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INFORMATION NOTE

From:	General Secretariat of the Council
To:	Delegations
Subject:	AMLR - Proposal for a Regulation of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing - Initial positions of the three Institutions prior to commencement of trilogues

Delegations will find enclosed the opening position of the three institutions on the proposal mentioned above, prior to the commencement of the trilogue phase.

Proposal for a Regulation of the European Parliament and of the Council on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (Text with EEA relevance)

2021/0239(COD)
[Version for Trilogue on 11 May, 2023]
05-05-2023 at 17h52

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1	2021/0239 (COD)	2021/0239 (COD)	2021/0239 (COD)
2	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (Text with EEA relevance)	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (Text with EEA relevance)	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing (Text with EEA relevance)
3	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,	THE EUROPEAN PARLIAMENT AND THE COUNCIL OF THE EUROPEAN UNION,

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4	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,	Having regard to the Treaty on the Functioning of the European Union, and in particular Article 114 thereof,
5	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,	Having regard to the proposal from the European Commission,
6	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,	After transmission of the draft legislative act to the national parliaments,
7	Having regard to the opinion of the European Central Bank[1], 1. OJ C [...], [...], p. [...].	Having regard to the opinion of the European Central Bank[1], 1. OJ C [...], [...], p. [...].	Having regard to the opinion of the European Central Bank[1], 1. OJ C [...], [...], p. [...].
8	Having regard to the opinion of the European Economic and Social Committee[1], 1. OJ C , , p. .	Having regard to the opinion of the European Economic and Social Committee[1], 1. OJ C , , p. .	Having regard to the opinion of the European Economic and Social Committee[1], 1. OJ C , , p. .
9	Acting in accordance with the ordinary	Acting in accordance with the ordinary	Acting in accordance with the ordinary

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	legislative procedure,	legislative procedure,	legislative procedure,
10	Whereas:	Whereas:	Whereas:
11	(1) Directive (EU) 2015/849 of the European Parliament and of the Council[1] constitutes the main legal instrument for the prevention of the use of the Union financial system for the purposes of money laundering and terrorist financing. That Directive sets out a comprehensive legal framework, which Directive (EU) 2018/843 of the European Parliament and the Council[2] further strengthened by addressing emerging risks and increasing transparency of beneficial ownership. Notwithstanding its achievements, experience has shown that further improvements should be introduced to adequately mitigate risks and to effectively detect criminal attempts to misuse the Union financial system for criminal purposes. 1. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73).	(1) Directive (EU) 2015/849 of the European Parliament and of the Council[1] constitutes the main legal instrument for the prevention of the use of the Union financial system for the purposes of money laundering and terrorist financing. That Directive sets out a comprehensive legal framework, which Directive (EU) 2018/843 of the European Parliament and the Council[2] further strengthened by addressing emerging risks and increasing transparency of beneficial ownership. Notwithstanding its achievements, experience has shown that further improvements should be introduced to adequately mitigate risks and to effectively detect criminal attempts to misuse the Union financial system for criminal purposes. 1. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012	(1) Directive (EU) 2015/849 of the European Parliament and of the Council[1] constitutes the main legal instrument for the prevention of the use of the Union financial system for the purposes of money laundering and terrorist financing. That Directive sets out a comprehensive legal framework, which Directive (EU) 2018/843 of the European Parliament and the Council[2] further strengthened by addressing emerging risks and increasing transparency of beneficial ownership. Notwithstanding ~~its~~***the*** achievements ***of Directive (EU) 2015/849, divergent practices regarding its enforcement and the lack of correct implementation of minimum standards have led to a fragmented, incomplete and partially inefficient regulatory framework in the Union. Therefore***, experience has shown that further improvements should be introduced to adequately mitigate risks***, tackle divergences regarding its enforcement and implementation*** and to effectively detect criminal attempts to misuse the Union financial system for criminal purposes.

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	2. Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (OJ L 156, 19.6.2018, p. 43).	of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73). 2. Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (OJ L 156, 19.6.2018, p. 43).	__________ 1. Directive (EU) 2015/849 of the European Parliament and of the Council of 20 May 2015 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, amending Regulation (EU) No 648/2012 of the European Parliament and of the Council, and repealing Directive 2005/60/EC of the European Parliament and of the Council and Commission Directive 2006/70/EC (OJ L 141, 5.6.2015, p. 73). 2. Directive (EU) 2018/843 of the European Parliament and of the Council of 30 May 2018 amending Directive (EU) 2015/849 on the prevention of the use of the financial system for the purposes of money laundering or terrorist financing, and amending Directives 2009/138/EC and 2013/36/EU (OJ L 156, 19.6.2018, p. 43).
12	(2) The main challenge identified in respect to the application of the provisions of Directive (EU) 2015/849 laying down obligations for private sector actors, the so-called obliged entities, is the lack of direct applicability of those rules and a fragmentation of the approach along national lines. Whereas those rules have existed and evolved over three decades, they are still implemented in a manner not fully consistent with the requirements of an integrated internal market. Therefore, it is necessary that rules on matters currently covered in Directive (EU) 2015/849 which may be directly applicable by the obliged entities concerned are addressed in a new Regulation in order to achieve the desired uniformity of	(2) The main challenge identified in respect to the application of the provisions of Directive (EU) 2015/849 laying down obligations for private sector actors, the so-called obliged entities, is the lack of direct applicability of those rules and a fragmentation of the approach along national lines. Whereas those rules have existed and evolved over three decades, they are still implemented in a manner not fully consistent with the requirements of an integrated internal market. Therefore, it is necessary that rules on matters currently covered in Directive (EU) 2015/849 which may be directly applicable by the obliged entities	(2) The main challenge identified in respect to the application of the provisions of Directive (EU) 2015/849 laying down obligations for private sector actors, the so-called obliged entities, is the lack of direct applicability of those rules and a fragmentation of the approach along national lines. Whereas those rules have existed and evolved over three decades, ***as a rule*** they are still implemented in a manner not fully consistent with the requirements of an integrated internal market. Therefore, it is necessary that rules on matters currently covered in Directive (EU) 2015/849 which may be directly applicable by the obliged entities concerned are addressed in ~~a new~~***this*** Regulation in order to achieve the desired

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	application.	concerned are addressed in a new Regulation in order to achieve the desired uniformity of application*__, while it should be ensured that the high standard achieved by Member States in their national transpositions is maintained overall__*.	uniformity of application.
12a			*__(2a) In the current unstable situation of increased security threats, the Union legal framework for combating money laundering and terrorist financing should be strengthened and harmonised so as to close existing gaps and tighten up current regulations in order to hinder criminal activity in that area.__*
12b			*__(2b) The illegal, unprovoked and unjustified military aggression against Ukraine has been strongly condemned by the Union and has led it to impose a severe embargo on Russian banks and oligarchs, while also highlighting schemes whereby money is laundered by Russian banks through Union banks services. It is important in that regard to recognise the potential that the long-term maintenance of sanctions has to reduce the risk of Russian money laundering in the Union.__*

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13	(3) This new instrument is part of a comprehensive package aiming at strengthening the Union’s AML/CFT framework. Together, this instrument, Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final] and Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final] will form the legal framework governing the AML/CFT requirements to be met by obliged entities and underpinning the Union’s AML/CFT institutional framework, including the establishment of an Authority for anti-money laundering and countering the financing of terrorism (‘AMLA’).	(3) This new instrument is part of a comprehensive package aiming at strengthening the Union’s ~~AML/CFT~~***anti-money laundering and countering the financing of terrorism (AML/CFT)*** framework. Together, this instrument, Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~, Regulation ***[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]*** ~~[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]~~ and Regulation ***[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]***~~[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]~~ will form the legal framework governing the AML/CFT requirements to be met by obliged entities and underpinning the Union’s AML/CFT institutional framework, including the establishment of an Authority for anti-money laundering and countering the	(3) This new instrument is part of a comprehensive package aiming at strengthening the Union’s AML/CFT framework. Together, this instrument, Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final] and Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final] will form the legal framework governing the AML/CFT requirements to be met by obliged entities and underpinning the Union’s AML/CFT institutional framework, including the establishment of an Authority for anti-money laundering and countering the financing of terrorism (‘AMLA’).

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		financing of terrorism (‘AMLA’).	
13a			***(3a) The United Nations Office of Drugs and Crime (UNODC) estimates that between 2 and 5 % of global gross domestic product (GDP) is laundered each year. In addition, it is estimated that about 1,5% of th[1a]e Union's GDP is subject to money laundering and only about 1 % of the money is ultimately confiscated[1a]. Therefore, it is essential that Member States, in addition to reinforcing the prevention of money laundering and terrorist financing, devote substantial efforts to recover ill-gotten money.*** __________ ***1a. https://eur-lex.europa.eu/legal-content/FR/TXT/?uri=CELEX%3A52021SC0190***
14	(4) Money laundering and terrorist financing are frequently carried out in an international context. Measures adopted at Union level, without taking into account international coordination and cooperation, would have very limited effect. The measures adopted by the Union in that field should therefore be compatible with, and at least as stringent as actions undertaken at international level. Union action should continue to take particular	(4) Money laundering and terrorist financing are frequently carried out in an international context. Measures adopted at Union level, without taking into account international coordination and cooperation, would have very limited effect. The measures adopted by the Union in that field should therefore be compatible with, and at least as stringent as actions undertaken at international	(4) Money laundering and terrorist financing are frequently carried out in an international context. Measures adopted at Union level, without taking into account international coordination and cooperation, would have very limited effect. The measures adopted by the Union in that field should therefore be compatible with, and at least as stringent as actions undertaken at international level. Union action should continue to take particular account

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	account of the Financial Action Task Force (FATF) Recommendations and instruments of other international bodies active in the fight against money laundering and terrorist financing. With a view to reinforcing the efficacy of the fight against money laundering and terrorist financing, the relevant Union legal acts should, where appropriate, be aligned with the International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation adopted by the FATF in February 2012 (the 'revised FATF Recommendations') and the subsequent amendments to such standards.	level. Union action should continue to take particular account of the Financial Action Task Force (FATF) Recommendations and instruments of other international bodies active in the fight against money laundering and terrorist financing. With a view to reinforcing the efficacy of the fight against money laundering and terrorist financing, the relevant Union legal acts should, where appropriate, be aligned with the International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation adopted by the FATF in February 2012 (the 'revised FATF Recommendations') and the subsequent amendments to such standards.	of the Financial Action Task Force (FATF) Recommendations and instruments of other international bodies active in the fight against money laundering and terrorist financing. With a view to reinforcing the efficacy of the fight against money laundering and terrorist financing, the relevant Union legal acts should, where appropriate, be aligned with the International Standards on Combating Money Laundering and the Financing of Terrorism and Proliferation adopted by the FATF in February 2012 (the 'revised FATF Recommendations') and the subsequent amendments to such standards.
15	(5) Since the adoption of Directive (EU) 2015/849, recent developments in the Union's criminal law framework have contributed to strengthening the prevention and fight against money laundering, its predicate offences and terrorist financing. Directive (EU) 2018/1673 of the European Parliament and of the Council[1] has led to a common understanding of the money laundering crime and its predicate offences. Directive (EU) 2017/1371 of the European Parliament and of the Council[2]	(5) Since the adoption of Directive (EU) 2015/849, recent developments in the Union's criminal law framework have contributed to strengthening the prevention and fight against money laundering, its predicate offences and terrorist financing. Directive (EU) 2018/1673 of the European Parliament and of the Council[1] has led to a common understanding of the money laundering crime and its predicate offences. Directive	(5) Since the adoption of Directive (EU) 2015/849, recent developments in the Union's criminal law framework have contributed to strengthening the prevention and fight against money laundering, its predicate offences and terrorist financing. Directive (EU) 2018/1673 of the European Parliament and of the Council[1] has led to a common understanding of the money laundering crime and its predicate offences. Directive (EU) 2017/1371 of the European Parliament and of the Council[2] defined financial

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	defined financial crimes affecting the Union's financial interest, which should also be considered predicate offences to money laundering. Directive (EU) 2017/541 of the European Parliament and of the Council[3] has achieved a common understanding of the crime of terrorist financing. As those concepts are now clarified in Union criminal law, it is no longer needed for the Union's AML/CFT rules to define money laundering, its predicate offences or terrorist financing. Instead, the Union's AML/CFT framework should be fully coherent with the Union's criminal law framework. __________ 1. Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22). 2. Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29). 3. Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (OJ L 88, 31.3.2017, p. 6).	(EU) 2017/1371 of the European Parliament and of the Council[2] defined financial crimes affecting the Union's financial interest, which should also be considered predicate offences to money laundering. Directive (EU) 2017/541 of the European Parliament and of the Council[3] has achieved a common understanding of the crime of terrorist financing. As those concepts are now clarified in Union criminal law, it is no longer needed for the Union's AML/CFT rules to define money laundering, its predicate offences or terrorist financing. Instead, the Union's AML/CFT framework should be fully coherent with the Union's criminal law framework. __________ 1. Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22). 2. Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29). 3. Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (OJ L 88, 31.3.2017, p. 6).	crimes affecting the Union's financial interest, which should also be considered predicate offences to money laundering. Directive (EU) 2017/541 of the European Parliament and of the Council[3] has achieved a common understanding of the crime of terrorist financing. As those concepts are now clarified in Union criminal law, it is no longer needed for the Union's AML/CFT rules to define money laundering, its predicate offences or terrorist financing. Instead, the Union's AML/CFT framework should be fully coherent with the Union's criminal law framework ***with the aim of improving public safety and protecting Union citizens***. __________ 1. Directive (EU) 2018/1673 of the European Parliament and of the Council of 23 October 2018 on combating money laundering by criminal law (OJ L 284, 12.11.2018, p. 22). 2. Directive (EU) 2017/1371 of the European Parliament and of the Council of 5 July 2017 on the fight against fraud to the Union's financial interests by means of criminal law (OJ L 198, 28.7.2017, p. 29). 3. Directive (EU) 2017/541 of the European Parliament and of the Council of 15 March 2017 on combating terrorism and replacing Council Framework Decision 2002/475/JHA and amending Council Decision 2005/671/JHA (OJ L 88, 31.3.2017, p. 6).

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16	(6) Technology keeps evolving, offering opportunities to the private sector to develop new products and systems to exchange funds or value. While this is a positive phenomenon, it may generate new money laundering and terrorist financing risks, as criminals continuously manage to find ways to exploit vulnerabilities in order to hide and move illicit funds around the world. Crypto-assets service providers and crowdfunding platforms are exposed to the misuse of new channels for the movement of illicit money and are well placed to detect such movements and mitigate risks. The scope of Union legislation should therefore be expanded to cover these entities, in line with the recent developments in FATF standards in relation to crypto-assets.	(6) Technology keeps evolving, offering opportunities to the private sector to develop new products and systems to exchange funds or value. While this is a positive phenomenon, it may generate new money laundering and terrorist financing risks, as criminals continuously manage to find ways to exploit vulnerabilities in order to hide and move illicit funds around the world. Crypto-assets service providers and crowdfunding platforms are exposed to the misuse of new channels for the movement of illicit money and are well placed to detect such movements and mitigate risks. The scope of Union legislation should therefore be expanded to cover these entities, in line with the recent developments in FATF standards in relation to crypto-assets.	(6) Technology keeps evolving, offering opportunities to the private sector to develop new products and systems to exchange funds or value. While this is a positive phenomenon, it may generate new money laundering and terrorist financing risks, as criminals continuously manage to find ways to exploit vulnerabilities in order to hide and move illicit funds around the world. Crypto-assets service providers***, non-fungible token (NFT) platforms*** and crowdfunding platforms are exposed to the misuse of new channels for the movement of illicit money and are well placed to detect such movements and mitigate risks. The scope of Union legislation should therefore be expanded to cover these entities, in line with the recent developments in ***Financial Action Task Force (FATF)***~~FATF~~ standards in relation to crypto-assets. ***NFT platforms are not covered by the current definition of crypto-assets service providers under Regulation (EU) 2023/... [the MiCA Regulation] because they do not provide services in crypto-assets that are fungible and non unique. In order to close that gap and mitigate the associated risks of money laundering and terrorist financing, NFT platforms should therefore be included in the horizontal AML/CFT framework as a separate category of obliged entities.***

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16a			***(6a) Decentralised Autonomous Organisations (DAO) and other Decentralised Finance (DeFi) arrangements should also be subject to Union AML/CFT rules to the extent they perform or provide, for or on behalf of another person, crypto-asset services which are controlled directly or indirectly, including through smart contracts or voting protocols, by identifiable natural and legal persons. In such cases, DAO or DeFi arrangements should be considered to be crypto-asset service providers falling within the scope of Regulation (EU) 2023/... [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] and this Regulation, regardless of the commercial label or their self-identification as DAO or DeFi. Developers, owners or operators which fall within the scope of this Regulation should assess the risks of money laundering and terrorist financing before launching or using a software or platform and should take appropriate measures in order to mitigate the risks of money laundering and terrorist financing on an ongoing and forward-looking manner.***
16b		***(6a) Services based on instruments***	

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		falling under Article 3, point (k), of Directive (EU) 2015/2366 of the European Parliament and of the Council[1] are exempted from the scope of that Directive (so called limited network exemption). Provision of those services therefore does not fall under point 4 of the Annex I to Directive (EU) 2013/36 of the European Parliament and of the Council.[2] Since those instruments are neither other means of payment under Annex I point 5 of the latter Directive, issuing and administering those instruments does not qualify a provider of such services as obliged entity under this Regulation. ***1. Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC.*** ***2. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC***	
16c			***(6b) The virtual world offers new opportunities for criminals to hide and***

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			channel illicit funds by exploiting it to purchase and resell virtual items, such as virtual real estate, virtual lands and other high-demand goods. While there is currently no specific regulatory framework for the metaverse as the adoption of the metaverse expands and evolves, the risks of money laundering, terrorist financing and sanctions evasion substantially increase. Obliged entities should be aware of such risks and continue to comply with AML/CFT obligations when operating in virtual worlds, in relation to the activities and operations covered by this Regulation, such as legal professionals with experience in real estate, finance and intellectual property, which may get increasingly involved in such transactions, including when providing legal assistance or advice.
17	(7) The institutions and persons covered by this Regulation play a crucial role as gatekeepers of the Union's financial system and should therefore take all necessary measures necessary to implement the requirements of this Regulation with a view to preventing criminals from laundering the proceeds of their illegal activities or from financing terrorist activities. Measures should also be put in the place to mitigate any risk of non-implementation or	(7) The institutions and persons covered by this Regulation play a crucial role as gatekeepers of the Union's financial system and should therefore take all necessary measures necessary to implement the requirements of this Regulation with a view to preventing criminals from laundering the proceeds of their illegal activities or from financing terrorist activities. Measures should also	(7) The institutions and persons covered by this Regulation play a crucial role as gatekeepers of the Union's financial system and should therefore take all necessary measures necessary to implement the requirements of this Regulation with a view to preventing criminals from laundering the proceeds of their illegal activities or from financing terrorist activities. Measures should also be put in the place to mitigate any risk of non-implementation or

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	evasion of targeted financial sanctions.	be put in the place to mitigate any risk of non-implementation or evasion of targeted financial sanctions.	evasion of targeted financial sanctions.
18	(8) Financial transactions can also take place within the same group as way of managing group finances. However, such transactions are not undertaken vis-à-vis customers and do not require the application of AML/CFT measures. In order to ensure legal certainty, it is necessary to recognise that this Regulation does not apply to financial activities or other financial services which are provided by members of a group to other members of that group.	(8) Financial transactions can also take place within the same group as way of managing group finances. However, such transactions are not undertaken vis-à-vis customers and do not require the application of AML/CFT measures. In order to ensure legal certainty, it is necessary to recognise that this Regulation does not apply to financial activities or other financial services which are provided by members of a group to other members of that group.	(8) Financial transactions can also take place within the same group as way of managing group finances. However, such transactions are not undertaken vis-à-vis customers and do not require the application of AML/CFT measures. In order to ensure legal certainty, it is necessary to recognise that this Regulation does not apply to financial activities or other financial services which are provided by members of a group to other members of that group.
19	(9) Independent legal professionals should be subject to this Regulation when participating in financial or corporate transactions, including when providing tax advice, where there is the risk of the services provided by those legal professionals being misused for the purpose of laundering the proceeds of criminal activity or for the purpose of terrorist financing. There should, however, be exemptions from any obligation to report information obtained before, during or after judicial proceedings, or	(9) Independent legal professionals should be subject to this Regulation when participating in financial or corporate transactions, including when providing tax advice, where there is the risk of the services provided by those legal professionals being misused for the purpose of laundering the proceeds of criminal activity or for the purpose of terrorist financing. There should, however, be exemptions from any	(9) ***This Regulation does not aim to regulate*** independent legal ***and tax professions, which take different forms across Member States, or to interfere with the essence of the role of defence of such*** professionals ***in the administration of justice and the rule of law, which underpins legal professional privilege. However, independent legal professionals, auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the***

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	in the course of ascertaining the legal position of a client, which should be covered by the legal privilege. Therefore, legal advice should remain subject to the obligation of professional secrecy, except where the legal professional is taking part in money laundering or terrorist financing, the legal advice is provided for the purposes of money laundering or terrorist financing, or where the legal professional knows that the client is seeking legal advice for the purposes of money laundering or terrorist financing.	obligation to report information obtained before, during or after judicial proceedings, or in the course of ascertaining the legal position of a client, which should be covered by the legal privilege. Therefore, legal advice should remain subject to the obligation of professional secrecy, except where the legal professional is taking part in money laundering or terrorist financing, the legal advice is provided for the purposes of money laundering or terrorist financing, or where the legal professional knows that the client is seeking legal advice for the purposes of money laundering or terrorist financing***, where Member States provide for such exemption***.	***context of judicial proceedings or to ascertain a client's legal position, also perform activities that are remote from the role of defence. Therefore, they*** should be subject to this Regulation when participating in financial or corporate transactions, including when providing tax advice ***or advice relating to citizenship or residence by investment schemes***, where there is the risk of the services provided by those legal professionals being misused for the purpose of laundering the proceeds of criminal activity or for the purpose of terrorist financing. There should, however, be exemptions from any obligation to report information obtained before, during or after judicial proceedings~~, or~~ ***which should be covered by the legal privilege. Exemptions should also be provided for activities performed*** in the course of ascertaining the legal position of a client, which should ***also*** be covered by the legal privilege ***to the strict extent that such activities aim at establishing the rights and obligations of clients, in contrast to non-legal advice***. Therefore, legal advice should remain subject to the obligation of professional secrecy, except where the legal professional is taking part in money laundering or terrorist financing, ***where*** the legal advice***, including in relation to tax matters or citizenship or residence by investment schemes,*** is provided for the ~~purposes~~***purpose*** of money laundering or terrorist financing, or

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			where the legal professional knows ***or suspects, on the basis of factual and objective circumstances,*** that the client is seeking legal advice***,*** for the purposes of money laundering or terrorist financing ***or for the purposes of applying for residence rights or citizenship through investment schemes. It should be possible for Member States to adopt or maintain, with regard to specific transactions that involve a particularly high risk to be used for money laundering or terrorist financing, customer due diligence obligations for independent legal professionals, auditors, external accountants and tax advisors***.
20	(10) In order to ensure respect for the rights guaranteed by the Charter of Fundamental Rights of the European Union (the 'Charter'), in the case of auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the context of judicial proceedings or to ascertain a client's legal position, the information they obtain in the performance of those tasks should not be subject to reporting obligations.	(10) In order to ensure respect for the rights guaranteed by the Charter of Fundamental Rights of the European Union (the 'Charter'), in the case of auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the context of judicial proceedings or to ascertain a client's legal position, the information they obtain in the performance of those tasks should not be subject to reporting obligations.	(10) In order to ensure respect for the rights guaranteed by the Charter of Fundamental Rights of the European Union (the 'Charter'), in the case of auditors, external accountants and tax advisors, who, in some Member States, are entitled to defend or represent a client in the context of judicial proceedings or to ascertain a client's legal position, the information they obtain in the performance of those tasks should not be subject to reporting obligations***, except where the auditors, external accountants or tax advisors are taking part in money laundering or terrorist financing, the legal advice, is provided for the purposes of money laundering or terrorist financing, or where the auditor,***

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			external accountant or tax advisor knows has a well-grounded suspicion, on the basis of factual and objective circumstances, that the client is seeking legal advice, including in relation to tax matters or citizenship or residence by investment schemes, for the purposes of money laundering or terrorist financing and the legal advice sought is not connected to judicial proceedings. ***Member States should be able to adopt or maintain with regard to specific transactions that involve a particularly high risk of money laundering or terrorist financing additional reporting obligations to which the exemption from the requirements to transmit information does not apply. For that purpose, it should be possible for Member States to introduce specific provisions in national law on the application of the requirements applicable to such professionals under this Regulation.***
21	(11) Directive (EU) 2018/843 was the first legal instrument to address the risks of money laundering and terrorist financing posed by crypto-assets in the Union. It extended the scope of the AML/CFT framework to two types of crypto-assets services providers: providers engaged in exchange services between virtual currencies and fiat currencies and custodian wallet providers. Due to rapid technological	(11) Directive (EU) 2018/843 was the first legal instrument to address the risks of money laundering and terrorist financing posed by crypto-assets in the Union. It extended the scope of the AML/CFT framework to two types of crypto-assets services providers: providers engaged in exchange services between virtual currencies and fiat	(11) Directive (EU) 2018/843 was the first legal instrument to address the risks of money laundering and terrorist financing posed by crypto-assets in the Union. It extended the scope of the AML/CFT framework to two types of crypto-assets services providers: providers engaged in exchange services between virtual currencies and fiat currencies and custodian wallet providers. Due to rapid technological

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	developments and the advancement in FATF standards, it is necessary to review this approach. A first step to complete and update the Union legal framework has been achieved with Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final], which set requirements for crypto-asset service providers wishing to apply for an authorisation to provide their services in the single market. It also introduced a definition of crypto-assets and crypto-assets services providers encompassing a broader range of activities. Crypto-asset service providers covered by Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] should also be covered by this Regulation, to mitigate any risk of misuse of crypto-assets for money laundering or terrorist financing purposes.	currencies and custodian wallet providers. Due to rapid technological developments and the advancement in FATF standards, it is necessary to review this approach. A first step to complete and update the Union legal framework has been achieved with Regulation ***<u>[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]</u>*** ~~*[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]*~~, which set requirements for crypto-asset service providers wishing to apply for an authorisation to provide their services in the single market. It also introduced a definition of crypto-assets and crypto-assets services providers encompassing a broader range of activities. Crypto-asset service providers covered by Regulation ***<u>[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]</u>*** ~~*[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]*~~ should also be covered by this Regulation, to mitigate any risk of misuse of crypto-assets for	developments and the advancement in FATF standards, it is necessary to review this approach. A first step to complete and update the Union legal framework has been achieved with Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final], which set requirements for crypto-asset service providers wishing to apply for an authorisation to provide their services in the single market. It also introduced a definition of crypto-assets and crypto-assets services providers encompassing a broader range of activities. Crypto-asset service providers covered by Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] should also be covered by this Regulation, to mitigate any risk of misuse of crypto-assets for money laundering or terrorist financing purposes.

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		money laundering or terrorist financing purposes.	
22	(12) Crowdfunding platforms' vulnerabilities to money laundering and terrorist financing risks are horizontal and affect the internal market as a whole. To date, diverging approaches have emerged across Member States as to the management of those risks. Regulation (EU) 2020/1503 of the European Parliament and of the Council[1] harmonises the regulatory approach for business investment and lending-based crowdfunding platforms across the Union and ensures that adequate and coherent safeguards are in place to deal with potential money laundering and terrorist financing risks. Among those, there are requirements for the management of funds and payments in relation to all the financial transactions executed on those platforms. Crowdfunding service providers must either seek a license or partner with a payment service provider or a credit institution for the execution of such transactions. The Regulation also sets out safeguards in the authorisation procedure, in the assessment of good repute of management and through due diligence procedures for project owners. The Commission is required to assess by 10 November 2023 in its report on that Regulation	(12) Crowdfunding platforms' vulnerabilities to money laundering and terrorist financing risks are horizontal and affect the internal market as a whole. To date, diverging approaches have emerged across Member States as to the management of those risks. Regulation (EU) 2020/1503 of the European Parliament and of the Council[1] harmonises the regulatory approach for business investment and lending-based crowdfunding platforms across the Union and ensures that adequate and coherent safeguards are in place to deal with potential money laundering and terrorist financing risks. Among those, there are requirements for the management of funds and payments in relation to all the financial transactions executed on those platforms. Crowdfunding service providers must either seek a license or partner with a payment service provider or a credit institution for the execution of such transactions. The Regulation also sets out safeguards in the authorisation procedure, in the assessment of good repute of management and through due	(12) Crowdfunding platforms' vulnerabilities to money laundering and terrorist financing risks are horizontal and affect the internal market as a whole. To date, diverging approaches have emerged across Member States as to the management of those risks. ***While*** Regulation (EU) 2020/1503 of the European Parliament and of the Council[1] harmonises the regulatory approach for business investment and lending-based crowdfunding platforms across the Union and ~~*ensures that adequate and coherent safeguards are in place to deal with potential money laundering and terrorist financing risks. Among those, there are requirements for the management of funds and payments in relation to all the financial transactions executed on those platforms. Crowdfunding service providers must either seek a license or partner with a payment service provider or a credit institution for the execution of such transactions. The Regulation also sets out safeguards in the*~~***sets up some AML/CFT requirements limited to due diligence of crowdfunding platforms in respect of project owners and within*** authorisation ~~*procedure, in the assessment of good repute of management and through due diligence procedures for*~~

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	whether further safeguards may be necessary. It is therefore justified not to subject crowdfunding platforms licensed under Regulation (EU) 2020/1503 to Union AML/CFT legislation. 1. Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (OJ L 347, 20.10.2020, p. 1).	diligence procedures for project owners. The Commission is required to assess by 10 November 2023 in its report on that Regulation whether further safeguards may be necessary. ~~*It is therefore justified not to subject crowdfunding platforms licensed under Regulation (EU) 2020/1503 to Union AML/CFT legislation.*~~ 1. Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (OJ L 347, 20.10.2020, p. 1).	~~*project owners. The Commission is required to assess by 10 November 2023 in its report on that Regulation whether further*~~***procedures, the lack of an harmonised legal framework with robust AML/CFT obligations for crowdfunding platforms creates gaps and weakens the Union AML/CFT*** safeguards ~~*may be necessary*~~. It is therefore ~~*justified not to subject*~~***necessary to ensure that all*** crowdfunding platforms***, including those already*** licensed under Regulation (EU) 2020/1503***, are subject*** to Union AML/CFT legislation. 1. Regulation (EU) 2020/1503 of the European Parliament and of the Council of 7 October 2020 on European crowdfunding service providers for business, and amending Regulation (EU) 2017/1129 and Directive (EU) 2019/1937 (OJ L 347, 20.10.2020, p. 1).
23	(13) Crowdfunding platforms that are not licensed under Regulation (EU) 2020/1503 are currently left either unregulated or to diverging regulatory approaches, including in relation to rules and procedures to tackle anti-money laundering and terrorist financing risks. To bring consistency and ensure that there are no uncontrolled risks in that environment, it is necessary that all crowdfunding platforms that are not licensed under Regulation (EU) 2020/1503 and thus are not subject to its	(13) ~~*Crowdfunding platforms that are not licensed under Regulation (EU) 2020/1503 are currently left either unregulated or to diverging regulatory approaches, including in relation to rules and procedures to tackle anti-money laundering and terrorist financing risks. To bring consistency and ensure that there are no uncontrolled risks in that environment, it is necessary that all crowdfunding platforms that are not*~~	*deleted*

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	safeguards are subject to Union AML/CFT rules in order to mitigate money laundering and terrorist financing risks.	~~*licensed under Regulation (EU) 2020/1503 and thus are not subject to its safeguards are subject to Union AML/CFT rules in order to mitigate money laundering and terrorist financing risks.*~~***Deleted***	
23a		***(13a) Third-party financing intermediaries, which operate a digital platform in order to match or facilitate the matching of funders with projects owners such as association or individuals that seek funding, are exposed to money laundering and terrorist financing risks. Those intermediaries should therefore be subject to the obligations of this Regulation, in particular to avoid the diversion of funds raised for illicit purposes by criminals. In order to meet the challenges, these obligations apply to a wide range of projects, including, inter alia, educational or cultural projects and the collection of funds to support more general causes, for example in the humanitarian field, or to organize or celebrate a family or social event.***	
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	(14) Directive (EU) 2015/849 set out to mitigate the money laundering and terrorist financing risks posed by large cash payments by including persons trading in goods among obliged entities when they make or receive payments in cash above EUR 10 000, whilst allowing Member States to introduce stricter measures. Such approach has shown to be ineffective in light of the poor understanding and application of AML/CFT requirements, lack of supervision and limited number of suspicious transactions reported to the FIU. In order to adequately mitigate risks deriving from the misuse of large cash sums, a Union-wide limit to large cash transactions above EUR 10 000 should be laid down. As a consequence, persons trading in goods should no longer be subject to AML/CFT obligations.	(14) Directive (EU) 2015/849 set out to mitigate the money laundering and terrorist financing risks posed by large cash payments by including persons trading in goods among obliged entities when they make or receive payments in cash above EUR 10 000, whilst allowing Member States to introduce stricter measures. Such approach has shown to be ineffective in light of the poor understanding and application of AML/CFT requirements, lack of supervision and limited number of suspicious transactions reported to the FIU. In order to adequately mitigate risks deriving from the misuse of large cash sums, a Union-wide limit to large cash transactions above EUR 10 000 should be laid down. As a consequence, persons trading in goods ~~should~~ no longer ***need to*** be subject to AML/CFT obligations***, with the exception of persons trading in precious metals, precious stones and cultural goods***.	(14) Directive (EU) 2015/849 set out to mitigate the money laundering and terrorist financing risks posed by large cash payments by including persons trading in goods among obliged entities when they make or receive payments in cash above EUR 10 000, whilst allowing Member States to introduce stricter measures. Such approach has shown to be ineffective in light of the poor understanding and application of AML/CFT requirements, lack of supervision and limited number of suspicious transactions reported to the FIU. In order to adequately mitigate risks deriving from the misuse of large cash sums, a Union-wide limit to large cash transactions above EUR 10 000 should be laid down. As a consequence, persons trading in goods should no longer be subject to AML/CFT obligations.
25	(15) Some categories of traders in goods are particularly exposed to money laundering and terrorist financing risks due to the high value that the small, transportable goods they deal with contain. For this reason, persons dealing in	(15) Some categories of traders in goods are particularly exposed to money laundering and terrorist financing risks due to the high value that the small, transportable goods they deal with	(15) ~~*Some categories of traders in*~~***Persons trading in precious metals and stones as well as luxury*** goods are particularly exposed to ***very significant*** money laundering ~~*and terrorist financing risks due to the high value that the*~~

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	precious metals and precious stones should be subject to AML/CFT requirements.	contain. For this reason, persons dealing in precious metals and precious stones should be subject to AML/CFT requirements. ***Where such trading is either a regular or a principal business or a professional activity, the trader should be considered an obliged entity.***	~~small, transportable~~***risks, regardless of the means of payment. Criminal organisations have repeatedly used that method, which is easily accessible and does not require specific expertise, to convert criminal proceeds into*** goods ~~they deal with contain~~***that are in high demand in foreign markets***. For this reason, persons dealing in precious metals and precious stones ***and luxury goods*** should be subject to AML/CFT requirements.
26	(16) Investment migration operators are private companies, bodies or persons acting or interacting directly with the competent authorities of the Member States on behalf of third-country nationals or providing intermediary services to third-country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget. Investor residence schemes present risks and vulnerabilities in relation to money laundering, corruption and tax evasion. Such risks are exacerbated by the cross-border rights associated with residence in a Member State. Therefore, it is necessary that investment	(16) Investment migration operators are private companies, bodies or persons acting or interacting directly with the competent authorities of the Member States on behalf of third-country nationals or providing intermediary services to third-country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget. Investor residence schemes present risks and vulnerabilities in relation to money laundering, corruption and tax evasion. Such risks are	(16) Investment migration operators are private companies, bodies or persons acting or interacting directly with the competent authorities of the Member States on behalf of third-country nationals or providing intermediary services to third-country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget. Investor residence ***and citizenship*** schemes present risks and vulnerabilities in relation to money laundering, corruption and tax evasion. Such risks are exacerbated by the cross-border rights associated with residence in a Member State. Therefore, it is necessary that

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	migration operators are subject to AML/CFT obligations. This Regulation should not apply to investor citizenship schemes, which result in the acquisition of nationality in exchange for such investments, as such schemes must be considered as undermining the fundamental status of Union citizenship and sincere cooperation among Member States.	exacerbated by the cross-border rights associated with residence in a Member State. Therefore, it is necessary that investment migration operators are subject to AML/CFT obligations. This Regulation should not apply to investor citizenship schemes, which result in the acquisition of nationality in exchange for such investments, as such schemes must be considered as undermining the fundamental status of Union citizenship and sincere cooperation among Member States.	investment migration operators are subject to AML/CFT obligations. ~~This Regulation should not apply to investor citizenship~~***In view of the risks and vulnerabilities presented by investor*** schemes, which result in the acquisition of ***either residence rights or*** nationality in exchange for such investments, ~~as such~~***it is necessary to provide for a ban on citizenship by investment*** schemes ~~must be considered as undermining the fundamental status of Union citizenship and sincere cooperation among Member States~~***and for minimum requirements in the assessment of applicants by Member States' public authorities with regards to residence by investment schemes, to ensure that enhanced due diligence measures are applied with regard to applicants and to ensure that nationals from certain countries with AML/CFT-related risks identified in accordance with this Regulation, are not granted any status on the basis of such schemes***.
27	(17) Consumer and mortgage creditors and intermediaries that are not credit institutions or financial institutions have not been subject to AML/CFT requirements at Union level, but have been subject to such obligations in certain Member States due to their exposure to money laundering and terrorist financing risks.	(17) Consumer and mortgage creditors and intermediaries that are not credit institutions or financial institutions have not been subject to AML/CFT requirements at Union level, but have been subject to such obligations in certain Member States due to their exposure to	(17) Consumer and mortgage creditors and intermediaries that are not credit institutions or financial institutions have not been subject to AML/CFT requirements at Union level, but have been subject to such obligations in certain Member States due to their exposure to money laundering and terrorist financing risks.

