that it took reasonable steps to obtain proceeds equal to the value specified.
 - 131ZC Meaning of “UK-connected cryptoasset service provider”** 25
 - (1) “UK-connected cryptoasset service provider” in section 131ZB means a cryptoasset service provider which –
 - (a) is acting in the course of business carried on by it in the United Kingdom,
 - (b) has terms and conditions with the persons to whom it provides services which provide for a legal dispute to be litigated in the courts of a part of the United Kingdom, 30
 - (c) holds in the United Kingdom any data relating to the persons to whom it provides services, or
 - (d) meets the condition in subsection (2). 35
 - (2) The condition in this subsection is that –
 - (a) the cryptoasset service provider has its registered office or, if it does not have one, its head office in the United Kingdom, and
 - (b) the day-to-day management of the provider’s business is the responsibility of that office or another establishment maintained by it in the United Kingdom. 40
 - (3) “Cryptoasset service provider” in subsections (1) and (2) includes a cryptoasset exchange provider and a custodian wallet provider; and for this purpose – 45
 - “cryptoasset exchange provider” means a firm or sole practitioner who by way of business provides one or more of the following services, including where the firm or sole

	practitioner does so as creator or issuer of any of the cryptoassets involved –	
	(a) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets;	5
	(b) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another;	
	(c) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets;	10
	“custodian wallet provider” means a firm or sole practitioner who by way of business provides services to safeguard, or to safeguard and administer –	
	(a) cryptoassets on behalf of its customers, or	15
	(b) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets.	
	(4) In the definition of “cryptoasset exchange provider” in subsection (3), “cryptoasset” includes a right to, or interest in, a cryptoasset.	
	(5) The Secretary of State may by regulations amend the definitions in subsection (3) (including by amending subsection (4)).	20
	(6) The Secretary of State must consult the Scottish Ministers before making regulations under subsection (5).”	
30	After section 131A insert –	
	“131AA Destruction of seized cryptoassets	25
	(1) This section applies to cryptoassets which are held by a person and which have been seized by an appropriate officer under a relevant seizure power.	
	(2) The sheriff may by order authorise an appropriate officer to destroy the cryptoassets if –	30
	(a) a confiscation order is made against the person by whom the cryptoassets are held,	
	(b) an administrator has not been appointed under section 128 in relation to the cryptoassets, and	
	(c) either –	35
	(i) it is not reasonably practicable to realise the cryptoassets, or	
	(ii) there are reasonable grounds to believe that the realisation of the cryptoassets would be contrary to the public interest, having regard in particular to how likely it is that the entry of the cryptoassets into general circulation would facilitate criminal conduct by any person.	40
	(3) An order under this section may be made –	
	(a) on the application of the prosecutor, or	45
	(b) by the sheriff of the sheriff’s own accord.	
	(4) An order under this section –	

-
- (a) must set out the sheriff’s assessment of the market value of the cryptoassets to which it relates;
 - (b) may authorise the destruction of cryptoassets only to the extent that their market value, as set out in the order, is less than or equal to the amount remaining to be paid under the confiscation order. 5
 - (5) Before making an order under this section, the sheriff must give persons who hold interests in the cryptoassets a reasonable opportunity to make representations to it.
 - (6) If cryptoassets held by a person are destroyed following an order under this section, the person is to be treated as having paid, towards satisfaction of the confiscation order, an amount equal to the market value, as set out in the order, of the cryptoassets which have been destroyed. 10
 - (7) In this section “appropriate officer” and “relevant seizure power” have the same meaning as in section 120A.” 15
- 31 (1) Section 131C (sections 131A and 131B: appeals) is amended as follows.
- (2) In subsection (1), for “131A” substitute “131ZB(3), 131A(3) or 131AA(2)”.
 - (3) In subsection (2), for “131A” substitute “131ZB(3), 131A(3) or 131AA(2)”.
 - (4) In subsection (3), for “131A(2)(a)” substitute “131ZB(2)(a), 131A(2)(a) or 131AA(2)(a) (as applicable)”. 20
 - (5) In the heading, for “131A and” substitute “131ZB to”.
- 32 In section 131D (proceeds of realisation), in subsection (1)(b), after “section” insert “131ZB or”.
- 33 For the italic heading before section 131ZA, substitute “Enforcement: money, cryptoassets and personal property”. 25
- 34 Omit the italic heading before section 131A.
- 35 In section 132 (powers of court and administrator etc), after subsection (2) insert –
- “(2A) Subsection (2)(a) does not apply to – 30
 - (a) the power conferred on a court by paragraph (d) of section 128(6) (which enables the court to give an administrator the power to destroy cryptoassets),
 - (b) a power conferred on an administrator by virtue of that paragraph, or 35
 - (c) the power conferred on the sheriff by section 131AA (power to order destruction of cryptoassets).”

Interpretation and miscellaneous provision

- 36 After section 150 insert –
- “150A Cryptoassets etc 40**
- (1) “Cryptoasset” means a cryptographically secured digital representation of value or contractual rights that uses a form of

distributed ledger technology and can be transferred, stored or traded electronically.

- (2) “Crypto wallet” means –
 - (a) software,
 - (b) hardware,
 - (c) a physical item, or
 - (d) any combination of the things mentioned in paragraphs (a) to (c),

which is used to store the cryptographic private key that allows cryptoassets to be accessed.
- (3) “Cryptoasset-related item” has the meaning given in section 127C(5B).
- (4) The circumstances in which a cryptoasset is taken to be “destroyed” include circumstances where it is –
 - (a) disposed of,
 - (b) transferred, or
 - (c) otherwise dealt with,

in such a way as to ensure, or to make it virtually certain, that it will not be the subject of any further transactions or be dealt with again in any other way.
- (5) The Secretary of State may by regulations amend the definitions of “cryptoasset” and “crypto wallet” in this section.
- (6) The Secretary of State must consult the Scottish Ministers before making regulations under subsection (5).”

PART 3 25

NORTHERN IRELAND

Introductory

- 37 Part 4 of the Proceeds of Crime Act 2002 (confiscation: Northern Ireland) is amended as follows.

Seizure of property 30

- 38 In section 195B (conditions for exercise of seizure powers) –
 - (a) in subsection (2), omit paragraph (b);
 - (b) in subsection (3), omit paragraph (b).
- 39 (1) Section 195C (power to seize property) is amended as follows.
 - (2) In subsection (2), after “not” insert “under subsection (1)”.
 - (3) After subsection (5) insert –

“(5A) On being satisfied as mentioned in section 195B(1) an appropriate officer may seize any free property if the officer has reasonable grounds for suspecting that it is a cryptoasset-related item.

-
- (5B) A “cryptoasset-related item” is an item of property that is, or that contains or gives access to information that is, likely to assist in the seizure under subsection (1) of any cryptoasset.
- (5C) The circumstances in which a cryptoasset is “seized” for the purposes of subsection (1) include circumstances in which it is transferred into a crypto wallet controlled by the appropriate officer. 5
- (5D) If an appropriate officer is lawfully on any premises, the officer may, for the purpose of –
- (a) determining whether any property is a cryptoasset-related item, or 10
 - (b) enabling or facilitating the seizure under subsection (1) of any cryptoasset,
- require any information which is stored in any electronic form and accessible from the premises to be produced in a form in which it can be taken away and in which it is visible and legible, or from which it can readily be produced in a visible and legible form. 15
- (5E) But subsection (5D) does not authorise an appropriate officer to require a person to produce information which the person would be entitled to refuse to provide on grounds of legal professional privilege in proceedings in the High Court. 20
- (5F) Where an appropriate officer has seized a cryptoasset-related item under subsection (5A), they may use any information obtained from it for the purpose of –
- (a) identifying or gaining access to a crypto wallet, and
 - (b) by doing so, enabling or facilitating the seizure under subsection (1) of any cryptoassets.” 25
- 40 In section 195R (release of property), in subsection (3)(b), at the end insert “or (5A)”.

Detention and release of property

- 41 In section 195K (further detention pending making of restraint order), after subsection (4) insert – 30
- “(5) Exempt property seized under section 195C(5A) may be detained under subsections (2) and (3) only with the approval of a senior officer.
- (6) In subsection (5) – 35
- “exempt property” has the meaning given in section 195C(4) (reading references there to the defendant as references to the person by whom the property is held);
 - “senior officer” has the meaning given in section 195G(3) (and for this purpose, the powers under subsections (2) and (3) to detain property are to be treated as exercised by the appropriate officer who seized the property).” 40
- 42 In section 195L (further detention pending variation of restraint order), after

subsection (3) insert –

“(4) Exempt property seized under section 195C(5A) may be detained under subsections (2) and (3) only with the approval of a senior officer.

(5) In subsection (4) –

5

“exempt property” has the meaning given in section 195C(4) (reading references there to the defendant as references to the person by whom the property is held);

“senior officer” has the meaning given in section 195G(3) (and for this purpose, the powers under subsections (2) and (3) to detain property are to be treated as exercised by the appropriate officer who seized the property).”

10

43 (1) Section 195M (further detention in other cases) is amended as follows.

(2) In subsection (2)(b), omit “(within the meaning of section 195C(4))”.

(3) After subsection (2) insert –

15

“(2A) A magistrates’ court may by order extend the period for which the property may be detained under section 195J if satisfied that –

(a) any of the conditions in section 195B is met (reading references in that section to the officer as references to the court),

20

(b) the property is free property, and

(c) there are reasonable grounds for suspecting that the property is a cryptoasset-related item.

(2B) An order under subsection (2A) may not be made in respect of exempt property unless the court is satisfied that the person applying for the order is working diligently and expeditiously –

25

(a) to determine whether the property is a cryptoasset-related item, or

(b) if it has already been determined to be such an item, to seize any related cryptoassets under section 195C(1).

30

(2C) An order under subsection (2A) may not extend the period for which the property may be detained beyond the period of –

(a) six months beginning with the date of the order, or

(b) in the case of exempt property, 14 days beginning with that date.

35

This does not prevent the period from being further extended by another order under this section.

(2D) The period of 14 days referred to in subsection (2C)(b) is to be calculated in accordance with section 195H(7) (reading the reference there to 48 hours as a reference to 14 days).”

40

(4) In subsection (6), after “section” insert “–

“exempt property” has the meaning given in section 195C(4) (reading references there to the defendant as references to the person by whom the property is held);”.

- 44 In section 195R (release of property), after subsection (5) insert –
- “(6) If a cryptoasset-related item which has been released is not claimed within the period of a year beginning with the date on which it was released, the appropriate officer may –
- (a) retain the item and deal with it as they see fit, 5
 - (b) dispose of the item, or
 - (c) destroy the item.
- (7) The powers in subsection (6) may be exercised only –
- (a) where the appropriate officer has taken reasonable steps to notify – 10
 - (i) the person from whom the item was seized, and
 - (ii) any other persons who the appropriate officer has reasonable grounds to believe have an interest in the item,
 - that the item has been released, and 15
 - (b) with the approval of a senior officer.
- (8) “Senior officer” in subsection (7)(b) has the meaning given in section 195G(3).
- (9) *Any proceeds of a disposal of the item are to be paid into the Consolidated Fund.* 20

Property held by persons subject to confiscation orders: destruction, realisation etc

- 45 In section 160A (determination of extent of defendant’s interest in property), in subsection (3)(a), after “realisation” insert “or destruction”.
- 46 (1) Section 199 (powers of enforcement receiver) is amended as follows.
- (2) In subsection (2), at the end insert – 25
- “(e) so far as the property consists of cryptoassets, power to destroy the property.”
- (3) In subsection (8)(a), for “or (c)” substitute “, (c) or (e)”.
- (4) After subsection (9) insert –
- (9A) The court may confer the power mentioned in subsection (2)(e) only 30 where –
- (a) it is not reasonably practicable to realise the cryptoassets in question, or
 - (b) there are reasonable grounds to believe that the realisation of the cryptoassets would be contrary to the public interest, 35 having regard in particular to how likely it is that the entry of the cryptoassets into general circulation would facilitate criminal conduct by any person.
- (9B) An order conferring that power – 40
- (a) must set out the court’s assessment of the market value of the cryptoassets to which it relates;
 - (b) may confer power to destroy the cryptoassets only to the extent that their market value, as set out in the order, is less

- than or equal to the amount remaining to be paid under the
confiscation order.
- (9C) If the receiver destroys any cryptoassets in the exercise of that power,
the defendant is to be treated as having paid, towards satisfaction of
the confiscation order, an amount equal to the market value, as set
out in the order, of the cryptoassets which have been destroyed.” 5
- 47 (1) Section 215 (seized money) is amended as follows.
- (2) In subsection (1)(b), for “bank or a building society” substitute “relevant
financial institution”.
- (3) In subsection (5A) – 10
- (a) for “a bank or building society” substitute “a relevant financial
institution”;
- (b) for “the bank or building society” substitute “the relevant financial
institution”.
- (4) In subsection (6), for “bank or building society” substitute “relevant financial
institution”. 15
- (5) In subsection (7A), for “bank or building society” substitute “relevant
financial institution”.
- (6) In subsection (8) –
- (a) in paragraph (a) of the definition of “appropriate person”, for the
words from “a bank” to the end substitute “a relevant financial
institution, the relevant financial institution”; 20
- (b) at the appropriate places insert –
- ““electronic money institution” has the same meaning as
in the Electronic Money Regulations 2011 (S.I. 2011/
99) (see regulation 2 of those Regulations);” 25
- ““payment institution” means an authorised payment
institution or a small payment institution (each as
defined in regulation 2 of the Payment Services
Regulations 2017 (S.I. 2017/752));” 30
- ““relevant financial institution” means a bank, a
building society, an electronic money institution or a
payment institution;”.
- (7) For the heading substitute “Money”.
- 48 After section 215 insert – 35
- “215ZA Cryptoassets**
- (1) This section applies to cryptoassets which –
- (a) are held by a person, and
- (b) are held in a crypto wallet administered by a UK-connected
cryptoasset service provider, 40
- but only so far as the cryptoassets are free property.
- (2) Subsection (3) applies if –
- (a) a confiscation order is made against a person holding
cryptoassets to which this section applies, and

-
- (b) a receiver has not been appointed under section 198 in relation to the cryptoassets.
- (3) A magistrates’ court may order the UK-connected cryptoasset service provider which administers the crypto wallet in which the cryptoassets are held – 5
- (a) to realise the cryptoassets, or a portion of the cryptoassets having a specified value,
- (b) to pay the proceeds of that realisation to the appropriate chief clerk on account of, and up to a maximum of, the amount payable under the confiscation order, and 10
- (c) to the extent that the proceeds of the realisation exceed the amount payable under the confiscation order, to pay the excess to an appropriate officer identified in the order.
- (4) In subsection (3) –
- “appropriate chief clerk” has the same meaning as in section 202(7); 15
- “appropriate officer” has the same meaning as in section 195A.
- (5) A person applying for an order under subsection (3) must give notice of the application to the UK-connected cryptoasset service provider.
- (6) Where the crypto wallet in which the cryptoassets are held is administered on behalf of someone other than the person against whom the confiscation order is made, a magistrates’ court – 20
- (a) may make an order under subsection (3) only if the extent of the person’s interest in the money has been determined under section 160A, and 25
- (b) must have regard to that determination in deciding what is the appropriate order to make.
- (7) If a UK-connected cryptoasset service provider fails to comply with an order under subsection (3) –
- (a) the magistrates’ court may order it to pay an amount not exceeding £5,000, and 30
- (b) for the purposes of the Magistrates’ Courts (Northern Ireland) Order 1981 (S.I. 1981/1675 (N.I. 26)) the sum is to be treated as adjudged to be paid by a conviction of the court.
- (8) In order to take account of changes in the value of money the Department of Justice in Northern Ireland may by order substitute another sum for the sum for the time being specified in subsection (6)(a). 35
- (9) Where a UK-connected cryptoasset service provider –
- (a) is required by an order under subsection (3) to realise a portion of cryptoassets having a specified value, but 40
- (b) on realising cryptoassets under the order, obtains proceeds of an amount which differs from that value,
- it does not fail to comply with the order solely because of that difference in value, provided that it took reasonable steps to obtain proceeds equal to the value specified. 45

215ZB Meaning of “UK-connected cryptoasset service provider”

- (1) “UK-connected cryptoasset service provider” in section 215ZA means a cryptoasset service provider which –
 - (a) is acting in the course of business carried on by it in the United Kingdom, 5
 - (b) has terms and conditions with the persons to whom it provides services which provide for a legal dispute to be litigated in the courts of a part of the United Kingdom,
 - (c) holds in the United Kingdom any data relating to the persons to whom it provides services, or 10
 - (d) meets the condition in subsection (2).
- (2) The condition in this subsection is that –
 - (a) the cryptoasset service provider has its registered office or, if it does not have one, its head office in the United Kingdom, and 15
 - (b) the day-to-day management of the provider’s business is the responsibility of that office or another establishment maintained by it in the United Kingdom.
- (3) “Cryptoasset service provider” in subsections (1) and (2) includes a cryptoasset exchange provider and a custodian wallet provider; and for this purpose – 20
 - “cryptoasset exchange provider” means a firm or sole practitioner who by way of business provides one or more of the following services, including where the firm or sole practitioner does so as creator or issuer of any of the cryptoassets involved – 25
 - (a) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets;
 - (b) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another; 30
 - (c) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets; 35
 - “custodian wallet provider” means a firm or sole practitioner who by way of business provides services to safeguard, or to safeguard and administer –
 - (a) cryptoassets on behalf of its customers, or
 - (b) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets. 40
- (4) In the definition of “cryptoasset exchange provider” in subsection (3), “cryptoasset” includes a right to, or interest in, a cryptoasset.
- (5) The Secretary of State may by regulations amend the definitions in subsection (3) (including by amending subsection (4)). 45
- (6) The Secretary of State must consult the Department of Justice in Northern Ireland before making regulations under subsection (5).”

49 After section 215A insert—

“215AA Destruction of seized cryptoassets

- (1) This section applies to cryptoassets which are held by a person and which have been seized by an appropriate officer under a relevant seizure power. 5
- (2) A magistrates’ court may by order authorise an appropriate officer to destroy the cryptoassets if—
 - (a) a confiscation order is made against the person by whom the cryptoassets are held,
 - (b) a receiver has not been appointed under section 198 in relation to the cryptoassets, and 10
 - (c) either—
 - (i) it is not reasonably practicable to realise the cryptoassets, or
 - (ii) there are reasonable grounds to believe that the realisation of the cryptoassets would be contrary to the public interest, having regard in particular to how likely it is that the entry of the cryptoassets into general circulation would facilitate criminal conduct by any person. 15
- (3) An order under this section—
 - (a) must set out the court’s assessment of the market value of the cryptoassets to which it relates;
 - (b) may authorise the destruction of cryptoassets only to the extent that their market value, as set out in the order, is less than or equal to the amount remaining to be paid under the confiscation order. 25
- (4) Before making an order under this section, the court must give persons who hold interests in the cryptoassets a reasonable opportunity to make representations to it. 30
- (5) If cryptoassets held by a person are destroyed following an order under this section, the person is to be treated as having paid, towards satisfaction of the confiscation order, an amount equal to the market value, as set out in the order, of the cryptoassets which have been destroyed. 35
- (6) In this section “appropriate officer” and “relevant seizure power” have the same meaning as in section 190A.”

50 (1) Section 215C (sections 215A and 215B: appeals) is amended as follows.

- (2) In subsection (1), for “215A” substitute “215ZA(3), 215A(3) or 215AA(2)”.
- (3) In subsection (2), for “215A” substitute “215ZA(3), 215A(3) or 215AA(2)”.
- (4) In subsection (3), for “215A(2)(a)” substitute “215ZA(2)(a), 215A(2)(a) or 215AA(2)(a) (as applicable)”.
- (5) In the heading, for “215A and” substitute “215ZA to”.

51 In section 215D (proceeds of realisation), in subsection (1)(b), after “section” insert “215ZA or”. 45

- 52 For the italic heading before section 215, substitute “Enforcement: money, cryptoassets and personal property”.
- 53 In section 217 (powers of court and receiver etc), after subsection (2) insert –
- “(2A) Subsection (2)(a) does not apply to –
- (a) the power conferred on a court by paragraph (e) of section 199(2) (which enables the court to give a receiver the power to destroy cryptoassets), 5
 - (b) a power conferred on a receiver by virtue of that paragraph, or
 - (c) the power conferred on a magistrates’ court by section 215AA (power to order destruction of cryptoassets).” 10

Interpretation and miscellaneous provision

- 54 After section 232 insert –
- “232A Cryptoassets etc**
- (1) “Cryptoasset” means a cryptographically secured digital representation of value or contractual rights that uses a form of distributed ledger technology and can be transferred, stored or traded electronically. 15
 - (2) “Crypto wallet” means –
 - (a) software, 20
 - (b) hardware,
 - (c) a physical item, or
 - (d) any combination of the things mentioned in paragraphs (a) to (c),
which is used to store the cryptographic private key that allows cryptoassets to be accessed. 25
 - (3) “Cryptoasset-related item” has the meaning given in section 195C(5B).
 - (4) The circumstances in which a cryptoasset is taken to be “destroyed” include circumstances where it is –
 - (a) disposed of, 30
 - (b) transferred, or
 - (c) otherwise dealt with,
in such a way as to ensure, or to make it virtually certain, that it will not be the subject of any further transactions or be dealt with again in any other way. 35
 - (5) The Secretary of State may by regulations amend the definitions of “cryptoasset” and “crypto wallet” in this section.
 - (6) The Secretary of State must consult the Department of Justice in Northern Ireland before making regulations under subsection (5).” 40

PART 4

REGULATIONS

- 55 (1) Section 459 of the Proceeds of Crime Act 2002 is amended as follows.
- (2) In subsection (4), after paragraph (a) insert –
- “(azza) regulations under – 5
- (i) section 67ZB(5) or 84A(5);
- (ii) section 131ZC(5) or 150A(5);
- (iii) section 251ZB(5) or 232A(5);”.
- (3) After subsection (6ZA) insert –
- “(6ZAA) No regulations may be made by the Secretary of State under any of 10
- the following provisions unless a draft of the regulations has been
- laid before Parliament and approved by a resolution of each House--
- (a) section 67ZB(5) or 84A(5);
- (b) section 131ZC(5) or 150A(5);
- (c) section 251ZB(5) or 232A(5).” 15

SCHEDULE 7

Section 142

CRYPTOASSETS: CIVIL RECOVERY

PART 1

AMENDMENTS OF PART 5 OF THE PROCEEDS OF CRIME ACT 2002

- 1 In Part 5 of the Proceeds of Crime Act 2002 (civil recovery of the proceeds etc 20
- of unlawful conduct), after section 303Z19 insert –

“CHAPTER 3C

FORFEITURE OF CRYPTOASSETS

Definitions

303Z20 Definitions 25

- (1) In this Part –
- (a) “cryptoasset” means a cryptographically secured digital 30
- representation of value or contractual rights that uses a form
- of distributed ledger technology and can be transferred,
- stored or traded electronically;
- (b) “crypto wallet” means –
- (i) software,
- (ii) hardware,
- (iii) a physical item, or

- (iv) any combination of the things mentioned in subparagraphs (i) to (iii),
which is used to store the cryptographic private key that allows cryptoassets to be accessed.
- (2) The Secretary of State may by regulations amend the definitions of “cryptoasset” and “crypto wallet” in this section. 5
- (3) The Secretary of State must consult the Scottish Ministers and the Department of Justice before making regulations under subsection (2).
- (4) In this Chapter – 10
 - (a) “enforcement officer” means –
 - (i) an officer of Revenue and Customs,
 - (ii) a constable,
 - (iii) an SFO officer, or
 - (iv) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453; 15
 - (b) “senior officer” means –
 - (i) an officer of Revenue and Customs of a rank designated by the Commissioners for His Majesty’s Revenue and Customs as equivalent to that of a senior police officer of at least the rank of inspector, 20
 - (ii) a senior police officer of at least the rank of inspector,
 - (iii) the Director of the Serious Fraud Office, 25
 - (iv) the Director General of the National Crime Agency or any other National Crime Agency officer authorised by the Director General (whether generally or specifically) for this purpose, or
 - (v) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453. 30

Searches

- 303Z21 Searches** 35
- (1) If an enforcement officer –
 - (a) is lawfully on any premises, and
 - (b) has reasonable grounds for suspecting that there is on the premises a cryptoasset-related item,
the enforcement officer may search for the cryptoasset-related item there. 40
 - (2) For the purposes of this Chapter, a “cryptoasset-related item” is an item of property that is, or that contains or gives access to information that is, likely to assist in the seizure under this Part of cryptoassets that – 45
 - (a) are recoverable property, or
 - (b) are intended by any person for use in unlawful conduct.

-
- (3) The powers conferred by subsection (6) are exercisable by an enforcement officer if –
- (a) the enforcement officer has reasonable grounds for suspecting that there is a cryptoasset-related item in a vehicle, 5
 - (b) it appears to the officer that the vehicle is under the control of a person (the suspect) who is in or in the vicinity of the vehicle, and
 - (c) the vehicle is in a place falling within subsection (4). 10
- (4) The places referred to in subsection (3)(c) are –
- (a) a place to which, at the time of the proposed exercise of the powers, the public or any section of the public has access, on payment or otherwise, as of right or by virtue of express or implied permission, and
 - (b) any other place to which at that time people have ready access but which is not a dwelling. 15
- (5) But if the vehicle is in a garden or yard or other land occupied with and used for the purposes of a dwelling, the enforcement officer may exercise the powers conferred by subsection (6) only if the enforcement officer has reasonable grounds for believing –
- (a) that the suspect does not reside in the dwelling, and
 - (b) that the vehicle is not in the place in question with the express or implied permission of a person who resides in the dwelling. 20
- (6) The powers conferred by this subsection are –
- (a) power to require the suspect to permit entry to the vehicle;
 - (b) power to require the suspect to permit a search of the vehicle. 25
- (7) If an enforcement officer has reasonable grounds for suspecting that a person (the suspect) is carrying a cryptoasset-related item, the enforcement officer may require the suspect –
- (a) to permit a search of any article the suspect has with them;
 - (b) to permit a search of the suspect's person. 30
- (8) The powers conferred by subsections (6) and (7) are exercisable only so far as the enforcement officer thinks it necessary or expedient.
- (9) An enforcement officer may –
- (a) in exercising powers conferred by subsection (6), detain the vehicle for so long as is necessary for their exercise;
 - (b) in exercising powers conferred by subsection (7)(b), detain the suspect for so long as is necessary for their exercise. 35
- (10) The powers conferred by this section are exercisable by an SFO officer or an accredited financial investigator only in relation to the following –
- (a) premises in England, Wales or Northern Ireland (in the case of subsection (1));
 - (b) vehicles and suspects in England, Wales or Northern Ireland (in the case of subsection (6)); 45
 - (c) suspects in England, Wales or Northern Ireland (in the case of subsection (7)).

303Z22 Searches: supplemental provision

- (1) The powers conferred by section 303Z21 are exercisable only so far as reasonably required for the purpose of finding a cryptoasset-related item.
- (2) Section 303Z21 does not require a person to submit to an intimate search or strip search (within the meaning of section 164 of the Customs and Excise Management Act 1979). 5

303Z23 Prior approval

- (1) The powers conferred by section 303Z21 may be exercised only with the appropriate approval unless, in the circumstances, it is not practicable to obtain that approval before exercising the power. 10
- (2) The appropriate approval means the approval of a judicial officer or (if that is not practicable in any case) the approval of a senior officer.
- (3) A judicial officer means –
 - (a) in relation to England and Wales and Northern Ireland, a justice of the peace; 15
 - (b) in relation to Scotland, the sheriff.
- (4) If the powers are exercised without the approval of a judicial officer in a case where –
 - (a) no property is seized by virtue of section 303Z26, or 20
 - (b) any property so seized is not detained for more than 48 hours (calculated in accordance with section 303Z27),the relevant officer who exercised the power must give a written report to the appointed person.
- (5) But the duty in subsection (4) does not apply if, during the course of exercising the powers conferred by section 303Z21, the enforcement officer seizes cash by virtue of section 294 or property by virtue of section 303J and the cash or property so seized is detained for more than 48 hours (calculated in accordance with section 295(1B) or 303K(5)). 25
30
- (6) A report under subsection (4) must give particulars of the circumstances which led the relevant officer to believe that –
 - (a) the powers were exercisable, and
 - (b) it was not practicable to obtain the approval of a judicial officer. 35
- (7) In this section and in section 303Z24 the appointed person means –
 - (a) in relation to England and Wales, a person appointed by the Secretary of State;
 - (b) in relation to Scotland, a person appointed by the Scottish Ministers; 40
 - (c) in relation to Northern Ireland, a person appointed by the Department of Justice.
- (8) The appointed person must not be a person employed under or for the purposes of a government department or of the Scottish Administration; and the terms and conditions of the person's appointment, including any remuneration or expenses to be paid to 45

the person, are to be determined by the person making the appointment.