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	Depending on their business model, such consumer and mortgage creditors and intermediaries may be exposed to significant money laundering and terrorist financing risks. It is important to ensure that entities carrying out similar activities that are exposed to such risks are covered by AML/CFT requirements, regardless of whether they qualify as credit institutions or financial institutions. Therefore, it is appropriate to include consumer and mortgage creditors and intermediaries that are not credit institutions or financial institutions but that are, as a result of their activities, exposed to money laundering and terrorist financing risks.	money laundering and terrorist financing risks. Depending on their business model, such consumer and mortgage creditors and intermediaries may be exposed to significant money laundering and terrorist financing risks. It is important to ensure that entities carrying out similar activities that are exposed to such risks are covered by AML/CFT requirements, regardless of whether they qualify as credit institutions or financial institutions. Therefore, it is appropriate to include consumer and mortgage creditors and intermediaries that are not credit institutions or financial institutions but that are, as a result of their activities, exposed to money laundering and terrorist financing risks. ***In many cases, however, there is a credit or financial institution involved that grants and processes the loan. Due to the involvement of the credit or financial institution, it is ensured that AML/CFT requirements are observed. In these cases, however, there is no need to subject persons intermediating consumer and mortgage credits to AML/CFT requirements in addition to the credit or financial institution, that grants and processes the credit and AML/CFT requirements should not apply to consumer and mortgage credit intermediaries in those cases. It should***	Depending on their business model, such consumer and mortgage creditors and intermediaries may be exposed to significant money laundering and terrorist financing risks. It is important to ensure that entities carrying out similar activities that are exposed to such risks are covered by AML/CFT requirements, regardless of whether they qualify as credit institutions or financial institutions. Therefore, it is appropriate to include consumer and mortgage creditors and intermediaries that are not credit institutions or financial institutions but that are, as a result of their activities, exposed to money laundering and terrorist financing risks.

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		be ensured, however, that AML/CFT requirements are covered by the consumer and mortgage credit intermediary, if no obliged entity as a credit or financial institution is involved.	
28	(18) To ensure a consistent approach, it is necessary to clarify which entities in the investment sector are subject to AML/CFT requirements. Although collective investment undertakings already fell within the scope of Directive (EU) 2015/849, it is necessary to align the relevant terminology with the current Union investment fund legislation, namely Directive 2009/65/EC of the European Parliament and of the Council[1] and Directive 2011/61/EU of the European Parliament and of the Council[2]. Because funds might be constituted without legal personality, the inclusion of their managers in the scope of this Regulation is also necessary. AML/CFT requirements should apply regardless of the form in which units or shares in a fund are made available for purchase in the Union, including where units or shares are directly or indirectly offered to investors established in the Union or placed with such investors at the initiative of the manager or on behalf of the manager. __________	(18) To ensure a consistent approach, it is necessary to clarify which entities in the investment sector are subject to AML/CFT requirements. Although collective investment undertakings already fell within the scope of Directive (EU) 2015/849, it is necessary to align the relevant terminology with the current Union investment fund legislation, namely Directive 2009/65/EC of the European Parliament and of the Council[1] and Directive 2011/61/EU of the European Parliament and of the Council[2]. Because funds might be constituted without legal personality, the inclusion of their managers in the scope of this Regulation is also necessary. AML/CFT requirements should apply regardless of the form in which units or shares in a fund are made available for purchase in the Union, including where units or shares are directly or indirectly offered to investors established in the Union or placed with such investors at the initiative of the	(18) To ensure a consistent approach, it is necessary to clarify which entities in the investment sector are subject to AML/CFT requirements. Although collective investment undertakings already fell within the scope of Directive (EU) 2015/849, it is necessary to align the relevant terminology with the current Union investment fund legislation, namely Directive 2009/65/EC of the European Parliament and of the Council[1] and Directive 2011/61/EU of the European Parliament and of the Council[2]. Because funds might be constituted without legal personality, the inclusion of their managers in the scope of this Regulation is also necessary. AML/CFT requirements should apply regardless of the form in which units or shares in a fund are made available for purchase in the Union, including where units or shares are directly or indirectly offered to investors established in the Union or placed with such investors at the initiative of the manager or on behalf of the manager. __________ 1. Directive 2009/65/EC of the European Parliament and of

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	1. Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). 2. Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ L 174, 1.7.2011, p. 1).	manager or on behalf of the manager. _________ 1. Directive 2009/65/EC of the European Parliament and of the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). 2. Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ L 174, 1.7.2011, p. 1).	the Council of 13 July 2009 on the coordination of laws, regulations and administrative provisions relating to undertakings for collective investment in transferable securities (UCITS) (OJ L 302, 17.11.2009, p. 32). 2. Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011 on Alternative Investment Fund Managers and amending Directives 2003/41/EC and 2009/65/EC and Regulations (EC) No 1060/2009 and (EU) No 1095/2010 (OJ L 174, 1.7.2011, p. 1).
28a			***(18a) According to a report from the FATF of July 2009 entitled ‘Money Laundering through the Football Sector’, "the professional football market has undergone an accentuated growth due to a process of commercialisation. Money invested in football surged mainly as a result from increases in television rights and corporate sponsorship. Simultaneously, the labour market for professional football players has experienced unprecedented globalisation – with more and more football players contracted by teams outside their country and transfer payments of astounding dimensions. The cross border money flows that are involved may largely fall outside the control of national and supranational football organisations, giving opportunities to move and launder***

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			money. At the same time money from private investors is pouring into football clubs to keep them operating and can give the investor long term returns in terms of media rights, ticket sales, proceeds of sales of players and merchandising." In its report of 24 July 2019 to the European Parliament and the Council on the assessment of the risk of money laundering and terrorist financing affecting the internal market and relating to cross-border activities, the Commission assessed professional football and stated that "whilst it remains a popular sport it is also a global industry with significant economic impact. Professional football's complex organisation and lack of transparency have created fertile ground for the use of illegal resources. Questionable sums of money with no apparent or explicable financial return or gain are being invested in the sport." Professional football is therefore a new sector posing high risks and high-level professional football clubs, along with sports agents in the football sector and football associations in Member States which are members of the Union of European Football Associations, should be considered to be obliged entities for the purposes of this Regulation.
29	(19) It is important that AML/CFT	(19) It is important that AML/CFT	(19) It is important that AML/CFT

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	requirements apply in a proportionate manner and that the imposition of any requirement is proportionate to the role that obliged entities can play in the prevention of money laundering and terrorist financing. To this end, it should be possible for Member States in line with the risk base approach of this Regulation to exempt certain operators from AML/CFT requirements, where the activities they perform present low money laundering and terrorist financing risks and where the activities are limited in nature. To ensure transparent and consistent application of such exemptions across the Union, a mechanism should be put in place allowing the Commission to verify the necessity of the exemptions to be granted. The Commission should also publish such exemptions on a yearly basis in the Official Journal of the European Union.	requirements apply in a proportionate manner and that the imposition of any requirement is proportionate to the role that obliged entities can play in the prevention of money laundering and terrorist financing. To this end, it should be possible for Member States in line with the risk base approach of this Regulation to exempt certain operators from AML/CFT requirements, where the activities they perform present low money laundering and terrorist financing risks and where the activities are limited in nature. To ensure transparent and consistent application of such exemptions across the Union, a mechanism should be put in place allowing the Commission to verify the necessity of the exemptions to be granted. The Commission should also publish such exemptions on a yearly basis in the ***Official Journal of the European Union***~~*Official Journal of the European Union*~~.	requirements apply in a proportionate manner and that the imposition of any requirement is proportionate to the role that obliged entities can play in the prevention of money laundering and terrorist financing. To this end, it should be possible for Member States in line with the ~~*risk base*~~***risk-based*** approach of this Regulation to exempt certain operators from AML/CFT requirements, where the activities they perform present low money laundering and terrorist financing risks and where the activities are limited in nature. To ensure transparent and consistent application of such exemptions across the Union, a mechanism should be put in place allowing the Commission to verify the necessity of the exemptions to be granted. The Commission should also publish such exemptions on a yearly basis in the Official Journal of the European Union.
30	(20) A consistent set of rules on internal systems and controls that applies to all obliged entities operating in the internal market will strengthen AML/CFT compliance and make supervision more effective. In order to ensure adequate mitigation of money laundering and	(20) A consistent set of rules on internal systems and controls that applies to all obliged entities operating in the internal market will strengthen AML/CFT compliance and make supervision more effective. In order to ensure adequate	(20) A consistent set of rules on internal systems and controls that applies to all obliged entities operating in the internal market will strengthen AML/CFT compliance and make supervision more effective. In order to ensure adequate mitigation of money laundering and

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	terrorist financing risks, obliged entities should have in place an internal control framework consisting of risk–based policies, controls and procedures and clear division of responsibilities throughout the organisation. In line with the risk-based approach of this Regulation, those policies, controls and procedures should be proportionate to the nature and size of the obliged entity and respond to the risks of money laundering and terrorist financing that the entity faces.	mitigation of money laundering and terrorist financing risks, obliged entities should have in place an internal control framework consisting of risk–based policies, controls and procedures and clear division of responsibilities throughout the organisation. In line with the risk-based approach of this Regulation, those policies, controls and procedures should be proportionate to the nature and size of the obliged entity and respond to the risks of money laundering and terrorist financing that the entity faces.	terrorist financing risks, obliged entities should have in place an internal control framework consisting of risk–based policies, controls and procedures and clear division of responsibilities throughout the organisation. In line with the risk-based approach of this Regulation, those policies, controls and procedures should be proportionate to the nature***, activity*** and size of the obliged entity and respond to the risks of money laundering and terrorist financing that the entity faces.
31	(21) An appropriate risk-based approach requires obliged entities to identify the inherent risks of money laundering and terrorist financing that they face by virtue of their business in order to mitigate them effectively and to ensure that their policies, procedures and internal controls are appropriate to address those inherent risks. In doing so, obliged entities should take into account the characteristics of their customers, the products, services or transactions offered, the countries or geographical areas concerned and the distribution channels used. In light of the evolving nature of risks, such risk assessment should be regularly updated.	(21) An appropriate risk-based approach requires obliged entities to identify the inherent risks of money laundering and terrorist financing that they face by virtue of their business in order to mitigate them effectively and to ensure that their policies, procedures and internal controls are appropriate to address those inherent risks. In doing so, obliged entities should take into account the characteristics of their customers, the products, services or transactions offered, the countries or geographical areas concerned and the distribution channels used. ***Obliged entities should also take into account the***	(21) An appropriate risk-based approach requires obliged entities to identify the inherent risks of money laundering and terrorist financing that they face by virtue of their business in order to mitigate them effectively and to ensure that their policies, procedures and internal controls are appropriate to address those inherent risks. In doing so, obliged entities should take into account the characteristics of their customers, the products, services or transactions offered, the countries or geographical areas concerned and the distribution channels used. In light of the evolving nature of risks, such risk assessment should be regularly updated.

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		supra-national risk assessment drawn up by the Commission and the national risk assessments. Relevant information can also be brought by the international standard-setters such as the FATF and, at the European level, by the Commission in its high-risk third countries lists. In light of the evolving nature of risks, such risk assessment should be regularly updated.	
32	(22) It is appropriate to take account of the characteristics and needs of smaller obliged entities, and to ensure treatment which is appropriate to their specific needs, and the nature of the business. This may include exempting certain obliged entities from performing a risk assessment where the risks involved in the sector in which the entity operates are well understood.	(22) It is appropriate to take account of the characteristics and needs of smaller obliged entities, and to ensure treatment which is appropriate to their specific needs, and the nature of the business. This may include exempting certain obliged entities from performing a risk assessment where the risks involved in the sector in which the entity operates are well understood.	(22) It is appropriate to take account of the characteristics and needs of smaller obliged entities, and to ensure treatment which is appropriate to their specific needs, and the nature of the business. This may include exempting certain obliged entities from performing a risk assessment where the risks involved in the sector in which the entity operates are well understood.
33	(23) The FATF has developed standards for jurisdictions to identify, and assess the risks of potential non-implementation or evasion of the targeted financial sanctions related to proliferation financing, and to take action to mitigate those risks. Those new standards	(23) The FATF has developed standards for jurisdictions to identify, and assess the risks of potential non-implementation or evasion of the targeted financial sanctions related to proliferation financing, and to take action to mitigate those risks. Those	(23) The FATF has developed standards for jurisdictions to identify, and assess the risks of potential non-implementation or evasion of the targeted financial sanctions related to proliferation financing, and to take action to mitigate those risks. Those new standards

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	introduced by the FATF today do not substitute nor undermine the existing strict requirements for countries to implement targeted financial sanctions to comply with the relevant United Nations Security Council Regulations relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing. Those existing obligations, as implemented at Union level by Council Decisions 2010/413/CFSP[1] and (CFSP) 2016/849[2] as well as by Council Regulations (EU) No 267/2012[3] and (EU) 2017/1509[4], remain strict rule-based obligations binding on all natural and legal persons within the Union. __________ 1. 2010/413/CFSP: Council Decision of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP (OJ L 195, 27.7.2010, p. 39). 2. Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP (OJ L 141, 28.5.2016, p. 79). 3. Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010 (OJ L 88, 24.3.2012, p. 1). 4. Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007 (OJ L 224, 31.8.2017, p. 1).	new standards introduced by the FATF ~~*today*~~ do not substitute nor undermine the existing strict requirements for countries to implement targeted financial sanctions to comply with the relevant United Nations Security Council Regulations relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing. Those existing obligations, as implemented at Union level by Council Decisions 2010/413/CFSP[1] and (CFSP) 2016/849[2] as well as by Council Regulations (EU) No 267/2012[3] and (EU) 2017/1509[4], remain strict rule-based obligations binding on all natural and legal persons within the Union. __________ 1. 2010/413/CFSP: Council Decision of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP (OJ L 195, 27.7.2010, p. 39). 2. Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP (OJ L 141, 28.5.2016, p. 79). 3. Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010 (OJ L 88, 24.3.2012, p. 1). 4. Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007 (OJ L	introduced by the FATF today do not substitute nor undermine the existing strict requirements for countries to implement targeted financial sanctions to comply with the relevant United Nations Security Council Regulations relating to the prevention, suppression and disruption of proliferation of weapons of mass destruction and its financing. Those existing obligations, as implemented at Union level by Council Decisions 2010/413/CFSP[1] and (CFSP) 2016/849[2] as well as by Council Regulations (EU) No 267/2012[3] and (EU) 2017/1509[4], remain strict rule-based obligations binding on all natural and legal persons within the Union. ***The same approach should apply with regard to other targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorist financing.*** __________ 1. 2010/413/CFSP: Council Decision of 26 July 2010 concerning restrictive measures against Iran and repealing Common Position 2007/140/CFSP (OJ L 195, 27.7.2010, p. 39). 2. Council Decision (CFSP) 2016/849 of 27 May 2016 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Decision 2013/183/CFSP (OJ L 141, 28.5.2016, p. 79). 3. Council Regulation (EU) No 267/2012 of 23 March 2012 concerning restrictive measures against Iran and repealing Regulation (EU) No 961/2010 (OJ L 88, 24.3.2012, p. 1). 4. Council Regulation (EU) 2017/1509 of 30 August 2017 concerning restrictive measures against the Democratic People's Republic of Korea and repealing Regulation (EC) No 329/2007 (OJ L 224, 31.8.2017, p. 1).

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		224, 31.8.2017, p. 1).	
33a			***(23a) Union legislation does not include provisions that describe the systems and controls that credit and financial institutions should have to have in place in order to comply with targeted financial sanctions obligations. In its report on the future EU AML/CFT framework, the European Supervisory Authority (European Banking Authority) (EBA), established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council, noted that, in situations where the legislation provides for exemptions from certain AML/CFT requirements, such as in relation to occasional transactions, there is an apparent conflict between risk-based exemptions and the absolute requirement to comply with applicable sanctions regimes, which is an obligation of result. EBA also found that there are different interpretations across Member States on the obligations on payment service providers to screen the payer or the payee against sanctions lists. That situation could create regulatory arbitrage and gaps which could weaken the Union targeted financial sanctions regime. It is therefore necessary to establish common standards on the measures that credit and financial institutions should take in order to comply with***

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			<u>their financial sanctions obligations.</u>
34	(24) In order to reflect the latest developments at international level, a requirement has been introduced by this Regulation to identify, understand, manage and mitigate risks of potential non-implementation or evasion of proliferation financing-related targeted financial sanctions at obliged entity level.	(24) In order to reflect the latest developments at international level, a requirement has been introduced by this Regulation to identify, understand, manage and mitigate risks of potential non-implementation or evasion of proliferation financing-related targeted financial sanctions at obliged entity level.	(24) In order to reflect the latest developments at international level, a requirement has been introduced by this Regulation to identify, understand, manage and mitigate risks of potential non-implementation***<u>, divergent implementation</u>*** or evasion of ***<u>all targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorist financing and</u>*** proliferation financing-related targeted financial sanctions at obliged entity level.
34a			***<u>(24a) Sanctions adopted by the United Nations are relevant risk factors for money laundering, predicate offences and terrorist financing since they aim to address threats of terrorism and terrorist financing, crimes related to human rights violations and proliferation of nuclear weapon of mass destruction. Therefore, appropriate risk-mitigating measures need to be taken in high-risk situations in that regard, without prejudice to the application of rule-based obligations imposed under the Union targeted financial sanctions regime.</u>***

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35	(25) It is important that obliged entities take all measures at the level of their management to implement internal policies, controls and procedures and to implement AML/CFT requirements. While a person at management level should be identified as being responsible for implementing the obliged entity's policies, controls and procedures, the responsibility for the compliance with AML/CFT requirements should rest ultimately with the governing body of the entity. Tasks pertaining to the day-to-day implementation of the obliged entity's AML/CFT policies, controls and procedures should be entrusted to a compliance officer.	(25) It is important that obliged entities take all measures at the level of their management to implement internal policies, controls and procedures and to implement AML/CFT requirements. While a ~~person at~~***member of the*** management ~~level~~***body*** should be identified as being responsible for implementing the obliged entity's policies, controls and procedures, the responsibility for the compliance with AML/CFT requirements should rest ultimately with the governing body of the entity. Tasks pertaining to the day-to-day ~~implementation~~***operation*** of the obliged entity's AML/CFT policies, controls and procedures should be entrusted to ~~a~~***an AML*** compliance officer ***in consideration of the size and nature of the obliged entity. However, for larger obliged entities or entities that are exposed to higher money laundering and financing of terrorism risks, the responsibility of the day-to-day implementation of AML/CFT policies and procedures on one hand, and the responsibility of compliance controls on the other, can be entrusted to two different positions. In particular, the responsibility of AML/CFT compliance controls may be entrusted to the head of compliance***	(25) It is important that obliged entities take all measures at the level of their management to implement internal policies, controls and procedures and to implement AML/CFT requirements. While a person at management level should be identified as being responsible for implementing the obliged entity's policies, controls and procedures, the responsibility for the compliance with AML/CFT requirements should rest ultimately with the ~~governing~~***management*** body of the entity. Tasks pertaining to the day-to-day implementation of the obliged entity's AML/CFT policies, controls and procedures should be entrusted to a compliance officer.

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		provided by prudential regulations, where obliged entities are subjected to such requirements. This organisation ensures where justified a better effectiveness of the compliance function within major entities and promotes the avoidance of conflicts of interests.	
36	(26) For effective implementation of AML/CFT measures, it is also vital that the employees of obliged entities, as well as their agents and distributors, who have a role in their implementation understand the requirements and the internal policies, controls and procedures in place in the entity. Obliged entities should put in place measures, including training programmes, to this effect.	(26) For effective implementation of AML/CFT measures, it is also vital that the employees of obliged entities, as well as their agents and distributors, who have a role in their implementation understand the requirements and the internal policies, controls and procedures in place in the entity. Obliged entities should put in place measures, including training programmes, to this effect.	(26) For effective implementation of AML/CFT measures, it is also vital that the employees of obliged entities, as well as their agents and distributors, who have a role in their implementation understand the requirements and the internal policies, controls and procedures in place in the entity. Obliged entities should put in place measures, including training programmes, to this effect.
37	(27) Individuals entrusted with tasks related to an obliged entity's compliance with AML/CFT requirements should undergo assessment of their skills, knowledge, expertise, integrity and conduct. Performance by employees of tasks related to the obliged entity's compliance with the AML/CFT framework in relation to customers with whom they have a close private or professional relationship can lead to conflicts	(27) Individuals ~~entrusted with tasks related to an obliged entity's compliance with~~***directly participating in the implementation of*** AML/CFT requirements should undergo assessment of their skills, knowledge, expertise, integrity and conduct. Performance by employees ***or persons in a comparable position*** of tasks related to the obliged	(27) Individuals entrusted with tasks related to an obliged entity's compliance with AML/CFT requirements should undergo assessment of their skills, knowledge, expertise, integrity and conduct. Performance by employees of tasks related to the obliged entity's compliance with the AML/CFT framework in relation to customers with whom they have a close private or professional relationship can lead to conflicts

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	of interests and undermine the integrity of the system. Therefore, employees in such situations should be prevented from performing any tasks related to the obliged entity's compliance with the AML/CFT framework in relation to such customers.	entity's compliance with the AML/CFT framework in relation to customers with whom they have a close private or professional relationship can lead to conflicts of interests and undermine the integrity of the system. Therefore, ~~employees~~***persons*** in such situations should be prevented from performing any tasks related to the obliged entity's compliance with the AML/CFT framework in relation to such customers. ***These requirements should be applicable to any person entrusted with AML/CFT related tasks by the obliged entity, irrespective of its employment status. They apply to employees or to any person in a comparable position, such as an service provider or seconded staff. At the same time, however, this does not mean that the employee himself becomes an obliged entity.***	of interests and undermine the integrity of the system. Therefore, employees in such situations should be prevented from performing any tasks related to the obliged entity's compliance with the AML/CFT framework in relation to such customers.
37a			***(27a) Obliged entities might employ staff who by virtue of their professional activities could qualify as obliged entities themselves. As the AML/CFT framework is based on the role of firms or sole practitioners as gatekeepers of the financial system, it does not aim to target such employees. In order to facilitate the implementation of this Regulation, it is***

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			appropriate to clarify the situation of employees such as in-house lawyers, who should not be subject to the requirements of this Regulation when performing their function as employees of obliged entities.
37b			***(27b) Given that AML/CFT requirements are applicable to a wide range of obliged entities in both nature and size, AMLA should have the task of developing draft regulatory technical standards concerning minimum requirements and standards by obliged entities which are sole traders, single operators or microenterprises taking due account of the principle of proportionality and alleviation of administrative and financial burden.***
38	(28) The consistent implementation of group-wide AML/CFT policies and procedures is key to the robust and effective management of money laundering and terrorist financing risks within the group. To this end, group-wide policies, controls and procedures should be adopted and implemented by the parent undertaking. Obliged entities within the group should be required to exchange information when such sharing is relevant for preventing money laundering and terrorist financing.	(28) The consistent implementation of group-wide AML/CFT policies and procedures is key to the robust and effective management of money laundering and terrorist financing risks within the group. To this end, group-wide policies, controls and procedures should be adopted and implemented by the parent undertaking. Obliged entities within the group should be required to exchange information when such sharing is relevant	(28) The consistent implementation of group-wide AML/CFT policies and procedures is key to the robust and effective management of money laundering and terrorist financing risks within the group. To this end, group-wide policies, controls and procedures should be adopted and implemented by the parent undertaking. Obliged entities within the group should be required to exchange information when such sharing is relevant for preventing money laundering and terrorist financing.

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	Information sharing should be subject to sufficient guarantees in terms of confidentiality, data protection and use of information. AMLA should have the task of drawing up draft regulatory standards specifying the minimum requirements of group-wide procedures and policies, including minimum standards for information sharing within the group and the role and responsibilities of parent undertakings that are not themselves obliged entities.	for preventing money laundering and terrorist financing. Information sharing should be subject to sufficient guarantees in terms of confidentiality, data protection and use of information. AMLA should have the task of drawing up draft regulatory standards specifying the minimum requirements of group-wide procedures and policies, including minimum standards for information sharing within the group and the role and responsibilities of parent undertakings that are not themselves obliged entities.	Information sharing should be subject to sufficient guarantees in terms of confidentiality, data protection and use of information. AMLA should have the task of drawing up draft regulatory standards specifying the minimum requirements of group-wide procedures and policies, including minimum standards for information sharing within the group and the role and responsibilities of parent undertakings that are not themselves obliged entities***, and taking into account the principle of proportionality***.
39	(29) In addition to groups, other structures exist, such as networks or partnerships, in which obliged entities might share common ownership, management and compliance controls. To ensure a level playing field across the sectors whilst avoiding overburdening it, AMLA should identify those situations where similar group-wide policies should apply to those structures.	(29) In addition to groups, other structures exist, such as networks or partnerships, in which obliged entities ~~might~~ share common ownership, management and compliance controls. To ensure a level playing field across the sectors whilst avoiding overburdening it, AMLA should identify those situations where similar group-wide policies should apply to those structures.	(29) In addition to groups, other structures exist, such as networks or partnerships, in which obliged entities might share common ownership, management and compliance controls. To ensure a level playing field across the sectors whilst avoiding overburdening it, AMLA should identify those situations where similar group-wide policies should apply to those structures***, taking into account the principle of proportionality***.
40	(30) There are circumstances where branches and subsidiaries of obliged entities are located in third countries where the minimum	(30) There are circumstances where branches and subsidiaries of obliged entities are located in third countries	(30) There are circumstances where branches and subsidiaries of obliged entities are located in third countries where the minimum

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	AML/CFT requirements, including data protection obligations, are less strict than the Union AML/CFT framework. In such situations, and in order to fully prevent the use of the Union financial system for the purposes of money laundering and terrorist financing and to ensure the highest standard of protection for personal data of Union citizens, those branches and subsidiaries should comply with AML/CFT requirements laid down at Union level. Where the law of a third country does not permit compliance with those requirements, for example because of limitations to the group's ability to access, process or exchange information due to an insufficient level of data protection or banking secrecy law in the third country, obliged entities should take additional measures to ensure the branches and subsidiaries located in that country effectively handle the risks. AMLA should be tasked with developing draft technical standards specifying the type of such additional measures.	where the minimum AML/CFT requirements, including data protection obligations, are less strict than the Union AML/CFT framework. In such situations, and in order to fully prevent the use of the Union financial system for the purposes of money laundering and terrorist financing and to ensure the highest standard of protection for personal data of Union citizens, those branches and subsidiaries should comply with AML/CFT requirements laid down at Union level. Where the law of a third country does not permit compliance with those requirements, for example because of limitations to the group's ability to access, process or exchange information due to an insufficient level of data protection or banking secrecy law in the third country, obliged entities should take additional measures to ensure the branches and subsidiaries located in that country effectively handle the risks. AMLA should be tasked with developing draft technical standards specifying the type of such additional measures.	AML/CFT requirements, including data protection obligations, are less strict than the Union AML/CFT framework. In such situations, and in order to fully prevent the use of the Union financial system for the purposes of money laundering and terrorist financing and to ensure the highest standard of protection for personal data of Union citizens, those branches and subsidiaries should comply with AML/CFT requirements laid down at Union level. Where the law of a third country does not permit compliance with those requirements, for example because of limitations to the group's ability to access, process or exchange information due to an insufficient level of data protection or banking secrecy law in the third country, obliged entities should take additional measures to ensure the branches and subsidiaries located in that country effectively handle the risks. AMLA should be tasked with developing draft technical standards specifying the type of such additional measures***, taking into account the principle of proportionality***.
41	(31) Customer due diligence requirements are essential to ensure that obliged entities identify, verify and monitor their business relationships	(31) Customer due diligence requirements are essential to ensure that obliged entities identify, verify and	(31) Customer due diligence requirements are essential to ensure that obliged entities identify, verify and monitor their business relationships

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	with their clients, in relation to the money laundering and terrorist financing risks that they pose. Accurate identification and verification of data of prospective and existing customers are essential for understanding the risks of money laundering and terrorist financing associated with clients, whether they are natural or legal persons.	monitor their business relationships with their clients, in relation to the money laundering and terrorist financing risks that they pose. Accurate identification and verification of data of prospective and existing customers are essential for understanding the risks of money laundering and terrorist financing associated with clients, whether they are natural or legal persons.	with their clients, in relation to the money laundering and terrorist financing risks that they pose. Accurate identification and verification of data of prospective and existing customers are essential for understanding the risks of money laundering and terrorist financing associated with clients, whether they are natural or legal persons.
42	(32) It is necessary to achieve a uniform and high standard of customer due diligence in the Union, relying on harmonised requirements for the identification of customers and verification of their identity, and reducing national divergences to allow for a level playing field across the internal market and for a consistent application of provisions throughout the Union. At the same time, it is essential that obliged entities apply customer due diligence requirements in a risk-based manner. The risk-based approach is not an unduly permissive option for obliged entities. It involves the use of evidence-based decision-making in order to target more effectively the risks of money laundering and terrorist financing facing the Union and those operating within it.	(32) It is necessary to achieve a uniform and high standard of customer due diligence in the Union, relying on harmonised requirements for the identification of customers and verification of their identity, and reducing national divergences to allow for a level playing field across the internal market and for a consistent application of provisions throughout the Union. At the same time, it is essential that obliged entities apply customer due diligence requirements in a risk-based manner. The risk-based approach is not an unduly permissive option for obliged entities. It involves the use of evidence-based decision-making in order to target more effectively the risks of money laundering and terrorist financing facing the Union	(32) It is necessary to achieve a uniform and high standard of customer due diligence in the Union, relying on harmonised requirements for the identification of customers and verification of their identity, and reducing national divergences to allow for a level playing field across the internal market and for a consistent application of provisions throughout the Union. At the same time, it is essential that obliged entities apply customer due diligence requirements in a risk-based manner. The risk-based approach is not an unduly permissive option for obliged entities. It involves the use of evidence-based decision-making in order to target more effectively the risks of money laundering and terrorist financing facing the Union and those operating within it.

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		and those operating within it.	
42a			***<u>(32a) Credit and financial institutions should ensure that the application of due diligence measures is carried out on the basis of an individual risk assessment and does not result in unduly denying legitimate customers access to financial services, in particular with regard to specific categories of individual customers associated with higher risk, such as refugees and asylum seekers as well as human rights defenders, and non-governmental organisations and their representatives and associates. To that end, credit and financial institutions should ensure that their internal policies, controls and procedures are commensurate to the risks identified and do not unduly undermine financial inclusion. Access to basic financial products and services allows refugees and people seeking temporary or international protection to participate in the economic and social life of the Union, in line with the right to protection enshrined in Article 18 of the Charter of Fundamental Rights. At the same time, financial inclusion avoids transactions being driven underground through informal channels, thereby making the detection and reporting of suspicious transactions more difficult. Therefore, financial inclusion contributes significantly to</u>***

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			the fight against money laundering and terrorist financing. This Regulation provides sufficient flexibility to financial institutions to perform the identification and verification of prospective clients who are refugees or seek protection and to adopt, in line with the risk-based approach, proportionate and effective measures to manage and mitigate risks linked to these clients. To ensure such flexibility is exploited to the fullest, credit and financial institutions should accept documents issued by Member States stating legal residence as a valid means for the purposes of customer identity verification. In order to ensure the effective implementation of AML/CFT rules, financial institutions should address the situation of refugees and persons seeking temporary or international protection within their internal policies and procedures of refugees and persons seeking temporary or international protection within their internal policies and procedures AMLA and EBA should issue joint guidelines to specify how to maintain a balance between the financial inclusion of the categories of customers particularly affected by de-risking and AML/CFT requirements and clarify how risk can be mitigated in relation to these customers and ensure transparent and fair processes for customers.