303Z24 Report on exercise of powers

- (1) As soon as possible after the end of each financial year, the appointed person must prepare a report for that year. 5
- (2) “Financial year” means –
 - (a) the period beginning with the day on which this section came into force and ending with the next 31 March (which is the first financial year), and
 - (b) each subsequent period of 12 months beginning with 1 April. 10
- (3) The report must give the appointed person’s opinion as to the circumstances and manner in which the powers conferred by section 303Z21 are being exercised in cases where the enforcement officer who exercised them is required to give a report under section 303Z23(4). 15
- (4) In the report, the appointed person may make any recommendations they consider appropriate.
- (5) The appointed person must send a copy of the report to whichever of the Secretary of State, the Scottish Ministers or the Department of Justice appointed the person. 20
- (6) The Secretary of State must lay a copy of any report the Secretary of State receives under this section before Parliament and arrange for it to be published.
- (7) The Scottish Ministers must lay a copy of any report they receive under this section before the Scottish Parliament and arrange for it to be published. 25
- (8) The Department of Justice must lay a copy of any report it receives under this section before the Northern Ireland Assembly and arrange for it to be published.
- (9) Section 41(3) of the Interpretation Act (Northern Ireland) 1954 applies for the purposes of subsection (8) in relation to the laying of a copy of a report as it applies in relation to the laying of a statutory document under an enactment. 30

303Z25 Codes of practice

The requirements to make codes of practice set out in sections 303G, 303H and 303I apply in relation to the powers conferred by section 303Z21 as they apply in relation to the powers conferred by section 303C. 35

Seizure and detention of cryptoasset-related items

303Z26 Seizure of cryptoasset-related items

- (1) An enforcement officer may seize any item of property if the enforcement officer has reasonable grounds for suspecting that the item is a cryptoasset-related item. 5
- (2) If an enforcement officer is lawfully on any premises, the officer may, for the purpose of –
 - (a) determining whether any property is a cryptoasset-related item, or
 - (b) enabling or facilitating the seizure under this Chapter of any cryptoasset, 10
require any information which is stored in any electronic form and accessible from the premises to be produced in a form in which it can be taken away and in which it is visible and legible, or from which it can readily be produced in a visible and legible form. 15
- (3) But subsection (2) does not authorise an enforcement officer to require a person to produce privileged information.
- (4) In this section “privileged information” means information which a person would be entitled to refuse to provide –
 - (a) in England and Wales and Northern Ireland, on grounds of legal professional privilege in proceedings in the High Court; 20
 - (b) in Scotland, on grounds of legal privilege as defined by section 412.
- (5) Where an enforcement officer has seized a cryptoasset-related item under subsection (1), the officer may use any information obtained from the item for the purpose of –
 - (a) identifying or gaining access to a crypto wallet, and
 - (b) by doing so, enabling or facilitating the seizure under this Chapter of any cryptoassets. 25
- (6) This section does not authorise the seizure by an SFO officer or an accredited financial investigator of an item found in Scotland. 30

303Z27 Initial detention of seized cryptoasset-related items

- (1) Property seized under section 303Z26 may be detained for an initial period of 48 hours.
- (2) Subsection (1) authorises the detention of property only for so long as an enforcement officer continues to have reasonable grounds for suspicion in relation to that property as described in section 303Z26(1). 35
- (3) In calculating a period of 48 hours for the purposes of this section, no account is to be taken of –
 - (a) any Saturday or Sunday,
 - (b) Christmas Day,
 - (c) Good Friday,
 - (d) any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the United Kingdom within which the property is seized, or 40 45

- (e) any day prescribed by virtue of section 8(2) of the Criminal Procedure (Scotland) Act 1995 as a court holiday in a sheriff court in the sheriff court district within which the property is seized.

303Z28 Further detention of seized cryptoasset-related items 5

- (1) The period for which property seized under section 303Z26 may be detained may be extended by an order made –
- (a) in England and Wales or Northern Ireland, by a magistrates’ court;
 - (b) in Scotland, by the sheriff. 10
- (2) An order under subsection (1) may not authorise the detention of any property –
- (a) beyond the end of the period of 6 months beginning with the date of the order, and
 - (b) in the case of any further order under this section, beyond the end of the period of 2 years beginning with the date of the first order; but this is subject to subsection (4). 15
- (3) A justice of the peace may also exercise the power of a magistrates’ court to make the first order under subsection (1).
- (4) The court or sheriff may make an order for the period of 2 years in subsection (2)(b) to be extended to a period of up to 3 years beginning with the date of the first order. 20
- (5) An application for an order under subsection (1) or (4) may be made –
- (a) in relation to England and Wales and Northern Ireland, by – 25
 - (i) the Commissioners for His Majesty’s Revenue and Customs,
 - (ii) a constable,
 - (iii) an SFO officer, or
 - (iv) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453; 30
 - (b) in relation to Scotland, by the Scottish Ministers in connection with their functions under section 303Z41 or by a procurator fiscal. 35
- (6) The court, sheriff or justice may make an order under subsection (1) if satisfied, in relation to the item of property to be further detained, that –
- (a) there are reasonable grounds for suspecting that it is a cryptoasset-related item, and 40
 - (b) its continued detention is justified.
- (7) The court or sheriff may make an order under subsection (4) if satisfied that a request for assistance is outstanding in relation to the item of property to be further detained. 45
- (8) A “request for assistance” in subsection (7) means a request for assistance in obtaining evidence (including information in any form

or article) in connection with the property to be further detained, made –

- (a) by a judicial authority in the United Kingdom under section 7 of the Crime (International Co-operation) Act 2003, or
 - (b) by an enforcement officer, to an authority exercising equivalent functions in a foreign country. 5
- (9) An order under subsection (1) must provide for notice to be given to persons affected by the order.

303Z29 Seizure of cryptoassets

- (1) An enforcement officer may seize cryptoassets if the enforcement officer has reasonable grounds for suspecting that the cryptoassets are recoverable property or intended by any person for use in unlawful conduct. 10
- (2) The circumstances in which a cryptoasset is “seized” for the purposes of subsection (1) include circumstances in which it is transferred into a crypto wallet controlled by the enforcement officer. 15
- (3) This section does not authorise the seizure by an SFO officer or an accredited financial investigator of cryptoassets as a result of information obtained from a cryptoasset-related item found in Scotland. 20

303Z30 Prior authorisation for detention of cryptoassets

- (1) Where an order is made under section 303Z28 in respect of a cryptoasset-related item, the court, sheriff or justice making the order may, at the same time, make an order to authorise the detention of any cryptoassets that may be seized as a result of information obtained from that item. 25
- (2) An application for an order under this section may be made, by a person mentioned in section 303Z28(5), at the same time as an application for an order under section 303Z28 is made by that person. 30
- (3) The court, sheriff or justice may make an order under this section if satisfied that there are reasonable grounds for suspecting that the cryptoassets that may be seized are recoverable property or intended by any person for use in unlawful conduct.
- (4) An order under this section authorises detention of the cryptoassets for the same period of time as the order under section 303Z28 authorises detention in respect of the cryptoasset-related item to which those cryptoassets relate. 35

303Z31 Initial detention of seized cryptoassets

- (1) Cryptoassets seized under section 303Z29 may be detained for an initial period of 48 hours. 40
- (2) Subsection (1) authorises the detention of property only for so long as an enforcement officer continues to have reasonable grounds for suspicion in relation to those cryptoassets as described in section 303Z29(1). 45

- (3) In calculating a period of 48 hours for the purposes of this section, no account is to be taken of –
- (a) any Saturday or Sunday,
 - (b) Christmas Day,
 - (c) Good Friday, 5
 - (d) any day that is a bank holiday under the Banking and Financial Dealings Act 1971 in the part of the United Kingdom within which the property is seized, or
 - (e) any day prescribed by virtue of section 8(2) of the Criminal Procedure (Scotland) Act 1995 as a court holiday in a sheriff court in the sheriff court district within which the property is seized. 10
- (4) This section is subject to section 303Z30.

303Z32 Further detention of seized cryptoassets

- (1) The period for which cryptoassets seized under section 303Z29 may be detained may be extended by an order made – 15
- (a) in England and Wales or Northern Ireland, by a magistrates' court;
 - (b) in Scotland, by the sheriff.
- (2) An order under subsection (1) may not authorise the detention of any cryptoassets – 20
- (a) beyond the end of the period of 6 months beginning with the date of the order, and
 - (b) in the case of any further order under this section, beyond the end of the period of 2 years beginning with the date of the first order; but this is subject to subsection (4). 25
- (3) A justice of the peace may also exercise the power of a magistrates' court to make the first order under subsection (1).
- (4) The court or sheriff may make an order for the period of 2 years in subsection (2)(b) to be extended to a period of up to 3 years beginning with the date of the first order. 30
- (5) An application for an order under subsection (1) or (4) may be made –
- (a) in relation to England and Wales and Northern Ireland, by – 35
 - (i) the Commissioners for His Majesty's Revenue and Customs,
 - (ii) a constable,
 - (iii) an SFO officer, or
 - (iv) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453, 40
 - (b) in relation to Scotland, by the Scottish Ministers in connection with their functions under section 303Z41 or by a procurator fiscal. 45
- (6) The court, sheriff or justice may make an order under subsection (1) if satisfied, in relation to the cryptoassets to be further detained, that

there are reasonable grounds for suspecting that the cryptoassets are recoverable property or intended by any person for use in unlawful conduct.

- (7) The court or sheriff may make an order under subsection (4) if satisfied that a request for assistance is outstanding in relation to the cryptoassets to be further detained. 5
- (8) A “request for assistance” in subsection (7) means a request for assistance in obtaining evidence (including information in any form or article) in connection with the cryptoassets to be further detained, made – 10
 - (a) by a judicial authority in the United Kingdom under section 7 of the Crime (International Co-operation) Act 2003, or
 - (b) by an enforcement officer, to an authority exercising equivalent functions in a foreign country.
- (9) An order under subsection (1) must provide for notice to be given to persons affected by the order. 15

303Z33 Safekeeping of cryptoassets and cryptoasset-related items

- (1) An enforcement officer must arrange for any item of property seized under section 303Z26 to be safely stored throughout the period during which it is detained under this Chapter. 20
- (2) An enforcement officer must arrange for any cryptoassets seized under section 303Z29 to be safely stored throughout the period during which they are detained under this Chapter.

303Z34 Release of cryptoassets and cryptoasset-related items

- (1) This section applies while any cryptoasset or other item of property is detained under this Chapter. 25
- (2) A magistrates’ court or (in Scotland) the sheriff may direct the release of the whole or any part of the property if the following condition is met.
- (3) The condition is that the court or sheriff is satisfied, on an application by the person from whom the property was seized, that the conditions for the detention of the property in this Chapter, are no longer met in relation to the property to be released. 30
- (4) A person within subsection (5) may, after notifying the magistrates’ court, sheriff or justice under whose order property is being detained, release the whole or any part of the property if satisfied that the detention of the property to be released is no longer justified. 35
- (5) The following persons are within this subsection –
 - (a) in relation to England and Wales and Northern Ireland, an enforcement officer; 40
 - (b) in relation to Scotland –
 - (i) the Scottish Ministers,
 - (ii) an officer of Revenue and Customs,
 - (iii) a constable, and
 - (iv) a procurator fiscal. 45

- (6) If any cryptoasset-related item which has been released is not claimed within the period of a year beginning with the date on which it was released, an enforcement officer may –
 - (a) retain the item and deal with it as they see fit,
 - (b) dispose of the item, or 5
 - (c) destroy the item.

- (7) The powers in subsection (6) may be exercised only –
 - (a) where the enforcement officer has taken reasonable steps to notify –
 - (i) the person from whom the item was seized, and 10
 - (ii) any other persons who the enforcement officer has reasonable grounds to believe have an interest in the item,
 that the item has been released, and
 - (b) with the approval of a senior officer. 15

- (8) Any proceeds of a disposal of the item are to be paid –
 - (a) *into the Consolidated Fund if –*
 - (i) *the item was directed to be released by a magistrates’ court, or*
 - (ii) *a magistrates’ court or justice was notified under subsection (4) of the release;* 20
 - (b) *into the Scottish Consolidated Fund if –*
 - (i) the item was directed to be released by the sheriff, or
 - (ii) the sheriff was notified under subsection (4) of the release. 25

CHAPTER 3D

FORFEITURE OF CRYPTOASSETS: CRYPTO WALLETS

Definitions

303Z35 Definitions

- (1) In this Chapter – 30
 - (a) “cryptoasset exchange provider” means a firm or sole practitioner who by way of business provides one or more of the following services, including where the firm or sole practitioner does so as creator or issuer of any of the cryptoassets involved – 35
 - (i) exchanging, or arranging or making arrangements with a view to the exchange of, cryptoassets for money or money for cryptoassets,
 - (ii) exchanging, or arranging or making arrangements with a view to the exchange of, one cryptoasset for another, or 40

- (iii) operating a machine which utilises automated processes to exchange cryptoassets for money or money for cryptoassets;
 - (b) “custodian wallet provider” means a firm or sole practitioner who by way of business provides services to safeguard, or to safeguard and administer –
 - (i) cryptoassets on behalf of its customers, or
 - (ii) private cryptographic keys on behalf of its customers in order to hold, store and transfer cryptoassets;
 - (c) “cryptoasset service provider” includes cryptoasset exchange provider and custodian wallet provider.
- (2) For the purposes of subsection (1)(a), “money” means –
 - (a) money in sterling,
 - (b) money in any other currency, or
 - (c) money in any other medium of exchange,
but does not include a cryptoasset.
- (3) In the definition of “cryptoasset exchange provider” in subsection (1), “cryptoasset” includes a right to, or interest in, a cryptoasset.
- (4) The Secretary of State may by regulations amend the definitions in this section.
- (5) The Secretary of State must consult the Scottish Ministers and the Department of Justice before making regulations under subsection (4).

Freezing of crypto wallets

- 303Z36 Application for crypto wallet freezing order**
- (1) This section applies if an enforcement officer has reasonable grounds for suspecting that cryptoassets held in a crypto wallet administered by a UK-connected cryptoasset service provider –
 - (a) are recoverable property, or
 - (b) are intended by any person for use in unlawful conduct.
 - (2) Where this section applies (but subject to subsection (3)) the enforcement officer may apply to the relevant court for a crypto wallet freezing order in relation to the crypto wallet in which the cryptoassets are held.
 - (3) An enforcement officer may not apply for a crypto wallet freezing order unless the officer is a senior officer or is authorised to do so by a senior officer.
 - (4) For the purposes of this Chapter –
 - (a) a crypto wallet freezing order is an order that, subject to any exclusions (see section 303Z39), prohibits each person by or for whom the crypto wallet to which the order applies is administered from –
 - (i) making withdrawals or payments from the crypto wallet, or
 - (ii) using the crypto wallet in any other way;

- (b) a crypto wallet is administered by or for a person if the person is the person to whom services are being provided by a cryptoasset service provider in relation to that crypto wallet.
- (5) An application for a crypto wallet freezing order may be made without notice if the circumstances of the case are such that notice of the application would prejudice the taking of any steps under this Part to forfeit cryptoassets that are recoverable property or intended by any person for use in unlawful conduct. 5
- (6) An application for a crypto wallet freezing order under this section may be combined with an application for an account freezing order under section 303Z1 where a single entity – 10
- (a) is both a relevant financial institution for the purposes of section 303Z1 and a cryptoasset service provider for the purposes of this section, and 15
- (b) operates or administers, for the same person, both an account holding money (above the minimum amount specified in section 303Z8) and a crypto wallet.
- (7) An application for a crypto wallet freezing order may not be made by an SFO officer, or an accredited financial investigator, in relation to a UK-connected cryptoasset service provider where – 20
- (a) the provider has its registered office, or if it does not have one, its head office in Scotland, and
- (b) the day-to-day management of the provider’s business is the responsibility of that office or another establishment maintained by it in Scotland. 25
- (8) In this Chapter –
- “enforcement officer” has the meaning given by section 303Z20;
- “relevant court” means –
- (a) in England and Wales and Northern Ireland, a magistrates’ court, and 30
- (b) in Scotland, the sheriff;
- “senior officer” has the meaning given by section 303Z20;
- “UK-connected cryptoasset service provider” means a cryptoasset service provider which – 35
- (a) is acting in the course of business carried on by it in the United Kingdom,
- (b) has terms and conditions with the persons to whom it provides services which provide for a legal dispute to be litigated in the courts of a part of the United Kingdom, 40
- (c) holds, in the United Kingdom, any data relating to the persons to whom it provides services, or
- (d) meets the condition in subsection (9).
- (9) The condition in this subsection is that – 45
- (a) the cryptoasset service provider has its registered office, or if it does not have one, its head office in the United Kingdom, and

- (b) the day-to-day management of the provider’s business is the responsibility of that office or another establishment maintained by it in the United Kingdom.

303Z37 Making of a crypto wallet freezing order

- (1) This section applies where an application for a crypto wallet freezing order is made under section 303Z36 in relation to a crypto wallet. 5
- (2) The relevant court may make the order if satisfied that there are reasonable grounds for suspecting that some or all of the cryptoassets held in the crypto wallet –
 - (a) are recoverable property, or 10
 - (b) are intended by any person for use in unlawful conduct.
- (3) A crypto wallet freezing order ceases to have effect at the end of the period specified in the order (which may be varied under section 303Z38) unless it ceases to have effect at an earlier or later time in accordance with this Chapter or Chapter 3E or 3F. 15
- (4) The period specified by the relevant court for the purposes of subsection (3) (whether when the order is first made or on a variation under section 303Z38) may not exceed the period of 2 years, beginning with the day on which the crypto wallet freezing order is (or was) made; but this is subject to subsection (5). 20
- (5) The relevant court may make an order for the period of 2 years in subsection (4) to be extended to a period of up to 3 years beginning with the day on which the crypto wallet freezing order is (or was) made.
- (6) The relevant court may make an order under subsection (5) if satisfied that a request for assistance is outstanding in relation to some or all of the cryptoassets held in the crypto wallet. 25
- (7) A “request for assistance” in subsection (6) means a request for assistance in obtaining evidence (including information in any form or article) in connection with some or all of the cryptoassets held in the crypto wallet, made – 30
 - (a) by a judicial authority in the United Kingdom under section 7 of the Crime (International Co-operation) Act 2003, or
 - (b) by an enforcement officer, to an authority exercising equivalent functions in a foreign country. 35
- (8) A crypto wallet freezing order must provide for notice to be given to persons affected by the order.

303Z38 Variation and setting aside of crypto wallet freezing order

- (1) The relevant court may at any time vary or set aside a crypto wallet freezing order on an application made by – 40
 - (a) an enforcement officer, or
 - (b) any person affected by the order.
- (2) But an enforcement officer may not make an application under subsection (1) unless the officer is a senior officer or is authorised to do so by a senior officer. 45

- (3) Before varying or setting aside a crypto wallet freezing order the court must (as well as giving the parties to the proceedings an opportunity to be heard) give such an opportunity to any person who may be affected by its decision.
- (4) In relation to Scotland, the references in this section to setting aside an order are to be read as references to recalling it. 5

303Z39 Exclusions

- (1) The power to vary a crypto wallet freezing order includes (amongst other things) power to make exclusions from the prohibition on making withdrawals or payments from the crypto wallet to which the order applies. 10
- (2) Exclusions from the prohibition may also be made when the order is made.
- (3) An exclusion may (amongst other things) make provision for the purpose of enabling a person by or for whom the crypto wallet is administered – 15
 - (a) to meet the person’s reasonable living expenses, or
 - (b) to carry on any trade, business, profession or occupation.
- (4) An exclusion may be made subject to conditions.
- (5) Where a magistrates’ court exercises the power to make an exclusion for the purpose of enabling a person to meet legal expenses that the person has incurred, or may incur, in respect of proceedings under this Part, it must ensure that the exclusion – 20
 - (a) is limited to reasonable legal expenses that the person has reasonably incurred or that the person reasonably incurs, 25
 - (b) specifies the total amount that may be released for legal expenses in pursuance of the exclusion, and
 - (c) is made subject to the same conditions as would be the required conditions (see section 286A) if the order had been made under section 245A (in addition to any conditions imposed under subsection (4)). 30
- (6) A magistrates’ court, in deciding whether to make an exclusion for the purpose of enabling a person to meet legal expenses in respect of proceedings under this Part – 35
 - (a) must have regard to the desirability of the person being represented in any proceedings under this Part in which the person is a participant, and
 - (b) must disregard the possibility that legal representation of the person in any such proceedings might, were an exclusion not made – 40
 - (i) be made available under arrangements made for the purposes of Part 1 of the Legal Aid, Sentencing and Punishment of Offenders Act 2012, or
 - (ii) be funded by the Department of Justice.
- (7) The sheriff’s power to make exclusions may not be exercised for the purpose of enabling any person to meet any legal expenses in respect of proceedings under this Part. 45

- (8) The power to make exclusions must, subject to subsection (6), be exercised with a view to ensuring, so far as practicable, that there is not undue prejudice to the taking of any steps under this Part to forfeit cryptoassets that are recoverable property or intended by any person for use in unlawful conduct. 5

303Z40 Restrictions on proceedings and remedies

- (1) If a court in which proceedings are pending in respect of a crypto wallet administered by a UK-connected cryptoasset service provider is satisfied that a crypto wallet freezing order has been applied for or made in respect of the crypto wallet, it may either stay the proceedings or allow them to continue on any terms it thinks fit. 10
- (2) Before exercising the power conferred by subsection (1), the court must (as well as giving the parties to any of the proceedings concerned an opportunity to be heard) give such an opportunity to any person who may be affected by the court’s decision. 15
- (3) In relation to Scotland, the reference in subsection (1) to staying the proceedings is to be read as a reference to sisting the proceedings.

CHAPTER 3E

FORFEITURE OF CRYPTOASSETS FOLLOWING DETENTION OR FREEZING ORDER

Forfeiture orders 20

303Z41 Forfeiture order

- (1) This section applies –
- (a) while any cryptoassets are detained in pursuance of an order under section 303Z30 or 303Z32, or
 - (b) while a crypto wallet freezing order made under section 303Z37 has effect. 25
- (2) An application for the forfeiture of some or all of the cryptoassets that are detained or held in the crypto wallet that is subject to the crypto wallet freezing order may be made –
- (a) to a magistrates’ court by a person within subsection (3), or
 - (b) to the sheriff by the Scottish Ministers. 30
- (3) The following persons are within this subsection –
- (a) the Commissioners for His Majesty’s Revenue and Customs,
 - (b) a constable,
 - (c) an SFO officer, or
 - (d) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453. 35
- (4) The court or sheriff may order the forfeiture of some or all of the cryptoassets if satisfied that the cryptoassets – 40
- (a) are recoverable property, or

- (b) are intended by any person for use in unlawful conduct.
- (5) An order under subsection (4) made by a magistrates' court may provide for payment under section 303Z49 of reasonable legal expenses that a person has reasonably incurred, or may reasonably incur, in respect of— 5
- (a) the proceedings in which the order is made, or
- (b) any related proceedings under this Chapter.
- (6) A sum in respect of a relevant item of expenditure is not payable under section 303Z49 in pursuance of provision under subsection (5) unless— 10
- (a) the person who applied for the order under subsection (4) agrees to its payment, or
- (b) the court has assessed the amount allowed in respect of that item and the sum is paid in respect of the assessed amount.
- (7) For the purposes of subsection (6)— 15
- (a) a “relevant item of expenditure” is an item of expenditure to which regulations under section 286B would apply if the order under subsection (4) had instead been a recovery order;
- (b) an amount is “allowed” in respect of a relevant item of expenditure if it would have been allowed by those regulations; 20
- (c) if the person who applied for the order under subsection (4) was a constable, an SFO officer or an accredited financial investigator, that person may not agree to the payment of a sum unless the person is a senior officer or is authorised to do so by a senior officer. 25
- (8) Subsection (4) ceases to apply on the transfer of an application made under this section in accordance with section 303Z45(1).
- (9) In this Chapter— 30
- “crypto wallet freezing order” has the same meaning as in Chapter 3D (see section 303Z36);
- “enforcement officer” has the meaning given by section 303Z20;
- “senior officer” has the meaning given by section 303Z20.
- (10) Section 303Z36(4)(b) applies in relation to this Chapter as it applies in relation to Chapter 3D. 35

303Z42 Forfeiture order: supplementary

- (1) Subsection (2) applies where an application is made under section 303Z41 for the forfeiture of any cryptoassets detained in pursuance of an order under section 303Z30 or 303Z32.
- (2) The cryptoassets are to continue to be detained in pursuance of the order (and may not be released under any power conferred by this Chapter) until any proceedings in pursuance of the application (including any proceedings on appeal) are concluded. 40
- This subsection is subject to Chapter 3F (conversion to money).
- (3) Subsections (4) and (5) apply where an application is made under section 303Z41 in relation to cryptoassets held in a crypto wallet that is subject to a crypto wallet freezing order. 45

- (4) Where the cryptoassets are ordered to be forfeited under section 303Z41(4) or 303Z45(3) –
 - (a) the cryptoasset service provider that administers the crypto wallet must transfer the cryptoassets into a crypto wallet nominated by an enforcement officer, and 5
 - (b) immediately after the transfer has been made, the freezing order ceases to have effect.
- (5) Where the application is determined or otherwise disposed of other than by the making of an order under section 303Z41(4) or 303Z45(3), the crypto wallet freezing order ceases to have effect immediately after that determination or other disposal. 10
- (6) Subsections (4) and (5) are subject to section 303Z46 and Chapter 3F.
- (7) The Secretary of State may by regulations amend this section to make provision about the forfeiture of cryptoassets held in a crypto wallet that is subject to a crypto wallet freezing order. 15
- (8) Regulations under subsection (7) may in particular make provision about –
 - (a) the process for the forfeiture of cryptoassets;
 - (b) the realisation of forfeited cryptoassets;
 - (c) the application of the proceeds of such realisation. 20
- (9) Regulations under subsection (7) may make consequential amendments of this Chapter.
- (10) The Secretary of State must consult the Scottish Ministers and the Department of Justice before making regulations under subsection (7). 25

303Z43 Associated and joint property

- (1) Sections 303Z44 and 303Z45 apply if –
 - (a) an application is made under section 303Z41 in respect of cryptoassets,
 - (b) the court or sheriff is satisfied that some or all of the cryptoassets are recoverable property or are intended by any person for use in unlawful conduct, and 30
 - (c) there exists property that is associated with the cryptoassets in relation to which the court or sheriff is satisfied as mentioned in paragraph (b). 35
- (2) Sections 303Z44 and 303Z45 also apply in England and Wales and Northern Ireland if –
 - (a) an application is made under section 303Z41 in respect of cryptoassets,
 - (b) the court is satisfied that some or all of the cryptoassets are recoverable property, and 40
 - (c) the cryptoassets in relation to which the court is satisfied as mentioned in paragraph (b) belong to joint tenants and one of the tenants is an excepted joint owner.
- (3) In this section and sections 303Z44 and 303Z45 “associated property” means property of any of the following descriptions that is not itself the forfeitable property – 45

- (a) any interest in the forfeitable property;
- (b) any other interest in the property in which the forfeitable property subsists;
- (c) if the forfeitable property is part of a larger property, but not a separate part, the remainder of that property. 5

References to property being associated with forfeitable property are to be read accordingly.

- (4) In this section and sections 303Z44 and 303Z45, the “forfeitable property” means the cryptoassets in relation to which the court or sheriff is satisfied as mentioned in subsection (1)(b) or (2)(b) (as the case may be). 10

303Z44 Agreements about associated and joint property

- (1) Where –
 - (a) this section applies, and
 - (b) the person who applied for the order under section 303Z41 (on the one hand) and the person who holds the associated property or who is the excepted joint owner (on the other hand) agree, 15

the magistrates’ court or sheriff may, instead of making an order under section 303Z41(4), make an order requiring the person who holds the associated property or who is the excepted joint owner to make a payment to a person identified in the order. 20
- (2) The amount of the payment is (subject to subsection (3)) to be the amount which the persons referred to in subsection (1)(b) agree represents – 25
 - (a) in a case where this section applies by virtue of section 303Z43(1), the value of the forfeitable property;
 - (b) in a case where this section applies by virtue of section 303Z43(2), the value of the forfeitable property less the value of the excepted joint owner’s share. 30
- (3) The amount of the payment may be reduced if the person who applied for the order under section 303Z41 agrees that the other party to the agreement has suffered loss as a result of – 35
 - (a) the seizure of the forfeitable property under section 303Z29 and its subsequent detention, or
 - (b) the making of a crypto wallet freezing order under section 303Z37.
- (4) The reduction that is permissible by virtue of subsection (3) is such amount as the parties to the agreement agree is reasonable, having regard to the loss suffered and any other relevant circumstances. 40
- (5) An order under subsection (1) may, so far as required for giving effect to the agreement, include provision for vesting, creating or extinguishing any interest in property.
- (6) An order under subsection (1) made by a magistrates’ court may provide for payment under subsection (12) of reasonable legal expenses that a person has reasonably incurred, or may reasonably incur, in respect of – 45
 - (a) the proceedings in which the order is made, or

- (b) any related proceedings under this Chapter.
- (7) A sum in respect of a relevant item of expenditure is not payable under subsection (12) in pursuance of provision under subsection (6) unless –
 - (a) the person who applied for the order under section 303Z41 agrees to its payment, or
 - (b) the court has assessed the amount allowed in respect of that item and the sum is paid in respect of the assessed amount.
- (8) For the purposes of subsection (7) –
 - (a) a “relevant item of expenditure” is an item of expenditure to which regulations under section 286B would apply if the order under subsection (1) had instead been a recovery order;
 - (b) an amount is “allowed” in respect of a relevant item of expenditure if it would have been allowed by those regulations.
- (9) For the purposes of section 308(2), on the making of an order under subsection (1), the forfeitable property is to be treated as if it had been forfeited.
- (10) If there is more than one item of associated property or more than one excepted joint owner, the total amount to be paid under subsection (1), and the part of that amount which is to be provided by each person who holds any such associated property or who is an excepted joint owner, is to be agreed between both (or all) of them and the person who applied for the order under section 303Z41.
- (11) If the person who applied for the order under section 303Z41 was a constable, an SFO officer or an accredited financial investigator, that person may enter into an agreement for the purposes of any provision of this section only if the person is a senior officer or is authorised to do so by a senior officer.
- (12) An amount received under an order under subsection (1) must be applied as follows –
 - (a) first, it must be applied in making any payment of legal expenses which, after giving effect to subsection (7), are payable under this subsection in pursuance of provision under subsection (6);
 - (b) second, it must be applied in payment or reimbursement of any reasonable costs incurred in storing or insuring the forfeitable property and any associated property whilst detained under this Part;
 - (c) third, it must be paid –
 - (i) if the order was made by a magistrates’ court, into the Consolidated Fund;
 - (ii) if the order was made by the sheriff, into the Scottish Consolidated Fund.