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42b		***(32a) Identification and verification of identity of beneficial owner is an important part of customer due diligence. Obliged entities should take reasonable measures to verify identity of beneficial owners so that they are satisfied that they know who the beneficial owner is and that they understand the ownership and control structure of the customer.***	
42c			***(32b) Obliged entities should take appropriate measures to verify the identity of the beneficial owners of their customers in order to know who the beneficial owner is and understand the ownership and control structure of the customer. When verifying a beneficial owner's identity, obliged entities should determine the extent and frequency of additional information consulted on a risk-basis. To that end, they should consult the necessary information, documents and data from the customer or reliable and independent sources, such as business registers or other relevant corporate documents, and should also consult beneficial owners registers as provided for in Article 10 of Directive (EU) ,,,/,,, [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]. When***

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			verifying a person's identity, the robustness of the evidence provided and the risk of identity theft must be considered. It is therefore important that, when obliged entities suspect that the beneficial ownership information declared by the customer is false or that the proof of identity provided is falsified or stolen, or where there is any related risk that the identity of the beneficial owner may not coincide with the documentation provided, they should take steps to check whether the claimed identity reasonably belongs to the person declared by the customer and whether those persons actually are the beneficial owners of the legal entity or arrangement.
42d		***(32b) When it comes to identification and verification of identity of beneficial owners of legal entities, express trusts or similar legal arrangements, obliged entities should, except where simplified due diligence is permissible, always follow multi-prong approach. Therefore, they should consult beneficial owners register under Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] and also use other reliable source like business register or reliable information provided by the***	

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		customer.	
42e		***(32c) The risks posed by non-Union legal entities and legal arrangements, which are misused to channel proceeds of funds into the Union's financial system, need to be mitigated. Where legal entity incorporated outside the Union or express trust or similar legal arrangement administered outside the Union are about to enter into significant business relationship, that means risky in terms of ML/TF, with obliged entity, the registration of the beneficial ownership information in the central register of Member State should be conditional for entering the business relationship. Which business relationships are significant, meaning in terms of ML/TF risks, should be determined by this Regulation in the context of the requirement to register the beneficial owner of non-Union legal entities and legal arrangements. Registration of the beneficial owner should be a condition for the continuation of the business relationship also in a situation where the business relationship becomes significant after its establishment.***	

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42f		***(32d) In the case of customers who are legal entities, where obliged entity comes to the conclusion that there is no beneficial owner or if obliged entity has doubts that the identified natural person is indeed beneficial owner, obliged entity should instead of beneficial owner identify all the natural person(s) holding the position(s) of senior managing official(s) in the corporate or other legal entity and shall take reasonable measures to verify their identity. In the case of customers who are not, by their nature, subject to beneficial ownership rules, such as Member States, municipalities in Member States, but also non-Member States and their municipalities, it should be sufficient within the customer due diligence to only conclude that there is no beneficial owner.***	
42g		***(32e) Beneficial owner under Article 2, point (22)(b), shall be understood as the end user of the services provided through the business relationship or the occasional transaction. Where such***	

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		services are provided to the end user through other obliged entities, like in case of virtual IBANs, the obliged entity shall ensure that it knows at any moment the identity of the end user and that it can obtain the information identifying and verifying the identity of the end user from the other obliged entities without delay and in any case within no more than five working days.	
42h		***(32f) In view of ensuring that the mechanism of discrepancy reporting is proportionate and focused on the detection of instances of inaccurate beneficial ownership information, obliged entities may request the customer to rectify discrepancies directly with the entity in charge of the central registers without having to report discrepancies themselves. Such option should only apply to low-risk customers and at the same time to those errors of a technical nature, such as cases of misspelt information, and discrepancies consisting of outdated data, if at the same time the beneficial owners are known to the obliged entity from another reliable source and it is obvious that the reason for the outdated data is only the***	

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		negligence of the legal entity, not the intention to conceal anything. The possibility of not reporting these minor discrepancies should be limited in time so that data accuracy can be achieved within a clearly defined framework. The customer should actively pursue to correct the discrepancy in the register or to provide an explanation to the obliged entity that that the findings are not a discrepancy. Unresolved discrepancies at the level of the obliged entity and the customer should lead to the reporting of the discrepancy in order to allow the entity in charge of the registry or other authorities to resolve it.	
43	(33) Obliged entities should not be required to apply due diligence measures on customers carrying out occasional or linked transactions below a certain value, unless there is suspicion of money laundering or terrorist financing. Whereas the EUR 10 000 threshold applies to most occasional transactions, obliged entities which operate in sectors or carry out transactions that present a higher risk of money laundering and terrorist financing should be required to apply customer due diligence for transactions with lower thresholds. To identify the sectors or transactions as well as the	(33) Obliged entities should not be required to apply due diligence measures on customers carrying out occasional or linked transactions below a certain value, unless there is suspicion of money laundering or terrorist financing. Whereas the EUR 10 000 threshold applies to most occasional transactions, obliged entities which operate in sectors or carry out transactions that present a higher risk of money laundering and terrorist financing should be required to apply customer due diligence for transactions with lower	(33) Obliged entities should not be required to apply due diligence measures on customers carrying out occasional or linked transactions below a certain value, unless there is suspicion of money laundering or terrorist financing. Whereas the EUR 10 000 threshold applies to most occasional transactions, obliged entities which operate in sectors or carry out transactions that present a higher risk of money laundering and terrorist financing should be required to apply customer due diligence for transactions with lower thresholds***, and should, in particular, verify whether those thresholds***

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	adequate thresholds for those sectors or transactions, AMLA should develop dedicated draft regulatory technical standards.	thresholds. To identify the sectors or transactions as well as the adequate thresholds for those sectors or transactions, AMLA should develop dedicated draft regulatory technical standards.	***are met within linked transactions with lower amounts***. To identify the sectors or transactions as well as the adequate thresholds for those sectors or transactions, AMLA should develop dedicated draft regulatory technical standards.
43a			***(33a) Business relationships are defined in this Regulation and refer to business, professional or commercial relationships connected with the professional activities of an obliged entity. They are expected, at the time when the contact is established, to have an element of duration. In the case of real estate transactions, for entities other than credit and financial institutions, a business relationship means the provision of services which involve the sale or brokerage of more than one property over a period of time. A sale also includes the services of notaries or lawyers where such services are required under national law in order to conduct the transactions or transfer of immovable property.***
44	(34) Some business models are based on the obliged entity having a business relationship with a merchant for offering payment initiation	(34) Some business models are based on the obliged entity having a business relationship with a merchant for offering	(34) Some business models are based on the obliged entity having a business relationship with a merchant for offering payment initiation

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	services through which the merchant gets paid for the provision of goods or services, and not with the merchant's customer, who authorises the payment initiation service to initiate a single or one-off transaction to the merchant. In such a business model, the obliged entity's customer for the purpose of AML/CFT rules is the merchant, and not the merchant's customer. Therefore, customer due diligence obligations should be applied by the obliged entity vis-a-vis the merchant.	payment initiation services through which the merchant gets paid for the provision of goods or services, and not with the merchant's customer, who authorises the payment initiation service to initiate a single or one-off transaction to the merchant. In such a business model, the obliged entity's customer for the purpose of AML/CFT rules is the merchant, and not the merchant's customer. Therefore, customer due diligence obligations should be applied by the obliged entity vis-a-vis the merchant.	services through which the merchant gets paid for the provision of goods or services, and not with the merchant's customer, who authorises the payment initiation service to initiate a single or one-off transaction ***or several transactions*** to the merchant. In such a business model, the obliged entity's customer for the purpose of AML/CFT rules is the merchant, and not the merchant's customer. Therefore, customer due diligence obligations should be applied by the obliged entity ***only*** vis-a-vis the merchant. ***If the same obliged entity also provides payment services to the merchant, which brings it into the possession of funds, then the obliged entity's customer is also the merchant as regards the combined offering of payment initiation services, account information services and payment services.***
45	(35) Directive (EU) 2015/849, despite having harmonised the rules of Member States in the area of customer identification obligations to a certain degree, did not lay down detailed rules in relation to the procedures to be followed by obliged entities. In view of the crucial importance of this aspect in the prevention of money laundering and terrorist financing, it is appropriate, in accordance with the risk-based approach, to introduce more specific and detailed provisions on the identification of the	(35) Directive (EU) 2015/849, despite having harmonised the rules of Member States in the area of customer identification obligations to a certain degree, did not lay down detailed rules in relation to the procedures to be followed by obliged entities. In view of the crucial importance of this aspect in the prevention of money laundering and terrorist financing, it is appropriate, in accordance with the risk-based approach,	(35) Directive (EU) 2015/849, despite having harmonised the rules of Member States in the area of customer identification obligations to a certain degree, did not lay down detailed rules in relation to the procedures to be followed by obliged entities. In view of the crucial importance of this aspect in the prevention of money laundering and terrorist financing, it is appropriate, in accordance with the risk-based approach, to introduce more specific and detailed provisions on the identification of the

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	customer and on the verification of the customer's identity, whether in relation to natural or legal persons, legal arrangements such as trusts or entities having legal capacity under national law.	to introduce more specific and detailed provisions on the identification of the customer and on the verification of the customer's identity, whether in relation to natural or legal persons, legal arrangements such as trusts or entities having legal capacity under national law.	customer and on the verification of the customer's identity, whether in relation to natural or legal persons, legal arrangements such as trusts or entities having legal capacity under national law.
46	(36) Technological developments and progress in digitalisation enable a secure remote or electronic identification and verification of prospective and existing customers and can facilitate the remote performance of customer due diligence. The identification solutions as set out in Regulation (EU) No 910/2014 of the European Parliament and of the Council and the proposal for an amendment to it in relation to a framework for a European Digital Identity[1] enable secure and trusted means of customer identification and verification for both prospective and existing customers and can facilitate the remote performance of customer due diligence. The electronic identification as set out in that Regulation should be taken into account and accepted by obliged entities for the customer identification process. These means of identification may present, where appropriate risk mitigation measures are in place, a standard or even low level of risk. _________	(36) Technological developments and progress in digitalisation enable a secure remote or electronic identification and verification of prospective and existing customers and can facilitate the remote performance of customer due diligence. The identification solutions as set out in Regulation (EU) No 910/2014 of the European Parliament and of the Council and the proposal for an amendment to it in relation to a framework for a European Digital Identity[1] enable secure and trusted means of customer identification and verification for both prospective and existing customers and can facilitate the remote performance of customer due diligence. The electronic identification as set out in that Regulation should be taken into account and accepted by obliged entities for the customer identification process. These means of identification may present, where appropriate risk	(36) Technological developments and progress in digitalisation enable a secure remote or electronic identification and verification of prospective and existing customers and can facilitate the remote performance of customer due diligence. The identification solutions as set out in Regulation (EU) No 910/2014 of the European Parliament and of the Council and the proposal for an amendment to it in relation to a framework for a European Digital Identity[1] enable secure and trusted means of customer identification and verification for both prospective and existing customers and can facilitate the remote performance of customer due diligence. The electronic identification as set out in that Regulation should be taken into account and accepted by obliged entities for the customer identification process. These means of identification may present, where appropriate risk mitigation measures are in place, a standard or even low level of risk. _________

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	1. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC (OJ L 257, 28.8.2014, p. 73) and the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 910/2014 as regards establishing a framework for a European Digital Identity, COM/2021/281 final.	mitigation measures are in place, a standard or even low level of risk. __________ 1. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC (OJ L 257, 28.8.2014, p. 73) and the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 910/2014 as regards establishing a framework for a European Digital Identity, COM/2021/281 final.	1. Regulation (EU) No 910/2014 of the European Parliament and of the Council of 23 July 2014 on electronic identification and trust services for electronic transactions in the internal market and repealing Directive 1999/93/EC (OJ L 257, 28.8.2014, p. 73) and the proposal for a Regulation of the European Parliament and of the Council amending Regulation (EU) No 910/2014 as regards establishing a framework for a European Digital Identity, COM/2021/281 final.
47	(37) To ensure that the AML/CFT framework prevents illicit funds from entering the financial system, obliged entities should carry out customer due diligence before entering into business relationships with prospective clients, in line with the risk-based approach. Nevertheless, in order not to unnecessarily delay the normal conduct of business, obliged entities may collect the information from the prospective customer during the establishment of a business relationship. Credit and financial institutions may obtain the necessary information from the prospective customers once the relationship is established, provided that transactions are not initiated until the customer due diligence process is successfully completed.	(37) To ensure that the AML/CFT framework prevents illicit funds from entering the financial system, obliged entities should carry out customer due diligence before entering into business relationships with prospective clients, in line with the risk-based approach. Nevertheless, in order not to unnecessarily delay the normal conduct of business, obliged entities may collect the information from the prospective customer during the establishment of a business relationship. Credit and financial institutions may obtain the necessary information from the prospective customers once the relationship is established, provided that transactions are not initiated until the customer due	(37) To ensure that the AML/CFT framework prevents illicit funds from entering the financial system, obliged entities should carry out customer due diligence before entering into business relationships with prospective clients, in line with the risk-based approach. Nevertheless, in order not to unnecessarily delay the normal conduct of business, obliged entities may collect the information from the prospective customer during the establishment of a business relationship. Credit and financial institutions may obtain the necessary information from the prospective customers once the relationship is established, provided that transactions are not initiated until the customer due diligence process is successfully completed.

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		diligence process is successfully completed.	
48	(38) Depositors whose funds are the proceeds of money laundering should be excluded from repayment by a deposit guarantee scheme. To prevent that illicit funds are reimbursed to such depositors, credit institutions should, under the oversight of the supervisors, perform customer due diligence of their clients where the credit institutions have been determined failing or likely to fail, or when deposits are defined as unavailable. Credit institutions should report any suspicious transactions identified in the performance of such customer due diligence to the FIU.	(38) ~~*Depositors whose funds are the proceeds of money laundering should be excluded from repayment by a deposit guarantee scheme. To prevent that illicit funds are reimbursed to such depositors, credit institutions should, under the oversight of the supervisors, perform customer due diligence of their clients where the credit institutions have been determined failing or likely to fail, or when deposits are defined as unavailable. Credit institutions should report any suspicious transactions identified in the performance of such customer due diligence to the FIU.*~~***Deleted***	(38) Depositors whose funds are the proceeds of money laundering should be excluded from repayment by a deposit guarantee scheme. To prevent that illicit funds are reimbursed to such depositors, credit institutions should, under the oversight of the supervisors, perform customer due diligence of their clients where the credit institutions have been determined failing or likely to fail, or when deposits are defined as unavailable. Credit institutions should report any suspicious transactions identified in the performance of such customer due diligence to the FIU.
49	(39) The customer due diligence process is not limited to the identification and verification of the customer's identity. Before entering into business relationships or carrying out occasional transactions, obliged entities should also assess the purpose and nature of a business relationship. Pre-contractual or other information about the proposed product or service that is communicated to the prospective	(39) The customer due diligence process is not limited to the identification and verification of the customer's identity. Before entering into business relationships or carrying out occasional transactions, obliged entities should also assess the purpose and nature of a business relationship. Pre-contractual or other information about the proposed	(39) The customer due diligence process is not limited to the identification and verification of the customer's identity. Before entering into business relationships or carrying out occasional transactions, obliged entities should also assess the purpose and nature of a business relationship. Pre-contractual or other information about the proposed product or service that is communicated to the prospective

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	customer may contribute to the understanding of that purpose. Obliged entities should always be able to assess the purpose and nature of a prospective business relationship in an unambiguous manner. Where the offered service or product enables customers to carry out various types of transactions or activities, obliged entities should obtain sufficient information on the intention of the customer regarding the use to be made of that relationship.	product or service that is communicated to the prospective customer may contribute to the understanding of that purpose. Obliged entities should always be able to assess the purpose and nature of a prospective business relationship in an unambiguous manner. Where the offered service or product enables customers to carry out various types of transactions or activities, obliged entities should obtain sufficient information on the intention of the customer regarding the use to be made of that relationship.	customer may contribute to the understanding of that purpose. Obliged entities should always be able to assess the purpose and nature of a prospective business relationship in an unambiguous manner. Where the offered service or product enables customers to carry out various types of transactions or activities, obliged entities should obtain sufficient information on the intention of the customer regarding the use to be made of that relationship.
50	(40) To ensure the effectiveness of the AML/CFT framework, obliged entities should regularly review the information obtained from their customers, in accordance with the risk-based approach. Obliged entities should also set up a monitoring system to detect atypical transactions that might raise money laundering or terrorist financing suspicions. To ensure the effectiveness of the transaction monitoring, obliged entities' monitoring activity should in principle cover all services and products offered to customers and all transactions which are carried out on behalf of the costumer or offered to the customer by the obliged entity. However, not all transactions need to be scrutinised individually. The intensity of the monitoring	(40) To ensure the effectiveness of the AML/CFT framework, obliged entities should regularly review the information obtained from their customers, in accordance with the risk-based approach. Obliged entities should also set up a monitoring system to detect atypical transactions that might raise money laundering or terrorist financing suspicions. To ensure the effectiveness of the transaction monitoring, obliged entities' monitoring activity should in principle cover all services and products offered to customers and all transactions which are carried out on behalf of the costumer or offered to the customer by	(40) To ensure the effectiveness of the AML/CFT framework, obliged entities should regularly review the information obtained from their customers, in accordance with the risk-based approach. ***This does not mean that the obliged entity should repeatedly identify and verify the identity of each customer every time that a customer conducts a transaction. An obliged entity should be able to rely on the identification and verification steps that it has already undertaken in low risk situations, provided that there is no suspicion of money laundering or terrorist financing, or no reasonable doubt that the information is no longer accurate and up to date and provided that there is no material change in the way that***

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	should respect the risk-based approach and be designed around precise and relevant criteria, taking account, in particular, of the characteristics of the customers and the risk level associated with them, the products and services offered, and the countries or geographical areas concerned. AMLA should develop guidelines to ensure that the intensity of the monitoring of business relationships and of transactions is adequate and proportionate to the level of risk.	the obliged entity. However, not all transactions need to be scrutinised individually. The intensity of the monitoring should respect the risk-based approach and be designed around precise and relevant criteria, taking account, in particular, of the characteristics of the customers and the risk level associated with them, the products and services offered, and the countries or geographical areas concerned. AMLA should develop guidelines to ensure that the intensity of the monitoring of business relationships and of transactions is adequate and proportionate to the level of risk.	***the customer's account is operated, which is not consistent with the customer's business profile.*** Obliged entities should also set up a monitoring system to detect atypical transactions that might raise money laundering or terrorist financing suspicions. To ensure the effectiveness of the transaction monitoring, obliged entities' monitoring activity should in principle cover all services and products offered to customers and all transactions which are carried out on behalf of the costumer or offered to the customer by the obliged entity. However, not all transactions need to be scrutinised individually. The intensity of the monitoring should respect the risk-based approach and be designed around precise and relevant criteria, taking account, in particular, of the characteristics of the customers and the risk level associated with them, the products and services offered, and the countries or geographical areas concerned***.*** . AMLA should develop guidelines to ensure that the intensity of the monitoring of business relationships and of transactions is adequate and proportionate to the level of risk.
51	(41) In order to ensure consistent application of this Regulation, AMLA should have the task of drawing up draft regulatory technical standards on customer due diligence. Those regulatory	(41) In order to ensure consistent application of this Regulation, AMLA should have the task of drawing up draft regulatory technical standards on	(41) In order to ensure consistent application of this Regulation, AMLA should have the task of drawing up draft regulatory technical standards on customer due diligence. Those regulatory

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	technical standards should set out the minimum set of information to be obtained by obliged entities in order to enter into new business relationships with customers or assess ongoing ones, according to the level of risk associated with each customer. Furthermore, the draft regulatory technical standards should provide sufficient clarity to allow market players to develop secure, accessible and innovative means of verifying customers' identity and performing customer due diligence, also remotely, while respecting the principle of technology neutrality. The Commission should be empowered to adopt those draft regulatory technical standards. Those specific tasks are in line with the role and responsibilities of AMLA as provided in Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	customer due diligence. Those regulatory technical standards should set out the minimum set of information to be obtained by obliged entities in order to enter into new business relationships with customers or assess ongoing ones, according to the level of risk associated with each customer. Furthermore, the draft regulatory technical standards should provide sufficient clarity to allow market players to develop secure, accessible and innovative means of verifying customers' identity and performing customer due diligence, also remotely, while respecting the principle of technology neutrality. The Commission should be empowered to adopt those draft regulatory technical standards. Those specific tasks are in line with the role and responsibilities of AMLA as provided in Regulation ***[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]***~~[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]~~.	technical standards should set out the minimum set of information to be obtained by obliged entities in order to enter into new business relationships with customers or assess ongoing ones, according to the level of risk associated with each customer. Furthermore, the draft regulatory technical standards should provide sufficient clarity to allow market players to develop secure, accessible and innovative means of verifying customers' identity and performing customer due diligence, also remotely, while respecting the principle of technology neutrality. The Commission should be empowered to adopt those draft regulatory technical standards. Those specific tasks are in line with the role and responsibilities of AMLA as provided in Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].
52	(42) The harmonisation of customer due diligence measures should not only seek to	(42) The harmonisation of customer due diligence measures should not only seek	(42) The harmonisation of customer due diligence measures should not only seek to

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	achieve consistent, and consistently effective, understanding of the risks associated with an existing or prospective customer regardless of where the business relationship is opened in the Union, and their harmonisation will help to achieve this aim. It should also ensure that the information obtained in the performance of customer due diligence is not used by obliged entities to pursue de-risking practices which may result in circumventing other legal obligations, in particular those laid down in Directive 2014/92 of the European Parliament and of the Council[1] or Directive 2015/2366 of the European Parliament and of the Council[2], without achieving the Union's objectives in the prevention of money laundering and terrorist financing. To enable the proper supervision of compliance with the customer due diligence obligations, it is important that obliged entities keep record of the actions undertaken and the information obtained during the customer due diligence process, irrespective of whether a new business relationship is established with them and of whether they have submitted a suspicious transaction report upon refusing to establish a business relationship. Where the obliged entity takes a decision to not enter into a business relationship with a prospective customer, the customer due diligence records should include the grounds for such a decision. This will enable supervisory authorities to assess whether obliged entities have	to achieve consistent, and consistently effective, understanding of the risks associated with an existing or prospective customer regardless of where the business relationship is opened in the Union, and their harmonisation will help to achieve this aim. It should also ensure that the information obtained in the performance of customer due diligence is not used by obliged entities to pursue de-risking practices which may result in circumventing other legal obligations, in particular those laid down in Directive ~~2014/92~~***2014/92/EU*** of the European Parliament and of the Council[1] or Directive ***(EU)*** 2015/2366 of the European Parliament and of the Council[2], without achieving the Union's objectives in the prevention of money laundering and terrorist financing. To enable the proper supervision of compliance with the customer due diligence obligations, it is important that obliged entities keep record of the actions undertaken and the information obtained during the customer due diligence process, irrespective of whether a new business relationship is established with them and of whether they have submitted a suspicious transaction report upon refusing to establish a business relationship. Where the obliged entity takes a decision to not enter into a	achieve consistent, and consistently effective, understanding of the risks associated with an existing or prospective customer regardless of where the business relationship is opened in the Union, and their harmonisation will help to achieve this aim. It should also ensure that the information obtained in the performance of customer due diligence is not used by obliged entities to pursue de-risking practices which may result in circumventing other legal obligations, in particular those laid down in Directive 2014/92 of the European Parliament and of the Council[1] or Directive 2015/2366 of the European Parliament and of the Council[2], without achieving the Union's objectives in the prevention of money laundering and terrorist financing. To enable the proper supervision of compliance with the customer due diligence obligations, it is important that obliged entities keep record of the actions undertaken and the information obtained during the customer due diligence process, irrespective of whether a new business relationship is established with them and of whether they have submitted a suspicious transaction report upon refusing to establish a business relationship. Where the obliged entity takes a decision to not enter into a business relationship with a prospective customer, the customer due diligence records should include the grounds for such a decision. This will enable supervisory authorities to assess whether obliged entities have appropriately calibrated

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	appropriately calibrated their customer due diligence practices and how the entity's risk exposure evolves, as well as help building statistical evidence on the application of customer due diligence rules by obliged entities throughout the Union. __________ 1. Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (OJ L 257, 28.8.2014, p. 214). 2. Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35).	business relationship with a prospective customer, the customer due diligence records should include the grounds for such a decision. This will enable supervisory authorities to assess whether obliged entities have appropriately calibrated their customer due diligence practices and how the entity's risk exposure evolves, as well as help building statistical evidence on the application of customer due diligence rules by obliged entities throughout the Union. __________ 1. Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (OJ L 257, 28.8.2014, p. 214). 2. Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35).	their customer due diligence practices and how the entity's risk exposure evolves, as well as help building statistical evidence on the application of customer due diligence rules by obliged entities throughout the Union. __________ 1. Directive 2014/92/EU of the European Parliament and of the Council of 23 July 2014 on the comparability of fees related to payment accounts, payment account switching and access to payment accounts with basic features (OJ L 257, 28.8.2014, p. 214). 2. Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market, amending Directives 2002/65/EC, 2009/110/EC and 2013/36/EU and Regulation (EU) No 1093/2010, and repealing Directive 2007/64/EC (OJ L 337, 23.12.2015, p. 35).
53	(43) The approach for the review of existing customers in the current AML/CFT framework is already risk-based. However, given the higher risk of money laundering, its predicate offences and terrorist financing associated with	(43) The approach for the review of existing customers in the current AML/CFT framework is already risk-based. However, given the higher risk of money laundering, its predicate offences	(43) The approach for the review of existing customers in the current AML/CFT framework is already risk-based. However, given the higher risk of money laundering, its predicate offences and terrorist financing associated with certain

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	certain intermediary structures, that approach might not allow for the timely detection and assessment of risks. It is therefore important to ensure that clearly specified categories of existing customers are also monitored on a regular basis.	and terrorist financing associated with certain intermediary structures, that approach might not allow for the timely detection and assessment of risks. It is therefore important to ensure that clearly specified categories of existing customers are also monitored on a regular basis.	intermediary structures, that approach might not allow for the timely detection and assessment of risks. It is therefore important to ensure that clearly specified categories of existing customers are also monitored on a regular basis.
54	(44) Risk itself is variable in nature, and the variables, on their own or in combination, may increase or decrease the potential risk posed, thus having an impact on the appropriate level of preventive measures, such as customer due diligence measures.	(44) Risk itself is variable in nature, and the variables, on their own or in combination, may increase or decrease the potential risk posed, thus having an impact on the appropriate level of preventive measures, such as customer due diligence measures.	(44) Risk itself is variable in nature, and the variables, on their own or in combination, may increase or decrease the potential risk posed, thus having an impact on the appropriate level of preventive measures, such as customer due diligence measures.
55	(45) In low risk situations, obliged entities should be able to apply simplified customer due diligence measures. This does not equate to an exemption or absence of customer due diligence measures. It rather consists in a simplified or reduced set of scrutiny measures, which should however address all components of the standard customer due diligence procedure. In line with the risk-based approach, obliged entities should nevertheless be able to reduce the frequency or intensity of their customer or transaction scrutiny, or rely on	(45) In low risk situations, obliged entities should be able to apply simplified customer due diligence measures. This does not equate to an exemption or absence of customer due diligence measures. It rather consists in a simplified or reduced set of scrutiny measures, which should however address all components of the standard customer due diligence procedure. In line with the risk-based approach, obliged entities should nevertheless be able to reduce the	(45) In low risk situations, obliged entities should be able to apply simplified customer due diligence measures. This does not equate to an exemption or absence of customer due diligence measures. It rather consists in a simplified or reduced set of scrutiny measures, which should however address all components of the standard customer due diligence procedure. In line with the risk-based approach, obliged entities should nevertheless be able to reduce the frequency or intensity of their customer or transaction scrutiny, or rely on adequate assumptions with

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	adequate assumptions with regard to the purpose of the business relationship or use of simple products. The regulatory technical standards on customer due diligence should set out the specific simplified measures that obliged entities may implement in case of lower risk situations identified in the Supranational Risk Assessment of the Commission. When developing draft regulatory technical standards, AMLA should have due regard to preserving social and financial inclusion.	frequency or intensity of their customer or transaction scrutiny, or rely on adequate assumptions with regard to the purpose of the business relationship or use of simple products. The regulatory technical standards on customer due diligence should set out the specific simplified measures that obliged entities may implement in case of lower risk situations identified in the Supranational Risk Assessment of the Commission. When developing draft regulatory technical standards, AMLA should have due regard to preserving social and financial inclusion.	regard to the purpose of the business relationship or use of simple products. The regulatory technical standards on customer due diligence should set out the specific simplified measures that obliged entities may implement in case of lower risk situations identified in the Supranational Risk Assessment of the Commission. When developing draft regulatory technical standards, AMLA should have due regard to preserving social and financial inclusion.
56	(46) It should be recognised that certain situations present a greater risk of money laundering or terrorist financing. Although the identity and business profile of all customers should be established with the regular application of customer due diligence requirements, there are cases in which particularly rigorous customer identification and verification procedures are required. Therefore, it is necessary to lay down detailed rules on such enhanced due diligence measures, including specific enhanced due diligence measures for cross-border correspondent relationships.	(46) It should be recognised that certain situations present a greater risk of money laundering or terrorist financing. Although the identity and business profile of all customers should be established with the regular application of customer due diligence requirements, there are cases in which particularly rigorous customer identification and verification procedures are required. Therefore, it is necessary to lay down detailed rules on such enhanced due diligence measures, including specific enhanced due diligence measures for cross-border correspondent	(46) It should be recognised that certain situations present a greater risk of money laundering or terrorist financing. Although the identity and business profile of all customers should be established with the regular application of customer due diligence requirements, there are cases in which particularly rigorous customer identification and verification procedures are required. Therefore, it is necessary to lay down detailed rules on such enhanced due diligence measures, including specific enhanced due diligence measures for cross-border correspondent relationships.

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		relationships.	
57	(47) Cross-border correspondent relationships with a third-country's respondent institution are characterised by their on-going, repetitive nature. Moreover, not all cross-border correspondent banking services present the same level of money laundering and terrorist financing risks. Therefore, the intensity of the enhanced due diligence measures should be determined by application of the principles of the risk based approach. However, the risk based approach should not be applied when interacting with third-country's respondent institutions that have no physical presence where they are incorporated. Given the high risk of money laundering and terrorist financing inherent in shell banks, credit institutions and financial institutions should refrain from entertaining any correspondent relationship with such shell banks.	(47) Cross-border correspondent relationships with a third-country's respondent institution are characterised by their on-going, repetitive nature. Moreover, not all cross-border correspondent banking services present the same level of money laundering and terrorist financing risks. Therefore, the intensity of the enhanced due diligence measures should be determined by application of the principles of the risk based approach. However, the risk based approach should not be applied when interacting with third-country's respondent institutions that have no physical presence where they are incorporated. Given the high risk of money laundering and terrorist financing inherent in shell banks, credit institutions and financial institutions should refrain from entertaining any correspondent relationship with such shell banks.	(47) Cross-border correspondent relationships with a third-country's respondent institution are characterised by their on-going, repetitive nature. Moreover, not all cross-border correspondent banking services present the same level of money laundering and terrorist financing risks. Therefore, the intensity of the enhanced due diligence measures should be determined by application of the principles of the risk based approach. However, the risk based approach should not be applied when interacting with third-country's respondent institutions that have no physical presence where they are incorporated ***or with unregistered and unlicensed entities providing crypto-asset services***. Given the high risk of money laundering and terrorist financing inherent in shell banks ***and unregistered and unlicensed entities***, credit institutions and financial institutions should refrain from entertaining any correspondent relationship with such shell banks ***and with unregistered and unlicensed entities providing crypto-asset services. In order to facilitate compliance by obliged entities, AMLA should establish and maintain a non-exhaustive public register of entities identified as shell banks or unregistered or unlicensed crypto-asset service***

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			providers on the basis of information submitted by competent authorities, supervisors and other obliged entities. The inclusion of a specific entity in the public register is merely indicative and should not replace the obligation on obliged entities to take adequate and effective measures to comply with the prohibition on entering into a correspondent relationship with those entities.
58	(48) In the context of enhanced due diligence measures, obtaining approval from senior management for establishing business relationships does not need to imply, in all cases, obtaining approval from the board of directors. It should be possible for such approval to be granted by someone with sufficient knowledge of the entity's money laundering and terrorist financing risk exposure and of sufficient seniority to take decisions affecting its risk exposure.	(48) In the context of enhanced due diligence measures, obtaining approval from senior management for establishing business relationships does not need to imply, in all cases, obtaining approval from the board of directors. It should be possible for such approval to be granted by someone with sufficient knowledge of the entity's money laundering and terrorist financing risk exposure and of sufficient seniority to take decisions affecting its risk exposure.	(48) In the context of enhanced due diligence measures, obtaining approval from senior management for establishing business relationships does not need to imply, in all cases, obtaining approval from the board of directors. It should be possible for such approval to be granted by someone with sufficient knowledge of the entity's money laundering and terrorist financing risk exposure and of sufficient seniority to take decisions affecting its risk exposure.
58a			***(48a) Self-hosted addresses enable their users to receive, send and exchange crypto-assets across the world, without revealing their identity or being subject to any customer due diligence measures. While transactions***

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			recorded on the distributed ledger can be traced back to a particular self-hosted address, it may be very difficult or impossible to link such address to a real person. For that reason, it is possible to misuse self-hosted addresses to conceal criminal activities or circumvent targeted financial sanctions. In order to manage and mitigate those risks appropriately, crypto-asset service providers should be required to establish, to the extent possible, the identity of the originator or beneficiary of a transaction made from or to a self-hosted address and apply any additional enhanced due diligence measures adequate to the level of risk identified. Crypto-asset service providers can rely on secure and trusted means of verification performed by third parties. The verification requirement should not be interpreted as implying onboarding the person who owns or controls the self-hosted address as a customer. In order to ensure consistent application of this Regulation, AMLA should develop draft regulatory technical standards to specify, taking into account the latest technological developments, the criteria and means for the identification and verification of the originator or beneficiary of a transaction with a self-hosted address.
59	(49) In order to protect the proper functioning	(49) ~~In order to protect the proper~~	(49) In order to protect the proper functioning

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	of the Union financial system from money laundering and terrorist financing, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission to identify third countries, whose shortcomings in their national AML/CFT regimes represent a threat to the integrity of the Union's internal market. The changing nature of money laundering and terrorist financing threats from outside the Union, facilitated by a constant evolution of technology and of the means at the disposal of criminals, requires that quick and continuous adaptations of the legal framework as regards third countries be made in order to address efficiently existing risks and prevent new ones from arising. The Commission should take into account information from international organisations and standard setters in the field of AML/CFT, such as FATF public statements, mutual evaluation or detailed assessment reports or published follow-up reports, and adapt its assessments to the changes therein, where appropriate.	~~*functioning of the Union financial system from money laundering and terrorist financing, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission to identify third countries, whose shortcomings in their national AML/CFT regimes represent a threat to the integrity of the Union's internal market. The changing nature of money laundering and terrorist financing threats from outside the Union, facilitated by a constant evolution of technology and of the means at the disposal of criminals, requires that quick and continuous adaptations of the legal framework as regards third countries be made in order to address efficiently existing risks and prevent new ones from arising. The Commission should take into account information from international organisations and standard setters in the field of AML/CFT, such as FATF public statements, mutual evaluation or detailed assessment reports or published follow-up reports, and adapt its assessments to the changes therein, where appropriate.*~~***Deleted***	of the Union financial system from money laundering and terrorist financing, the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union (TFEU) should be delegated to the Commission to identify third countries, whose shortcomings in their national AML/CFT regimes represent a threat to the integrity of the Union's internal market. The changing nature of money laundering and terrorist financing threats from outside the Union, facilitated by a constant evolution of technology and of the means at the disposal of criminals, requires that quick and continuous adaptations of the legal framework as regards third countries be made in order to address efficiently existing risks and prevent new ones from arising. The Commission should take into account information from ***other Union institutions, bodies and agencies, competent authorities, civil society organisations, academia, and by*** international organisations and standard setters in the field of AML/CFT, such as FATF public statements, mutual evaluation or detailed assessment reports or published follow-up reports, and adapt its assessments to the changes therein, where appropriate.
60			

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	(50) Third countries "subject to a call for action" by the relevant international standard-setter (the FATF) present significant strategic deficiencies of a persistent nature in their legal and institutional AML/CFT frameworks and their implementation which are likely to pose a high risk to the Union's financial system. The persistent nature of the significant strategic deficiencies, reflective of the lack of commitment or continued failure by the third country to tackle them, signal a heightened level of threat emanating from those third countries, which requires an effective, consistent and harmonised mitigating response at Union level. Therefore, obliged entities should be required to apply the whole set of available enhanced due diligence measures to occasional transactions and business relationships involving those high-risk third countries to manage and mitigate the underlying risks. Furthermore, the high level of risk justifies the application of additional specific countermeasures, whether at the level of obliged entities or by the Member States. Such approach would avoid divergence in the determination of the relevant countermeasures, which would expose the entirety of Union's financial system to risks. Given its technical expertise, AMLA can provide useful input to the Commission in identifying the appropriate countermeasures.	(50) Third countries "subject to a call for action" by the relevant international standard-setter (the FATF) present significant strategic deficiencies of a persistent nature in their legal and institutional AML/CFT frameworks and their implementation which are likely to pose a high risk to the Union's financial system. The persistent nature of the significant strategic deficiencies, reflective of the lack of commitment or continued failure by the third country to tackle them, signal a heightened level of threat emanating from those third countries, which requires an effective, consistent and harmonised mitigating response at Union level. ***It is*** therefore~~, obliged entities should be required to apply the whole set of available enhanced due diligence measures to occasional transactions and business relationships involving those high-risk~~ ***of the utmost importance that list of those countries developed by FATF is transcribed into EU list of higher-risk third countries in timely manner. European Commission, which is member to the FATF, shall closely participate in the development of FATF list, in order to make sure that all third countries on that list indeed present significant strategic deficiencies of a persistent nature in their legal and***	(50) Third countries "subject to a call for action" by the relevant international standard-setter (the FATF) present significant strategic deficiencies of a persistent nature in their legal and institutional AML/CFT frameworks and their implementation which are likely to pose a high risk to the Union's financial system. The persistent nature of the significant strategic deficiencies, reflective of the lack of commitment or continued failure by the third country to tackle them, signal a heightened level of threat emanating from those third countries, which requires an effective, consistent and harmonised mitigating response at Union level. Therefore, obliged entities should be required to apply the whole set of available enhanced due diligence measures to occasional transactions and business relationships involving those high-risk third countries to manage and mitigate the underlying risks. Furthermore, the high level of risk justifies the application of additional specific countermeasures, whether at the level of obliged entities or by the Member States. Such approach would avoid divergence in the determination of the relevant countermeasures, which would expose the entirety of Union's financial system to risks. Given its technical expertise, AMLA can provide useful input to the Commission in identifying the appropriate countermeasures.