303Z45 Associated and joint property: default of agreement

- (1) Where this section applies and there is no agreement under section 303Z44, the magistrates’ court or sheriff may transfer the application made under section 303Z41 to the appropriate court.

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- (2) The “appropriate court” is –
- (a) the High Court, where the application under section 303Z41 was made to a magistrates’ court;
 - (b) the Court of Session, where the application under section 303Z41 was made to the sheriff. 5
- (3) Where (under subsection (1)) an application made under section 303Z41 is transferred to the appropriate court, the appropriate court may order the forfeiture of the property to which the application relates, or any part of that property, if satisfied that what is to be forfeited is recoverable property or intended by any person for use in unlawful conduct. 10
- (4) An order under subsection (3) made by the High Court may include provision of the type that may be included in an order under section 303Z41(4) made by a magistrates’ court by virtue of section 303Z41(5). 15
- (5) If provision is included in an order of the High Court by virtue of subsection (4) of this section, section 303Z41(6) and (7) apply with the necessary modifications.
- (6) The appropriate court may, as well as making an order under subsection (3), make an order – 20
- (a) providing for the forfeiture of the associated property or (as the case may be) for the excepted joint owner’s interest to be extinguished, or
 - (b) providing for the excepted joint owner’s interest to be severed. 25
- (7) Where (under subsection (1)) the magistrates’ court or sheriff decides not to transfer an application made under section 303Z41 to the appropriate court, the magistrates’ court or sheriff may, as well as making an order under section 303Z41(4), make an order – 30
- (a) providing for the forfeiture of the associated property or (as the case may be) for the excepted joint owner’s interest to be extinguished, or
 - (b) providing for the excepted joint owner’s interest to be severed.
- (8) An order under subsection (6) or (7) may be made only if the appropriate court, the magistrates’ court or the sheriff (as the case may be) thinks it just and equitable to do so. 35
- (9) An order under subsection (6) or (7) must provide for the payment of an amount to the person who holds the associated property or who is an excepted joint owner. 40
- (10) In making an order under subsection (6) or (7), and including provision in it by virtue of subsection (9), the appropriate court, the magistrates’ court or the sheriff (as the case may be) must have regard to –
- (a) the rights of any person who holds the associated property or who is an excepted joint owner and the value to that person of that property or (as the case may be) of that person’s share (including any value that cannot be assessed in terms of money), and 45

- (b) the interest of the person who applied for the order under section 303Z41 in realising the value of the forfeitable property.
- (11) If the appropriate court, the magistrates’ court or the sheriff (as the case may be) is satisfied that – 5
 - (a) the person who holds the associated property or who is an excepted joint owner has suffered loss as a result of –
 - (i) the seizure of the forfeitable property under section 303Z29 and its subsequent detention, or
 - (ii) the making of the crypto wallet freezing order under section 303Z37, and 10
 - (b) the circumstances are exceptional, an order under subsection (6) or (7) may require the payment of compensation to that person.
- (12) The amount of compensation to be paid by virtue of subsection (11) is the amount the appropriate court, the magistrates’ court or the sheriff (as the case may be) thinks reasonable, having regard to the loss suffered and any other relevant circumstances. 15
- (13) Compensation to be paid by virtue of subsection (11) is to be paid in the same way that compensation is to be paid under section 303Z52. 20

303Z46 Continuation of crypto wallet freezing order pending appeal

- (1) This section applies where, on an application under section 303Z41 in relation to a crypto wallet to which a crypto wallet freezing order applies, the court or sheriff decides –
 - (a) to make an order under subsection (4) of that section in relation to some but not all of the cryptoassets to which the application related, or 25
 - (b) not to make an order under subsection (4) of that section.
- (2) The person who made the application under section 303Z41 may apply without notice to the court or sheriff that made the decision referred to in subsection (1)(a) or (b) for an order that the crypto wallet freezing order is to continue to have effect. 30
- (3) Where the court or sheriff makes an order under subsection (2) the crypto wallet freezing order is to continue to have effect until –
 - (a) the end of the period of 48 hours starting with the making of the order under subsection (2), or 35
 - (b) if within that period of 48 hours an appeal is brought under section 303Z47 against the decision referred to in subsection (1)(a) or (b), the time when the appeal is determined or otherwise disposed of. 40
- (4) Subsection (3) of section 303Z31 applies for the purposes of subsection (3) as it applies for the purposes of that section.

303Z47 Sections 303Z41 to 303Z45: appeals

- (1) Any party to proceedings for an order for the forfeiture of cryptoassets under section 303Z41 may appeal against – 45
 - (a) the making of an order under section 303Z41;
 - (b) the making of an order under section 303Z45(7);

- (c) a decision not to make an order under section 303Z41 unless the reason that no order was made is that an order was instead made under section 303Z44;
 - (d) a decision not to make an order under section 303Z45(7).

Paragraphs (c) and (d) do not apply if the application for the order under section 303Z41 was transferred in accordance with section 303Z45(1). 5
- (2) Where an order under section 303Z44 is made by a magistrates' court, any party to the proceedings for the order (including any party to the proceedings under section 303Z41 that preceded the making of the order) may appeal against a decision to include, or not to include, provision in the order under section 303Z44(6). 10
- (3) An appeal under this section lies –
 - (a) in relation to England and Wales, to the Crown Court;
 - (b) in relation to Scotland, to the Sheriff Appeal Court;
 - (c) in relation to Northern Ireland, to a county court.15
- (4) An appeal under this section must be made before the end of the period of 30 days starting with the day on which the court or sheriff makes the order or decision.
- (5) The court hearing the appeal may make any order it thinks appropriate. 20
- (6) If the court upholds an appeal against an order forfeiting any cryptoasset or other item of property, it may order the release of the whole or any part of the property.
- 303Z48 Realisation or destruction of forfeited cryptoassets etc** 25
- (1) This section applies where any cryptoasset or other item of property is forfeited under this Chapter.
- (2) An enforcement officer must –
 - (a) realise the property, or
 - (b) make arrangements for its realisation.

This is subject to subsections (3) to (5). 30
- (3) The property is not to be realised –
 - (a) before the end of the period within which an appeal may be made (whether under section 303Z47 or otherwise), or
 - (b) if an appeal is made within that period, before the appeal is determined or otherwise disposed of.35
- (4) The realisation of property under subsection (2) must be carried out, so far as practicable, in the manner best calculated to maximise the amount obtained for the property.
- (5) Where an enforcement officer is satisfied that –
 - (a) it is not reasonably practicable to realise any cryptoasset, or
 - (b) there are reasonable grounds to believe that the realisation of any cryptoasset would be contrary to the public interest,

the enforcement officer may destroy the cryptoasset. 40
- (6) But – 45

- (a) the enforcement officer may destroy the cryptoasset only with the approval of a senior officer, and
 - (b) the cryptoasset is not to be destroyed –
 - (i) before the end of the period within which an appeal may be made (whether under section 303Z47 or otherwise), or
 - (ii) if an appeal is made within that period, before the appeal is determined or otherwise disposed of.
- (7) The question of whether the realisation of the cryptoasset would be contrary to the public interest is to be determined with particular reference to how likely it is that the entry of the cryptoasset into general circulation would facilitate criminal conduct by any person.

303Z49 Proceeds of realisation

- (1) This section applies where any cryptoasset or other item of property is realised under section 303Z48.
- (2) The proceeds of the realisation must be applied as follows –
 - (a) first, they must be applied in making any payment required to be made by virtue of section 303Z45(9);
 - (b) second, they must be applied in making any payment of legal expenses which, after giving effect to section 303Z41(6) (including as applied by section 303Z45(5)), are payable under this subsection in pursuance of provision under section 303Z41(5) or, as the case may be, 303Z45(4);
 - (c) third, they must be applied in payment or reimbursement of any reasonable costs incurred in storing or insuring the property whilst detained under this Part and in realising the property;
 - (d) fourth, they must be paid –
 - (i) if the property was forfeited by a magistrates’ court or the High Court, into the Consolidated Fund;
 - (ii) if the property was forfeited by the sheriff or the Court of Session, into the Scottish Consolidated Fund.
- (3) If what is realised under section 303Z48 represents part only of an item of property, the reference in subsection (2)(c) to costs incurred in storing or insuring the property is to be read as a reference to costs incurred in storing or insuring the whole of the property.

Supplementary

303Z50 Victims and other owners: detained cryptoassets

- (1) A person who claims that any cryptoassets detained under this Part belong to the person may apply for some or all of the cryptoassets to be released.
- (2) An application under subsection (1) is to be made –
 - (a) in England and Wales or Northern Ireland, to a magistrates’ court;
 - (b) in Scotland, to the sheriff.

- (3) The application may be made in the course of proceedings under section 303Z32 or 303Z41 or at any other time.
- (4) The court or sheriff may order the cryptoassets to which the application relates to be released to the applicant if it appears to the court or sheriff that—
 - (a) the applicant was deprived of the cryptoassets to which the application relates, or of property which they represent, by unlawful conduct,
 - (b) the cryptoassets the applicant was deprived of were not, immediately before the applicant was deprived of them, recoverable property, and
 - (c) the cryptoassets belong to the applicant.
- (5) If subsection (6) applies, the court or sheriff may order the cryptoassets to which the application relates to be released to the applicant or to the person from whom they were seized.
- (6) This subsection applies where—
 - (a) the applicant is not the person from whom the cryptoassets to which the application relates were seized,
 - (b) it appears to the court or sheriff that those cryptoassets belong to the applicant,
 - (c) the court or sheriff is satisfied that the release condition is met in relation to those cryptoassets, and
 - (d) no objection to the making of an order under subsection (5) has been made by the person from whom those cryptoassets were seized.
- (7) The release condition is met—
 - (a) if the conditions in Chapter 3C for the detention of the cryptoassets are no longer met, or
 - (b) in relation to cryptoassets which are subject to an application for forfeiture under section 303Z41, if the court or sheriff decides not to make an order under that section in relation to the cryptoassets.

303Z51 Victims and other owners: crypto wallet freezing orders

- (1) A person who claims that any cryptoassets held in a crypto wallet in respect of which a crypto wallet freezing order has been made belong to the person may apply for some or all of the cryptoassets to be released.
- (2) An application under subsection (1) is to be made—
 - (a) in England and Wales or Northern Ireland, to a magistrates' court;
 - (b) in Scotland, to the sheriff.
- (3) The application may be made in the course of proceedings under section 303Z37 or 303Z41 or at any other time.
- (4) The court or sheriff may order the cryptoassets to which the application relates to be released to the applicant if it appears to the court or sheriff that—

- (a) the applicant was deprived of the cryptoassets to which the application relates, or of property which they represent, by unlawful conduct,
 - (b) the cryptoassets the applicant was deprived of were not, immediately before the applicant was deprived of them, recoverable property, and
 - (c) the cryptoassets belong to the applicant.
 - (5) If subsection (6) applies, the court or sheriff may order the cryptoassets to which the application relates to be released to the applicant.
 - (6) This subsection applies where –
 - (a) the applicant is not the person from whom the cryptoassets to which the application relates were seized,
 - (b) it appears to the court or sheriff that those cryptoassets belong to the applicant,
 - (c) the court or sheriff is satisfied that the release condition is met in relation to those cryptoassets, and
 - (d) no objection to the making of an order under subsection (5) has been made by the person from whom those cryptoassets were seized.
 - (7) The release condition is met –
 - (a) if the conditions for the making of the crypto wallet freezing order are no longer met in relation to the cryptoassets to which the application relates;
 - (b) in relation to cryptoassets held in a crypto wallet subject to a crypto wallet freezing order which are subject to an application for forfeiture under section 303Z41, if the court or sheriff decides not to make an order under that section in relation to the cryptoassets.
 - (8) In relation to cryptoassets held in a crypto wallet that is subject to a crypto wallet freezing order, references in this section to a person from whom cryptoassets were seized include a reference to a person by or for whom the crypto wallet was administered immediately before the crypto wallet freezing order was made.
- 303Z52 Compensation**
 - (1) This section applies if no order is made under section 303Z41, 303Z44 or 303Z45 in respect of cryptoassets detained under this Part or held in a crypto wallet that is subject to a crypto wallet freezing order under section 303Z37.
 - (2) Where this section applies, the following may make an application to the relevant court for compensation –
 - (a) a person to whom the cryptoassets belong or from whom they were seized, or
 - (b) a person by or for whom a crypto wallet to which the crypto wallet freezing order applies is administered.
 - (3) If the relevant court is satisfied that the applicant has suffered loss as a result of the detention of the cryptoassets or the making of the crypto wallet freezing order and that the circumstances are

- exceptional, the relevant court may order compensation to be paid to the applicant.
- (4) The amount of compensation to be paid is the amount the relevant court thinks reasonable, having regard to the loss suffered and any other relevant circumstances. 5
 - (5) If the cryptoassets were seized, or the crypto wallet freezing order was applied for, by an officer of Revenue and Customs, the compensation is to be paid by the Commissioners for His Majesty's Revenue and Customs.
 - (6) If the cryptoassets were seized, or the crypto wallet freezing order was applied for, by a constable, the compensation is to be paid as follows— 10
 - (a) in the case of a constable of a police force in England and Wales, it is to be paid out of the police fund from which the expenses of the police force are met; 15
 - (b) in the case of a constable of the Police Service of Scotland, it is to be paid by the Scottish Police Authority;
 - (c) in the case of a police officer within the meaning of the Police (Northern Ireland) Act 2000, it is to be paid out of money provided by the Chief Constable of the Police Service of Northern Ireland. 20
 - (7) If the cryptoassets were seized, or the crypto wallet freezing order was applied for, by an SFO officer, the compensation is to be paid by the Director of the Serious Fraud Office.
 - (8) If the cryptoassets were seized, or the crypto wallet freezing order was applied for, by a National Crime Agency officer, the compensation is to be paid by the National Crime Agency. 25
 - (9) If the cryptoassets were seized, or the crypto wallet freezing order was applied for, by an accredited financial investigator who was not an officer of Revenue and Customs, a constable, an SFO officer or a National Crime Agency officer, the compensation is to be paid as follows— 30
 - (a) in the case of an investigator who was—
 - (i) a member of the civilian staff of a police force (including the metropolitan police force), within the meaning of Part 1 of the Police Reform and Social Responsibility Act 2011, or 35
 - (ii) a member of staff of the City of London police force, it is to be paid out of the police fund from which the expenses of the police force are met, 40
 - (b) in the case of an investigator who was a member of staff of the Police Service of Northern Ireland, it is to be paid out of money provided by the Chief Constable of the Police Service of Northern Ireland,
 - (c) in the case of an investigator who was a member of staff of a department of the Government of the United Kingdom, it is to be paid by the Minister of the Crown in charge of the department or by the department, 45

- (d) in the case of an investigator who was a member of staff of a Northern Ireland department, it is to be paid by the department,
 - (e) in the case of an investigator who was exercising a function of the Welsh Revenue Authority, it is to be paid by the Welsh Revenue Authority, and 5
 - (f) in any other case, it is to be paid by the employer of the investigator.
- (10) The Secretary of State may by regulations amend subsection (9).
- (11) The power in subsection (10) is exercisable by the Department of Justice (and not by the Secretary of State) so far as it may be used to make provision that – 10
 - (a) would be within the legislative competence of the Northern Ireland Assembly if contained in an Act of that Assembly, and 15
 - (b) would not, if contained in a Bill for an Act of the Northern Ireland Assembly, result in the Bill requiring the consent of the Secretary of State.
- (12) If an order under section 303Z37, 303Z41, 303Z44 or 303Z45 is made in respect of some of the cryptoassets detained or held, this section has effect in relation to the remainder. 20
- (13) In this section “relevant court” means –
 - (a) in England and Wales and Northern Ireland, a magistrates’ court, and
 - (b) in Scotland, the sheriff. 25

303Z53 Powers for prosecutors to appear in proceedings

- (1) The Director of Public Prosecutions or the Director of Public Prosecutions for Northern Ireland may appear for a constable or an accredited financial investigator in proceedings under this Chapter if the Director – 30
 - (a) is asked by, or on behalf of, a constable or (as the case may be) an accredited financial investigator to do so, and
 - (b) considers it appropriate to do so.
- (2) The Director of Public Prosecutions may appear for the Commissioners for His Majesty’s Revenue and Customs or an officer of Revenue and Customs in proceedings under this Chapter if the Director – 35
 - (a) is asked by, or on behalf of, the Commissioners for His Majesty’s Revenue and Customs or (as the case may be) an officer of Revenue and Customs to do so, and 40
 - (b) considers it appropriate to do so.
- (3) The Directors may charge fees for the provision of services under this section.
- (4) The references in subsection (1) to an accredited financial investigator do not include an accredited financial investigator who is an officer of Revenue and Customs but the references in subsection 45

(2) to an officer of Revenue and Customs do include an accredited financial investigator who is an officer of Revenue and Customs.