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		institutional AML/CFT frameworks and their implementation. Such safeguard ensures that third countries***, that could be hypothetically listed by FATF on other grounds as a result of a mistake, are not listed by EU. However, such mistake is very improbable, also because 14 Member States and the Commission are members of the FATF. Therefore, it is improbable that EU lists will deviate from FATF lists.*** ~~*to manage and mitigate the underlying risks. Furthermore, the high level of risk justifies the application of additional specific countermeasures, whether*~~ At the ~~*level of obliged entities or*~~***same time, such arrangement does not require the Commission to redo the identification process performed*** by the ~~*Member States. Such approach would avoid divergence in the determination of the relevant*~~***FATF, which ensures that FATF lists are transcribed in timely manner and that wasting of resources is avoided. In order to mitigate risks stemming from higher-risk third countries, it is necessary that obliged entities apply specific enhanced due diligence measures and*** countermeasures***. In order to ensure uniform conditions for implementing this principle by obliged entities, it is necessary that the Commission adopts implementing act***	

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		providing for specific enhanced due diligence measures and countermeasures to mitigate~~, which would expose the entirety of Union's financial system to~~ risks ***stemming from each higher-risk third country***. Given its technical expertise, AMLA can provide useful input to the Commission in identifying the appropriate ***enhanced due diligence measures and*** countermeasures. ***In order to be fully compliant with FATF Recommendation 19, it is necessary that Member States are able to mandate obliged entities established on their territory to apply specific additional countermeasures to mitigate risk posed by third country to that Member State, even where that third country is not listed by FATF.***	
61	(51) Compliance weaknesses in both the legal and institutional AML/CFT framework and its implementation of third countries which are subject to "increased monitoring" by the FATF are susceptible to be exploited by criminals. This is likely to represent a risk for the Union's financial system, which needs to be managed and mitigated. The commitment of these third countries to address identified weaknesses, while not eliminating the risk, justifies a	(51) Compliance weaknesses in both the legal and institutional AML/CFT framework and its implementation of third countries which are subject to "increased monitoring" by the FATF~~–~~ are susceptible to be exploited by criminals. ~~This is likely to represent a risk for the Union's financial system, which needs to be managed and mitigated. The commitment of these~~***In order to mitigate***	(51) Compliance weaknesses in both the legal and institutional AML/CFT framework and its implementation of third countries which are subject to "increased monitoring" by the FATF are susceptible to be exploited by criminals. This is likely to represent a risk for the Union's financial system, which needs to be managed and mitigated. The commitment of these third countries to address identified weaknesses, while not eliminating the risk, justifies a

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	mitigating response, which is less severe than the one applicable to high-risk third countries. In these cases, Union's obliged entities should apply enhanced due diligence measures to occasional transactions and business relationships when dealing with natural persons or legal entities established in those third countries that are tailored to the specific weaknesses identified in each third country. Such granular identification of the enhanced due diligence measures to be applied would, in line with the risk-based approach, also ensure that the measures are proportionate to the level of risk. To ensure such consistent and proportionate approach, the Commission should be able to identify which specific enhanced due diligence measures are required in order to mitigate country-specific risks. Given AMLA's technical expertise, it can provide useful input to the Commission to identify the appropriate enhanced due diligence measures.	***risks stemming from such*** third countries ~~to address identified weaknesses, while not eliminating the risk, justifies a mitigating response, which is less severe than the one applicable to high-risk third countries. In these cases, Union's~~***, it is necessary that*** obliged entities ~~should~~ apply ***specific*** enhanced due diligence measures ~~to occasional transactions and business relationships when dealing with natural persons or legal entities established in those third countries that are tailored to the specific weaknesses identified in each third country. Such granular identification of the enhanced due diligence measures to be applied would, in line with the risk-based approach, also ensure~~***and countermeasures. In order to ensure uniform conditions for implementing this principle by obliged entities, it is necessary*** that the ~~measures are proportionate to the level of risk. To ensure such consistent and proportionate approach, the~~ Commission ~~should be able to identify which~~***adopts implementing act providing for*** specific enhanced due diligence measures ~~are required in order to mitigate country-specific risks~~***to mitigate risks stemming from each higher-risk third country***. Given AMLA's technical expertise, it can	mitigating response, which is less severe than the one applicable to high-risk third countries. In these cases, Union's obliged entities should apply enhanced due diligence measures to occasional transactions and business relationships when dealing with natural persons or legal entities established in those third countries that are tailored to the specific weaknesses identified in each third country. Such granular identification of the enhanced due diligence measures to be applied would, in line with the risk-based approach, also ensure that the measures are proportionate to the level of risk. To ensure such consistent and proportionate approach, the Commission should be able to identify which specific enhanced due diligence measures are required in order to mitigate country-specific risks. Given AMLA's technical expertise, it can provide useful input to the Commission to identify the appropriate enhanced due diligence measures.

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		provide useful input to the Commission to identify the appropriate enhanced due diligence measures.	
62	(52) Countries that are not publicly identified as subject to calls for actions or increased monitoring by international standard setters might still pose a threat to the integrity of the Union's financial system. To mitigate those risks, it should be possible for the Commission to take action by identifying, based on a clear set of criteria and with the support of AMLA, third countries posing a specific and serious threat to the Union's financial system, which may be due to either compliance weaknesses or significant strategic deficiencies of a persistent nature in their AML/CFT regime, and the relevant mitigating measures. Those third countries should be identified by the Commission. According to the level of risk posed to the Union's financial system, the Commission should require the application of either all enhanced due diligence measures and country-specific countermeasures, as it is the case for high-risk third countries, or country-specific enhanced customer due diligence, such as in the case of third countries with compliance weaknesses.	(52) ~~*Countries that are not publicly identified as subject to calls for actions or increased monitoring by international standard setters might still pose a threat to the integrity of the Union's financial system. To mitigate those risks, it should be possible for the Commission to take action by identifying, based on a clear set of criteria and with the support of AMLA, third countries posing a specific and serious threat to the Union's financial system, which may be due to either compliance weaknesses or significant strategic deficiencies of a persistent nature in their AML/CFT regime, and the relevant mitigating measures. Those third countries should be identified by the Commission. According to the level of risk posed to the Union's financial system, the Commission should require the application of either all enhanced due diligence measures and country-specific countermeasures, as it is the case for high-risk third countries, or country-specific enhanced customer due diligence, such as in the case of third countries with*~~	(52) Countries that are not publicly identified as subject to calls for actions or increased monitoring by international standard setters might still pose a threat to the integrity of the Union's financial system ***and the orderly functioning of the internal market. AMLA should monitor developments in third countries and assess the related threats and risks for the Union***. To mitigate those risks, it should be possible for ~~*the Commission*~~***AMLA*** to take action by identifying, based on a clear set of criteria and with the support of ~~*AMLA*~~***other Union institutions, bodies and agencies, and competent authorities, analysis by civil society organisations and academia, as well as assessments or reports drawn up by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing***, third countries ***or territories*** posing a specific and serious threat to the Union's financial system, which may be due to either compliance weaknesses or significant strategic deficiencies of a persistent nature in their AML/CFT regime, and the relevant mitigating measures. ~~*Those third countries*~~***For***

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		~~compliance weaknesses.~~***Deleted***	***that purpose, AMLA*** should ***develop draft regulatory technical standards to identify specific enhanced due diligence measures to be applied by obliged entities to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from a high third country that poses a specific and serious threat to the Union***~~be identified by the Commission~~. According to the level of risk posed to the Union's financial system, ~~the Commission~~***AMLA*** should require the application of either all enhanced due diligence measures ~~and~~***or*** country-specific ~~countermeasures, as it is the case for high-risk third countries, or country-specific enhanced customer due diligence, such as in the case of third countries with compliance weaknesses~~***enhanced customer due diligence, If the threat to the Union's financial system persists and no effective measures have been taken by the third country to mitigate the high risks, the Commission, after consulting with AMLA, should be able to require the application of additional countermeasure***.
63	(53) Considering that there may be changes in the AML/CFT frameworks of those third countries or in their implementation, for example as result of the country's commitment to address the identified weaknesses or of the	(53) Considering that there may be changes in the AML/CFT frameworks of those third countries or in their implementation, for example as result of the country's commitment to address the	(53) Considering that there may be changes in the AML/CFT frameworks of those third countries ~~or~~ in their implementation, for example as result of the country's commitment to address the identified weaknesses or of the

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	adoption of relevant AML/CFT measures to tackle them, which could change the nature and level of the risks emanating from them, the Commission should regularly review the identification of those specific enhanced due diligence measures in order to ensure that they remain proportionate and adequate.	identified weaknesses or of the adoption of relevant AML/CFT measures to tackle them, which could change the nature and level of the risks emanating from them, the Commission should regularly review the identification of those specific enhanced due diligence measures in order to ensure that they remain proportionate and adequate.	adoption of relevant AML/CFT measures to tackle them, which could change the nature and level of the risks emanating from them, the Commission should regularly review the identification of those specific enhanced due diligence measures in order to ensure that they remain proportionate and adequate. ***The Commission should publish such reviews.***
63a			***(53a) Certain credit or financial institutions not established in the Union could also pose a specific and serious threat to the financial system of the Union. To mitigate that threat, AMLA should be able, on its own initiative or at the request of the specific bodies set out in this Regulation, to take action by identifying credit or financial institutions not established in the Union which pose a specific and serious threat to the Union's financial system. Depending on the level of risk posed to the Union's financial system, AMLA should require selected obliged entities to apply concrete measures to mitigate risks and should be able to adopt decisions addressed to financial supervisors to ensure that non-selected obliged entities apply uniform mitigating measures to the ones identified by AMLA.***

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64	(54) Potential external threats to the Union's financial system do not only emanate from third countries, but can also emerge in relation to specific customer risk factors or products, services, transactions or delivery channels which are observed in relation to a specific geographical area outside the Union. There is therefore a need to identify money laundering and terrorist financing trends, risks and methods to which Union's obliged entities may be exposed. AMLA is best placed to detect any emerging ML/TF typologies from outside the Union, to monitor their evolution with a view to providing guidance to the Union's obliged entities on the need to apply enhanced due diligence measures aimed at mitigating such risks.	(54) Potential external threats to the Union's financial system do not only emanate from third countries, but can also emerge in relation to specific customer risk factors or products, services, transactions or delivery channels which are observed in relation to a specific geographical area outside the Union. There is therefore a need to identify money laundering and terrorist financing trends, risks and methods to which Union's obliged entities may be exposed. AMLA is best placed to detect any emerging ML/TF typologies from outside the Union, to monitor their evolution with a view to providing guidance to the Union's obliged entities on the need to apply enhanced due diligence measures aimed at mitigating such risks.	(54) Potential external threats to the Union's financial system do not only emanate from third countries, but can also emerge in relation to specific customer risk factors or products, services, transactions or delivery channels which are observed in relation to a specific geographical area outside the Union. There is therefore a need to identify money laundering and terrorist financing trends, risks and methods to which Union's obliged entities may be exposed. AMLA***, with the support of other Union bodies and agencies, including Europol, already involved in the AML/CFT framework, and competent authorities,*** is best placed to detect any emerging ML/TF typologies from outside the Union, to monitor their evolution with a view to providing guidance to the Union's obliged entities on the need to apply enhanced due diligence measures aimed at mitigating such risks.
65	(55) Relationships with individuals who hold or who have held important public functions, within the Union or internationally, and particularly individuals from countries where corruption is widespread, may expose the financial sector to significant reputational and legal risks. The international effort to combat corruption also justifies the need to pay	(55) Relationships with individuals who hold or who have held important public functions, within the Union or internationally, and particularly individuals from countries where corruption is widespread, may expose the financial sector to significant reputational and legal risks. The international effort to	(55) Relationships with individuals who hold or who have held important public functions, within the Union or internationally, and particularly individuals from countries where corruption is widespread, may expose the financial sector to significant reputational and legal risks. The international effort to combat corruption also justifies the need to pay

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	particular attention to such persons and to apply appropriate enhanced customer due diligence measures with respect to persons who are or who have been entrusted with prominent public functions and with respect to senior figures in international organisations. Therefore, it is necessary to specify measures which obliged entities should apply with respect to transactions or business relationships with politically exposed persons. To facilitate the risk-based approach, AMLA should be tasked with issuing guidelines on assessing the level of risks associated with a particular category of politically exposed persons, their family members or persons known to be close associates.	combat corruption also justifies the need to pay particular attention to such persons and to apply appropriate enhanced customer due diligence measures with respect to persons who are or who have been entrusted with prominent public functions and with respect to senior figures in international organisations. Therefore, it is necessary to specify measures which obliged entities should apply with respect to transactions or business relationships with politically exposed persons. To facilitate the risk-based approach, AMLA should be tasked with issuing guidelines on assessing the level of risks associated with a particular category of politically exposed persons, their family members or persons known to be close associates.	particular attention to such persons and to apply appropriate enhanced customer due diligence measures with respect to persons who are or who have been entrusted with prominent public functions and with respect to senior figures in international organisations. Therefore, it is necessary to specify measures which obliged entities should apply with respect to transactions or business relationships with politically exposed persons. To facilitate the risk-based approach, AMLA should be tasked with issuing guidelines on assessing the level of risks associated with a particular category of politically exposed persons, their family members or persons known to be close associates.
66	(56) In order to identify politically exposed persons in the Union, lists should be issued by Member States indicating the specific functions which, in accordance with national laws, regulations and administrative provisions, qualify as prominent public functions. Member States should request each international organisation accredited on their territories to issue and keep up to date a list of prominent public functions at that international	(56) In order to identify politically exposed persons in the Union, lists should be issued by Member States indicating the specific functions which, in accordance with national laws, regulations and administrative provisions, qualify as prominent public functions. Member States should request each international organisation accredited on their territories to issue and keep up to date a list of	(56) In order to identify politically exposed persons in the Union, lists should be issued by Member States indicating the specific functions which, in accordance with national laws, regulations and administrative provisions, qualify as prominent public functions. Member States should request each international organisation accredited on their territories to issue and keep up to date a list of prominent public functions at that international

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	organisation. The Commission should be tasked with compiling and issuing a list, which should be valid across the Union, as regards persons entrusted with prominent public functions in Union institutions or bodies.	prominent public functions at that international organisation. The Commission should be tasked with compiling and issuing a list, which should be valid across the Union, as regards persons entrusted with prominent public functions in Union institutions or bodies.	organisation. The Commission should be tasked with compiling and issuing a list, which should be valid across the Union, as regards persons entrusted with prominent public functions in Union institutions or bodies.
67	(57) When customers are no longer entrusted with a prominent public function, they can still pose a higher risk, for example because of the informal influence they could still exercise, or because their previous and current functions are linked. It is essential that obliged entities take into consideration those continuing risks and apply one or more enhanced due diligence measures until such time that the individuals are deemed to pose no further risk, and in any case for not less than 12 months following the time when they are no longer entrusted with a prominent public function.	(57) When customers are no longer entrusted with a prominent public function, they can still pose a higher risk, for example because of the informal influence they could still exercise, or because their previous and current functions are linked. It is essential that obliged entities take into consideration those continuing risks and apply one or more enhanced due diligence measures until such time that the individuals are deemed to pose no further risk, and in any case for not less than 12 months following the time when they are no longer entrusted with a prominent public function.	(57) When customers are no longer entrusted with a prominent public function, they can still pose a higher risk, for example because of the informal influence they could still exercise, or because their previous and current functions are linked. It is essential that obliged entities take into consideration those continuing risks and apply one or more enhanced due diligence measures until such time that the individuals are deemed to pose no further risk, and in any case for not less than ~~12~~***24*** months following the time when they are no longer entrusted with a prominent public function.
68	(58) Insurance companies often do not have client relationships with beneficiaries of the insurance policies. However, they should be	(58) Insurance companies often do not have client relationships with beneficiaries of the insurance policies.	(58) Insurance companies often do not have client relationships with beneficiaries of the insurance policies. However, they should be

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	able to identify higher risk situations, such as when the proceeds of the policy benefit a politically exposed person. To determine whether this is the case, the insurance policy should include reasonable measures to identify the beneficiary, as if this person were a new client. Such measures can be taken at the time of the payout or at the time of the assignment of the policy, but not later.	However, they should be able to identify higher risk situations, such as when the proceeds of the policy benefit a politically exposed person. To determine whether this is the case, the insurance policy should include reasonable measures to identify the beneficiary, as if this person were a new client. Such measures can be taken at the time of the payout or at the time of the assignment of the policy, but not later.	able to identify higher risk situations, such as when the proceeds of the policy benefit a politically exposed person. To determine whether this is the case, the insurance policy should include reasonable measures to identify the beneficiary, as if this person were a new client. Such measures can be taken at the time of the payout or at the time of the assignment of the policy, but not later.
69	(59) Close private and professional relationships can be abused for money laundering and terrorist financing purposes. For that reason, measures concerning politically exposed persons should also apply to their family members and persons known to be close associates. Properly identifying family members and persons known to be close associates may depend on the socio-economic and cultural structure of the country of the politically exposed person. Against this background, AMLA should have the task of issuing guidelines on the criteria to use to identify persons who should be considered as close associate.	(59) Close private and professional relationships can be abused for money laundering and terrorist financing purposes. For that reason, measures concerning politically exposed persons should also apply to their family members and persons known to be close associates. Properly identifying family members and persons known to be close associates may depend on the socio-economic and cultural structure of the country of the politically exposed person. Against this background, AMLA should have the task of issuing guidelines on the criteria to use to identify persons who should be considered as close associate.	(59) Close private and professional relationships can be abused for money laundering and terrorist financing purposes. For that reason, measures concerning politically exposed persons should also apply to their family members and persons known to be close associates. Properly identifying family members and persons known to be close associates may depend on the socio-economic and cultural structure of the country of the politically exposed person. Against this background, AMLA should have the task of issuing guidelines on the criteria to use to identify persons who should be considered as close associate.

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70	(60) The requirements relating to politically exposed persons, their family members and close associates, are of a preventive and not criminal nature, and should not be interpreted as stigmatising politically exposed persons as being involved in criminal activity. Refusing a business relationship with a person simply on the basis of a determination that they are a politically exposed person is contrary to the letter and spirit of this Regulation.	(60) The requirements relating to politically exposed persons, their family members and close associates, are of a preventive and not criminal nature, and should not be interpreted as stigmatising politically exposed persons***, their family members or close associates*** as being involved in criminal activity. Refusing a business relationship with a person simply on the basis of a determination that they are a politically exposed person***, their relative or a close associate*** is contrary to the letter and spirit of this Regulation.	(60) The requirements relating to politically exposed persons, their family members and close associates, are of a preventive and not criminal nature, and should not be interpreted as stigmatising politically exposed persons as being involved in criminal activity. Refusing a business relationship with a person simply on the basis of a determination that they are a politically exposed person is contrary to the letter and spirit of this Regulation.
70a			***(60a) Business relationships and occasional transactions involving high-net-worth customers who present one or several factors of high risk could seriously compromise the integrity of the Union's financial system and cause serious vulnerabilities in the internal market. Obliged entities should therefore determine on a risk-sensitive basis whether the customer or the beneficial owner of the customer is a high-risk high net worth individual in the course of due diligence procedures. Where an obliged entity identifies that a customer or the beneficial owner of a customer is a high-risk high net worth individual, it should apply specific enhanced***

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			customer due diligence measures as laid down in this Regulation with respect to those customers.
71	(61) In order to avoid repeated customer identification procedures, it is appropriate, subject to suitable safeguards, to allow obliged entities to rely on the customer information collected by other obliged entities. Where an obliged entity relies on another obliged entity, the ultimate responsibility for customer due diligence should remain with the obliged entity which chooses to rely on the customer due diligence performed by another obliged entity. The obliged entity relied upon should also retain its own responsibility for compliance with AML/CFT requirements, including the requirement to report suspicious transactions and retain records.	(61) In order to avoid repeated customer identification procedures, it is appropriate, subject to suitable safeguards, to allow obliged entities to rely on the customer information collected by other obliged entities. Where an obliged entity relies on another obliged entity, the ultimate responsibility for customer due diligence should remain with the obliged entity which chooses to rely on the customer due diligence performed by another obliged entity. The obliged entity relied upon should also retain its own responsibility for compliance with AML/CFT requirements, including the requirement to report suspicious transactions and retain records.	(61) In order to avoid repeated customer identification procedures, it is appropriate, subject to suitable safeguards, to allow obliged entities to rely on the customer information collected by other obliged entities. Where an obliged entity relies on another obliged entity, the ultimate responsibility for customer due diligence should remain with the obliged entity which chooses to rely on the customer due diligence performed by another obliged entity. The obliged entity relied upon should also retain its own responsibility for compliance with AML/CFT requirements, including the requirement to report suspicious transactions and retain records.
72	(62) Obliged entities may outsource tasks relating to the performance of customer due diligence to an agent or external service provider, unless they are established in third countries that are designated as high-risk, as having compliance weaknesses or as posing a	(62) Obliged entities may outsource tasks ~~relating to the performance of customer due diligence to an~~***to a service provider, including*** agent***, distributor and another group member***~~ or external service provider~~, unless they are established in	(62) Obliged entities may outsource tasks relating to the performance of customer due diligence to an agent or external service provider~~,~~ unless they are established in third countries that are designated as high-risk, as having compliance weaknesses or as posing a

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	threat to the Union's financial system. In the case of agency or outsourcing relationships on a contractual basis between obliged entities and external service providers not covered by AML/CFT requirements, any AML/CFT obligations upon those agents or outsourcing service providers could arise only from the contract between the parties and not from this Regulation. Therefore, the responsibility for complying with AML/CFT requirements should remain entirely with the obliged entity itself. The obliged entity should in particular ensure that, where an outsourced service provider is involved for the purposes of remote customer identification, the risk-based approach is respected.	third countries that are designated as high-risk, as having compliance weaknesses or as posing a threat to the Union's financial system. In the case of agency or outsourcing relationships on a contractual basis between obliged entities and ~~*external*~~ service providers not covered by AML/CFT requirements, any AML/CFT obligations upon those ~~*agents or outsourcing*~~ service providers could arise only from the contract between the parties and not from this Regulation. Therefore, the responsibility for complying with AML/CFT requirements should remain entirely with the obliged entity itself. The obliged entity should in particular ensure that, where an outsourced service provider is involved for the purposes of remote customer identification, the risk-based approach is respected. ***Intra-group outsourcing should be subject to the same regulatory framework as outsourcing to service providers outside the group.***	threat to the Union's financial system. ***Those outsourcing activities should support obliged entities, to obtain complete, timely and accurate information by using decision-making tools, such as global news, business, regulatory and legal databases.*** In the case of agency or outsourcing relationships on a contractual basis between obliged entities and external service providers not covered by AML/CFT requirements, any AML/CFT obligations upon those agents or outsourcing service providers could arise only from the contract between the parties and not from this Regulation. Therefore, the responsibility for complying with AML/CFT requirements should remain entirely with the obliged entity itself. The obliged entity should in particular ensure that, where an outsourced service provider is involved for the purposes of remote customer identification, the risk-based approach is respected. ***The outsourcing of tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider should not exempt the obliged entity from any obligation under Regulation (EU) 2016/679, including under Article 28 thereof.***
73	(63) In order for third party reliance and outsourcing relationships to function	(63) In order for third party reliance and outsourcing relationships to function	(63) In order for third party reliance and outsourcing relationships to function efficiently,

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	efficiently, further clarity is needed around the conditions according to which reliance takes place. AMLA should have the task of developing guidelines on the conditions under which third-party reliance and outsourcing can take place, as well as the roles and responsibilities of the respective parties. To ensure that consistent oversight of reliance and outsourcing practices is ensured throughout the Union, the guidelines should also provide clarity on how supervisors should take into account such practices and verify compliance with AML/CFT requirements when obliged entities resort to those practices.	efficiently, further clarity is needed around the conditions according to which reliance takes place. AMLA should have the task of developing guidelines on the conditions under which third-party reliance and outsourcing can take place, as well as the roles and responsibilities of the respective parties. To ensure that consistent oversight of reliance and outsourcing practices is ensured throughout the Union, the guidelines should also provide clarity on how supervisors should take into account such practices and verify compliance with AML/CFT requirements when obliged entities resort to those practices.	further clarity is needed around the conditions according to which reliance takes place. AMLA should have the task of developing guidelines on the conditions under which third-party reliance and outsourcing can take place, as well as the roles and responsibilities of the respective parties. To ensure that consistent oversight of reliance and outsourcing practices is ensured throughout the Union, the guidelines should also provide clarity on how supervisors should take into account such practices and verify compliance with AML/CFT requirements when obliged entities resort to those practices.
73a		***(63a) When outsourcing tasks deriving from requirements under this Regulation, the obliged entity remains the controller under Regulation (EU) 2016/679 of the European Parliament and of the Council[1] and thus would have to ensure full compliance with the requirements of Regulation (EU) 2016/679. Outsourcing tasks to external service providers in third countries has to follow the requirements of Chapter V of Regulation (EU) 2016/679; processors from third countries would also have to***	

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		designate in writing a representative in the Union (Article 27 of Regulation (EU) 2016/679). Furthermore, as this would regularly constitute processing within the meaning of Article 28 of Regulation (EU) 2016/679, a contract or other legal act would have to be concluded with the service provider. In that context, in order to ensure that the supervisory capacity of the data protection supervisory authorities is not restricted due to multiple outsourcing, service providers are not allowed to outsource the tasks mandated to them on their behalf. __________ ***1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L119, 4.5.2016, p. 1).***	
74	(64) The concept of beneficial ownership was introduced by Directive (EU) 2015/849 to increase transparency of complex corporate structures. The need to access accurate, up-to-date and adequate information on the beneficial owner is a key factor in tracing criminals who might otherwise be able to hide their identity behind such opaque structures. Member States	(64) The concept of beneficial ownership was introduced by Directive (EU) 2015/849 to increase transparency of complex corporate structures. The need to access accurate, up-to-date and adequate information on the beneficial owner is a key factor in tracing criminals who might otherwise be able to hide their identity	(64) The concept of beneficial ownership was introduced by Directive (EU) 2015/849 to increase transparency of complex corporate structures. The need to access accurate, up-to-date and adequate information on the beneficial owner is a key factor in tracing criminals who might otherwise be able to hide their identity behind such opaque structures. Member States

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	are currently required to ensure that both corporate and other legal entities as well as express trusts and other similar legal arrangements obtain and hold adequate, accurate and current information on their beneficial ownership. However, the degree of transparency imposed by Member States varies. The rules are subject to divergent interpretations, and this results in different methods to identify beneficial owners of a given entity or arrangement. This is due, inter alia, to inconsistent ways of calculating indirect ownership of an entity or arrangement. This hampers the transparency that was intended to be achieved. It is therefore necessary to clarify the rules to achieve a consistent definition of beneficial owner and its application across the internal market.	behind such opaque structures. Member States are currently required to ensure that both corporate and other legal entities as well as express trusts and other similar legal arrangements obtain and hold adequate, accurate and current information on their beneficial ownership. However, the degree of transparency imposed by Member States varies. The rules are subject to divergent interpretations, and this results in different methods to identify beneficial owners of a given ***legal*** entity or ***legal*** arrangement. This is due, inter alia, to inconsistent ways of calculating indirect ownership of ~~an~~***a legal*** entity or ***legal*** arrangement***, and differences between the legal systems of the Member States***. This hampers the transparency that was intended to be achieved. It is therefore necessary to clarify the rules to achieve a consistent definition of beneficial owner and its application across the internal market.	are currently required to ensure that both corporate and other legal entities as well as express trusts and other similar legal arrangements obtain and hold adequate, accurate and current information on their beneficial ownership. However, the degree of transparency imposed by Member States varies. The rules are subject to divergent interpretations, and this results in different methods to identify beneficial owners of a given entity or arrangement. This is due, inter alia, to inconsistent ways of calculating indirect ownership of an entity or arrangement. This hampers the transparency that was intended to be achieved. It is therefore necessary to clarify the rules to achieve a consistent definition of beneficial owner and its application across the internal market.
75	(65) Detailed rules should be laid down to identify the beneficial owners of corporate and other legal entities and to harmonise definitions of beneficial ownership. While a specified percentage shareholding or ownership interest does not automatically determine the beneficial	(65) Detailed rules should be laid down to identify the beneficial owners of corporate and other legal entities and to harmonise definitions of beneficial ownership. ~~*While a specified percentage shareholding or*~~***Beneficial*** ownership	(65) Detailed rules should be laid down to identify the beneficial owners of corporate and other legal entities and to harmonise definitions of beneficial ownership. While a specified percentage shareholding or ownership interest does not automatically determine the beneficial

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	owners, it should be one factor among others to be taken into account. Member States should be able, however, to decide that a percentage lower than 25% may be an indication of ownership or control. Control through ownership interest of 25% plus one of the shares or voting rights or other ownership interest should be assessed on every level of ownership, meaning that this threshold should apply to every link in the ownership structure and that every link in the ownership structure and the combination of them should be properly examined.	~~interest does not automatically determine the beneficial owners, it should be one factor among others to be taken into account. Member States should be able, however, to decide that a percentage lower than 25% may be an indication of ownership or control. Control through ownership interest of 25% plus one of the shares or voting rights or other ownership interest should be assessed on every level of ownership, meaning that this threshold should apply to every link in the ownership structure and that every link in the ownership structure and the combination of them should be properly examined~~***is based on two components – ownership and control. While these two factors might be fulfilled at the same time, they are essentially independent of one other. It is therefore important that both factors are analyzed in order to assess how control is exercised over a legal entity, and to identify all natural persons who are the beneficial owners of that legal entity***.	owners, it should be one factor among others to be taken into account. ~~Member States~~***Control through ownership interest*** should be ~~able, however, to decide that a percentage lower than 25% may be an indication of ownership or control. Control through~~***assessed on every level of ownership, meaning that the specific threshold should apply to every link level in the*** ownership ~~interest of 25% plus one of the shares or voting rights or other ownership interest~~***structure and that every level in the ownership structure and the combination of them*** should be ~~assessed on every level of ownership, meaning that this threshold~~***properly examined. In the event of indirect shareholding, the beneficial owners*** should ~~apply to every link~~***be identified by multiplying the shares*** in the ownership ~~structure and that every link in the ownership structure and the combination of them~~***chain. To that end, all shares directly or indirectly owned by the same natural person*** should be ~~properly examined~~***added together***.
76	(66) A meaningful identification of the beneficial owners requires a determination of whether control is exercised via other means. The determination of control through an	(66) A meaningful identification of the beneficial owners requires a determination of whether control is exercised via other means. The	(66) A meaningful identification of the beneficial owners requires a determination of whether control is exercised via other means. The determination of control through an

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	ownership interest is necessary but not sufficient and it does not exhaust the necessary checks to determine the beneficial owners. The test on whether any natural person exercises control via other means is not a subsequent test to be performed only when it is not possible to determine an ownership interest. The two tests, namely that of control through an ownership interest and that of control via other means, should be performed in parallel. Control through other means may include the right to appoint or remove more than half of the members of the board of the corporate entity; the ability to exert a significant influence on the decisions taken by the corporate entity; control through formal or informal agreements with owners, members or the corporate entities, as well as voting arrangements; links with family members of managers or directors or those owning or controlling the corporate entity; use of formal or informal nominee arrangements.	determination of control through an ownership interest is necessary but not sufficient and it does not exhaust the necessary checks to determine the beneficial owners. The test on whether any natural person exercises control via other means is not a subsequent test to be performed only when it is not possible to determine an ownership interest. The two tests, namely that of control through an ownership interest and that of control via other means, should be performed in parallel. ~~*Control through other means may include the right to appoint or remove more than half of the members of the board of the corporate entity; the ability to exert a significant influence on the decisions taken by the corporate entity; control through formal or informal agreements with owners, members or the corporate entities, as well as voting arrangements; links with family members of managers or directors or those owning or controlling the corporate entity; use of formal or informal nominee arrangements.*~~	ownership interest is necessary but not sufficient and it does not exhaust the necessary checks to determine the beneficial owners. The test on whether any natural person exercises control via other means is not a subsequent test to be performed only when it is not possible to determine an ownership interest. The two tests, namely that of control through an ownership interest and that of control via other means, should be performed in parallel. Control through other means may include the right to appoint or remove more than half of the members of the board of the corporate entity; the ability to exert a significant influence on the decisions taken by the corporate entity; control through formal or informal agreements with owners, members or the corporate entities, as well as voting arrangements; links with family members of managers or directors or those owning or controlling the corporate entity; use of formal or informal nominee arrangements ***or control through debt instruments or other financing arrangements***.
76a		***(66a) An ownership of 25% or more of the shares or voting rights or other ownership interest in general establishes***	

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		the beneficial ownership of the legal entity. Ownership interest should encompass both control rights and rights that are significant in terms of receiving a benefit, as is a right to a share of profits or other internal resources or liquidation balance. There may, however, be situations where the risk that certain categories of legal entities be misused for money laundering or terrorist financing purposes are higher. In such situations, enhanced transparency measures are necessary to dissuade criminals from setting up or infiltrating these entities, either through direct or indirect ownership or control. In order to ensure that the Union is able to adequately mitigate such varying levels of risk, it is necessary to empower the Commission to identify those categories of legal entities that should be subject to lower beneficial transparency thresholds. Such identification should be ongoing and should rely on the results of the national and supranational risk assessments as well as on relevant analyses and reports produced by AMLA, Europol or other Union bodies that have a role in the prevention, investigation and prosecution of money laundering and terrorist financing.	