CHAPTER 3F

CONVERSION OF CRYPTOASSETS

Conversion

5

303Z54 Detained cryptoassets: conversion

- (1) Subsection (2) applies while any cryptoassets are detained in pursuance of an order under section 303Z30 or 303Z32 (including where cryptoassets are subject to forfeiture proceedings).
- (2) A person within subsection (3) may apply to the relevant court for an order requiring all of the cryptoassets detained pursuant to the order to be converted into money. 10
- (3) The following persons are within this subsection –
 - (a) an enforcement officer;
 - (b) a person from whom the cryptoassets were seized. 15
- (4) In deciding whether to make an order under this section, the court must have regard to whether the cryptoassets (as a whole) are likely to suffer a significant loss in value during the period before they are released or forfeited (including the period during which an appeal against an order for forfeiture may be made). 20
- (5) Before making an order under this section the court must give an opportunity to be heard to –
 - (a) the parties to the proceedings, and
 - (b) any other person who may be affected by its decision.
- (6) As soon as practicable after an order is made under this section, an enforcement officer must convert the cryptoassets, or arrange for the cryptoassets to be converted, into money. 25
- (7) The conversion of cryptoassets under subsection (6) must be carried out, so far as practicable, in the manner best calculated to maximise the amount of money obtained for the cryptoassets. 30
- (8) At the first opportunity after the cryptoassets are converted, the enforcement officer must arrange for the amount of money obtained for the cryptoassets to be paid into an interest-bearing account and held there.
- (9) Interest accruing on the amount is to be added to it on its forfeiture or release. 35
- (10) Where cryptoassets are converted into money in accordance with an order made under this section –
 - (a) the cryptoassets are no longer to be treated as being detained in pursuance of an order under section 303Z30 or 303Z32, and 40

- (b) any application made under section 303Z41(2) in relation to the cryptoassets which has not yet been determined or otherwise disposed of (including under section 303Z44 or 303Z45) is to be treated as if it were an application made under section 303Z60(2) in relation to the converted cryptoassets. 5
- (11) An order made under this section must provide for notice to be given to persons affected by the order.
- (12) No appeal may be made against an order made under this section.
- 303Z55 Frozen crypto wallet: conversion 10**
 - (1) This section applies while a crypto wallet freezing order under section 303Z37 has effect (including where cryptoassets held in a crypto wallet that is subject to a crypto wallet freezing order are subject to forfeiture proceedings).
 - (2) A person within subsection (3) may apply to the relevant court for an order requiring all of the cryptoassets held in the crypto wallet to be converted into money. 15
 - (3) The following persons are within this subsection –
 - (a) an enforcement officer;
 - (b) a person by or for whom the crypto wallet is administered. 20
 - (4) In deciding whether to make an order under this section, the court must have regard to whether the cryptoassets (as a whole) are likely to suffer a significant loss in value during the period before –
 - (a) the crypto wallet freezing order ceases to have effect, or
 - (b) the cryptoassets are forfeited (including the period during which an appeal against an order for forfeiture may be made). 25
 - (5) Before making an order under this section the court must give an opportunity to be heard to –
 - (a) the parties to the proceedings, and
 - (b) any other person who may be affected by its decision. 30
 - (6) As soon as practicable after an order is made under this section, the UK-connected cryptoasset service provider that administers the crypto wallet must convert the cryptoassets, or arrange for the cryptoassets to be converted, into money. 35
 - (7) The conversion of cryptoassets under subsection (6) must be carried out, so far as practicable, in the manner best calculated to maximise the amount of money obtained for the cryptoassets.
 - (8) At the first opportunity after the cryptoassets are converted, the UK-connected cryptoasset service provider must arrange for the amount of money obtained for the cryptoassets to be paid into an interest-bearing account nominated by an enforcement officer and held there. 40
 - (9) But –
 - (a) the UK-connected cryptoasset service provider may deduct any reasonable expenses incurred by the provider in connection with the conversion of the cryptoassets, and 45

- (b) the amount to be treated as the proceeds of the conversion of the cryptoassets is to be reduced accordingly.
- (10) Interest accruing on the amount obtained for the cryptoassets is to be added to it on its forfeiture or release.
- (11) Where cryptoassets are converted in accordance with an order made under this section – 5
 - (a) the crypto wallet freezing order ceases to have effect,
 - (b) any application made under section 303Z41(2) in relation to the cryptoassets which has not yet been determined or otherwise disposed of (including under section 303Z44 or 303Z45) is to be treated as if it were an application made under section 303Z60(2) in relation to the converted cryptoassets, and 10
 - (c) any application made under section 303Z46(2) in relation to the crypto wallet which has not yet been determined or otherwise disposed of may not be proceeded with. 15
- (12) An order made under this section must provide for notice to be given to persons affected by the order.
- (13) No appeal may be made against an order made under this section.
- 303Z56 Conversion: existing forfeiture proceedings** 20
 - (1) Where –
 - (a) cryptoassets are forfeited under section 303Z41 or 303Z45, and
 - (b) before the cryptoassets are realised or destroyed in accordance with section 303Z48, an order is made under 303Z54 requiring the cryptoassets to be converted into money, 25
 section 303Z62(1) applies in relation to the converted cryptoassets as if they had been detained under section 303Z57 and forfeited under section 303Z60 (and accordingly section 303Z48 ceases to apply). 30
 - (2) Where –
 - (a) cryptoassets are forfeited under section 303Z41 or 303Z45, and
 - (b) before the cryptoassets are realised or destroyed in accordance with section 303Z48, an order is made under 303Z55 requiring the cryptoassets to be converted into money, 35
 section 303Z62(2) applies in relation to the converted cryptoassets as if they had been detained under section 303Z58 and forfeited under section 303Z60 (and accordingly section 303Z48 ceases to apply). 40
 - (3) Where –
 - (a) an appeal may be made under section 303Z47(1) or (2) in relation to the determination of an application under section 303Z41(2) for the forfeiture of cryptoassets (including where section 303Z44 or 303Z45 applies), and 45
 - (b) an order is made under 303Z54 or 303Z55 requiring the cryptoassets to be converted into money,

the appeal may instead be made under section 303Z61 (within the time allowed by section 303Z47(4)) as if it were an appeal against the determination of an application under section 303Z60.

- (4) Where—
- (a) an appeal is made under section 303Z47(1) or (2) in relation to the determination of an application under section 303Z41(2) for the forfeiture of cryptoassets (including where section 303Z44 or 303Z45 applies), and
 - (b) before the appeal is determined or otherwise disposed of, an order is made under 303Z54 or 303Z55 requiring the cryptoassets to be converted into money,
- the appeal is to be treated as if it had been made under section 303Z61(1) in relation to the determination of an application under section 303Z60 for the forfeiture of the converted cryptoassets.

Detention 15

303Z57 Detained cryptoassets: detention of proceeds of conversion

- (1) This section applies where cryptoassets are converted into money in accordance with an order under section 303Z54.
- (2) The proceeds of the conversion (the “converted cryptoassets”) may be detained initially until the end of the period that the cryptoassets could, immediately before the conversion, have been detained under Chapter 3C (ignoring the possibility of any extension of that period). 20
- (3) The period for which the converted cryptoassets may be detained may be extended by an order made by the relevant court.
- (4) An order under subsection (3) may not authorise the detention of the converted cryptoassets beyond the end of the period of 2 years beginning with the relevant date; but this is subject to subsection (5). 25
- (5) The relevant court may make an order for the period of 2 years in subsection (4) to be extended to a period of up to 3 years beginning with the relevant date. 30
- (6) In subsections (4) and (5) “the relevant date” means the date on which the first order under section 303Z30 or 303Z32 (as the case may be) was made in relation to the cryptoassets.
- (7) An application for an order under subsection (3) or (5) may be made— 35
 - (a) in relation to England and Wales and Northern Ireland, by —
 - (i) the Commissioners for His Majesty’s Revenue and Customs,
 - (ii) a constable,
 - (iii) an SFO officer, or
 - (iv) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453, and 40

- (b) in relation to Scotland, by the Scottish Ministers in connection with their functions under section 303Z41 or by a procurator fiscal.
- (8) The relevant court may make an order under subsection (3) only if satisfied that there are reasonable grounds for suspecting that the converted cryptoassets to be further detained – 5
 - (a) are recoverable property, or
 - (b) are intended by any person for use in unlawful conduct.
- (9) The relevant court may make an order under subsection (5) only if satisfied that a request for assistance is outstanding in relation to the cryptoassets mentioned in subsection (1). 10
- (10) A “request for assistance” in subsection (9) means a request for assistance in obtaining evidence (including information in any form or article) in connection with the cryptoassets, made – 15
 - (a) by a judicial authority in the United Kingdom under section 7 of the Crime (International Co-operation) Act 2003, or
 - (b) by an enforcement officer, to an authority exercising equivalent functions in a foreign country.

303Z58 Frozen crypto wallets: detention of proceeds of conversion

- (1) This section applies where cryptoassets held in a crypto wallet subject to a crypto wallet freezing order are converted into money in accordance with an order under section 303Z55. 20
- (2) The proceeds of the conversion (the “converted cryptoassets”) may be detained initially until the end of the period that the crypto wallet freezing order was, immediately before the conversion, due to have effect under Chapter 3D (ignoring the possibility of any extension of that period). 25
- (3) The period for which the converted cryptoassets may be detained may be extended by an order made by the relevant court.
- (4) An order under subsection (3) may not authorise the detention of the converted cryptoassets beyond the end of the period of 2 years beginning with the day on which the crypto wallet freezing order was made; but this is subject to subsection (5). 30
- (5) The relevant court may make an order for the period of 2 years in subsection (4) to be extended to a period of up to 3 years beginning with the day on which the crypto wallet freezing order was made. 35
- (6) An application for an order under subsection (3) or (5) may be made –
 - (a) in relation to England and Wales and Northern Ireland, by –
 - (i) the Commissioners for His Majesty’s Revenue and Customs, 40
 - (ii) a constable,
 - (iii) an SFO officer, or
 - (iv) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453, and 45

- (b) in relation to Scotland, by the Scottish Ministers in connection with their functions under section 303Z41 or by a procurator fiscal.
- (7) The relevant court may make an order under subsection (3) only if satisfied that there are reasonable grounds for suspecting that the converted cryptoassets to be further detained – 5
 - (a) are recoverable property, or
 - (b) are intended by any person for use in unlawful conduct.
- (8) The relevant court may make an order under subsection (5) only if satisfied that a request for assistance is outstanding in relation to the cryptoassets mentioned in subsection (1). 10
- (9) A “request for assistance” in subsection (8) means a request for assistance in obtaining evidence (including information in any form or article) in connection with the cryptoassets, made – 15
 - (a) by a judicial authority in the United Kingdom under section 7 of the Crime (International Co-operation) Act 2003, or
 - (b) by an enforcement officer, to an authority exercising equivalent functions in a foreign country.

Release

- 303Z59 Release of detained converted cryptoassets** 20
- (1) This section applies while any converted cryptoassets are detained under section 303Z57 or 303Z58.
 - (2) The relevant court may direct the release of the whole or any part of the converted cryptoassets if the following condition is met.
 - (3) The condition is that, on an application by the relevant person, the court is not satisfied that there are reasonable grounds for suspecting that the converted cryptoassets to be released – 25
 - (a) are recoverable property, or
 - (b) are intended by any person for use in unlawful conduct.
 - (4) In subsection (3) “the relevant person” means – 30
 - (a) in the case of converted cryptoassets detained under section 303Z57, the person from whom the cryptoassets mentioned in subsection (1) of that section were seized, and
 - (b) in the case of converted cryptoassets detained under section 303Z58, any person affected by the crypto wallet freezing order mentioned in subsection (1) of that section. 35
 - (5) A person within subsection (6) may, after notifying the magistrates’ court or sheriff under whose order converted cryptoassets are being detained, release the whole or any part of the converted cryptoassets if satisfied that the detention is no longer justified. 40
 - (6) The following persons are within this subsection –
 - (a) in relation to England and Wales or Northern Ireland, an enforcement officer;
 - (b) in relation to Scotland – 45
 - (i) the Scottish Ministers,

- (ii) an officer of Revenue and Customs,
- (iii) a constable, and
- (iv) a procurator fiscal.

Forfeiture

303Z60 Forfeiture order 5

- (1) This section applies while any converted cryptoassets are detained under section 303Z57 or 303Z58.
- (2) An application for the forfeiture of some or all of the converted cryptoassets may be made –
 - (a) to a magistrates’ court by a person within subsection (3), or 10
 - (b) to the sheriff by the Scottish Ministers.
- (3) The following persons are within this subsection –
 - (a) the Commissioners for His Majesty’s Revenue and Customs,
 - (b) a constable,
 - (c) an SFO officer, or 15
 - (d) an accredited financial investigator who falls within a description specified in an order made for the purposes of this Chapter by the Secretary of State or the Welsh Ministers under section 453.
- (4) The court or sheriff may order the forfeiture of some or all of the converted cryptoassets if satisfied that the converted cryptoassets to be forfeited – 20
 - (a) are recoverable property, or
 - (b) are intended by any person for use in unlawful conduct.
- (5) But in the case of recoverable property which belongs to joint tenants, one of whom is an excepted joint owner, the order may not apply to so much of it as the court thinks is attributable to the excepted joint owner’s share. 25
- (6) Where an application for forfeiture is made under this section, the converted cryptoassets are to continue to be detained under section 303Z57 or 303Z58 (and may not be released under any power conferred by this Chapter) until any proceedings in pursuance of the application (including any proceedings on appeal) are concluded. 30

303Z61 Appeal against decision under section 303Z60

- (1) Any party to proceedings for an order for the forfeiture of converted cryptoassets under section 303Z60 who is aggrieved by an order under that section or by the decision of the court not to make such an order may appeal – 35
 - (a) from an order or decision of a magistrates’ court in England and Wales, to the Crown Court; 40
 - (b) from an order or decision of the sheriff, to the Sheriff Appeal Court;
 - (c) from an order or decision of a magistrates’ court in Northern Ireland, to a county court.

- (2) An appeal under subsection (1) must be made before the end of the period of 30 days starting with the day on which the court makes the order or decision.
- (3) The court hearing the appeal may make any order it thinks appropriate. 5
- (4) If the court upholds an appeal against an order forfeiting the converted cryptoassets, it may order the release of some or all of the converted cryptoassets.

303Z62 Application of forfeited converted cryptoassets

- (1) Converted cryptoassets detained under section 303Z57 and forfeited under section 303Z60, and any accrued interest on them, must be applied as follows – 10
 - (a) first, they must be applied in making any payment of reasonable expenses incurred by an enforcement officer in connection with the safe storage of the cryptoassets mentioned in section 303Z57(1) during the period the cryptoassets were detained under Chapter 3C; 15
 - (b) second, they must be applied in making any payment of reasonable expenses incurred by an enforcement officer in connection with the conversion of those cryptoassets under section 303Z54(6); 20
 - (c) third, they must be applied in making any payment of reasonable expenses incurred by an enforcement officer in connection with the detention of the converted cryptoassets under this Chapter; 25
 - (d) fourth, they must be paid –
 - (i) if forfeited by a magistrates’ court in England and Wales or Northern Ireland, into the Consolidated Fund, and
 - (ii) if forfeited by the sheriff, into the Scottish Consolidated Fund. 30
- (2) Converted cryptoassets detained under section 303Z58 and forfeited under section 303Z60, and any accrued interest on them, must be applied as follows –
 - (a) first, they must be applied in making any payment of reasonable expenses incurred by an enforcement officer in connection with the detention of the converted cryptoassets under this Chapter; 35
 - (b) second, they must be paid –
 - (i) if forfeited by a magistrates’ court in England and Wales or Northern Ireland, into the Consolidated Fund, and 40
 - (ii) if forfeited by the sheriff, into the Scottish Consolidated Fund.
- (3) But converted cryptoassets are not to be applied or paid under subsection (1) or (2) – 45
 - (a) before the end of the period within which an appeal under section 303Z61 may be made, or
 - (b) if a person appeals under that section, before the appeal is determined or otherwise disposed of.

Supplementary

303Z63 Victims and other owners

- (1) This section applies where converted cryptoassets are detained under this Chapter.
- (2) Where this section applies, a person (“P”) who claims that the relevant cryptoassets belonged to P immediately before –
 - (a) the relevant cryptoassets were seized, or
 - (b) the crypto wallet freezing order was made in relation to the crypto wallet in which the relevant cryptoassets were held,
 may apply to the relevant court for some or all of the converted cryptoassets to be released to P.
- (3) The application may be made in the course of proceedings under section 303Z57, 303Z58 or 303Z60 or at any other time.
- (4) The relevant court may order the converted cryptoassets to which the application relates to be released to the applicant if it appears to the relevant court that the condition in subsection (5) is met.
- (5) The condition in this subsection is that –
 - (a) the applicant was deprived of the relevant cryptoassets by unlawful conduct,
 - (b) the relevant cryptoassets the applicant was deprived of were not, immediately before the applicant was deprived of them, recoverable property, and
 - (c) the relevant cryptoassets belonged to the applicant immediately before –
 - (i) the relevant cryptoassets were seized, or
 - (ii) the crypto wallet freezing order was made in relation to the crypto wallet in which the relevant cryptoassets were held.
- (6) If subsection (7) applies, the relevant court may order the converted cryptoassets to which the application relates to be released to the applicant or to the person from whom the relevant cryptoassets were seized.
- (7) This subsection applies where –
 - (a) the applicant is not the person from whom the relevant cryptoassets were seized,
 - (b) it appears to the relevant court that the relevant cryptoassets belonged to the applicant immediately before –
 - (i) the relevant cryptoassets were seized, or
 - (ii) the crypto wallet freezing order was made in relation to the crypto wallet in which the relevant cryptoassets were held,
 - (c) the relevant court is satisfied that the release condition is met in relation to the converted cryptoassets, and
 - (d) no objection to the making of an order under subsection (6) has been made by the person from whom the relevant cryptoassets were seized.
- (8) The release condition is met –

- (a) if the court is not satisfied that the converted cryptoassets to be released –
 - (i) are recoverable property, or
 - (ii) are intended by any person for use in unlawful conduct, and 5
 - (b) in relation to converted cryptoassets which are subject to an application for forfeiture under section 303Z60, if the court or sheriff decides not to make an order under that section in relation to the converted cryptoassets.
- (9) Where subsection (2)(b) applies, references in this section to a person from whom relevant cryptoassets were seized include a reference to a person by or for whom the crypto wallet mentioned in that provision was administered immediately before the crypto wallet freezing order was made in relation to the crypto wallet. 10
- (10) In this section “the relevant cryptoassets” means – 15
 - (a) in relation to converted cryptoassets detained under section 303Z57, some or all of the cryptoassets mentioned in subsection (1) of that section, and
 - (b) in relation to converted cryptoassets detained under section 303Z58, some or all of the cryptoassets mentioned in subsection (1) of that section. 20

303Z64 Compensation

- (1) This section applies if no order is made under section 303Z60 in respect of converted cryptoassets detained under this Chapter.
- (2) Where this section applies, the following may make an application to the relevant court for compensation – 25
 - (a) a person to whom the relevant cryptoassets belonged immediately before they were seized;
 - (b) a person from whom the relevant cryptoassets were seized;
 - (c) a person by or for whom the crypto wallet mentioned in section 303Z58(1) was administered immediately before the crypto wallet freezing order was made in relation to the crypto wallet. 30
- (3) If the relevant court is satisfied that –
 - (a) the applicant has suffered loss as a result of – 35
 - (i) the conversion of the relevant cryptoassets into money, or
 - (ii) the detention of the converted cryptoassets, and
 - (b) the circumstances are exceptional,

the relevant court may order compensation to be paid to the applicant. 40
- (4) The amount of compensation to be paid is the amount the relevant court thinks reasonable, having regard to the loss suffered and any other relevant circumstances.
- (5) If the relevant cryptoassets were seized, or the relevant crypto wallet freezing order was applied for, by an officer of Revenue and Customs, the compensation is to be paid by the Commissioners for His Majesty’s Revenue and Customs. 45

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- (6) If the relevant cryptoassets were seized, or the relevant crypto wallet freezing order was applied for, by a constable, the compensation is to be paid as follows –
- (a) in the case of a constable of a police force in England and Wales, it is to be paid out of the police fund from which the expenses of the police force are met; 5
 - (b) in the case of a constable of the Police Service of Scotland, it is to be paid by the Scottish Police Authority;
 - (c) in the case of a police officer within the meaning of the Police (Northern Ireland) Act 2000, it is to be paid out of money provided by the Chief Constable of the Police Service of Northern Ireland. 10
- (7) If the relevant cryptoassets were seized, or the relevant crypto wallet freezing order was applied for, by an SFO officer, the compensation is to be paid by the Director of the Serious Fraud Office. 15
- (8) If the relevant cryptoassets were seized, or the relevant crypto wallet freezing order was applied for, by a National Crime Agency officer, the compensation is to be paid by the National Crime Agency.
- (9) If the relevant cryptoassets were seized, or the relevant crypto wallet freezing order was applied for, by an accredited financial investigator who was not an officer of Revenue and Customs, a constable, an SFO officer or a National Crime Agency officer, the compensation is to be paid as follows – 20
- (a) in the case of an investigator who was –
 - (i) a member of the civilian staff of a police force (including the metropolitan police force), within the meaning of Part 1 of the Police Reform and Social Responsibility Act 2011, or 25
 - (ii) a member of staff of the City of London police force, it is to be paid out of the police fund from which the expenses of the police force are met, 30
 - (b) in the case of an investigator who was a member of staff of the Police Service of Northern Ireland, it is to be paid out of money provided by the Chief Constable of the Police Service of Northern Ireland, 35
 - (c) in the case of an investigator who was a member of staff of a department of the Government of the United Kingdom, it is to be paid by the Minister of the Crown in charge of the department or by the department,
 - (d) in the case of an investigator who was a member of staff of a Northern Ireland department, it is to be paid by the department, 40
 - (e) in the case of an investigator who was exercising a function of the Welsh Revenue Authority, it is to be paid by the Welsh Revenue Authority, and 45
 - (f) in any other case, it is to be paid by the employer of the investigator.
- (10) The Secretary of State may by regulations amend subsection (9).

- (11) The power in subsection (10) is exercisable by the Department of Justice (and not by the Secretary of State) so far as it may be used to make provision that –
 - (a) would be within the legislative competence of the Northern Ireland Assembly if contained in an Act of that Assembly, and 5
 - (b) would not, if contained in a Bill for an Act of the Northern Ireland Assembly, result in the Bill requiring the consent of the Secretary of State.
- (12) In this section – 10
 - “the relevant cryptoassets” means –
 - (a) in relation to converted cryptoassets detained under section 303Z57, the cryptoassets mentioned in subsection (1) of that section;
 - (b) in relation to converted cryptoassets detained under section 303Z58, the cryptoassets mentioned in subsection (1) of that section; 15
 - “the relevant crypto wallet freezing order”, in relation to converted cryptoassets detained under section 303Z58, means the crypto wallet freezing order mentioned in subsection (1) of that section. 20

303Z65 Powers for prosecutors to appear in proceedings

- (1) The Director of Public Prosecutions or the Director of Public Prosecutions for Northern Ireland may appear for a constable or an accredited financial investigator in proceedings under this Chapter if the Director – 25
 - (a) is asked by, or on behalf of, a constable or (as the case may be) an accredited financial investigator to do so, and
 - (b) considers it appropriate to do so.
- (2) The Director of Public Prosecutions may appear for the Commissioners for His Majesty’s Revenue and Customs or an officer of Revenue and Customs in proceedings under this Chapter if the Director – 30
 - (a) is asked by, or on behalf of, the Commissioners for His Majesty’s Revenue and Customs or (as the case may be) an officer of Revenue and Customs to do so, and 35
 - (b) considers it appropriate to do so.
- (3) The Directors may charge fees for the provision of services under this section.
- (4) The references in subsection (1) to an accredited financial investigator do not include an accredited financial investigator who is an officer of Revenue and Customs but the references in subsection (2) to an officer of Revenue and Customs do include an accredited financial investigator who is an officer of Revenue and Customs. 40

Interpretation 45

303Z66 Interpretation

- (1) In this Chapter –

- “converted cryptoassets” is to be read in accordance with sections 303Z57 and 303Z58;
- “crypto wallet freezing order” has the same meaning as in Chapter 3D (see section 303Z36);
- “enforcement officer” has the meaning given by section 303Z20; 5
- “relevant court” means –
- (a) in England and Wales and Northern Ireland, a magistrates’ court, and
 - (b) in Scotland, the sheriff;
- “relevant financial institution” has the meaning given by section 303Z1(6); 10
- “UK-connected cryptoasset service provider” has the meaning given by section 303Z36.
- (2) Section 303Z36(4)(b) applies in relation to this Chapter as it applies in relation to Chapter 3D. 15
 - (3) In this Chapter references to the conversion of cryptoassets into money are references to the conversion of cryptoassets into –
 - (a) cash, or
 - (b) money held in an account maintained with a relevant financial institution.” 20

PART 2

CONSEQUENTIAL AND OTHER AMENDMENTS OF THE PROCEEDS OF CRIME ACT 2002

- 2 (1) Part 5 of the Proceeds of Crime Act 2002 (civil recovery of the proceeds etc of unlawful conduct) is amended as follows.
- (2) In section 290 (prior approval - cash), in subsection (6A) – 25
 - (a) after “section 303J” insert “, 303Z26 or 303Z29”;
 - (b) after “section 303K(5)” insert “, 303Z27(3) or (as the case may be) 303Z31(3)”.
- (3) In section 303E (prior approval - listed assets), in subsection (7) – 30
 - (a) after “section 294” insert “or property by virtue of section 303Z26 or 303Z29”;
 - (b) after “cash”, in the second place it occurs, insert “or property”;
 - (c) after “section 295(1B)” insert “, 303Z27(3) or (as the case may be) 303Z31(3)”.
- (4) Before section 303Z18 (but after the italic heading “Supplementary”) insert – 35

“303Z17A Victims and other owners

 - (1) A person who claims that money in respect of which an account freezing order has been made belongs to them may apply for the money to be released.
 - (2) An application under subsection (1) is to be made – 40
 - (a) in England and Wales or Northern Ireland, to a magistrates’ court;
 - (b) in Scotland, to the sheriff.