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76b		***(66b) By their complex nature, multi-layered ownership and control structures make the identification of the beneficial owners more difficult. In order to ensure a consistent approach throughout the internal market, it is necessary to clarify the rules that apply to those situations. For this purpose, it is necessary to assess simultaneously whether any natural person has a direct or indirect shareholding with 25% or more of the shares or voting rights or other ownership interest, and whether any natural person controls the direct shareholder with 25% or more of the shares or voting rights or other ownership interest in the corporate entity. In case of indirect shareholding, the beneficial owners should be identified by multiplying the shares in the ownership chain. To this end, all shares directly or indirectly owned by the same natural person should be added together. Where 25% of the shares or voting rights or other ownership interest in the corporate entity are owned by a shareholder that is a legal entity other than a corporate entity, the beneficial ownership should be determined having regard to the specific structure of the shareholder, including whether any***	

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		natural person exercises control through other means over a shareholder.	
76c		***(66c) The determination of the beneficial owner of a legal entity in situations where the shares of the legal entity are held in a legal arrangement, or where they are held by a foundation or similar legal entity, might be more difficult in view of the different nature and identification criteria of beneficial ownership between legal entities and legal arrangements. It is therefore necessary to set out clear rules to deal with these situations of multi-layered structure. In such cases, all beneficial owners of the legal arrangement or structurally and functionally similar legal entity as may be foundation, should be the beneficial owners of the legal entity whose shares are held in the legal arrangement or held by the foundation.***	
76d		***(66d) A common understanding of the concept of control and a more precise definition of the means of control are necessary to ensure consistent application of the rules across the***	

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		internal market. Control should be understood as the effective ability to impose one's will on the corporate entity's decision-making on substantive issues. The usual mean of control is a majority share of voting rights. The position of beneficial owner can also be established by control via other means without having significant, or any, ownership interest. For this reason, in order to ascertain all individuals that are the beneficial owners of a legal entity, control should be identified independently of ownership interest. Control can generally be exercised by any means, including legal and non-legal means. Without necessarily establishing the position of the beneficial owner, these means may be taken into account for assessing whether control via other means is exercised, depending on the specific situation of each legal entity.	
76e		***(66e) Indirect ownership or control may be mediated by multiple links in a chain or by multiple individual or interlinked chains. A link in a chain may be any person or organisation or a legal arrangement without legal personality.***	

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		<u>The relations between the links may consist of ownership interest or voting rights or other means of control.</u>	
77	(67) In order to ensure effective transparency, the widest possible range of legal entities and arrangements incorporated or created in the territory of Member States should be covered by beneficial ownership rules. This includes legal entities other than corporate ones and arrangements similar to trusts. Due to differences in the legal systems of Member States, those broad categories encompass a variety of different organisational structures. Member States should notify to the Commission a list of the types of corporate and other legal entities where the beneficial owners is identified in line with the rules for the identification of beneficial owners for corporate entities. The Commission should make recommendations to Member States on the specific rules and criteria to identify the beneficial owners of legal entities other than corporate entities.	(67) In order to ensure effective transparency, the widest possible range of legal entities and arrangements incorporated or created in the territory of Member States should be covered by beneficial ownership rules. This includes legal entities other than corporate ones and ***<u>legal</u>*** arrangements similar to ***<u>express</u>*** trusts. Due to differences in the legal systems of Member States, those broad categories encompass a variety of different organisational structures. Member States should notify to the Commission a list of the types of corporate and other legal entities where the beneficial owners is identified in line with the rules for the identification of beneficial owners for corporate entities. ~~*The Commission should make recommendations to Member States on the specific rules and criteria to identify the beneficial owners of legal entities other than corporate entities.*~~	(67) In order to ensure effective transparency, the widest possible range of legal entities and arrangements incorporated or created in the territory of Member States should be covered by beneficial ownership rules. This includes legal entities other than corporate ones and arrangements similar to trusts. Due to differences in the legal systems of Member States, those broad categories encompass a variety of different organisational structures. Member States should notify to the Commission a list of the types of corporate and other legal entities where the beneficial owners is identified in line with the rules for the identification of beneficial owners for corporate entities. The Commission should make recommendations to Member States on the specific rules and criteria to identify the beneficial owners of legal entities other than corporate entities.
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	(68) To ensure the consistent identification of beneficial owners of express trusts and similar legal entities, such as foundations, or arrangements, it is necessary to lay down harmonised beneficial ownership rules. Member States are required to notify to the Commission a list of the types of legal entities and legal arrangements similar to express trusts where the beneficial owners is identified according to the identification of beneficial owners for express trusts and similar legal entities or arrangements. The Commission should be empowered to adopt, by means of an implementing act, a list of legal arrangements and legal entities governed by national law of Member States, which have a structure or function similar to express trusts.	(68) ~~To ensure the consistent identification of beneficial owners of express trusts and similar~~***The specific nature of certain*** legal entities, such as ~~foundations, or arrangements, it is necessary to lay down harmonised beneficial ownership rules. Member States are required to notify to the Commission a list of the types of legal entities and legal arrangements similar to express trusts where the~~ ***for example associations, trade unions, political parties or churches, does not lend them a meaningful identification of*** beneficial owners ~~is identified according to the identification of beneficial owners for express trusts and similar legal entities or arrangements. The Commission should be empowered to adopt, by means of an implementing act, a list of legal arrangements and~~***based of ownership interests or membership. In those cases, however, it may be the case that the senior managing officials exercise control over the*** legal ~~entities governed by national law of Member States, which have a structure or function similar to express trusts~~***entity through other means. In those cases, they should be reported as the beneficial owners***.	(68) To ensure the consistent identification of beneficial owners of express trusts and similar legal entities, such as foundations, or arrangements, it is necessary to lay down harmonised beneficial ownership rules. Member States are required to notify to the Commission a list of the types of legal entities and legal arrangements similar to express trusts where the beneficial owners is identified according to the identification of beneficial owners for express trusts and similar legal entities or arrangements. The Commission should be empowered to adopt, by means of an implementing act, a list of legal arrangements and legal entities governed by national law of Member States, which have a structure or function similar to express trusts.

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78a		***(68a) To ensure the consistent identification of beneficial owners of legal entities, which are structurally or functionally similar to express trust, it is necessary to lay down harmonised beneficial ownership rules. Similar rules to those set out for express trusts shall be applied to the relevant legal entities. Legal entities that are similar in function and structure to an express trust are for example foundations, in the sense of legal persons established by the founder to support public benefit purposes, charitable purposes or a certain group of persons using their own assets.***	
78b		***(68b) To ensure the consistent identification of beneficial owners of collective investment undertaking, it is necessary to lay down harmonised beneficial ownership rules. Regardless of whether the collective investment undertaking exist in the Member State in the form of a legal entity with legal personality and as a legal arrangement without legal personality, the rules for corporate entities shall be applied in identifying the beneficial owner. Such an approach is consistent with their purpose***	

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		and function.	
78c		***(68c) The characteristics of express trusts and similar legal arrangements in Member States may vary. In order to ensure a harmonised approach, it is appropriate to set out common principles for the identification of such arrangements. Express trusts are trusts created at the initiative of the settlor. Trusts set up by law or that do not result from the explicit intent of the settlor to create them should be excluded from the scope of this Regulation. Express trust are usually created in the form of a document e.g. a written deed or written instrument of trust and usually fulfil a business or personal need. Legal arrangements similar to express trusts are arrangements without legal personality which are similar in structure or functions. The determining factor is not the designation of the type of legal arrangement, but the fulfilment of the basic features of the definition of an express trust, i.e. the settlor's intention to place the assets under the administration and control of a certain person for specified purpose, usually of a business or personal nature, such as the***	

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		benefit of the beneficiaries. To ensure the consistent identification of beneficial owners of legal arrangements similar to express trusts, Member States should notify to the Commission a list of the types of legal arrangements similar to express trusts. Such notification should be accompanied by an assessment justifying the identification of certain legal arrangements as similar to express trusts as well as why other legal arrangements have been considered as dissimilar in structure or function from express trusts. In performing such assessment, Member States should take into consideration all legal arrangements that are governed under their law.	
78d		***(68d) In some cases of legal entities such as foundations, express trusts and similar legal arrangements, it is not possible to identify individual beneficiaries because they have yet be determined; in such cases, beneficial ownership information should include instead a description of the class of beneficiaries and its characteristics. As soon as beneficiaries within the class are designated, they shall be beneficial owners. Furthermore, there are specific***	

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		types of legal persons and legal arrangements where beneficiaries exist, but their identification is not proportionate in respect of the money laundering and terrorist financing risks associated with those legal persons or legal arrangements. This can be the case for example of regulated products such as pension schemes within the scope of Directive (EU) 2016/2341 of the European Parliament and of the Council, employee financial ownership or participation schemes, or of legal entities or legal arrangements with a non-profit or charitable purpose, provided the risks associated with such legal persons and legal arrangements are low. In these cases, an identification of the class of beneficiaries should be sufficient.	
79	(69) A consistent approach to the beneficial ownership transparency regime also requires ensuring that the same information is collected on beneficial owners across the internal market. It is appropriate to introduce precise requirements concerning the information that should be collected in each case. That information includes a minimum set of personal data of the beneficial owner, the nature and	(69) A consistent approach to the beneficial ownership transparency regime also requires ensuring that the same information is collected on beneficial owners across the internal market. It is appropriate to introduce precise requirements concerning the information that should be collected in each case. That information includes a minimum set of	(69) A consistent approach to the beneficial ownership transparency regime also requires ensuring that the same information is collected on beneficial owners across the internal market. It is appropriate to introduce precise requirements concerning the information that should be collected in each case. That information includes a minimum set of personal data of the beneficial owner, the nature and

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	extent of the beneficial interest held in the legal entity or legal arrangement and information on the legal entity or legal arrangement.	personal data of the beneficial owner, the nature and extent of the beneficial interest held in the legal entity or legal arrangement and information on the legal entity or legal arrangement***, which are necessary to ensure the appropriate identification of the natural person who is the beneficial owner and the reasons why that natural person has been identified as the beneficial owner***.	extent of the beneficial interest held in the legal entity or legal arrangement and information on the legal entity or legal arrangement.
79a		***(69a) An effective framework of beneficial ownership transparency requires information to be collected through various channels. Such multi-pronged approach includes the information held by the legal entity or trustee of an express trust or similar legal arrangement themselves, the information obtained by obliged entities in the context of customer due diligence, as well as the information held in beneficial ownership registers. Cross-checking of information among these pillars contributes to ensuring that each pillar holds adequate, accurate and up-to-date information. To this end, and in order to avoid that discrepancies are identified because of different approaches, it is important to identify***	

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		those categories of data that should always be collected in order to ensure the beneficial ownership information is adequate. This includes basic information on the legal entity and legal arrangement, which is the precondition allowing the entity or arrangement itself to understand its control structure, whether through ownership or other means.	
79b		***(69b) When legal entities and legal arrangements are part of a complex structure, clarity on their ownership or control structure is critical in order to ascertain who their beneficial owners are. To this end, it is important that legal entities and legal arrangements clearly understand the relationships by which they are indirectly owned or controlled, including all those intermediary steps between the beneficial owners and the legal entity or legal arrangement itself, whether these are in the form of other legal entities and legal arrangements or of nominee relationships. Identification of the ownership and control structure allows to identify the ways by which ownership is established or control can be exercised over a legal entity and is***	

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		therefore essential for a comprehensive understanding of the position of the beneficial owner. The beneficial owner information should therefore always include a description of the relationship structure.	
80	(70) Underpinning an effective framework on beneficial ownership transparency is the knowledge by corporate and other legal entities of the natural persons who are their beneficial owners. Thus, all corporate and other legal entities in the Union should obtain and hold adequate, accurate and current beneficial ownership information. That information should be retained for five years and the identity of the person responsible for retaining the information should be reported to the registers. That retention period is equivalent to the period for retention of the information obtained within the application of AML/CFT requirements, such as customer due diligence measures. In order to ensure the possibility to cross-check and verify information, for instance through the mechanism of discrepancy reporting, it is justified to ensure that the relevant data retention periods are aligned.	(70) Underpinning an effective framework on beneficial ownership transparency is the knowledge by corporate and other legal entities of the natural persons who are their beneficial owners. Thus, all corporate and other legal entities in the Union should obtain and hold adequate, accurate and current beneficial ownership information. That information should be retained for five years and the identity of the person responsible for retaining the information should be reported to the registers. That retention period is equivalent to the period for retention of the information obtained within the application of AML/CFT requirements, such as customer due diligence measures. In order to ensure the possibility to cross-check and verify information, for instance through the mechanism of discrepancy reporting, it is justified to ensure that the relevant data retention periods are aligned.	(70) Underpinning an effective framework on beneficial ownership transparency is the knowledge by corporate and other legal entities of the natural persons who are their beneficial owners. Thus, all corporate and other legal entities in the Union should obtain and hold adequate, accurate and current beneficial ownership information. That information should be retained for five years and the identity of the person responsible for retaining the information should be reported to the registers. That retention period is equivalent to the period for retention of the information obtained within the application of AML/CFT requirements, such as customer due diligence measures. In order to ensure the possibility to cross-check and verify information, for instance through the mechanism of discrepancy reporting, it is justified to ensure that the relevant data retention periods are aligned.

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80a		***(70a) To ensure that beneficial ownership information is up-to-date, the legal entity should both update such information immediately after any change and periodically verify it. The time limit for updating the information should be reasonable in view of possible complex situations. Confirmation of the timeliness of the data should take place on a regular basis and various mechanisms can be used to do so. Legal entity should be able to verify accuracy of the information in the register also be using the different channels and instruments e.g. together with the submission of the financial statements, of other repetitive interaction with public authorities. Using the interconnection of registers and databases of a Member State may allow legal entity to validate information effectively.***	
81	(71) Corporate and other legal entities should take all necessary measures to identify their beneficial owners. There may however be cases where no natural person is identifiable who ultimately owns or exerts control over an entity.	(71) Corporate and other legal entities should take all necessary measures to identify their beneficial owners. There may however be cases where no natural person is identifiable who ultimately	(71) Corporate and other legal entities should take all necessary measures to identify their beneficial owners. There may however be cases where no natural person is identifiable who ultimately owns or exerts control over an entity.

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	In such exceptional cases, provided that all means of identification are exhausted, the senior managing officials can be reported when providing beneficial ownership information to obliged entities in the course of the customer due diligence process or when submitting the information to the central register. Corporate and legal entities should keep records of the actions taken in order to identify their beneficial owners, especially when they rely on this last resort measure, which should be duly justified and documented.	owns or exerts control over an entity. In such exceptional cases, provided that all means of identification are exhausted, the senior managing officials can be reported ***instead of the beneficial owners*** when providing beneficial ownership information to obliged entities in the course of the customer due diligence process or when submitting the information to the central register. ***Although they are identified in these situations, the senior managing officials are not the beneficial owners.*** Corporate and legal entities should keep records of the actions taken in order to identify their beneficial owners, especially when they rely on this last resort measure, which should be duly justified and documented. ***However, concerns about the difficulty in obtaining the information should not be a valid reason to avoid the identification effort and resort to reporting the senior management instead. Therefore, legal entities should always be able to substantiate their doubts as to the veracity of the information collected. Such justification should be proportionate to the risk of the legal entity and the complexity of its ownership structure. In cases where the absence of beneficial owners is evident with respect to the specific form and***	In such exceptional cases, provided that all means of identification are exhausted, the senior managing officials can be reported when providing beneficial ownership information to obliged entities in the course of the customer due diligence process or when submitting the information to the central register. Corporate and legal entities should keep records of the actions taken in order to identify their beneficial owners, especially when they rely on this last resort measure, which should be duly justified and documented.

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		structure of legal entity, the justification should be understood as a reference to this fact, i.e. that the legal entity does not have a beneficial owner due to its specific form and structure, where, for example, there are no ownership interests in it, nor can it be ultimately controlled by other means. For the purpose of the statement of the absence of the beneficial owner, it should be possible to use universal formulations or uniform forms.	
81a		***(71a) In view of the purpose of determining beneficial ownership, which is to ensure effective transparency of legal persons, it is proportionate to exempt certain entities from the obligation to identify their beneficial owner. Such a regime can only be applied to entities for which the identification and registration of their beneficial owners is not useful and where the similar level of transparency is achieved by means other than beneficial ownership. In this respect, bodies governed by public law of the Member State should not be obliged to determine their beneficial owner. Directive 2004/109/EC of the European***	

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		Parliament and of the Council[1] introduced strict transparency requirements for companies whose securities are admitted to trading on a regulated market. In certain circumstances, those transparency requirements can achieve an equivalent transparency regime to the beneficial ownership transparency rules set out in this Regulation. This is the case when the control over the company is exercised through voting rights, and the ownership or control structure of the company only includes natural persons. In those circumstances, there is no need to apply beneficial ownership requirements to those listed companies. The exemption for legal entities from the obligation to determine their own beneficial owner and to register it should not affect the obligation of obliged entities to identify the beneficial owner of a customer in customer due diligence when performing customer due diligence. ***1. Directive 2004/109/EC of the European Parliament and of the Council of 15 December 2004 on the harmonisation of transparency requirements in relation to information about issuers whose securities are admitted to trading on a regulated market and amending Directive 2001/34/EC (OJ L 390, 31.12.2004, p. 38).***	

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82	(72) There is a need to ensure a level playing field among the different types of legal forms and to avoid the misuse of trusts and legal arrangements, which are often layered in complex structures to further obscure beneficial ownership. Trustees of any express trust administered in a Member State should thus be responsible for obtaining and holding adequate, accurate and current beneficial ownership information regarding the trust, and for disclosing their status and providing this information to obliged entities carrying out costumer due diligence. Any other beneficial owner of the trust should assist the trustee in obtaining such information.	(72) There is a need to ensure a level playing field among the different types of legal forms and to avoid the misuse of ***express*** trusts and legal arrangements, which are often layered in complex structures to further obscure beneficial ownership. Trustees of any express trust administered ***or residing*** in a Member State should thus be responsible for obtaining and holding adequate, accurate and current beneficial ownership information regarding the ***express*** trust, and for disclosing their status and providing this information to obliged entities carrying out costumer due diligence. Any other beneficial owner of the ***express*** trust should assist the trustee in obtaining such information.	(72) There is a need to ensure a level playing field among the different types of legal forms and to avoid the misuse of trusts and legal arrangements, which are often layered in complex structures to further obscure beneficial ownership. Trustees of any express trust administered in a Member State should thus be responsible for obtaining and holding adequate, accurate and current beneficial ownership information regarding the trust~~,~~ and for disclosing their status and providing this information to obliged entities carrying out costumer due diligence~~.~~***, taking into account the specificities and risks of different legal systems, including common law jurisdictions*** Any other beneficial owner of the trust should assist the trustee in obtaining such information.
83	(73) In view of the specific structure of certain legal entities such as foundations, and the need to ensure sufficient transparency about their beneficial ownership, such entities and legal arrangements similar to trusts should be subject to equivalent beneficial ownership requirements as those that apply to express trusts.	(73) In view of the specific structure of certain legal ~~*entities such as foundations*~~***arrangements***, and the need to ensure sufficient transparency about their beneficial ownership, such ~~*entities and*~~ legal arrangements similar to ***express*** trusts should be subject to equivalent beneficial ownership requirements as those that apply to express trusts.	(73) In view of the specific structure of certain legal entities such as foundations, and the need to ensure sufficient transparency about their beneficial ownership, such entities and legal arrangements similar to trusts should be subject to equivalent beneficial ownership requirements as those that apply to express trusts***, with due account to the specificities inherent to the different legal entities, in particular civil society organisations***.

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84	(74) Nominee arrangements may allow the concealment of the identity of the beneficial owners, because a nominee might act as the director or shareholder of a legal entity while the nominator is not always disclosed. Those arrangements might obscure the beneficial ownership and control structure, when beneficial owners do not wish to disclose their identity or role within them. There is thus a need to introduce transparency requirements in order to avoid that these arrangements are misused and to prevent criminals from hiding behind persons acting on their behalf. Nominee shareholders and nominee directors of corporate or other legal entities should maintain sufficient information on the identity of their nominator as well as of any beneficial owner of the nominator and disclose them as well as their status to the corporate or other legal entities. The same information should also be reported by corporate and other legal entities to obliged entities, when customer due diligence measures are performed.	(74) Nominee arrangements may allow the concealment of the identity of the beneficial owners, because a nominee might act as the director or shareholder of a legal entity while the nominator is not always disclosed. Those arrangements might obscure the beneficial ownership and control structure, when beneficial owners do not wish to disclose their identity or role within them. There is thus a need to introduce transparency requirements in order to avoid that these arrangements are misused and to prevent criminals from hiding behind persons acting on their behalf. ***The relationship between nominee and nominator is not determined by whether it has an effect on the public or third parties. Although a nominee shareholders whose name appears in public or official records would formally have independent control over the company, it should be required to disclose whether they are acting on the instructions of someone else on the basis of a private concert.*** Nominee shareholders and nominee directors of corporate or other legal entities should maintain sufficient information on the identity of their nominator as well as of	(74) Nominee arrangements may allow the concealment of the identity of the beneficial owners, because a nominee might act as the director or shareholder of a legal entity while the nominator is not always disclosed. Those arrangements might obscure the beneficial ownership and control structure, when beneficial owners do not wish to disclose their identity or role within them. There is thus a need to introduce transparency requirements in order to avoid that these arrangements are misused and to prevent criminals from hiding behind persons acting on their behalf. Nominee shareholders and nominee directors of corporate or other legal entities should maintain sufficient information on the identity of their nominator as well as of any beneficial owner of the nominator and disclose them as well as their status to the corporate or other legal entities. The same information should also be reported by corporate and other legal entities to obliged entities, when customer due diligence measures are performed.

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		any beneficial owner of the nominator and disclose them as well as their status to the corporate or other legal entities. The same information should also be reported by corporate and other legal entities to obliged entities, when customer due diligence measures are performed.	
85	(75) The risks posed by foreign corporate entities and legal arrangements, which are misused to channel proceeds of funds into the Union's financial system, need to be mitigated. Since beneficial ownership standards in place in third countries might not be sufficient to allow for the same level of transparency and timely availability of beneficial ownership information as in the Union, there is a need to ensure adequate means to identify the beneficial owners of foreign corporate entities or legal arrangements in specific circumstances. Therefore, legal entities incorporated outside the Union and express trusts or similar legal arrangements administered outside the Union should be required to disclose their beneficial owners whenever they operate in the Union by entering into a business relationship with a Union's obliged entity or by acquiring real estate in the Union.	(75) The risks posed by foreign corporate entities and legal arrangements, which are misused to channel proceeds of funds into the Union's financial system, need to be mitigated. Since beneficial ownership standards in place in third countries might not be sufficient to allow for the same level of transparency and timely availability of beneficial ownership information as in the Union, there is a need to ensure adequate means to identify the beneficial owners of foreign corporate entities or legal arrangements in specific circumstances. Therefore, legal entities incorporated outside the Union and express trusts or similar legal arrangements administered outside the Union should be required to disclose their beneficial owners ~~*whenever*~~***when*** they operate in the Union by entering into a business relationship with a Union's obliged entity or by acquiring real estate	(75) The risks posed by foreign corporate entities and legal arrangements, which are misused to channel proceeds of funds into the Union's financial system, need to be mitigated. Since beneficial ownership standards in place in third countries might not be sufficient to allow for the same level of transparency and timely availability of beneficial ownership information as in the Union, there is a need to ensure adequate means to identify the beneficial owners of foreign corporate entities or legal arrangements in specific circumstances. Therefore, legal entities incorporated outside the Union and express trusts or similar legal arrangements administered outside the Union should be required to disclose their beneficial owners whenever they operate in the Union by entering into a business relationship with a Union's obliged entity or by acquiring real estate in the Union.

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		in the Union***<u>, as well as when they are awarded a public procurement for goods, services or concessions. Achieving identification of beneficial owners of legal persons and legal arrangements from outside the Union should be achieved through requirements within CDD processes by Union's obliged entities. The need to register the beneficial owner of a non-Union customers entering into a business relationship with obliged entities should be with regard to proportional work and administrative burden limited to situations where a potentially higher ML/TF risk can be perceived. Thus, the need to register the beneficial owner in the central register of a Member State should only be required for customers of obliged entities operating in sectors with a higher ML/TF risk and, in general, for customers with which the value of the business relationship exceeds EUR 250 000. The fact that an obliged entity operates in a sector that is assessed with higher ML/TF risk, and therefore that registration of the beneficial owner is a condition of the business relationship and transaction, should be apparent to the customer from the obliged entity's communication. Without the registration of the beneficial owner of such a</u>***	

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		customer, the obliged person cannot conduct business with that customer. Active identification of the beneficial owner and its registration in the register of beneficial owners by the non-EU customer should be a condition for entering into a significant business relationship with obliged entity. Where an obliged entity is unable to comply with the customer due diligence measures regarding non-EU customer it should refrain from carrying out a transaction or establishing a business relationship, and should terminate the business relationship.	
86	(76) In order to encourage compliance and ensure an effective beneficial ownership transparency, beneficial ownership requirements need to be enforced. To this end, Member States should apply sanctions for breaches of those requirements. Those sanctions should be effective, proportionate and dissuasive, and should not go beyond what is required to encourage compliance. Sanctions introduced by Member States should have an equivalent deterrent effect across the Union on the breaches of beneficial ownership requirements.	(76) In order to encourage compliance and ensure an effective beneficial ownership transparency, beneficial ownership requirements need to be enforced. To this end, Member States should apply sanctions for breaches of those requirements. Those sanctions should be effective, proportionate and dissuasive, and should not go beyond what is required to encourage compliance. Sanctions introduced by Member States should have an equivalent deterrent effect across the Union on the breaches of beneficial ownership requirements.	(76) In order to encourage compliance and ensure an effective beneficial ownership transparency, beneficial ownership requirements need to be enforced. To this end, Member States should apply sanctions for breaches of those requirements. Those sanctions should be effective, proportionate and dissuasive, and should not go beyond what is required to encourage compliance. Sanctions introduced by Member States should have an equivalent deterrent effect across the Union on the breaches of beneficial ownership requirements.

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		Sanctions may for example include fines for legal entities and trustees or persons holding an equivalent position in a similar legal arrangement for outdated, inaccurate or incorrect beneficial ownership data, the strike-off of legal entities that fail to comply with the obligation to hold beneficial ownership information or to submit beneficial ownership information within a given time limit, fines for beneficial owners and other persons who fail to cooperate with legal entity or trustee of an express trust or similar legal arrangement, fines for nominee shareholders and nominee directors who fail to comply with the obligation of disclosure or private law consequences for undisclosed beneficial owners as prohibition of the payment of profits or prohibition of the exercise of voting rights.	
87	(77) Suspicious transactions, including attempted transactions, and other information relevant to money laundering, its predicate offences and terrorist financing, should be reported to the FIU, which should serve as a single central national unit for receiving and, analysing reported suspicions and for disseminating to the competent authorities the	(77) ***Obliged entities should promptly report to the FIU all*** suspicious ***funds,*** transactions ***or activities***, including attempted transactions ***or activities***, and other information relevant to money laundering, ***or terrorist financing. When reporting on a suspicion of money laundering, obliged entities should also***	(77) ***Suspicions,*** suspicious transactions, including attempted transactions, and other information ~~relevant~~***relating*** to money laundering, its predicate offences and terrorist financing, should be reported to the FIU, which should serve as a single central national unit for receiving and, analysing reported suspicions and for disseminating to the competent authorities

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	results of its analyses. All suspicious transactions, including attempted transactions, should be reported, regardless of the amount of the transaction. Reported information may also include threshold-based information. The disclosure of information to the FIU in good faith by an obliged entity or by an employee or director of such an entity should not constitute a breach of any restriction on disclosure of information and should not involve the obliged entity or its directors or employees in liability of any kind.	***report, where applicable, on the underlying predicate offence. Furthermore, in order to help prevent the laundering of future proceeds of criminal activity as defined by Article 2, point (3), obliged entities should report to the FIU all funds, transactions and activities, including attempted transactions and activities, related to the commission of offences that have the potential to generate proceeds. In order to avoid the unnecessary reporting of low impact and isolated offences, Member States should be able to exempt obliged entities from reporting certain categories of low-level criminal activity, including for example, categories of criminal activity posing low risks of generating significant proceeds. Such exemptions should not have a negative impact on the protection of the internal market from the threats posed by money laundering,*** its predicate offences and terrorist financing~~,~~***. The Commission and AMLA*** should be ~~*reported*~~***notified of such instances, and evaluate whether the exemption envisaged is adequate*** to the ***level of impact identified. The*** FIU~~*, which*~~ should serve as a single central national unit for receiving and, analysing reported suspicions and for disseminating to the competent authorities the results of its	the results of its analyses***. FIUs shall strengthen cooperation with other competent authorities to ensure that meaningful information is exchanged in a timely and constructive manner in accordance with the applicable legal framework***. All suspicious transactions, including attempted transactions, should be reported, regardless of the amount of the transaction. Reported information may also include threshold-based information. The disclosure of information to the FIU in good faith by an obliged entity or by an employee or director of such an entity should not constitute a breach of any restriction on disclosure of information and should not involve the obliged entity or its directors or employees in liability of any kind.