- (3) The application may be made in the course of proceedings under section 303Z3 or 303Z14 or at any other time.
- (4) The court or sheriff may order the money to which the application relates to be released to the applicant if it appears to the court or sheriff that—
 - (a) the applicant was deprived of the money to which the application relates, or of property which it represents, by unlawful conduct,
 - (b) the money the applicant was deprived of was not, immediately before the applicant was deprived of it, recoverable property, and
 - (c) the money belongs to the applicant.
- (5) If subsection (6) applies, the court or sheriff may order the money to which the application relates to be released to the applicant.
- (6) This subsection applies where —
 - (a) the applicant is not the person from whom the money to which the application relates was seized,
 - (b) it appears to the court or sheriff that the money belongs to the applicant,
 - (c) the court or sheriff is satisfied that the release condition is met in relation to the money, and
 - (d) no objection to the making of an order under subsection (5) has been made by the person from whom the money was seized.
- (7) The release condition is met —
 - (a) in relation to money held in a bank account that is subject to an account freezing order made under section 303Z3, if the court or sheriff decides not to make an order under that section in relation to the money;
 - (b) in relation to money held in a frozen account, if the conditions for making an order under section 303Z14 in relation to the money are no longer met;
 - (c) in relation to money held in a frozen account prior to an account forfeiture notice lapsing under section 303Z11, if the money is not recoverable property and is not intended by a person for use in unlawful conduct.
- (8) In relation to money held in an account that is subject to an account freezing order, references in this section to a person from whom money was seized include a reference to a person by or for whom the account was operated immediately before the account freezing order was made.”
- (5) In section 312(2) (performance of functions by Scottish Ministers), after paragraph (p) insert—
 - “(q) section 303Z20(3) (cryptoassets);
 - (r) section 303Z25 (codes of practice);
 - (s) section 303Z35(5) (crypto wallets);
 - (t) section 303Z41(2)(b) (forfeiture of cryptoassets);
 - (u) section 303Z42(10) (forfeiture of cryptoassets: supplementary);

-
- (v) section 303Z57(7)(b) (detained cryptoassets: detention of proceeds of conversion);
 - (w) section 303Z58(6)(b) (frozen crypto wallets: detention of proceeds of conversion);
 - (x) section 303Z60(2) (forfeiture of converted cryptoassets).” 5
 - (6) In section 316(1) (general interpretation) –
 - (a) in the definition of “the court”, for “and 3B” substitute “, 3B, 3C, 3D, 3E and 3F”;
 - (b) at the appropriate places insert –
 - ““cryptoasset” has the meaning given by section 303Z20;”;
 - ““crypto wallet” has the meaning given by section 303Z20;”;
 - ““justice of the peace”, in relation to Northern Ireland, means lay magistrate;”.
 - 3 (1) Part 8 of the Proceeds of Crime Act 2002 (investigations) is amended as follows.
 - (2) In section 341 (investigations), after subsection (3C) insert –
 - “(3D) For the purposes of this Part a cryptoasset investigation is an investigation for the purposes of Chapter 3C, 3D, 3E or 3F of Part 5 and includes investigation into –
 - (a) the derivation of cryptoassets detained under Chapter 3C (including where the cryptoassets have been converted into money in accordance with Chapter 3F),
 - (b) whether cryptoassets or converted cryptoassets detained under Chapter 3C or 3F are intended by any person to be used in unlawful conduct,
 - (c) the derivation of cryptoassets held in a crypto wallet in relation to which a crypto wallet freezing order made under section 303Z37 has effect (including where the cryptoassets have been converted into money in accordance with Chapter 3F), or
 - (d) whether cryptoassets held in such a wallet are intended by any person to be used in unlawful conduct.”
 - (3) In section 342 (offences of prejudicing investigation), in subsection (1) after “frozen funds investigation” insert “, a cryptoasset investigation”. 35
 - (4) In section 343 (judges), in subsection (2) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
 - (5) In section 344 (courts), in paragraph (a) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 40
 - (6) In section 345 (production orders), in subsection (2)(b) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
 - (7) In section 346 (requirements for making of production order), in subsection (2), after paragraph (bf) insert –
 - “(bg) in the case of a cryptoasset investigation into the derivation of cryptoassets, the cryptoassets the application for the order

- specifies as being subject to the investigation (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are recoverable property;
- (bh) in the case of a cryptoasset investigation into the intended use of cryptoassets, the cryptoassets the application for the order specifies as being subject to the investigation (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are intended by any person to be used in unlawful conduct.” 5 10
- (8) In section 350 (Government departments), in subsection (5)(a) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
- (9) In section 352 (search and seizure warrants), in subsection (2)(b) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 15
- (10) In section 353 (requirements where production order not available), in subsection (2), after paragraph (bf) insert—
- “(bg) in the case of a cryptoasset investigation into the derivation of cryptoassets, the cryptoassets specified in the application for the warrant (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are recoverable property; 20
- (bh) in the case of a cryptoasset investigation into the intended use of cryptoassets, the cryptoassets specified in the application for the warrant (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are intended by any person to be used in unlawful conduct.” 25
- (11) Section 355 (further provisions) is amended as follows— 30
- (a) in the heading, for “and frozen funds” substitute “, frozen funds and cryptoasset”;
- (b) in subsection (1)(a), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
- (12) In section 357 (disclosure orders), in subsection (2) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 35
- (13) In section 363 (customer information orders), in subsection (1A) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 40
- (14) In section 370 (account monitoring orders), in subsection (1A) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
- (15) Section 375A (evidence overseas) is amended as follows—
- (a) in subsection (1), after “frozen funds investigation” insert “, a cryptoasset investigation”; 45

- (b) in subsection (5), after paragraph (bb) insert –
 “(bc) in relation to an application or request made for the purposes of a cryptoasset investigation, evidence as to a matter described in section 341(3D)(a) to (d);”.
- (16) In section 375B (evidence overseas: restrictions on use), in subsection (3), after paragraph (bb) insert –
 “(bc) if the request was made for the purposes of a cryptoasset investigation, proceedings under Chapter 3C, 3D, 3E or 3F of Part 5 of this Act arising out of the investigation;”.
- (17) In section 378 (officers), after subsection (3F) insert –
 “(3G) In relation to a cryptoasset investigation these are appropriate officers –
 (a) a constable;
 (b) an SFO officer;
 (c) an accredited financial investigator who falls within a description specified in an order made for the purposes of this paragraph by the Secretary of State or the Welsh Ministers under section 453;
 (d) an officer of Revenue and Customs.
- (3H) In relation to a cryptoasset investigation these are senior appropriate officers –
 (a) a police officer who is not below the rank of inspector;
 (b) the Director of the Serious Fraud Office;
 (c) an accredited financial investigator who falls within a description specified in an order made for the purposes of this paragraph by the Secretary of State or the Welsh Ministers under section 453;
 (d) an officer of Revenue and Customs who is not below such grade as is designated by the Commissioners for His Majesty’s Revenue and Customs as equivalent to the police rank of inspector.”
- (18) In section 380 (production orders) –
 (a) in subsection (2), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”;
 (b) in subsection (3)(b), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
- (19) In section 381 (requirements for making of production order), in subsection (2), after paragraph (bf) insert –
 “(bg) in the case of a cryptoasset investigation into the derivation of cryptoassets, the cryptoassets the application for the order specifies as being subject to the investigation (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are recoverable property;
 (bh) in the case of a cryptoasset investigation into the intended use of cryptoassets, the cryptoassets the application for the order specifies as being subject to the investigation (or, if the cryptoassets have been converted into money in accordance

- with Chapter 3F of Part 5, the converted cryptoassets) are intended by any person to be used in unlawful conduct.”
- (20) In section 385 (Government departments), in subsection (4)(b) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 5
- (21) In section 387 (search warrants), in subsection (3)(b) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 5
- (22) In section 388 (requirements where production order not available), in subsection (2), after paragraph (bf) insert— 10
- “(bg) in the case of a cryptoasset investigation into the derivation of cryptoassets, the cryptoassets specified in the application for the warrant (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are recoverable property; 15
- (bh) in the case of a cryptoasset investigation into the intended use of cryptoassets, the cryptoassets specified in the application for the warrant (or, if the cryptoassets have been converted into money in accordance with Chapter 3F of Part 5, the converted cryptoassets) are intended by any person to be used in unlawful conduct.” 20
- (23) Section 390 (further provisions) is amended as follows—
- (a) in the heading, for “and money laundering” substitute “, money laundering and cryptoasset”;
- (b) in subsection (1), for “or money laundering investigations” substitute “, money laundering investigations or cryptoasset investigations”; 25
- (c) in subsections (5), (6) and (7), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 30
- (24) In section 391 (disclosure orders), in subsection (2) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
- (25) In section 397 (customer information orders), in subsection (1A) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 35
- (26) In section 404 (account monitoring orders), in subsection (1A) for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”.
- (27) Section 408A (evidence overseas) is amended as follows— 40
- (a) in subsection (1), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”;
- (b) in subsection (5), after paragraph (d) insert—
- “(e) in relation to an application or request made for the purposes of a cryptoasset investigation, evidence as to a matter described in section 341(3D)(a) to (d);” 45
- (28) In section 408B (evidence overseas: restrictions on use) in subsection (3),

- after paragraph (d) insert –
- “*(e) if the request was made for the purposes of a cryptoasset investigation, proceedings under Chapter 3C, 3D, 3E or 3F of Part 5 of this Act arising out of the investigation;*”.
- (29) In section 412 (interpretation) – 5
- (a) in the definition of “appropriate person”, in paragraph (b), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”;
- (b) in the definition of “proper person”, in paragraph (b), for “or a frozen funds investigation” substitute “, a frozen funds investigation or a cryptoasset investigation”. 10
- 4 (1) Section 459 of the Proceeds of Crime Act 2002 (orders and regulations) is amended as follows.
- (2) In subsection (4)(aza) (exceptions to negative procedure), for “or 303Z18(10)” substitute “, 303Z18(10), 303Z20(2), 303Z35(4), 303Z42(7), 303Z52(10) or 303Z64(10)”. 15
- (3) In subsection (6ZB) (application of affirmative procedure), for “or 303Z18(10)” substitute “, 303Z18(10), 303Z20(2), 303Z35(4), 303Z42(7), 303Z52(10) or 303Z64(10)”. 20
- (4) In subsection (6A) (hybrid instruments), for “or 303Z18(10)” substitute “, 303Z18(10), 303Z52(10) or 303Z64(10)”. 20

SCHEDULE 8

Section 153

ECONOMIC CRIME OFFENCES

Common law offences

- 1 Cheating the public revenue. 25
- 2 Conspiracy to defraud.
- 3 In Scotland, the following offences at common law –
- (a) fraud;
- (b) uttering;
- (c) embezzlement; 30
- (d) theft.

Statutory offences

- 4 An offence under any of the following provisions of the Theft Act 1968 –
- (a) section 1 (theft);
- (b) section 17 (false accounting); 35
- (c) section 19 (false statements by company directors etc);
- (d) section 20 (suppression etc of documents);
- (e) section 24A (dishonestly retaining a wrongful credit).
- 5 An offence under any of the following provisions of the Theft Act (Northern Ireland) 1969 – 40

	(a) section 1 (theft);	
	(b) section 17 (false accounting);	
	(c) section 18 (false statements by company directors etc);	
	(d) section 19 (suppression etc of documents);	
	(e) section 23A (dishonestly retaining a wrongful credit).	5
6	An offence under any of the following provisions of the Customs and Excise Management Act 1979 –	
	(a) section 68 (offences in relation to exportation of prohibited or restricted goods);	
	(b) section 167 (untrue declarations etc);	10
	(c) section 170 (fraudulent evasion of duty).	
7	An offence under the Forgery and Counterfeiting Act 1981 (forgery, counterfeiting and kindred offences).	
8	An offence under section 72 of the Value Added Tax Act 1994 (fraudulent evasion of VAT).	15
9	An offence under section 46A of the Criminal Law (Consolidation) (Scotland) Act 1995 (false monetary instruments).	
10	An offence under any of the following sections of the Financial Services and Markets Act 2000 –	
	(a) section 23 (contravention of prohibition on carrying on regulated activity unless authorised or exempt);	20
	(b) section 25 (contravention of restrictions on financial promotion);	
	(c) section 85 (prohibition of dealing etc in transferable securities without approved prospectus);	
	(d) section 398 (misleading the FCA or PRA).	25
11	An offence under any of the following sections of the Terrorism Act 2000 –	
	(a) section 15 (fund-raising);	
	(b) section 16 (use and possession);	
	(c) section 17 (funding arrangements);	
	(d) section 18 (money laundering);	30
	(e) section 63 (terrorist finance: jurisdiction).	
12	An offence under any of the following sections of the Proceeds of Crime Act 2002 –	
	(a) section 327 (concealing etc criminal property);	
	(b) section 328 (arrangements facilitating acquisition etc of criminal property);	35
	(c) section 329 (acquisition, use and possession of criminal property);	
	(d) section 330 (failing to disclose knowledge or suspicion of money laundering);	
	(e) section 333A (tipping off).	40
13	An offence under any of the following sections of the Companies Act 2006 –	
	(a) section 658 (general rule against limited company acquiring its own shares);	
	(b) section 680 (prohibited financial assistance);	
	(c) section 993 (fraudulent trading).	45

14	An offence under any of the following sections of the Fraud Act 2006— (a) section 1 (fraud); (b) section 6 (possession etc of articles for use in frauds); (c) section 7 (making or supplying articles for use in frauds); (d) section 9 (participating in fraudulent business carried on by sole trader); (e) section 11 (obtaining services dishonestly).	5
15	An offence under any of the following sections of the Bribery Act 2010— (a) section 1 (bribing another person); (b) section 2 (being bribed); (c) section 6 (bribery of foreign public officials); (d) section 7 (failure of commercial organisations to prevent bribery).	10
16	A criminal offence under section 49 of the Criminal Justice and Licensing (Scotland) Act 2010 (possession, making or supplying articles for use in frauds).	15
17	An offence under any of the following sections of the Financial Services Act 2012— (a) section 89 (misleading statements); (b) section 90 (misleading impressions); (c) section 91 (misleading statements etc in relation to benchmarks).	20
18	An offence under section 45 or 46 of the Criminal Finance Act 2017 (failure to prevent the facilitation of UK tax evasion offences or foreign tax evasion offences).	
19	An offence under regulation 86 of the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017.	25
20	An offence under regulations made under section 49 of the Sanctions and Anti-Money Laundering Act 2018 (money laundering and terrorist financing etc).	
21	(1) An offence under an instrument made under section 2(2) of the European Communities Act 1972 for the purpose of implementing, or otherwise in relation to, EU obligations created or arising by or under an EU financial sanctions Regulation.	30
	(2) An offence under an Act or under subordinate legislation where the offence was created for the purpose of implementing a UN financial sanctions Resolution.	35
	(3) An offence under paragraph 7 of Schedule 3 to the Anti-terrorism, Crime and Security Act 2001 (freezing orders).	
	(4) An offence under paragraph 30 or 30A of Schedule 7 to the Counter-Terrorism Act 2008 where the offence relates to a requirement of the kind mentioned in paragraph 13 of that Schedule.	40
	(5) An offence under paragraph 31 of Schedule 7 to the Counter-Terrorism Act 2008.	
	(6) An offence under regulations made under section 1 of the Sanctions and Anti-Money Laundering Act 2018 (sanctions regulations).	45

(7) In this paragraph—

“EU financial sanctions Regulation” and “UN financial sanctions Resolution” have the same meanings as in Part 8 of the Policing and Crime Act 2017 (see section 143 of that Act);

“subordinate legislation” has the same meaning as in the Interpretation Act 1978.

5

Economic Crime and Corporate Transparency Bill

A

B I L L

To make provision about economic crime and corporate transparency; to make further provision about companies, limited partnerships and other kinds of corporate entity; and to make provision about the registration of overseas entities.

*Presented by Secretary Suella Braverman,
supported by,*

*The Prime Minister, Secretary Brandon Lewis, The Chancellor of the Exchequer, Secretary James Cleverly,
Mr. Secretary Rees-Mogg, Graham Stuart, The Attorney General, Andrew Griffith and Tom Tugendhat.*

*Ordered, by The House of Commons,
to be Printed, 22nd September 2022.*

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