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		analyses. ~~*All suspicious transactions, including attempted transactions, should be reported, regardless of the amount of the transaction. Reported information may also include threshold-based*~~***Reporting obligation may also include threshold-based reporting or systematic reporting of unusual transactions or activities*** information. The disclosure of information to the FIU in good faith by an obliged entity or by an employee or director of such an entity should not constitute a breach of any restriction on disclosure of information and should not involve the obliged entity or its directors or employees in liability of any kind.	
88	(78) Differences in suspicious transaction reporting obligations between Member States may exacerbate the difficulties in AML/CFT compliance experienced by obliged entities that have a cross-border presence or operations. Moreover, the structure and content of the suspicious transaction reports have an impact on the FIU's capacity to carry out analysis and on the nature of that analysis, and also affects FIUs' abilities to cooperate and to exchange information. In order to facilitate obliged entities' compliance with their reporting	(78) Differences in suspicious transaction reporting obligations between Member States may exacerbate the difficulties in AML/CFT compliance experienced by obliged entities that have a cross-border presence or operations. Moreover, the structure and content of the suspicious transaction reports have an impact on the FIU's capacity to carry out analysis and on the nature of that analysis, and also affects FIUs' abilities to cooperate and to exchange information. In order to	(78) Differences in suspicious transaction reporting obligations between Member States may exacerbate the difficulties in AML/CFT compliance experienced by obliged entities that have a cross-border presence or operations. Moreover, the structure and content of the suspicious transaction reports have an impact on the FIU's capacity to carry out analysis and on the nature of that analysis, and also affects FIUs' abilities to cooperate and to exchange information. In order to facilitate obliged entities' compliance with their reporting

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	obligations and allow for a more effective functioning of FIUs' analytical activities and cooperation, AMLA should develop draft regulatory standards specifying a common template for the reporting of suspicious transactions to be used as a uniform basis throughout the Union.	facilitate obliged entities' compliance with their reporting obligations and allow for a more effective functioning of FIUs' analytical activities and cooperation, AMLA should develop draft regulatory standards specifying a common template for the reporting of suspicious transactions to be used as a uniform basis throughout the Union.	obligations and allow for a more effective functioning of FIUs' analytical activities and cooperation, AMLA should develop draft regulatory standards specifying a common template for the reporting of ~~*suspicious transactions*~~***suspicions*** to be used as a uniform basis throughout the Union. ***To simplify and accelerate reporting of suspicions by obliged entities and communications and exchange of information between FIUs, AMLA should establish a secure and reliable electronic filing system ("FIU.net one-stop-shop") for reporting suspicions of money laundering, predicate offences and terrorist financing, including on attempted transactions via a standardised form to the FIU of the Member State in whose territory the obliged entity transmitting the information is established. Such interface should also allow for the immediate transmission of this information to any other FIU which is concerned by a suspicious transaction report. The FIU.net one-stop-shop should also enable communication between the competent FIUs and obliged entities, and for information and intelligence sharing between FIUs on submitted reports of suspicions. The FIU.net one-stop-shop should be established within three years of the entry into force of this Regulation. The use of the FIU.net one-stop-shop should be introduced gradually over time in order to allow a smooth and uninterrupted***

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			reporting of suspicion transaction reports and to leave sufficient time for FIUs and obliged entities to implement the necessary technical changes. FIUs might therefore decide to instruct obliged entities to report information via the FIU.net one-stop-shop as of ... [five years after entry into force of this Regulation]. The use of FIU.net one-stop-shop should be mandatory for obliged entities as of ... [six years after entry into force of this Regulation].
89	(79) FIUs should be able to obtain swiftly from any obliged entity all the necessary information relating to their functions. Their unfettered and swift access to information is essential to ensure that flows of money can be properly traced and illicit networks and flows detected at an early stage. The need for FIUs to obtain additional information from obliged entities based on a suspicion of money laundering or financing of terrorism might be triggered by a prior suspicious transaction report reported to the FIU, but might also be triggered through other means such as the FIU's own analysis, intelligence provided by competent authorities or information held by another FIU. FIUs should therefore be able, in the context of their functions, to obtain information from any obliged entity, even without a prior report being made. Obliged entities should reply to a request	(79) FIUs should be able to obtain swiftly from any obliged entity all the necessary information relating to their functions. Their unfettered and swift access to information is essential to ensure that flows of money can be properly traced and illicit networks and flows detected at an early stage. The need for FIUs to obtain additional information from obliged entities based on a suspicion of money laundering or financing of terrorism might be triggered by a prior suspicious transaction report reported to the FIU, but might also be triggered through other means such as the FIU's own analysis, intelligence provided by competent authorities or information held by another FIU. FIUs should therefore be able, in the context of their functions, to	(79) FIUs should be able to obtain swiftly from any obliged entity all the necessary information relating to their functions. Their unfettered and swift access to information is essential to ensure that flows of money can be properly traced and illicit networks and flows detected at an early stage. The need for FIUs to obtain additional information from obliged entities based on a suspicion of money laundering or financing of terrorism might be triggered by a prior suspicious transaction report reported to the FIU, but might also be triggered through other means such as the FIU's own analysis, intelligence provided by competent authorities or information held by another FIU. FIUs should therefore be able, in the context of their functions, to obtain information from any obliged entity, even without a prior report being made. Obliged entities should reply to a request

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	for information by the FIU as soon as possible and, in any case, within five days of receipt of the request. In justified and urgent cases, the obliged entity should be able to respond to the FIU's request within 24 hours. This does not include indiscriminate requests for information to the obliged entities in the context of the FIU's analysis, but only information requests based on sufficiently defined conditions. An FIU should also be able to obtain such information on a request made by another Union FIU and to exchange the information with the requesting FIU.	obtain information from any obliged entity, even without a prior report being made. Obliged entities should reply to a request for information by the FIU as soon as possible and, in any case, within five days of receipt of the request. In justified and urgent cases, the obliged entity should be able to respond to the FIU's request within 24 hours. This does not include indiscriminate requests for information to the obliged entities in the context of the FIU's analysis, but only information requests based on sufficiently defined conditions. An FIU should also be able to obtain such information on a request made by another Union FIU and to exchange the information with the requesting FIU.	for information by the FIU as soon as possible and, in any case, within five ***working days, unless the FIU determines a different deadline***~~days of receipt of the request~~. In justified and urgent cases, the obliged entity should be able to respond to the FIU's request ***as soon as possible, and*** within ~~24 hours~~***a deadline that should not be longer than one working day***. This does not include indiscriminate requests for information to the obliged entities in the context of the FIU's analysis, but only information requests based on sufficiently defined conditions. An FIU should also be able to obtain such information on a request made by another Union FIU and to exchange the information with the requesting FIU.
90	(80) For certain obliged entities, Member States should have the possibility to designate an appropriate self-regulatory body to be informed in the first instance instead of the FIU. In accordance with the case-law of the European Court of Human Rights, a system of first instance reporting to a self-regulatory body constitutes an important safeguard for upholding the protection of fundamental rights as concerns the reporting obligations applicable to lawyers. Member States should provide for	(80) For certain obliged entities, Member States should have the possibility to designate an appropriate self-regulatory body to be informed in the first instance instead of the FIU. In accordance with the case-law of the European Court of Human Rights, a system of first instance reporting to a self-regulatory body constitutes an important safeguard for upholding the protection of fundamental rights as concerns the reporting obligations	(80) For certain obliged entities, Member States should have the possibility to designate an appropriate self-regulatory body to be informed in the first instance instead of the FIU. In accordance with the case-law of the European Court of Human Rights, a system of first instance reporting to a self-regulatory body constitutes an important safeguard for upholding the protection of fundamental rights as concerns the reporting obligations applicable to lawyers. Member States should provide for the means

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	the means and manner by which to achieve the protection of professional secrecy, confidentiality and privacy.	applicable to lawyers. Member States should provide for the means and manner by which to achieve the protection of professional secrecy, confidentiality and privacy.	and manner by which to achieve the protection of professional secrecy, confidentiality and privacy.
91	(81) Where a Member State decides to designate such a self-regulatory body, it may allow or require that body not to transmit to the FIU any information obtained from persons represented by that body where such information has been received from, or obtained on, one of their clients, in the course of ascertaining the legal position of their client, or in performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings.	(81) Where a Member State decides to designate such a self-regulatory body, it may allow or require that body not to transmit to the FIU ***or to AMLA*** any information obtained from persons represented by that body where such information has been received from, or obtained on, one of their clients, in the course of ascertaining the legal position of their client, or in performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings. ***Other supervisory authorities may as well be allowed or required not to transmit to the FIU or AMLA any information falling under the legal privilege.***	(81) ~~Where a Member State decides to designate such a self-regulatory body, it may allow or require that body~~***Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors should be allowed*** not to transmit to the FIU ***or a self-regulatory body*** any information obtained from persons ~~represented by that body~~ where such information has been received from, or obtained on, one of their clients, in the course of ascertaining the legal position of their client ***except where the legal advice is provided for the purpose of money laundering or terrorist financing, or where those persons know or suspect, on the basis of factual and objective circumstances, that the client is seeking legal advice, including in relation to tax matters or citizenship or residence by investment schemes, for the purposes of money laundering or terrorist financing and the advice is not sought in relation to judicial proceedings***, or in performing their task of defending or representing that client in, or concerning,

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			judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings. ***Member States should be able to adopt or maintain additional reporting obligations with regard to specific transactions that involve a particularly high risk to be used for money laundering or terrorist financing to which the exemption from the requirements to transmit information does not apply.***
92	(82) Obliged entities should exceptionally be able to carry out suspicious transactions before informing the competent authorities where refraining from doing so is impossible or likely to frustrate efforts to pursue the beneficiaries of a suspected money laundering or terrorist financing operation. However, this exception should not be invoked in relation to transactions concerned by the international obligations accepted by the Member States to freeze without delay funds or other assets of terrorists, terrorist organisations or those who finance terrorism, in accordance with the relevant United Nations Security Council resolutions.	(82) Obliged entities should exceptionally be able to carry out suspicious transactions before informing the ~~*competent authorities*~~***FIU*** where refraining from doing so is impossible or likely to frustrate efforts to pursue the beneficiaries of a suspected money laundering or terrorist financing operation. However, this exception should not be invoked in relation to transactions concerned by the international obligations accepted by the Member States to freeze without delay funds or other assets of terrorists, terrorist organisations or those who finance terrorism, in accordance with the relevant United Nations Security Council resolutions.	(82) Obliged entities should exceptionally be able to carry out suspicious transactions before informing the competent authorities where refraining from doing so is impossible or likely to frustrate efforts to pursue the beneficiaries of a suspected money laundering or terrorist financing operation***, including in duly justified cases, where this is provided in national law***. However, this exception should not be invoked in relation to transactions concerned by the international obligations accepted by the Member States to freeze without delay funds or other assets of terrorists, terrorist organisations or those who finance terrorism, in accordance with the relevant United Nations Security Council resolutions.

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93	(83) Confidentiality in relation to the reporting of suspicious transactions and to the provision of other relevant information to FIUs is essential in order to enable the competent authorities to freeze and seize assets potentially linked to money laundering, its predicate offences or terrorist financing. A suspicious transaction is not an indication of criminal activity. Disclosing that a suspicion has been reported may tarnish the reputation of the persons involved in the transaction and jeopardise the performance of analyses and investigations. Therefore, obliged entities and their directors and employees should not inform the customer concerned or a third party that information is being, will be, or has been submitted to the FIU, whether directly or through the self-regulatory body, or that a money laundering or terrorist financing analysis is being, or may be, carried out. The prohibition of disclosure should not apply in specific circumstances concerning, for example, disclosures to competent authorities and self-regulatory bodies when performing supervisory functions, or disclosures for law enforcement purposes or when the disclosures take place between obliged entities that belong to the same group.	(83) Confidentiality in relation to the reporting of suspicious transactions and to the provision of other relevant information to FIUs is essential in order to enable the competent authorities to freeze and seize assets potentially linked to money laundering, its predicate offences or terrorist financing. A suspicious transaction is not an indication of criminal activity. Disclosing that a suspicion has been reported may tarnish the reputation of the persons involved in the transaction and jeopardise the performance of analyses and investigations. Therefore, obliged entities and their directors and employees***, or persons in a comparable position, including agents and distributors,*** should not inform the customer concerned or a third party that information is being, will be, or has been submitted to the FIU, whether directly or through the self-regulatory body, or that a money laundering or terrorist financing analysis is being, or may be, carried out. The prohibition of disclosure should not apply in specific circumstances concerning, for example, disclosures to competent authorities and self-regulatory bodies when performing supervisory functions, or disclosures for law enforcement	(83) Confidentiality in relation to the reporting of suspicious transactions and to the provision of other relevant information to FIUs is essential in order to enable the competent authorities to freeze and seize assets potentially linked to money laundering, its predicate offences or terrorist financing. A suspicious transaction is not an indication of criminal activity. Disclosing that a suspicion has been reported may tarnish the reputation of the persons involved in the transaction and jeopardise the performance of analyses and investigations. Therefore, obliged entities and their directors and employees should not inform the customer concerned or a third party that information is being, will be, or has been submitted to the FIU, whether directly or through the self-regulatory body, or that a money laundering or terrorist financing analysis is being, or may be, carried out. The prohibition of disclosure should not apply in specific circumstances concerning, for example, disclosures to competent authorities and self-regulatory bodies when performing supervisory functions, or disclosures for law enforcement purposes or when the disclosures take place between obliged entities that belong to the same group.

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		purposes or when the disclosures take place between obliged entities that belong to the same group.	
94	(84) Criminals move illicit proceeds through numerous intermediaries to avoid detection. Therefore it is important to allow obliged entities to exchange information not only between group members, but also in certain cases between credit and financial institutions and other entities that operate within networks, with due regard to data protection rules.	(84) Criminals move illicit proceeds through numerous intermediaries to avoid detection. Therefore it is important to allow obliged entities to exchange information not only between group members, but also in certain cases between credit and financial institutions and other entities that operate within networks, ~~with due regard to~~***in full compliance with*** data protection rules.	(84) Criminals move illicit proceeds through numerous intermediaries to avoid detection. Therefore it is important to allow obliged entities to exchange information not only between group members, but also in certain cases between credit and financial institutions and other entities that operate within networks, with due regard to data protection rules.
95	(85) Regulation (EU) 2016/679 of the European Parliament and of the Council[1] applies to the processing of personal data for the purposes of this Regulation. The fight against money laundering and terrorist financing is recognised as an important public interest ground by all Member States. 1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).	(85) Regulation (EU) 2016/679 ~~of the European Parliament and of the Council[1]~~ applies to the processing of personal data for the purposes of this Regulation. The fight against money laundering and terrorist financing is recognised as an important public interest ground by all Member States. ***Member States may apply Directive (EU) 2016/680 of the European Parliament and of the Council[1], as well as national law where appropriate, to the processing of data by their FIU, based on the sensitive nature***	(85) Regulation (EU) 2016/679 of the European Parliament and of the Council[1] applies to the processing of personal data for the purposes of this Regulation. The fight against money laundering and terrorist financing is recognised as an important public interest ground by all Member States. 1. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).

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		of their activities and their relevance to national security. __________ 1. ~~Regulation (EU) 2016/679~~***Directive (EU) 2016/680*** of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data ***by competent authorities for the purposes of the prevention, investigation, detection or prosecution of criminal offences or the execution of criminal penalties,*** and on the free movement of such data, and repealing ~~Directive 95/46/EC (General Data Protection Regulation)~~***Council Framework Decision 2008/977/JHA*** (OJ L 119, 4.5.2016, p.~~1)~~ ***89)***.	
96	(86) It is essential that the alignment of the AML/CFT framework with the revised FATF Recommendations is carried out in full compliance with Union law, in particular as regards Union data protection law and the protection of fundamental rights as enshrined in the Charter. Certain aspects of the implementation of the AML/CFT framework involve the collection, analysis, storage and sharing of data. Such processing of personal data should be permitted, while fully respecting fundamental rights, only for the purposes laid down in this Regulation, and for carrying out customer due diligence, ongoing monitoring, analysis and reporting of unusual and suspicious transactions, identification of the	(86) It is essential that the alignment of the AML/CFT framework with the revised FATF Recommendations is carried out in full compliance with Union law, in particular as regards Union data protection law and the protection of fundamental rights as enshrined in the Charter. Certain aspects of the implementation of the AML/CFT framework involve the collection, analysis, storage and sharing of data. Such processing of personal data should be permitted, while fully respecting fundamental rights, only for the purposes laid down in this Regulation, and for carrying out customer due diligence,	(86) It is essential that the alignment of the AML/CFT framework with the revised FATF Recommendations is carried out in full compliance with Union law, in particular as regards Union data protection law and the protection of fundamental rights as enshrined in the Charter. Certain aspects of the implementation of the AML/CFT framework involve the collection, analysis, storage and sharing of data. Such processing of personal data should be permitted, while fully respecting fundamental rights, only for the purposes laid down in this Regulation, and for carrying out customer due diligence, ongoing monitoring, analysis and reporting of unusual and suspicious transactions, identification of the beneficial

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	beneficial owner of a legal person or legal arrangement, identification of a politically exposed person and sharing of information by credit institutions and financial institutions and other obliged entities. The collection and subsequent processing of personal data by obliged entities should be limited to what is necessary for the purpose of complying with AML/CFT requirements and personal data should not be further processed in a way that is incompatible with that purpose. In particular, further processing of personal data for commercial purposes should be strictly prohibited.	ongoing monitoring, analysis and reporting of ~~unusual and~~ suspicious transactions, identification of the beneficial owner of a legal person or legal arrangement, identification of a politically exposed person and sharing of information by credit institutions and financial institutions and other obliged entities. The collection and subsequent processing of personal data by obliged entities should be limited to what is necessary for the purpose of complying with AML/CFT requirements and personal data should not be further processed in a way that is incompatible with that purpose. In particular, further processing of personal data for commercial purposes should be strictly prohibited.	owner of a legal person or legal arrangement, identification of a politically exposed person and sharing of information by credit institutions and financial institutions and other obliged entities. The collection and subsequent processing of personal data by obliged entities should be limited to what is necessary for the purpose of complying with AML/CFT requirements and personal data should not be further processed in a way that is incompatible with that purpose. In particular, ***the processing of special categories of personal data and of personal data relating to criminal convictions and offences should be subject to appropriate safeguards laid down in this Regulation.*** Further processing of personal data for commercial purposes should be strictly prohibited.
97	(87) The revised FATF Recommendations demonstrate that, in order to be able to cooperate fully and comply swiftly with information requests from competent authorities for the purposes of the prevention, detection or investigation of money laundering and terrorist financing, obliged entities should maintain, for at least five years, the necessary information obtained through customer due diligence measures and the records on	(87) The revised FATF Recommendations demonstrate that, in order to be able to cooperate fully and comply swiftly with information requests from competent authorities for the purposes of the prevention, detection or investigation of money laundering and terrorist financing, obliged entities should maintain, for at least five years, the necessary information obtained through	(87) The revised FATF Recommendations demonstrate that, in order to be able to cooperate fully and comply swiftly with information requests from competent authorities for the purposes of the prevention, detection or investigation of money laundering and terrorist financing, obliged entities should maintain, for at least five years, the necessary information obtained through customer due diligence measures and the records on transactions. In

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	transactions. In order to avoid different approaches and in order to fulfil the requirements relating to the protection of personal data and legal certainty, that retention period should be fixed at five years after the end of a business relationship or an occasional transaction.	customer due diligence measures and the records on transactions. In order to avoid different approaches and in order to fulfil the requirements relating to the protection of personal data and legal certainty, that retention period should be fixed at five years after the end of a business relationship or an occasional transaction.	order to avoid different approaches and in order to fulfil the requirements relating to the protection of personal data and legal certainty, that retention period should be fixed at five years after the end of a business relationship or an occasional transaction.
98	(88) When the notion of competent authorities refers to investigating and prosecuting authorities, it shall be interpreted as including the central and decentralised levels of the European Public Prosecutor's Office (EPPO) with regard to the Member States that participate in the enhanced cooperation on the establishment of the EPPO.	(88) When the notion of competent authorities refers to investigating and prosecuting authorities, it shall be interpreted as including the ~~central and decentralised levels of the~~ European Public Prosecutor's Office (EPPO) with regard to the Member States that participate in the enhanced cooperation on the establishment of the EPPO.	(88) When the notion of competent authorities refers to investigating and prosecuting authorities, it shall be interpreted as including the central and decentralised levels of the European Public Prosecutor's Office (EPPO) with regard to the Member States that participate in the enhanced cooperation on the establishment of the EPPO.
99	(89) For the purpose of ensuring the appropriate and efficient administration of justice during the period between the entry into force and application of this Regulation, and in order to allow for its smooth interaction with national procedural law, information and documents pertinent to ongoing legal proceedings for the purpose of the prevention, detection or investigation of possible money	(89) For the purpose of ensuring the appropriate and efficient administration of justice during the period between the entry into force and application of this Regulation, and in order to allow for its smooth interaction with national procedural law, information and documents pertinent to ongoing legal proceedings for the purpose of the	(89) For the purpose of ensuring the appropriate and efficient administration of justice during the period between the entry into force and application of this Regulation, and in order to allow for its smooth interaction with national procedural law, information and documents pertinent to ongoing legal proceedings for the purpose of the prevention, detection or investigation of possible money

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	laundering or terrorist financing, which have been pending in the Member States on the date of entry into force of this Regulation, should be retained for a period of five years after that date, and it should be possible to extend that period for a further five years.	prevention, detection or investigation of possible money laundering or terrorist financing, which have been pending in the Member States on the date of entry into force of this Regulation, should be retained for a period of five years after that date, and it should be possible to extend that period for a further five years.	laundering or terrorist financing, which have been pending in the Member States on the date of entry into force of this Regulation, should be retained for a period of five years after that date, and it should be possible to extend that period for a further five years.
100	(90) The rights of access to data by the data subject are applicable to the personal data processed for the purpose of this Regulation. However, access by the data subject to any information related to a suspicious transaction report would seriously undermine the effectiveness of the fight against money laundering and terrorist financing. Exceptions to and restrictions of that right in accordance with Article 23 of Regulation (EU) 2016/679 may therefore be justified. The data subject has the right to request that a supervisory authority referred to in Article 51 of Regulation (EU) 2016/679 checks the lawfulness of the processing and has the right to seek a judicial remedy referred to in Article 79 of that Regulation. The supervisory authority may also act on an ex-officio basis. Without prejudice to the restrictions to the right to access, the supervisory authority should be able to inform the data subject that all necessary verifications	(90) The rights of access to data by the data subject ***as well as other data subject rights laid down in applicable data protection legislation*** are applicable to the personal data processed for the purpose of this Regulation. However, access by the data subject to any information related to a suspicious transaction report would seriously undermine the effectiveness of the fight against money laundering and terrorist financing. Exceptions to and restrictions of that right in accordance with Article 23 of Regulation (EU) 2016/679 may therefore be justified. ~~The data subject has the right to request that a supervisory authority referred to in Article 51 of Regulation (EU) 2016/679 checks the lawfulness of the processing and has the right to seek a judicial remedy referred to in Article 79 of that Regulation. The~~	(90) The rights of access to data by the data subject are applicable to the personal data processed for the purpose of this Regulation. However, access by the data subject to any information related to a suspicious transaction report would seriously undermine the effectiveness of the fight against money laundering and terrorist financing. Exceptions to and restrictions of that right in accordance with Article 23 of Regulation (EU) 2016/679 may therefore be justified. The data subject has the right to request that a supervisory authority referred to in Article 51 of Regulation (EU) 2016/679 checks the lawfulness of the processing and has the right to seek a judicial remedy referred to in Article 79 of that Regulation. The supervisory authority may also act on an ex-officio basis. Without prejudice to the restrictions to the right to access, the supervisory authority should be able to inform the data subject that all necessary verifications

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	by the supervisory authority have taken place, and of the result as regards the lawfulness of the processing in question.	~~*supervisory authority may also act on an ex-officio basis. Without prejudice to the restrictions to the right to access, the supervisory authority should be able to inform the data subject that all necessary verifications by the supervisory authority have taken place, and of the result as regards the lawfulness of the processing in question*~~ ***Member States may apply Directive (EU) 2016/680, as well as national law where appropriate, to the processing of data by their FIU, based on the sensitive nature of their activities and their relevance to national security***.	by the supervisory authority have taken place, and of the result as regards the lawfulness of the processing in question.
101	(91) Obliged entities might resort to the services of other private operators. However, the AML/CFT framework should apply to obliged entities only, and obliged entities should retain full responsibility for compliance with AML/CFT requirements. In order to ensure legal certainty and to avoid that some services are inadvertently brought into the scope of this regulation, it is necessary to clarify that persons that merely convert paper documents into electronic data and are acting under a contract with an obliged entity, and persons that provide credit institutions or financial institutions solely with messaging or	(91) Obliged entities might resort to the services of other private operators. However, the AML/CFT framework should apply to obliged entities only, and obliged entities should retain full responsibility for compliance with AML/CFT requirements. In order to ensure legal certainty and to avoid that some services are inadvertently brought into the scope of this regulation, it is necessary to clarify that persons that merely convert paper documents into electronic data and are acting under a contract with an obliged entity, and	(91) Obliged entities might resort to the services of other private operators. However, the AML/CFT framework should apply to obliged entities only, and obliged entities should retain full responsibility for compliance with AML/CFT requirements. In order to ensure legal certainty and to avoid that some services are inadvertently brought into the scope of this regulation, it is necessary to clarify that persons that merely convert paper documents into electronic data and are acting under a contract with an obliged entity, and persons that provide credit institutions or financial institutions solely with messaging or other support systems for

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	other support systems for transmitting funds or with clearing and settlement systems do not fall within the scope of this Regulation.	persons that provide credit institutions or financial institutions solely with messaging or other support systems for transmitting funds or with clearing and settlement systems do not fall within the scope of this Regulation.	transmitting funds or with clearing and settlement systems do not fall within the scope of this Regulation.
102	(92) Obliged entities should obtain and hold adequate and accurate information on the beneficial ownership and control of legal persons. As bearer shares accord the ownership to the person who possesses the bearer share certificate, they allow the beneficial owner to remain anonymous. To ensure that those shares are not misused for money laundering or terrorist financing purposes, companies - other than those with listed securities on a regulated market or whose shares are issued as intermediated securities - should convert all existing bearer shares into registered shares. In addition, only bearer share warrants in intermediated form should be allowed.	(92) Obliged entities should obtain and hold adequate and accurate information on the beneficial ownership and control of legal persons. As bearer shares accord the ownership to the person who possesses the bearer share certificate, they allow the beneficial owner to remain anonymous. To ensure that those shares are not misused for money laundering or terrorist financing purposes, companies - other than those with listed securities on a regulated market or whose shares are issued as intermediated securities - should convert all existing bearer shares into registered shares. In addition, only bearer share warrants in intermediated form should be allowed.	(92) Obliged entities should obtain and hold adequate and accurate information on the beneficial ownership and control of legal persons. As bearer shares accord the ownership to the person who possesses the bearer share certificate, they allow the beneficial owner to remain anonymous. To ensure that those shares are not misused for money laundering or terrorist financing purposes, companies - other than those with listed securities on a regulated market or whose shares are issued as intermediated securities - should convert all existing bearer shares into registered shares. In addition, only bearer share warrants in intermediated form should be allowed.
103	(93) The anonymity of crypto-assets exposes them to risks of misuse for criminal purposes. Anonymous crypto-asset wallets do not allow	(93) The anonymity of crypto-assets exposes them to risks of misuse for criminal purposes. Anonymous crypto-	(93) The anonymity of crypto-assets exposes them to risks of misuse for criminal purposes. Anonymous crypto-asset ~~wallets~~***accounts as***

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	the traceability of crypto-asset transfers, whilst also making it difficult to identify linked transactions that may raise suspicion or to apply to adequate level of customer due diligence. In order to ensure effective application of AML/CFT requirements to crypto-assets, it is necessary to prohibit the provision and the custody of anonymous crypto-asset wallets by crypto-asset service providers.	asset wallets do not allow the traceability of crypto-asset transfers, whilst also making it difficult to identify linked transactions that may raise suspicion or to apply to adequate level of customer due diligence. In order to ensure effective application of AML/CFT requirements to crypto-assets, it is necessary to prohibit the provision and the custody of anonymous crypto-asset wallets by crypto-asset service providers.	***well as other anonymising instruments,*** do not allow the traceability of crypto-asset transfers, whilst also making it difficult to identify linked transactions that may raise suspicion or to apply to adequate level of customer due diligence. In order to ensure effective application of AML/CFT requirements to crypto-assets, it is necessary to prohibit the provision and the custody of anonymous crypto-asset ~~wallets~~***accounts allowing for the anonymisation of the customer account holder or the increased obfuscation of transactions. Anonymising instruments or services, should be treated by obliged entities as factors of higher risk. Given their potential misuse to obfuscate transactions for illicit purposes, the Commission should assess whether the provision of anonymising instruments and services, such as mixers and tumblers,*** by crypto-asset service providers ***for or on behalf of another person should also be subject to a prohibition***. ***Those provisions should not apply to providers of hardware and software or providers of self-hosted wallets to the extent they do not possess access to or control over the crypto-assets of another person.***
104	(94) The use of large cash payments is highly vulnerable to money laundering and terrorist financing; this has not been sufficiently	(94) The use of large cash payments is highly vulnerable to money laundering and terrorist financing; this has not been	(94) The use of large cash payments is highly vulnerable to money laundering and terrorist financing; this has not been sufficiently

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	mitigated by the requirement for traders in goods to be subject to anti-money laundering rules when making or receiving cash payments of EUR 10 000 or more. At the same time, differences in approaches among Member States have undermined the level playing field within the internal market to the detriment of businesses located in Member States with stricter controls. It is therefore necessary to introduce a Union-wide limit to large cash payments of EUR 10 000. Member States should be able to adopt lower thresholds and further stricter provisions.	sufficiently mitigated by the requirement for traders in goods to be subject to anti-money laundering rules when making or receiving cash payments of EUR 10 000 or more. At the same time, differences in approaches among Member States have undermined the level playing field within the internal market to the detriment of businesses located in Member States with stricter controls. It is therefore necessary to introduce a Union-wide limit to large cash payments of EUR 10 000. Member States should be able to adopt lower thresholds and further stricter provisions.	mitigated by the requirement for traders in goods to be subject to anti-money laundering rules when making or receiving cash payments of EUR 10 000 or more. At the same time, differences in approaches among Member States have undermined the level playing field within the internal market to the detriment of businesses located in Member States with stricter controls. It is therefore necessary to introduce a Union-wide limit to large cash payments of EUR ~~*10 000*~~***7000***. Member States should be able to adopt lower thresholds and further stricter provisions. ***The Union-wide limit should not be applicable to payments between natural persons who are not acting in a professional function, except for transactions related to land and real estate, precious metals and stones and other luxury goods, and to payments or deposits made at the premises of credit institutions. In the case of payments or deposits made at the premises of credit institutions, however, the credit institution should report the payment or deposit above the limit to the FIU. Such reporting should not replace reporting in case of suspicious activities and transactions. Unusually large transactions in cash even below the threshold, including the withdrawal, should be subject to enhanced customer due diligence measures in cases of higher risk and, if necessary, to reporting of suspicions.***

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104a			***(94a) Technological developments enable merchants to accept payments in crypto-assets for the provision of goods and services either in store or online. Where such payments are not carried out by means of a regulated service providers, the level of traceability to a verified identity might not be sufficient for the purpose of preventing their misuse for money laundering, terrorist financing or predicate offences. The use of such means of payment, in the context of increasing digitalisation, might create a loophole and undermine the effectiveness of the cash limit. While maintaining the possibility to make payments in crypto-assets for goods and services, it is therefore necessary to require merchants to rely on a crypto-asset service provider authorised under MiCA, when accepting payments in crypto-assets. Such limitation should apply to persons trading in goods or providing services and should not be interpreted as a restriction on private transactions by means of self-hosted wallets nor as a restriction to the use of self-hosted wallets in the context of commercial transactions, as long as a crypto-asset service provider is involved.***
105	(95) The Commission should assess the costs,	(95) The Commission should assess the	(95) The Commission should assess the costs,

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	benefits and impacts of lowering the limit to large cash payments at Union level with a view to levelling further the playing field for businesses and reducing opportunities for criminals to use cash for money laundering. This assessment should consider in particular the most appropriate level for a harmonised limit to cash payments at Union level considering the current existing limits to cash payments in place in a large number of Member States, the enforceability of such a limit at Union level and the effects of such a limit on the legal tender status of the euro.	costs, benefits and impacts of lowering the limit to large cash payments at Union level with a view to levelling further the playing field for businesses and reducing opportunities for criminals to use cash for money laundering. This assessment should consider in particular the most appropriate level for a harmonised limit to cash payments at Union level considering the current existing limits to cash payments in place in a large number of Member States, the enforceability of such a limit at Union level and the effects of such a limit on the legal tender status of the euro.	benefits and impacts of lowering the limit to large cash payments at Union level with a view to levelling further the playing field for businesses and reducing opportunities for criminals to use cash for money laundering. This assessment should consider in particular the most appropriate level for a harmonised limit to cash payments at Union level considering the current existing limits to cash payments in place in a large number of Member States, the enforceability of such a limit at Union level and the effects of such a limit on the legal tender status of the euro.
106	(96) The Commission should also assess the costs, benefits and impacts of lowering the threshold for the identification of beneficial owners when control is exercised through ownership. This assessment should consider in particular the lessons learned from Member States or third countries having introduced lower thresholds.	(96) The Commission should also assess the costs, benefits and impacts of lowering the threshold for the identification of beneficial owners when control is exercised through ownership. This assessment should consider in particular the lessons learned from Member States or third countries having introduced lower thresholds.	(96) The Commission should also assess the costs, benefits and impacts of lowering the threshold for the identification of beneficial owners when control is exercised through ownership. This assessment should consider in particular the lessons learned from Member States or third countries having introduced lower thresholds.
107	(97) In order to ensure consistent application of AML/CFT requirements, the power to adopt	(97) In order to ensure consistent application of AML/CFT requirements,	(97) In order to ensure consistent application of AML/CFT requirements, the power to adopt

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	acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to supplement this Regulation by adopting delegated acts identifying high-risk third countries, third countries with compliance weaknesses and countries that pose a threat to the Union's financial system and defining harmonised and proportionate enhanced due diligence measures as well as, where relevant, mitigating measures as well as the regulatory technical standards setting out the minimum requirements of group-wide policies, controls and procedures and the conditions under which structures which share common ownership, management or compliance controls are required to apply group-wide policies, controls and procedures, the actions to be taken by groups when the laws of third countries do not permit the application of group-wide policies, controls and procedures and supervisory measures, the sectors and transactions subject to lower thresholds for the performance of customer due diligence and the information necessary for the performance of customer due diligence. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[1]. In particular, to	the power to adopt acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to supplement this Regulation by adopting delegated acts identifying high-risk third countries, third countries with compliance weaknesses ~~*and countries that pose a threat to the Union's financial system and defining harmonised and proportionate enhanced due diligence measures as well as, where relevant, mitigating measures*~~ as well as the regulatory technical standards setting out the minimum requirements of group-wide policies, controls and procedures and the conditions under which structures which share common ownership, management or compliance controls are required to apply group-wide policies, controls and procedures, the actions to be taken by groups when the laws of third countries do not permit the application of group-wide policies, controls and procedures and supervisory measures, the sectors and transactions subject to lower thresholds for the performance of customer due diligence and the information necessary for the performance of customer due diligence. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work,	acts in accordance with Article 290 of the Treaty on the Functioning of the European Union should be delegated to the Commission to supplement this Regulation by adopting delegated acts identifying high-risk third countries, third countries with compliance weaknesses and ~~*countries that pose a threat to the Union's financial system and*~~ defining harmonised and proportionate enhanced due diligence measures as well as, where relevant, mitigating measures as well as the regulatory technical standards setting out the minimum requirements of group-wide policies, controls and procedures and the conditions under which structures which share common ownership, management or compliance controls are required to apply group-wide policies, controls and procedures, the actions to be taken by groups when the laws of third countries do not permit the application of group-wide policies, controls and procedures and supervisory measures, the sectors and transactions subject to lower thresholds for the performance of customer due diligence and the information necessary for the performance of customer due diligence***, as well as specific rules and criteria to identify the beneficial owner or owners of legal entities other than corporate entities***. It is of particular importance that the Commission carry out appropriate consultations during its preparatory work, including at expert level, and that those consultations be conducted in

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	ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts. __________ 1. OJ L 123, 12.5.2016, p. 1.	including at expert level, and that those consultations be conducted in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[1]. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts. __________ 1. OJ L 123, 12.5.2016, p. 1.	accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-Making[1]. In particular, to ensure equal participation in the preparation of delegated acts, the European Parliament and the Council receive all documents at the same time as Member States' experts, and their experts systematically have access to meetings of Commission expert groups dealing with the preparation of delegated acts. __________ 1. OJ L 123, 12.5.2016, p. 1.
108	(98) In order to ensure uniform conditions for the application of this Regulation, implementing powers should be conferred on the Commission in order to identify legal arrangements similar to express trusts governed by the national laws of Member States as well as to adopt implementing technical standards specifying the format to be used for the reporting of suspicious transactions. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[1]. __________ 1. Regulation (EU) No 182/2011 of the European	(98) In order to ensure uniform conditions for the application of this Regulation, implementing powers should be conferred on the Commission in order to identify legal arrangements similar to express trusts governed by the national laws of Member States as well as to adopt implementing technical standards specifying the format to be used for the reporting of suspicious transactions. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[1].	(98) In order to ensure uniform conditions for the application of this Regulation, implementing powers should be conferred on the Commission in order to identify legal arrangements similar to express trusts governed by the national laws of Member States as well as to adopt implementing technical standards specifying the format to be used for the reporting of suspicious transactions. Those powers should be exercised in accordance with Regulation (EU) No 182/2011 of the European Parliament and of the Council[1]. __________ 1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning

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	Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	___________ 1. Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).	mechanisms for control by the Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).
109	(99) This Regulation respects the fundamental rights and observes the principles recognised by the Charter, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter) and the freedom to conduct a business (Article 16 of the Charter).	(99) This Regulation respects the fundamental rights and observes the principles recognised by the Charter, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter) and the freedom to conduct a business (Article 16 of the Charter).	(99) This Regulation respects the fundamental rights and observes the principles recognised by the Charter, in particular the right to respect for private and family life (Article 7 of the Charter), the right to the protection of personal data (Article 8 of the Charter) and the freedom to conduct a business (Article 16 of the Charter).
110	(100) In accordance with Article 21 of the Charter, which prohibits discrimination based on any grounds, obliged entities should perform risk assessments in the context of customer due diligence without discrimination.	(100) In accordance with Article 21 of the Charter, which prohibits discrimination based on any grounds, obliged entities should perform risk assessments in the context of customer due diligence without discrimination.	(100) In accordance with Article 21 of the Charter, which prohibits discrimination based on any grounds, obliged entities should perform risk assessments in the context of customer due diligence without discrimination.
111	(101) When drawing up a report evaluating the implementation of this Regulation, the	(101) When drawing up a report evaluating the implementation of this	(101) When drawing up a report evaluating the implementation of this Regulation, the

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	Commission should give due consideration to the respect of the fundamental rights and principles recognised by the Charter.	Regulation, the Commission should give due consideration to the respect of the fundamental rights and principles recognised by the Charter.	Commission should give due consideration to the respect of the fundamental rights and principles recognised by the Charter.
112	(102) Since the objective of this Regulation, namely to prevent the use of the Union's financial system for the purposes of money laundering and terrorist financing, cannot be sufficiently achieved by the Member States and can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union (TEU). In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.	(102) Since the objective of this Regulation, namely to prevent the use of the Union's financial system for the purposes of money laundering and terrorist financing, cannot be sufficiently achieved by the Member States and can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union (TEU). In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.	(102) Since the objective of this Regulation, namely to prevent the use of the Union's financial system for the purposes of money laundering and terrorist financing, cannot be sufficiently achieved by the Member States and can rather, by reason of the scale or effects of the action, be better achieved at Union level, the Union may adopt measures, in accordance with the principle of subsidiarity as set out in Article 5 of the Treaty on European Union (TEU). In accordance with the principle of proportionality as set out in that Article, this Regulation does not go beyond what is necessary in order to achieve that objective.
113	(103) The European Data Protection Supervisor has been consulted in accordance with Article 42 of Regulation (EU) 2018/1725 [and delivered an opinion on ...[1]], __________	(103) The European Data Protection Supervisor has been consulted in accordance with Article 42 of Regulation (EU) 2018/1725 [and delivered an opinion on ...[1]],	(103) The European Data Protection Supervisor has been consulted in accordance with Article 42 of Regulation (EU) 2018/1725 [and delivered an opinion on ...[1]], __________

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	1. OJ C , , p. .	1. OJ C , , p. .	1. OJ C , , p. .
114	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:	HAVE ADOPTED THIS REGULATION:
115	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS	CHAPTER I GENERAL PROVISIONS
116	Section 1 Subject matter and definitions	Section 1 Subject matter and definitions	Section 1 Subject matter and definitions
117	Article 1 Subject matter	Article 1 Subject matter	Article 1 Subject matter
118	This Regulation lays down rules concerning:	***To prevent the misuse of the financial system for money laundering and the financing of terrorism*** this Regulation lays down rules concerning:	This Regulation lays down rules concerning:
119	(a) the measures to be applied by obliged entities to prevent money laundering and	(a) ~~the~~ measures to be applied by obliged entities ~~to prevent money laundering and~~	(a) the measures to be applied by obliged entities to prevent money laundering and

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	terrorist financing;	~~terrorist financing~~;	terrorist financing;
119a			***(aa) the measures to be applied by obliged entities to mitigate and manage the risks of non-implementation and evasion of targeted financial sanctions;***
119b			***(ab) the measures to prevent money laundering and terrorist financing in Member States which allow for citizenship or residence rights in exchange for any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget;***
120	(b) beneficial ownership transparency requirements for legal entities and arrangements;	(b) beneficial ownership transparency requirements for legal entities***, express trusts and similar legal*** ~~and~~ arrangements;	(b) beneficial ownership transparency requirements for legal entities and arrangements;
120a		***(ba) data protection and record-***	

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		retention provisions related to points (a) and (b);	
121	(c) measures to limit the misuse of bearer instruments.	(c) measures to limit the misuse of ~~bearer~~***anonymous*** instruments.	(c) measures to ***mitigate risks deriving from anonymous instruments and*** limit the misuse of bearer instruments.
122	Article 2 Definitions	Article 2 Definitions	Article 2 Definitions
123	For the purposes of this Regulation, the following definitions apply:	For the purposes of this Regulation, the following definitions apply:	For the purposes of this Regulation, the following definitions apply:
124	(1) 'money laundering' means the conduct as set out in Article 3, paragraphs 1 and 5 of Directive (EU) 2018/1673 including aiding and abetting, inciting and attempting to commit that conduct, whether the activities which generated the property to be laundered were carried out on the territory of a Member State or on that of a third country. Knowledge, intent or purpose required as an element of that conduct may be inferred from objective factual circumstances;	(1) 'money laundering' means the conduct as set out in Article 3, paragraphs 1 and 5 of Directive (EU) 2018/1673 including aiding and abetting, inciting and attempting to commit that conduct, whether the activities which generated the property to be laundered were carried out on the territory of a Member State or on that of a third country~~. Knowledge, intent or purpose required as an element of that conduct may be inferred from objective~~	(1) 'money laundering' means the conduct as set out in Article 3, paragraphs 1 and 5 of Directive (EU) 2018/1673 including aiding and abetting, inciting and attempting to commit that conduct, whether the activities which generated the property to be laundered were carried out on the territory of a Member State or on that of a third country. Knowledge, intent or purpose required as an element of that conduct may be inferred from objective factual circumstances;

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		~~*factual circumstances*~~;	
125	(2) 'terrorist financing' means the conduct set out in Article 11 of Directive (EU) 2017/541 including aiding and abetting, inciting and attempting to commit that conduct, whether carried out on the territory of a Member State or on that of a third country. Knowledge, intent or purpose required as an element of that conduct may be inferred from objective factual circumstances;	(2) 'terrorist financing' means the conduct set out in Article 11 of Directive (EU) 2017/541 including aiding and abetting, inciting and attempting to commit that conduct, whether carried out on the territory of a Member State or on that of a third country~~*. Knowledge, intent or purpose required as an element of that conduct may be inferred from objective factual circumstances*~~;	(2) 'terrorist financing' means the conduct set out in Article 11 of Directive (EU) 2017/541 including aiding and abetting, inciting and attempting to commit that conduct, whether carried out on the territory of a Member State or on that of a third country. Knowledge, intent or purpose required as an element of that conduct may be inferred from objective factual circumstances;
126	(3) 'criminal activity' means criminal activity as defined in Article 2(1) of Directive (EU) 2018/1673, as well as fraud affecting the Union's financial interests as defined in Article 3(2) of Directive (EU) 2017/1371, passive and active corruption as defined in Article 4 (2) and misappropriation as defined in Article 4(3), second subparagraph of that Directive;	(3) 'criminal activity' means criminal activity as defined in Article 2(1) of Directive (EU) 2018/1673, as well as fraud affecting the Union's financial interests as defined in Article 3(2) of Directive (EU) 2017/1371, passive and active corruption as defined in Article 4 (2) and misappropriation as defined in Article 4(3), second subparagraph of that Directive;	(3) 'criminal activity' means criminal activity as defined in Article 2(1) of Directive (EU) 2018/1673, as well as fraud affecting the Union's financial interests as defined in Article 3(2) of Directive (EU) 2017/1371, passive and active corruption as defined in Article 4 (2) and misappropriation as defined in Article 4(3), second subparagraph of that Directive;
127	(4) 'property' means property as defined in Article 2(2) of Directive (EU) 2018/1673;	(4) 'property' means property as defined in Article 2(2) of Directive (EU)	(4) ***'funds' or*** 'property' means property as defined in Article 2(2) of Directive (EU)

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		2018/1673;	2018/1673;
128	(5) 'credit institution' means a credit institution as defined in Article 4(1), point (1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council[1], including branches thereof, as defined in Article 4(1), point (17) of that Regulation, located in the Union, whether their head office is situated within the Union or in a third country; __________ 1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).	(5) 'credit institution' means ~~a credit institution as defined in Article 4(1), point (1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council[1], including branches thereof, as defined in Article 4(1), point (17) of that Regulation, located in the Union, whether their head office is situated within the Union or in a third country;~~ **:** __________ ~~1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).~~	(5) 'credit institution' means a credit institution as defined in Article 4(1), point (1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council[1], including branches thereof, as defined in Article 4(1), point (17) of that Regulation, located in the Union, whether their head office is situated within the Union or in a third country; __________ 1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).
128a		***(a) a credit institution as defined in Article 4(1), point (1) of Regulation (EU) No 575/2013 of the European Parliament and of the Council[1];*** __________ ***1. Regulation (EU) No 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No 648/2012 (OJ L 176, 27.6.2013, p. 1).***	

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128b		***(b) a branch of a credit institution referred to in point (a), when located in the Union, whether its head office is situated within the Union or in a third country;***	
129	(6) ‘financial institution’ means:	(6) ‘financial institution’ means:	(6) ‘financial institution’ means:
130	(a) an undertaking other than a credit institution or an investment firm, which carries out one or more of the activities listed in points (2) to (12), (14) and (15) of Annex I to Directive 2013/36/EU of the European Parliament and of the Council[1], including the activities of currency exchange offices (bureaux de change), or the principal activity of which is to acquire holdings, including a financial holding company and a mixed financial holding company; 1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).	(a) an undertaking other than a credit institution or an investment firm, which carries out one or more of the activities listed in points (2) to (12), (14) and (15) of ***the*** Annex I to Directive 2013/36/EU of the European Parliament and of the Council[1], including the activities of currency exchange offices (bureaux de change), or the principal activity of which is to acquire holdings, including a financial holding company and a mixed financial holding company;***, creditors as defined in Article 4, point (2) of Directive 2014/17/EU of the European Parliament and of the Council[2] and in Article 3, point (b) of Directive 2008/48/EC of the European Parliament and of the Council[3] and the activities of central securities depositories as defined in***	(a) an undertaking other than a credit institution or an investment firm, which carries out one or more of the activities listed in points (2) to (12), (14) and (15) of Annex I to Directive 2013/36/EU of the European Parliament and of the Council[1], including the activities of currency exchange offices (bureaux de change)***and activities of creditors as defined in Article 4, point (2), of Directive 2014/17/EU of the European Parliament and of the Council, and in Article 3, point (b), of Directive 2008/48/EC of the European Parliament and of the Council, or an undertaking whose principal activity***~~, or the principal activity of which~~ is to acquire holdings, including a financial holding company and a mixed financial holding company***, but excluding the activities listed in point (8) of Annex I to Directive (EU) 2015/2366 of the European Parliament and of***

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		Article 2(1), point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council[4], but with the exception of the activities of account information service providers as defined in Article 4, point (19) of Directive (EU) 2015/2366; __________ 1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338). ***2***. ***Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 (OJ L 60, 28.2.2017, p. 34).*** ***3***. ***Directive 2008/48/EC of the European Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 133, 22.5.2008, p. 66).*** ***4***. ***Regulation (EU) No 909/2014 of the European Parliament and of the Council of 23 July 2014 on improving securities settlement in the European Union and on central securities depositories and amending Directives 98/26/EC and 2014/65/EU and Regulation (EU) No 236/2012 (OJ L 257, 28.8.2014, p. 1).***	***the Council***; __________ 1. Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (OJ L 176, 27.6.2013, p. 338).
130a			

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			(aa) a central securities depository as defined in Article 2 point (1) of Regulation (EU) No 909/2014 of the European Parliament and of the Council;
131	(b) an insurance undertaking as defined in Article 13, point (1) of Directive 2009/138/EC of the European Parliament and of the Council[1], insofar as it carries out life or other investment-related assurance activities covered by that Directive, including insurance holding companies and mixed-activity insurance holding companies as defined, respectively, in Article 212(1), points (f) and (g) of Directive 2009/138/EC; __________ 1. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).	(b) an insurance undertaking as defined in Article 13, point (1) of Directive 2009/138/EC of the European Parliament and of the Council[1], insofar as it carries out life or other investment-related assurance activities covered by that Directive, including insurance holding companies and mixed-activity insurance holding companies as defined, respectively, in Article 212(1), points (f) and (g) of Directive 2009/138/EC; __________ 1. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).	(b) an insurance undertaking as defined in Article 13, point (1) of Directive 2009/138/EC of the European Parliament and of the Council[1], insofar as it carries out life or other investment-related assurance activities covered by that Directive, including insurance holding companies and mixed-activity insurance holding companies as defined, respectively, in Article 212(1), points (f) and (g) of Directive 2009/138/EC; __________ 1. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).
132	(c) an insurance intermediary as defined in Article 2(1), point (3) of Directive (EU) 2016/97 of the European Parliament and of the Council[1] where it acts with respect to life insurance and other investment-related services; __________	(c) an insurance intermediary as defined in Article 2(1), point (3) of Directive (EU) 2016/97 of the European Parliament and of the Council[1] where it acts with respect to life insurance and other investment-related ***insurance*** services***, with the***	(c) an insurance intermediary as defined in Article 2(1), point (3) of Directive (EU) 2016/97 of the European Parliament and of the Council[1] where it acts with respect to life insurance and other investment-related services; __________

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	1. Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast) (OJ L 26, 2.2.2016, p. 19).	***exception of an insurance intermediary which does not collect premiums or amounts intended for the customer and which acts under the full responsibility of one or more insurance undertakings or intermediaries for the products which concern them respectively***; __________ 1. Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast) (OJ L 26, 2.2.2016, p. 19).	1. Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast) (OJ L 26, 2.2.2016, p. 19).
133	(d) an investment firm as defined in Article 4(1), point (1) of Directive 2014/65/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (OJ L 173, 12.6.2014, p. 349).	(d) an investment firm as defined in Article 4(1), point (1) of Directive 2014/65/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (OJ L 173, 12.6.2014, p. 349).	(d) an investment firm as defined in Article 4(1), point (1) of Directive 2014/65/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) (OJ L 173, 12.6.2014, p. 349).
134	(e) a collective investment undertaking, in particular:	(e) a collective investment undertaking, in particular:	(e) a collective investment undertaking, in particular:
135	(i) an undertaking for collective investment in	(i) an undertaking for collective	(i) an undertaking for collective investment in

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	transferable securities as defined in Article 1(2) of Directive 2009/65/EC and its management company as defined in Article 2(1)(b) of that Directive or an investment company authorised in accordance with that Directive and which has not designated a management company, that makes available for purchase units of UCITS in the Union;	investment in transferable securities as defined in Article 1(2) of Directive 2009/65/EC and its management company as defined in Article 2(1)(b) of that Directive or an investment company authorised in accordance with that Directive and which has not designated a management company, that makes available for purchase units of UCITS in the Union;	transferable securities as defined in Article 1(2) of Directive 2009/65/EC and its management company as defined in Article 2(1)(b) of that Directive or an investment company authorised in accordance with that Directive and which has not designated a management company, that makes available for purchase units of UCITS in the Union;
136	(ii) an alternative investment fund as defined in Article 4(1)(a) of Directive 2011/61/EU and its alternative investment fund manager as defined in Article 4(1)(b) of that Directive that fall within the scope set out in Article 2 of that Directive;	(ii) an alternative investment fund as defined in Article ~~*4(1)(a)*~~***4(1), point (a)*** of Directive 2011/61/EU and its alternative investment fund manager as defined in Article ~~*4(1)(b)*~~***4(1), point (b)*** of that Directive that fall within the scope set out in Article 2 of that Directive;	(ii) an alternative investment fund as defined in Article 4(1)(a) of Directive 2011/61/EU and its alternative investment fund manager as defined in Article 4(1)(b) of that Directive that fall within the scope set out in Article 2 of that Directive;
136a		***(ea) a crypto-asset service provider;***	
137	(f) branches of financial institutions as defined in points (a) to (e), when located in the Union, whether their head office is situated in a Member State or in a third country;	(f) branches of financial institutions as defined in points (a) to ~~*(e)*~~***(ea)***, when located in the Union, whether their head office is situated in a Member State or in a third country;	(f) branches of financial institutions as defined in points (a) to (e), when located in the Union, whether their head office is situated in a Member State or in a third country;

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137a			***(fa) crypto-asset service providers;***
137b			***(6a) 'crypto-asset service providers' means a crypto-asset service provider as defined in Article 3(1), point (15), of Regulation (EU) 2023/... [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] where performing one or more crypto-asset services as defined in Article 3(1), point (16), of that Regulation, with the exception of providing advice on crypto-assets as referred to in Article 3(1), point (16) (h) of that Regulation;***
137c			***(6b) 'bearer share' means a negotiable instrument that accords ownership in a legal person to the person who possesses the bearer share certificate, or any other similar instrument which does not allow the identification or traceability of the ownership of the share; however, it does not refer to dematerialised or registered forms of share certificates whose owners are traceable and identifiable;***

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137d			***(6c) 'bearer share warrant' means a negotiable instrument that accords entitlement to ownership in a legal person who possesses the bearer share warrant, or any other similar warrant or instrument which does not allow the identification or traceability of the ownership of the share; however, it does not refer to dematerialised or registered warrants or other instruments whose owners are traceable and identifiable, or to any other instrument that only confers a right to subscribe for ownership in a legal person at specified conditions, but not ownership or entitlement to ownership, unless and until the instruments are exercised;***
138	(7) 'trust or company service provider' means any person that, by way of its business, provides any of the following services to third parties:	(7) 'trust or company service provider' means any person that, by way of its business, provides any of the following services to third parties:	(7) 'trust or company service provider' means any person that, by way of its business, provides any of the following services to third parties:
139	(a) the formation of companies or other legal persons;	(a) the formation of companies or other legal persons;	(a) the formation of companies or other legal persons;

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140	(b) acting as, or arranging for another person to act as, a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal persons;	(b) acting as, or arranging for another person to act as, a director or secretary of a company, a partner of a partnership, or a similar position in relation to other legal persons;	(b) acting as, or arranging for another person to act as, a director or secretary of a company, ***namely as a nominee,*** a partner of a partnership, ***a president of a management board*** or a similar position in relation to other legal persons;
141	(c) providing a registered office, business address, correspondence or administrative address and other related services for a company, a partnership or any other legal person or arrangement;	(c) providing a registered office, business address, correspondence or administrative address ~~and other related services~~ for a company, a partnership or any other legal person or arrangement ***or any other related services***;	(c) providing a registered office, business address, correspondence or administrative address and other related services for a company, a partnership or any other legal person or arrangement;
142	(d) acting as, or arranging for another person to act as, a trustee of an express trust or performing an equivalent function for a similar legal arrangement;	(d) acting as, or arranging for another person to act as, a trustee of an express trust or performing an equivalent function for a similar legal arrangement;	(d) acting as, or arranging for another person to act as, a trustee of an express trust or performing an equivalent function for a similar legal arrangement;
143	(e) acting as, or arranging for another person to act as, a nominee shareholder for another person;	(e) acting as, or arranging for another person to act as, a nominee shareholder for another person;	(e) acting as, or arranging for another person to act as, a nominee shareholder for another person;
143a			

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			(7a) 'wealth or asset manager' means a natural or legal person that, by way of that person's business, provides services and offers products designed to grow, protect, utilise and disseminate the wealth of third parties;
144	(8) 'gambling services' means a service which involves wagering a stake with monetary value in games of chance, including those with an element of skill such as lotteries, casino games, poker games and betting transactions that are provided at a physical location, or by any means at a distance, by electronic means or any other technology for facilitating communication, and at the individual request of a recipient of services;	(8) 'gambling services' means a service which involves ~~wagering a stake with monetary value in~~ ***a*** games of chance~~,~~ ~~including those with an element of skill such as lotteries, casino games, poker games and betting transactions that are~~ provided at a physical location~~,~~ or by any means at a distance, by electronic means or any other technology for facilitating communication, ~~and~~ at the individual request of a recipient of services***, such as lotteries, casino games, poker games and betting transactions***;	(8) 'gambling services' means a service which involves wagering a stake with monetary value***, inter alia in the form of chargeable communications,*** in games of chance, including those with an element of skill such as lotteries, casino games, poker games and betting transactions that are provided at a physical location, or by any means at a distance, by electronic means or any other technology for facilitating communication, and at the individual request of a recipient of services;
144a		***(8a) 'game of chance' means any game which involves wagering a stake with monetary value in exchange for a chance to win a prize with a monetary value, and where the occurrence of a win or loss depends wholly or partially on chance.***	

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145	(9) ‘mortgage creditor’ means a creditor as defined in Article 4, point (2) of Directive 2014/17/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 Text with EEA relevance (OJ L 60, 28.2.2014, p. 34).	(9) ~~‘mortgage creditor’ means a creditor as defined in Article 4, point (2) of Directive 2014/17/EU of the European Parliament and of the Council[1];~~***Deleted*** __________ ~~1. Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 Text with EEA relevance (OJ L 60, 28.2.2014, p. 34).~~	(9) ‘mortgage creditor’ means a creditor as defined in Article 4, point (2) of Directive 2014/17/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2014/17/EU of the European Parliament and of the Council of 4 February 2014 on credit agreements for consumers relating to residential immovable property and amending Directives 2008/48/EC and 2013/36/EU and Regulation (EU) No 1093/2010 Text with EEA relevance (OJ L 60, 28.2.2014, p. 34).
146	(10) ‘mortgage credit intermediary’ means a credit intermediary as defined in Article 4, point (5) of Directive 2014/17/EU;	(10) ‘mortgage credit intermediary’ means a credit intermediary as defined in Article 4, point (5) of Directive 2014/17/EU ***when holding the funds in connection with the credit agreement, with the exception of the mortgage credit intermediary carrying out activities under the full responsibility of one or more creditors or credit intermediaries***;	(10) ‘mortgage credit intermediary’ means a credit intermediary as defined in Article 4, point (5) of Directive 2014/17/EU;
147	(11) ‘consumer creditor‘ means a creditor as defined in Article 3, point (b) of Directive 2008/48/EC of the European Parliament and of the Council[1]; __________ 1. Directive 2008/48/EC of the European Parliament and	(11) ~~‘consumer creditor‘ means a creditor as defined in Article 3, point (b) of Directive 2008/48/EC of the European Parliament and of the Council[1];~~***Deleted*** __________ ~~1. Directive 2008/48/EC of the European~~	(11) ‘consumer creditor‘ means a creditor as defined in Article 3, point (b) of Directive 2008/48/EC of the European Parliament and of the Council[1]; __________ 1. Directive 2008/48/EC of the European Parliament and of

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	of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 133, 22.5.2008, p. 66).	~~Parliament and of the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 133, 22.5.2008, p. 66).~~	the Council of 23 April 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (OJ L 133, 22.5.2008, p. 66).
148	(12) 'consumer a credit intermediary' means a credit intermediary as defined in Article 3, point (f) of Directive 2008/48/EC;	(12) 'consumer a credit intermediary' means a credit intermediary as defined in Article 3, point (f) of Directive 2008/48/EC ***when holding the funds in connection with the credit agreement, with the exception of the consumer credit intermediary carrying out activities under the full responsibility of one or more creditors or credit intermediaries***;	(12) 'consumer a credit intermediary' means a credit intermediary as defined in Article 3, point (f) of Directive 2008/48/EC;
149	(13) 'crypto-asset' means a crypto-asset as defined in Article 3(1), point (2) of Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] except when falling under the categories listed in Article 2(2) of that Regulation or not otherwise qualifying as funds;	(13) 'crypto-asset' means a crypto-asset as defined in Article 3(1), point (2) of Regulation ***[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]***~~[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]~~ except when falling under the categories listed in Article 2(2) of that Regulation ~~or not otherwise qualifying as funds~~;	(13) 'crypto-asset' means a crypto-asset as defined in Article 3(1), point (2) of Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] except when falling under the categories listed in Article 2(2) of that Regulation or not otherwise qualifying as funds;

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150	(14) 'crypto-asset service provider' means a crypto-assets service provider as defined in Article 3(1), point (8) of Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final] where performing one or more crypto-asset services as defined in Article 3(1) point (9) of that Regulation;	(14) 'crypto-asset service provider' means a crypto-assets service provider as defined in Article 3(1), point (8) of Regulation ***[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]*** ~~[please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937 - COM/2020/593 final]~~ where performing one or more crypto-asset services as defined in Article 3(1)***,*** point (9) of that Regulation***, with the exception of providing advice on crypto-assets as defined in point (9)(h) of that Article***;	*deleted*
150a			***(14a) 'high-level professional football club' means a legal entity established in a Member State which owns or manages a professional football club of which at least one team plays in the championship or championships of the two highest level of competition in that Member State and has an annual turnover of at least EUR 7 000 000;***
150b		***(14a) 'Self-hosted address' means a self-***	

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		hosted address as defined in Article 3(1), point (18a) of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final];	
150c			***(14b) 'sports agent in the football sector' means a natural person who provides private job placements in the football sector for prospective paid football players or for employers with a view to signing employment contracts for paid football players;***
150d		***(14b) 'Crowdfunding service providers' means a crowdfunding service provider as defined in Article 2(1), point (e) of Regulation (EU) 2020/1503;***	
150e		***(14c) 'Third-party financing intermediary' means an undertaking, other than those which are otherwise obliged entities pursuant to Article 3 such as crowdfunding service providers, the business of which is to match or facilitate the matching, through an internet-based information system open***	

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		to the public or to a limited number of funders of:	
150f		***(i) project owners, which are any natural or legal person seeking funding for projects, consisting of one or a set of predefined operations aiming at a particular objective, including fundraising for a particular cause or event irrespective of whether these projects are proposed to the public or to a limited number of funders; and***	
150g		***(ii) funders, which are any natural or legal person contributing to the funding of projects, through loans, with or without interest, or donations, including where such donations entitle the donor to a non-material benefit.***	
151	(15) 'electronic money' means electronic money as defined in Article 2, point (2) of Directive 2009/110/EC[1], but excluding monetary value as referred to in Article 1(4) and (5) of that Directive; __________	(15) 'electronic money' means electronic money as defined in Article 2, point (2) of Directive 2009/110/EC ***of the European Parliament and of the Council***[1], but excluding monetary value as referred to in Article 1(4) and (5) of that Directive;	(15) 'electronic money' means electronic money as defined in Article 2, point (2) of Directive 2009/110/EC[1], but excluding monetary value as referred to in Article 1(4) and (5) of that Directive; __________

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	1. Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7).	1. Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7).	1. Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC (OJ L 267, 10.10.2009, p. 7).
151a			***(15a) 'precious metals' means gold, silver, platinum, iridium, osmium, palladium, rhodium and rhutenium;***
151b			***(15b) 'precious stones' means diamonds, rubies, sapphires and emeralds;***
152	(16) 'business relationship' means a business, professional or commercial relationship which is connected with the professional activities of an obliged entity and which is expected, at the time when the contact is established, to have an element of duration, including a relationship where an obliged entity is asked to form a company or set up a trust for its customer, whether or not the formation of the company or setting up of the trust is the only transaction carried out for that customer;	(16) 'business relationship' means a business, professional or commercial relationship ~~which is~~ connected with the professional activities of an obliged entity ~~and~~**,** which is ~~expected, at the time when the contact is established, to have an element of duration, including a relationship where an obliged entity is asked to form a company or set up a trust for its customer, whether or not the formation of the company or setting up of the trust is the only transaction carried~~	(16) ~~'~~'business relationship' means a business, professional or commercial relationship which is ***directly*** connected with the professional activities of an obliged entity and which is expected, at the time when the contact is established, to have an element of duration, including a relationship where an obliged entity is asked to form a company or set up a trust for its customer, whether or not the formation of the company or setting up of the trust is the only transaction carried out for that customer;***or in the case of real estate transactions, a***

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		~~out for that customer~~***set up between an obliged entity and a customer, including in the absence of a written contract and which is expected to have, at the time when the contact is established, or which acquires an element of repetition or duration***;	***relationship where an obliged entity other than a credit or financial institution is provided with services which involve the sale or brokerage of more than one property over a period of time;***
152a			***(16a) 'occasional transaction' means a transaction that is not carried out as part of a business relationship;***
152b			***(16b) 'atypical transaction or fact' means a transaction or a fact which does not appear to be consistent with the customer's characteristics and with the purpose and intended nature of the business relationship or the proposed transaction;***
153	(17) 'linked transactions' means two or more transactions with either identical or similar origin and destination, over a specific period of time;	(17) 'linked transactions' means two or more transactions ~~with either identical or~~***carried out over a specific period of time, and which appear to have close characteristics such as*** similar ~~origin and destination, over a specific period of time~~***purposes, amounts or other relevant***	(17) 'linked transactions' means two or more transactions with either identical or similar origin and destination, over a specific period of time;

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		characteristics, or which are carried out by or on behalf of customers, originators or beneficiaries which are similar or have common characteristics;	
154	(18) ‘third country’ means any jurisdiction, independent state or autonomous territory that is not part of the European Union but that has its own AML/CFT legislation or enforcement regime;	(18) ‘third country’ means any jurisdiction, independent state or autonomous territory that is not part of the European Union ~~but~~***and*** that has its own AML/CFT legislation or enforcement regime;	(18) ‘third country’ means any jurisdiction, independent state or autonomous territory that is not part of the European Union but that has its own AML/CFT legislation or enforcement regime;
155	(19) ‘correspondent relationship’ means:	(19) ‘correspondent relationship’ means:	(19) ‘correspondent relationship’ means:
156	(a) the provision of banking services by one credit institution as the correspondent to another credit institution as the respondent, including providing a current or other liability account and related services, such as cash management, international funds transfers, cheque clearing, payable-through accounts and foreign exchange services;	(a) the provision of banking services by one credit institution as the correspondent to another credit institution as the respondent, including providing a current or other liability account and related services, such as cash management, international funds transfers, cheque clearing, payable-through accounts and foreign exchange services;	(a) the provision of banking services by one credit institution as the correspondent to another credit institution as the respondent, including providing a current or other liability account and related services, such as cash management, international funds transfers, cheque clearing, payable-through accounts and foreign exchange services;
157			

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	(b) the relationships between and among credit institutions and financial institutions including where similar services are provided by a correspondent institution to a respondent institution, and including relationships established for securities transactions or funds transfers;	(b) the relationships between and among credit institutions and financial institutions including where similar services are provided by a correspondent institution to a respondent institution, and including relationships established for securities transactions or funds transfers;	(b) the relationships between and among credit institutions and financial institutions including where similar services are provided by a correspondent institution to a respondent institution, and including relationships established for securities transactions or funds transfers ***or relationships established for transactions in crypto-assets or transfers of crypto-asset***;
158	(20) 'shell bank' means a credit institution or financial institution, or an institution that carries out activities equivalent to those carried out by credit institutions and financial institutions, incorporated in a jurisdiction in which it has no physical presence, involving meaningful mind and management, and which is unaffiliated with a regulated financial group;	(20) 'shell bank' means a credit institution or financial institution, or an institution that carries out activities equivalent to those carried out by credit institutions and financial institutions, incorporated in a jurisdiction in which it has no physical presence, involving meaningful mind and management, and which is unaffiliated with a regulated financial group;	(20) 'shell bank' means a credit institution or financial institution, or an institution that carries out activities equivalent to those carried out by credit institutions and financial institutions, incorporated in a jurisdiction in which it has no physical presence, involving meaningful mind and management, and which is unaffiliated with a regulated financial group;
158a			***(20a) 'unregistered or unlicenced entity providing crypto-asset services' means an entity which provides crypto-asset services and that is not established in any jurisdiction within the Union or does not have a central contact point or substantive management presence in any jurisdiction within the Union;***

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159	(21) ‘Legal Entity Identifier’ means a unique alphanumeric reference code based on the ISO 17442 standard assigned to a legal entity;	(21) ‘Legal Entity Identifier’ means a unique alphanumeric reference code based on the ISO 17442 standard assigned to a legal entity;	(21) ‘Legal Entity Identifier’ means a unique alphanumeric reference code based on the ISO 17442 standard assigned to a legal entity;
160	(22) ‘beneficial owner’ means any natural person who ultimately owns or controls a legal entity or express trust or similar legal arrangement, as well as any natural person on whose behalf or for the benefit of whom a transaction or activity is being conducted;	(22) ‘beneficial owner’ means ~~any natural person who ultimately owns or controls a legal entity or express trust or similar legal arrangement, as well as any natural person on whose behalf or for the benefit of whom a transaction or activity is being conducted;~~ ***:***	(22) ‘beneficial owner’ means any natural person who ultimately owns or controls a legal entity or ***an*** express trust or similar legal arrangement, ***or an organisation that has legal capacity under national law,*** as well as any natural person on whose behalf or for the benefit of whom a transaction or activity ***or business relationship*** is being conducted;
160a		***(a) any natural person who ultimately owns or controls, according to articles 42 to 43, a legal entity, an express trust or a similar legal arrangement;***	
160b		***(b) any natural person on whose behalf or for the benefit of whom a business relationship or a transaction or activity is being conducted;***	

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160c		***(22a) 'Express trust' means a trust intentionally created by the settlor, inter vivos or on death, usually in a form of written document to place assets under the control of a trustee for the benefit of a beneficiary or for a specified purpose, usually to fulfil a business or personal need.***	
161	(23) 'legal arrangement' means an express trust or an arrangement which has a similar structure or function to an express trust, including fiducie and certain types of Treuhand and fideicomiso;	(23) 'legal arrangement' means an express trust or an arrangement which has a similar structure or function to an express trust, including fiducie and certain types of Treuhand and fideicomiso;	(23) 'legal arrangement' means an express trust or an arrangement which has a similar structure or function to an express trust, including fiducie and certain types of Treuhand and fideicomiso;
162	(24) 'formal nominee arrangement' means a contract or a formal arrangement with an equivalent legal value to a contract, between the nominee and the nominator, where the nominator is a legal entity or natural person that issues instructions to a nominee to act on their behalf in a certain capacity, including as a director or shareholder, and the nominee is a legal entity or natural person instructed by the nominator to act on their behalf;	(24) 'formal nominee arrangement' means a contract or a ~~*formal arrangement with an*~~ equivalent ~~*legal value to a contract*~~***arrangement***, between ~~*the nominee and the nominator*~~***a nominator and a nominee***, where the nominator is a legal entity or natural person that issues instructions to a nominee to act on their behalf in a certain capacity, including as a director or shareholder, and the nominee	(24) 'formal nominee arrangement' means a contract or a formal ***equivalent*** arrangement with an equivalent legal value to a contract, between the nominee and the nominator, where the nominator is a legal entity or natural person that issues instructions to a nominee to act on their behalf in a certain capacity, including as a director or shareholder, and the nominee is a legal entity or natural person instructed by the nominator to act on their behalf;

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		is a legal entity or natural person instructed by the nominator to act on their behalf;	
163	(25) ‘politically exposed person’ means a natural person who is or has been entrusted with the following prominent public functions:	(25) ‘politically exposed person’ means a natural person who is or has been entrusted with the ~~*following*~~ prominent public functions ***including***:	(25) ‘politically exposed person’ means a natural person who is or has been entrusted with ~~*the following*~~ prominent public functions ***including***:
164	(a) in a Member State:	(a) in a Member State:	(a) in a Member State:
165	(i) heads of State, heads of government, ministers and deputy or assistant ministers;	(i) heads of State, heads of government, ministers and deputy or assistant ministers;	(i) heads of State, heads of government, ministers and deputy or assistant ministers;
166	(ii) members of parliament or of similar legislative bodies;	(ii) members of parliament or of similar legislative bodies;	(ii) members of parliament or of similar legislative bodies;
167	(iii) members of the governing bodies of political parties;	(iii) members of the governing bodies of political parties;	(iii) members of the governing bodies of political parties;
168			

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	(iv) members of supreme courts, of constitutional courts or of other high-level judicial bodies, the decisions of which are not subject to further appeal, except in exceptional circumstances;	(iv) members of supreme courts, of constitutional courts or of other high-level judicial bodies, the decisions of which are not subject to further appeal, except in exceptional circumstances;	(iv) members of supreme courts, of constitutional courts or of other high-level judicial bodies, the decisions of which are not subject to further appeal, except in exceptional circumstances;
169	(v) members of courts of auditors or of the boards of central banks;	(v) members of courts of auditors or of the boards of central banks;	(v) members of courts of auditors or of the boards of central banks;
170	(vi) ambassadors, chargés d'affaires and high-ranking officers in the armed forces;	(vi) ambassadors, chargés d'affaires and high-ranking officers in the armed forces;	(vi) ambassadors, chargés d'affaires and high-ranking officers in the armed forces;
171	(vii) members of the administrative, management or supervisory bodies of State-owned enterprises;	(vii) members of the administrative, management or supervisory bodies of ~~State-owned enterprises~~***enterprises majority-owned by State or local authorities***;	(vii) members of the administrative, management or supervisory bodies of State-owned enterprises;
171a			***(viia) heads of regional and local authorities including groupings of municipalities and metropolitan regions of at least 30.000 inhabitants;***
171b			

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		(viii) other prominent public functions provided for by Member States;	
172	(b) in an international organisation:	(b) in an international organisation:	(b) in an international organisation:
173	(i) the highest ranking official, his/her deputies and members of the board or equivalent function of an international organisation;	(i) the highest ranking official, his/her deputies and members of the board or equivalent function of an international organisation;	(i) the highest ranking official, his/her deputies and members of the board or equivalent function of an international organisation;
174	(ii) representatives to a Member State or to the Union;	(ii) representatives to a Member State or to the Union;	(ii) representatives to a Member State or to the Union;
175	(c) at Union level:	(c) at Union level:	(c) at Union level:
176	(i) functions at the level of Union institutions and bodies that are equivalent to those listed in points (a)(i), (ii), (iv), (v) and (vi);	(i) functions at the level of Union institutions and bodies that are equivalent to those listed in points (a)(i), (ii), (iv), (v) and (vi);	(i) functions at the level of Union institutions and bodies that are equivalent to those listed in points (a)(i), (ii), (iv), (v) and (vi);
177	(d) in a third country:	(d) in a third country:	(d) in a third country:

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178	(i) functions that are equivalent to those listed in point (a);	(i) functions that are equivalent to those listed in point (a);	(i) functions that are equivalent to those listed in point (a);
178a			***(ia) other prominent public functions as defined by Member States;***
178b		***No public function referred to in points (a) to (d) shall be understood as covering middle-ranking or more junior officials;***	
179	(26) ‘family members’ means:	(26) ‘family members’ means:	(26) ‘family members’ means:
180	(a) the spouse, or the person in a registered partnership or civil union or in a similar arrangement;	(a) the spouse, or the person in a registered partnership or civil union or in a similar arrangement;	(a) the spouse, or the person in a registered partnership or civil union or in a similar arrangement;
181	(b) the children and the spouses of, or persons in a registered partnership or civil union or in a similar arrangement with, those children;	(b) the children and the spouses of, or persons in a registered partnership or civil union or in a similar arrangement with, those children;	(b) the children and the spouses of, or persons in a registered partnership or civil union or in a similar arrangement with, those children;

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182	(c) the parents;	(c) the parents;	(c) the parents ***and the siblings***;
183	(27) 'persons known to be close associates' means:	(27) 'persons known to be close associates' means:	(27) 'persons known to be close associates' means:
184	(a) natural persons who are known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with a politically exposed person;	(a) natural persons who are known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with a politically exposed person;	(a) natural persons who are known to have joint beneficial ownership of legal entities or legal arrangements, or any other close business relations, with a politically exposed person;
184a			***(aa) 'high-net-worth customer' means a customer who is a natural person or the beneficial owner of a legal entity that holds in total a minimum of EUR 1 000 000 in financial or investable wealth or assets, excluding that person's main private residence, in accordance with this Regulation;***
185	(b) natural persons who have sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the de	(b) natural persons who have sole beneficial ownership of a legal entity or legal arrangement which is known to have	(b) natural persons who have sole beneficial ownership of a legal entity or legal arrangement which is known to have been set up for the de

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	facto benefit of a politically exposed person;	been set up for the de facto benefit of a politically exposed person;	facto benefit of a politically exposed person;
186	(28) 'senior management' means, in addition to executive members of the board of directors or, if there is no board, of its equivalent governing body, an officer or employee with sufficient knowledge of the institution's money laundering and terrorist financing risk exposure and sufficient seniority to take decisions affecting its risk exposure;	(28) 'senior management' means, in addition to ~~executive~~***the*** members of the ~~board of directors or, if there is no board, of its equivalent governing body~~***management body in its management function***, an officer or employee with sufficient knowledge of the institution's money laundering and terrorist financing risk exposure and sufficient seniority to take decisions affecting its risk exposure;	(28) 'senior management' means, in addition to executive members of the board of directors or, if there is no board, of its equivalent governing body, an officer or employee with sufficient knowledge of the institution's money laundering and terrorist financing risk exposure and sufficient seniority to take decisions affecting its risk exposure;
187	(29) 'group' means a group of undertakings which consists of a parent undertaking, its subsidiaries, and the entities in which the parent undertaking or its subsidiaries hold a participation, as well as undertakings linked to each other by a relationship within the meaning of Article 22 of Directive 2013/34/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of	(29) 'group' means a group of undertakings which consists of a parent undertaking, its subsidiaries, and the entities ~~in which~~***directly or indirectly linked with*** the parent undertaking or its subsidiaries ~~hold a participation, as well as undertakings linked to each other~~ by a relationship ~~within the meaning of~~***as set out in*** Article 22 of Directive 2013/34/EU of the European Parliament and of the Council[1]***, including branches, where applicable, entities permanently affiliated to a central body***;	(29) 'group' means a group of undertakings which consists of a parent undertaking, its subsidiaries, and the entities in which the parent undertaking or its subsidiaries hold a participation, as well as undertakings linked to each other by a relationship within the meaning of Article 22 of Directive 2013/34/EU of the European Parliament and of the Council[1]; __________ 1. Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of

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	the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 1).	___________ 1. Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 1).	the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 1).
187a			
187b		***(29a) 'parent undertaking' means:***	
187c		***(a) a parent undertaking of a financial conglomerate as defined in Article 2, point (14) of the Directive 2002/87/EC of the European Parliament and of the Council[1], including a 'mixed financial holding company' as defined in Article 2, point (15) of that directive;*** ___________ ***1. Directive 2002/87/EC of the European Parliament and of the Council of 16 December 2002 on the supplementary supervision of credit institutions, insurance undertakings and investment firms in a financial conglomerate and amending Council Directives 73/239/EEC, 79/267/EEC, 92/49/EEC, 92/96/EEC, 93/6/EEC***	

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		and 93/22/EEC, and Directives 98/78/EC and 2000/12/EC of the European Parliament and of the Council (OJ L35, 11.2.2003, p. 1).	
187d		***(b) a parent undertaking of a group, other than that mentioned in point (a), which is subject to prudential supervision on a consolidated basis, at the highest level of prudential consolidation in the Union, including a 'financial holding company' as defined in Article 4(1), point (20), of Regulation (EU) 575/2013, an 'investment holding company' as defined in Article 4 (1), point (23), of Regulation (EU) 2019/2033 of the European Parliament and of the Council[1] and an 'insurance holding company' as defined in Article 212(1), point (f), of Directive 2009/138/EC of the European Parliament and of the Council[2];*** __________ ***1. Regulation (EU) 2019/2033 of the European Parliament and of the Council of 27 November 2019 on the prudential requirements of investment firms and amending Regulations (EU) No 1093/2010, (EU) No 575/2013, (EU) No 600/2014 and (EU) No 806/2014 (OJ L 314, 5.12.2019, p. 1).*** ***2. Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business***	

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		<u>of Insurance and Reinsurance (Solvency II) (OJ L 335, 17.12.2009, p. 1).</u>	
187e		***<u>(c) a parent undertaking of a group within the meaning of Article 2(29), other than those mentioned in points (a) and (b), which includes at least two obliged entities as defined in Article 3, and which is not itself a subsidiary of another undertaking in the Union.</u>***	
187f			***<u>(29a) 'parent undertaking' means :</u>*** ***<u>(a) a parent undertaking of a financial conglomerate, including a 'mixed financial holding company' as defined in Article 2, point (15), of Directive 2002/87/CE of the European Parliament and of the Council;</u>*** ***<u>(b) a parent undertaking of a group which is subject to prudential supervision on a consolidated basis, at the highest level of prudential consolidation in the Union, including a 'financial holding company' as defined in Article 4(1), point (20), of Regulation (EU) No 575/2013 and an 'insurance holding company' as defined in Article 212(1), point (f), of Directive 2009/138/EC;</u>*** ***<u>(c) a parent undertaking of a group</u>***

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			which includes at least two obliged entities as defined in Article 3 of this Regulation, and which is not itself a subsidiary of another undertaking in the Union; ***however where several parent undertakings are identified within the same group, in accordance with points (a), (b) and (c), the parent undertaking is the entity within the group which is not a subsidiary of another undertaking in the Union.***
187g		***When several parent undertakings are identified within the same group, in accordance with the criteria mentioned above, the parent undertaking is the entity within the group which is not itself a subsidiary of another undertaking in the Union;***	
188	(30) 'cash' means currency, bearer-negotiable instruments, commodities used as highly-liquid stores of value and prepaid cards, as defined in Article 2(1), points (c) to (f) of Regulation (EU) 2018/1672 of the European Parliament and of the Council[1]; __________ 1. Regulation (EU) 2018/1672 of the European Parliament and of the Council of 23 October 2018 on controls on cash entering or leaving the Union and repealing Regulation	(30) 'cash' means currency, bearer-negotiable instruments, commodities used as highly-liquid stores of value and prepaid cards, as defined in Article 2(1), points (c) to (f) of Regulation (EU) 2018/1672 of the European Parliament and of the Council[1]; __________ 1. Regulation (EU) 2018/1672 of the European	(30) 'cash' means currency, bearer-negotiable instruments, commodities used as highly-liquid stores of value and prepaid cards, as defined in Article 2(1), points (c) to (f) of Regulation (EU) 2018/1672 of the European Parliament and of the Council[1]; __________ 1. Regulation (EU) 2018/1672 of the European Parliament and of the Council of 23 October 2018 on controls on cash entering or leaving the Union and repealing Regulation

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	(EC) No 1889/2005 (OJ L 284, 12.11.2018, p. 6).	Parliament and of the Council of 23 October 2018 on controls on cash entering or leaving the Union and repealing Regulation (EC) No 1889/2005 (OJ L 284, 12.11.2018, p. 6).	(EC) No 1889/2005 (OJ L 284, 12.11.2018, p. 6).
189	(31) 'competent authority' means:	(31) 'competent authority' means:	(31) 'competent authority' means:
190	(a) a Financial Intelligence Unit;	(a) a Financial Intelligence Unit;	(a) a Financial Intelligence Unit;
191	(b) a supervisory authority as defined under point (33);	(b) a supervisory authority as defined under point (33);	(b) a supervisory authority as defined under point (33);
192	(c) a public authority that has the function of investigating or prosecuting money laundering, its predicate offences or terrorist financing, or that has the function of tracing, seizing or freezing and confiscating criminal assets;	(c) a public authority that has the function of investigating or prosecuting money laundering, its predicate offences or terrorist financing, or that has the function of tracing, seizing or freezing and confiscating criminal assets;	(c) a public authority that has the function of investigating or prosecuting money laundering, its predicate offences or terrorist financing, or that has the function of tracing, seizing or freezing and confiscating criminal assets;
193	(d) a public authority with designated responsibilities for combating money laundering or terrorist financing;	(d) a public authority with designated responsibilities for combating money laundering or terrorist financing;	(d) a public authority with designated responsibilities for ***preventing and*** combating money laundering or terrorist financing;

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194	(32) 'supervisor' means the body entrusted with responsibilities aimed at ensuring compliance by obliged entities with the requirements of this Regulation, including the Authority for anti-money laundering and countering the financing of terrorism (AMLA) when performing the tasks entrusted on it in Article 5(2) of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final];	(32) 'supervisor' means the body entrusted with responsibilities aimed at ensuring compliance by obliged entities with the requirements of this Regulation, including the Authority for anti-money laundering and countering the financing of terrorism (AMLA) when performing the tasks entrusted on it in Article 5(2) of Regulation ***[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]****~~[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]~~*;	(32) 'supervisor' means the body entrusted with responsibilities aimed at ensuring compliance by obliged entities with the requirements of this Regulation, including the Authority for anti-money laundering and countering the financing of terrorism (AMLA) when performing the tasks entrusted on it in Article 5(2) of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final];
195	(33) 'supervisory authority' means a supervisor who is a public body, or the public authority overseeing self-regulatory bodies in their performance of supervisory functions pursuant to Article 29 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final];	(33) 'supervisory authority' means a supervisor who is a public body, or the public authority overseeing self-regulatory bodies in their performance of supervisory functions pursuant to Article 29 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]****~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~*;	(33) 'supervisory authority' means a supervisor who is a public body, or the public authority overseeing self-regulatory bodies in their performance of supervisory functions pursuant to Article 29 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final];

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196	(34) ‘self-regulatory body’ means a body that represents members of a profession and has a role in regulating them, in performing certain supervisory or monitoring functions and in ensuring the enforcement of the rules relating to them;	(34) ‘self-regulatory body’ means a body that represents members of a profession and has a role in regulating them, in performing certain supervisory or monitoring functions and in ensuring the enforcement of the rules relating to them;	(34) ‘self-regulatory body’ means a body that represents members of a profession and has a role in regulating them, in performing certain supervisory or monitoring functions and in ensuring the enforcement of the rules relating to them;
197	(35) ‘targeted financial sanctions’ means both asset freezing and prohibitions to make funds or other assets available, directly or indirectly, for the benefit of designated persons and entities pursuant to Council Decisions adopted on the basis of Article 29 of the Treaty on European Union and Council Regulations adopted on the basis of Article 215 of the Treaty on the Functioning of the European Union;	(35) ‘targeted financial sanctions’ means both asset freezing and prohibitions to make funds or other assets available, directly or indirectly, for the benefit of designated persons and entities pursuant to Council Decisions adopted on the basis of Article 29 of the Treaty on European Union and Council Regulations adopted on the basis of Article 215 of the Treaty on the Functioning of the European Union;	(35) ‘targeted financial sanctions’ means both asset freezing and prohibitions to make funds or other assets available, directly or indirectly, for the benefit of designated persons and entities pursuant to Council Decisions adopted on the basis of Article 29 of the Treaty on European Union and Council Regulations adopted on the basis of Article 215 of the Treaty on the Functioning of the European Union;
198	(36) ‘proliferation financing-related targeted financial sanctions’ means those targeted financial sanctions referred to in point (35) that are imposed pursuant to Council Decision (CFSP) 2016/849 and Council Decision 2010/413/CFSP and pursuant to Council Regulation (EU) 2017/1509 and Council Regulation (EU) 267/2012.	(36) ‘proliferation financing-related targeted financial sanctions’ means those targeted financial sanctions referred to in point (35) that are imposed pursuant to ~~Council~~ Decision (CFSP) 2016/849 and ~~Council~~ Decision 2010/413/CFSP and pursuant to ~~Council~~ Regulation (EU) 2017/1509 and ~~Council~~ Regulation (EU)	(36) ‘proliferation financing-related targeted financial sanctions’ means those targeted financial sanctions referred to in point (35) that are imposed pursuant to Council Decision (CFSP) 2016/849 and Council Decision 2010/413/CFSP and pursuant to Council Regulation (EU) 2017/1509 and Council Regulation (EU) 267/2012.

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		267/2012.;	
198a		***(37) 'precious metal and stone' means metals and stones referred to in Annex IV;***	
198b		***(38) 'cultural good' means a good mentioned in part A of the Annex to Regulation (EU) 2019/880 of the European Parliament and of the Council[1];*** __________ ***1. Regulation (EU) 2019/880 of the European Parliament and of the Council of 17 April 2019 on the introduction and the import of cultural goods (OJ L 151, 7.6.2019, p. 1).***	
198c		***(39) 'management body' means an obliged entity's body or bodies, which are appointed in accordance with national law, which are empowered to set the obliged entity's strategy, objectives and overall direction, and which oversee and monitor management decision-making, and include the persons who effectively direct the business of the obliged entity. Where no***	

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		body exists, the management body is the person who effectively direct the business of the obliged entity;	
198d		***(40) 'management body in its management function' means the management body responsible for the day-to-day management of the obliged entity;***	
198e		***(41) 'management body in its supervisory function' means the management body acting in its role of overseeing and monitoring management decision-making.***	
198f		***(42) 'partnership for information sharing in AML/CFT field' means a formal cooperation established under national law between obliged entities, and where applicable, public authorities, with the purpose of supplementing compliance with this Regulation through cooperation and by sharing and processing data, in particular through the use of new technologies and artificial***	

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		intelligence.	
199	Section 2 Scope	Section 2 Scope	Section 2 Scope
200	Article 3 Obliged entities	Article 3 Obliged entities	Article 3 Obliged entities
201	The following entities are to be considered obliged entities for the purposes of this Regulation:	The following entities are to be considered obliged entities for the purposes of this Regulation:	The following entities are to be considered obliged entities for the purposes of this Regulation:
202	(1) credit institutions;	(1) credit institutions***, when acting in the exercise of their professional regulated activities***;	(1) credit institutions;
203	(2) financial institutions;	(2) financial institutions***, when acting in the exercise of their professional regulated activities***;	(2) financial institutions;
204	(3) the following natural or legal persons acting in the exercise of their professional	(3) the following natural or legal persons acting in the exercise of their professional	(3) the following natural or legal persons acting in the exercise of their professional activities:

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	activities:	activities:	
205	(a) auditors, external accountants and tax advisors, and any other natural or legal person that undertakes to provide, directly or by means of other persons to which that other person is related, material aid, assistance or advice on tax matters as principal business or professional activity;	(a) auditors, external accountants and tax advisors, and any other natural or legal person ***including independent legal professionals such as lawyers,*** that undertakes to provide, directly or by means of other persons to which that other person is related, material aid, assistance or advice on tax matters as principal business or professional activity;	(a) auditors, external accountants***,*** and tax advisors, and any other natural or legal person that undertakes to provide, directly or by means of other persons to which that other person is related, material aid, assistance or advice on tax***, investment or personal finance*** matters as principal business or professional activity;
205a			***(aa) certified debt collectors, wealth or asset managers;***
206	(b) notaries and other independent legal professionals, where they participate, whether by acting on behalf of and for their client in any financial or real estate transaction, or by assisting in the planning or carrying out of transactions for their client concerning any of the following:	(b) notaries***, lawyers*** and other independent legal professionals, where they participate, whether by acting on behalf of and for their client in any financial or real estate transaction, or by assisting in the planning or carrying out of transactions for their client concerning any of the following:	(b) notaries***, lawyers*** and other independent legal professionals, where they participate, whether by acting on behalf of and for their client in any financial or real estate transaction, or by assisting in the planning or carrying out of transactions for their client concerning any of the following:
207			

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	(i) buying and selling of real property or business entities;	(i) buying and selling of real property or business entities;	(i) buying and selling of real ***or virtual*** property or business entities;
208	(ii) managing of client money, securities or other assets;	(ii) managing of client money, securities or other assets;	(ii) managing of client money, securities or other assets;
209	(iii) opening or management of bank, savings or securities accounts;	(iii) opening or management of bank, savings or securities accounts;	(iii) opening or management of bank, savings***, securities or crypto-assets*** ~~or securities~~ accounts;
210	(iv) organisation of contributions necessary for the creation, operation or management of companies;	(iv) organisation of contributions necessary for the creation, operation or management of companies;	(iv) organisation of contributions necessary for the creation, operation or management of companies;
211	(v) creation, operation or management of trusts, companies, foundations, or similar structures;	(v) creation, operation or management of trusts, companies, foundations, or similar structures;	(v) creation, operation or management of trusts, companies, foundations, or similar structures;
212	(c) trust or company service providers;	(c) trust or company service providers;	(c) trust or company service providers;
213	(d) estate agents, including when acting as	(d) estate agents, including when acting	(d) estate agents, including when acting as

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	intermediaries in the letting of immovable property for transactions for which the monthly rent amounts to EUR 10 000 or more, or the equivalent in national currency;	as intermediaries in the letting of immovable property for transactions for which the monthly rent amounts to ~~EUR 10 000 or more~~***value of at least EUR 10 000***, or the equivalent in national currency;	intermediaries in the letting of immovable property for transactions for which the monthly rent amounts to EUR ~~10 000 or more,~~***5 000*** or the equivalent in national currency ***or other accepted form of payment***;
213a			***(da) property developers;***
214	(e) persons trading in precious metals and stones;	(e) persons trading ***as regular or principal business or professional activity*** in precious metals and stones ***referred to in Article 2, point (37), as well as jewellers, horologists and goldsmiths, where the value of the transaction or linked transactions amounts to at least EUR 10 000 or the equivalent in national currency***;	(e) persons trading in precious metals and stones;
214a			***(ea) persons trading in luxury goods other than metals and stones, as listed in Annex III a;***
215	(f) providers of gambling services;	(f) providers of gambling services;	(f) providers of gambling services;

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216	(g) crypto-asset service providers;	(g) ~~crypto-asset service providers;~~***Deleted***	(g) crypto-asset service providers;
217	(h) crowdfunding service providers other than those regulated by Regulation (EU) 2020/1503;	(h) crowdfunding service providers~~ other than those regulated by Regulation (EU) 2020/1503~~;	(h) crowdfunding service providers~~ other than those regulated by Regulation (EU) 2020/1503~~;
217a		***(ha) third-party financing intermediary;***	
218	(i) persons trading or acting as intermediaries in the trade of works of art, including when this is carried out by art galleries and auction houses, where the value of the transaction or linked transactions amounts to at least EUR 10 000 or the equivalent in national currency;	(i) persons trading or acting as intermediaries in the trade of ~~works of art~~***cultural goods***, including when this is carried out by art galleries and auction houses, where the value of the transaction or linked transactions amounts to at least EUR 10 000 or the equivalent in national currency;	(i) persons trading or acting as intermediaries in the trade of works of art, including when this is carried out by art galleries and auction houses, where the value of the transaction or linked transactions amounts to at least EUR ~~10 000~~***5 000*** or the equivalent in national currency;
218a			***(ia) persons providing services for the sale and purchase of unique and not fungible crypto-assets;***

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219	(j) persons storing, trading or acting as intermediaries in the trade of works of art when this is carried out within free zones and customs warehouses, where the value of the transaction or linked transactions amounts to at least EUR 10 000 or the equivalent in national currency;	(j) persons storing, trading or acting as intermediaries in the trade of ~~works of art~~***cultural goods*** when this is carried out within free zones and customs warehouses, where the value of the transaction or linked transactions amounts to at least EUR 10 000 or the equivalent in national currency;	(j) persons storing, trading or acting as intermediaries in the trade of works of art ***and luxury goods listed in Annex III a*** when this is carried out within free zones and customs warehouses, where the value of the transaction or linked transactions amounts to at least EUR ~~10 000~~***5 000*** or the equivalent in national currency;
219a			***(ja) online platforms within the meaning of Regulation (EU) .../... [Proposal for a Regulation on a Single Market for Digital Services (Digital Services Act) and amending Directive 2000/31/EC] which make it possible for consumers and traders to conclude distance contracts for physical goods in so far as payments of EUR 10 000 or more are made or received, regardless of whether the transaction is carried out in a single operation or in several operations which appear to be linked;***
220	(k) creditors for mortgage and consumer credits, other than credit institutions defined in Article 2(5) and financial institutions defined in Article 2(6), and credit intermediaries for mortgage and consumer credits;	(k) creditors for mortgage and consumer credits, other than credit institutions defined in Article 2(5) and financial institutions defined in Article 2(6), and credit intermediaries for mortgage and	(k) creditors for mortgage and consumer credits, other than credit institutions defined in Article 2(5) and financial institutions defined in Article 2(6), and credit intermediaries for mortgage and consumer credits;

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		consumer credits;	
221	(l) investment migration operators permitted to represent or offer intermediation services to third country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity to the public good and contributions to the state budget.	(l) investment migration operators permitted to represent or offer intermediation services to third country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity to the public good and contributions to the state budget.	(l) investment migration operators permitted to represent or offer intermediation services to third country nationals seeking to obtain residence rights in a Member State in exchange of any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity to the public good and contributions to the state budget.
221a			***(la) sports agents in the football sector;***
221b			***(lb) high-level professional football clubs;***
221c			***(lc) football associations in Member States which are members of the Union of European Football Associations.***
222			

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	Article 4 Exemptions for certain providers of gambling services	Article 4 Exemptions for certain providers of gambling services	Article 4 Exemptions for certain providers of gambling services
223	1. With the exception of casinos, Member States may decide to exempt, in full or in part, providers of gambling services from the requirements set out in this Regulation on the basis of the proven low risk posed by the nature and, where appropriate, the scale of operations of such services.	1. With the exception of casinos, Member States may decide to exempt, ~~in full or in part~~, providers of gambling services from ***all or part of*** the requirements set out in this Regulation ***or the Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** on the basis of the proven low risk posed by the nature and, where appropriate, the scale of operations of such services.	1. With the exception of casinos, ***online gambling platforms, gambling services offered on a cross-border basis and sports betting providers,*** Member States may decide to exempt, in full or in part, providers of gambling services ***such as state providers or state-owned and private lotteries,*** from the requirements set out in this Regulation on the basis of the proven low risk posed by the nature***, the principle of proportionality*** and, where appropriate, the scale of operations of such services***, following consultation of AMLA***.
224	2. For the purposes of paragraph 1, Member States shall carry out a risk assessment of gambling services assessing:	2. For the purposes of paragraph 1, Member States shall carry out a risk assessment of gambling services assessing:	2. For the purposes of paragraph 1, Member States shall carry out a risk assessment of gambling services assessing:
225	(a) money laundering and terrorist financing vulnerabilities and mitigating factors of the gambling services;	(a) money laundering and terrorist financing ***threats,*** vulnerabilities and mitigating factors of the gambling services;	(a) money laundering and terrorist financing vulnerabilities and mitigating factors of the gambling services;

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226	(b) the risks linked to the size of the transactions and payment methods used;	(b) the risks linked to the size of the transactions and payment methods used;	(b) the risks linked to the size of the transactions and payment methods used;
227	(c) the geographical area in which the gambling service is administered.	(c) the geographical area in which the gambling service is administered***, including their cross border dimension and accessibility from other Member States or third countries***.	(c) the geographical area in which the gambling service is administered.
228	When carrying out such risk assessments, Member States shall take into account the findings of the risk assessment drawn up by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	When carrying out such risk assessments, Member States shall take into account the findings of the risk assessment drawn up by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for ~~6th~~ ***6th*** Anti-Money Laundering Directive - COM/2021/423 final].	When carrying out such risk assessments, Member States shall take into account the findings of the risk assessment drawn up by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
229	3. Member States shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.	3. Member States shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.	3. Member States***, in cooperation with AMLA,*** shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.

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229a			***<u>Article 4a</u>*** ***<u>Exemptions for certain providers of crowdfunding services</u>*** ***<u>1. With the exception of crowdfunding service providers covered by Regulation (EU) 2020/1503, Member States may decide to exempt certain providers of crowdfunding services from the requirements set out in this Regulation on the basis of an individual risk assessment resulting in a proven low risk posed by the nature and, where appropriate, the scale of operation of such services, provided that all the following conditions are met:</u>*** ***<u>a) the crowdfunding service provider exclusively promotes projects with a public benefit purpose, it does not have as a primary aim the generation of profits and, where a profit is generated, it is invested by the provider for the pursuit of the objectives of the service and not distributed among members, founders or any other private parties;</u>*** ***<u>b) the crowdfunding service provider implements minimum due diligence requirements in respect of project owners that propose their projects to be funded through the crowdfunding platform in a manner consistent with Article 5 of Regulation (EU) 2020/1503 and all the natural persons involved in the senior management fulfill the criteria set out</u>***

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			in Article 6 of Directive (EU) 2023/... [AMLD VI Proposal]; ***c) all the natural persons involved in the management of the crowdfunding service provider respect fit and proper requirements which are consistent with the requirements laid down with Article 12(3), point (b), of Regulation (EU) 2020/1503;*** ***d) the crowdfunding service provider sets up and maintains arrangements to ensure that project owners accept funding of crowdfunding projects, or any other payment, only by means of a payment service provider in accordance with Directive (EU) 2015/2366;*** ***e) the crowdfunding service provider is established in the Union.*** ***2. Member States, in cooperation with AMLA, shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.***
230	Article 5 Exemptions for certain financial activities	Article 5 Exemptions for certain financial activities	Article 5 Exemptions for certain financial activities
231	1. With the exception of persons engaged in the activity of money remittance as defined in Article 4, point (22) of Directive (EU)	1. With the exception of persons engaged in the activity of money remittance as defined in Article 4, point (22) of	1. With the exception of persons engaged in the activity of money remittance as defined in Article 4, point (22) of Directive (EU)

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	2015/2366, Member States may decide to exempt persons that engage in a financial activity as listed in Annex I, points (2) to (12), (14) and (15), to Directive 2013/36/EU on an occasional or very limited basis where there is little risk of money laundering or terrorist financing from the requirements set out in this Regulation, provided that all of the following criteria are met:	Directive (EU) 2015/2366, Member States may decide to exempt ***legal or natural*** persons that engage in a financial activity as listed in Annex I, points (2) to (12), (14) and (15), to Directive 2013/36/EU on an occasional or very limited basis where there is little risk of money laundering or terrorist financing from the requirements set out in this Regulation, provided that all of the following criteria are met:	2015/2366, Member States may decide to exempt persons that engage in a financial activity as listed in Annex I, points (2) to (12), (14) and (15), to Directive 2013/36/EU on an occasional or very limited basis where there is little risk of money laundering or terrorist financing from the requirements set out in this Regulation, provided that all of the following criteria are met:
232	(a) the financial activity is limited in absolute terms;	(a) the financial activity is limited in absolute terms;	(a) the financial activity is limited in absolute terms;
233	(b) the financial activity is limited on a transaction basis;	(b) the financial activity is limited on a transaction basis;	(b) the financial activity is limited on a transaction basis;
234	(c) the financial activity is not the main activity of such persons;	(c) the financial activity is not the main activity of such persons;	(c) the financial activity is not the main activity of such persons;
235	(d) the financial activity is ancillary and directly related to the main activity of such persons;	(d) the financial activity is ancillary and directly related to the main activity of such persons;	(d) the financial activity is ancillary and directly related to the main activity of such persons;

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236	(e) the main activity of such persons is not an activity referred to in Article 3, point (3)(a) to (d) or (f);	(e) the main activity of such persons is not an activity referred to in Article 3, point (3)(a) to (d) or (f);	(e) the main activity of such persons is not an activity referred to in Article 3, point (3)(a) to (d) or (f);
237	(f) the financial activity is provided only to the customers of the main activity of such persons and is not generally offered to the public.	(f) the financial activity is provided only to the customers of the main activity of such persons and is not generally offered to the public.	(f) the financial activity is provided only to the customers of the main activity of such persons and is not generally offered to the public.
237a			***1a. Member States shall require payment service providers as defined in Article 4(11) of Directive (EU) 2015/2366 to ensure that they do not carry out transactions for gambling service providers which do not possess a licence in the Union.***
238	2. For the purposes of paragraph 1, point (a), Member States shall require that the total turnover of the financial activity does not exceed a threshold which shall be sufficiently low. That threshold shall be established at national level, depending on the type of financial activity.	2. For the purposes of paragraph 1, point (a), Member States shall require that the total turnover of the financial activity does not exceed a threshold which shall be sufficiently low. That threshold shall be established at national level, depending on the type of financial activity.	2. For the purposes of paragraph 1, point (a), Member States shall require that the total turnover of the financial activity does not exceed a threshold which shall be sufficiently low. That threshold shall be established at national level, depending on the type of financial activity.

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239	3. For the purposes of paragraph 1, point (b), Member States shall apply a maximum threshold per customer and per single transaction, whether the transaction is carried out in a single operation or in several operations which appear to be linked. That maximum threshold shall be established at national level, depending on the type of financial activity. It shall be sufficiently low in order to ensure that the types of transactions in question are an impractical and inefficient method for money laundering or terrorist financing, and shall not exceed EUR 1 000 or the equivalent in national currency.	3. For the purposes of paragraph 1, point (b), Member States shall apply a maximum threshold per customer and per single transaction, whether the transaction is carried out in a single operation or ~~in several operations which appear to be linked~~***is linked to other transactions***. That maximum threshold shall be established at national level, depending on the type of financial activity. It shall be sufficiently low in order to ensure that the types of transactions in question are an impractical and inefficient method for money laundering or terrorist financing, and shall not exceed ***value of*** EUR 1 000 or the equivalent in national currency.	3. For the purposes of paragraph 1, point (b), Member States shall apply a maximum threshold per customer and per single transaction, whether the transaction is carried out in a single operation or in several operations which appear to be linked. That maximum threshold shall be established at national level, depending on the type of financial activity. It shall be sufficiently low in order to ensure that the types of transactions in question are an impractical and inefficient method for money laundering or terrorist financing, and shall not exceed EUR 1 000 or the equivalent in national currency.
240	4. For the purposes of paragraph 1, point (c), Member States shall require that the turnover of the financial activity does not exceed 5 % of the total turnover of the natural or legal person concerned.	4. For the purposes of paragraph 1, point (c), Member States shall require that the turnover of the financial activity does not exceed 5 % of the total turnover of the natural or legal person concerned.	4. For the purposes of paragraph 1, point (c), Member States shall require that the turnover of the financial activity does not exceed 5 % of the total turnover of the natural or legal person concerned.
241	5. In assessing the risk of money laundering or terrorist financing for the purposes of this	5. In assessing the risk of money laundering or terrorist financing for the	5. In assessing the risk of money laundering or terrorist financing for the purposes of this

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	Article, Member States shall pay particular attention to any financial activity which is considered to be particularly likely, by its nature, to be used or abused for the purposes of money laundering or terrorist financing.	purposes of this Article, Member States shall pay particular attention to any financial activity which is considered to be particularly likely, by its nature, to be used or abused for the purposes of money laundering or terrorist financing.	Article, Member States shall pay particular attention to any financial activity which is considered to be particularly likely, by its nature, to be used or abused for the purposes of money laundering or terrorist financing.
242	6. Member States shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.	6. Member States shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.	6. Member States shall establish risk-based monitoring activities or take other adequate measures to ensure that the exemptions granted pursuant to this Article are not abused.
243	Article 6 Prior notification of exemptions	Article 6 Prior notification of exemptions	Article 6 Prior notification of exemptions
244	1. Member States shall notify the Commission of any exemption that they intend to grant in accordance with Articles 4 and 5 without delay. The notification shall include a justification based on the relevant risk assessment for the exemption.	1. Member States shall notify the Commission of any exemption that they intend to grant in accordance with Articles 4 and 5 without delay. The notification shall include a justification based on the relevant risk assessment for the exemption.	1. Member States shall notify the Commission of any exemption that they intend to grant in accordance with Articles 4 and 5 without delay. The notification shall include a ***detailed*** justification based on the relevant risk assessment ~~for~~***carried out by the Member State to sustain the exemption. If deemed appropriate, Member States shall provide further evidence to support*** the exemption.

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245	2. The Commission shall within two months from the notification referred to in paragraph 2 take one of the following actions:	2. The Commission shall within two months from the notification referred to in paragraph 2 take one of the following actions:	2. The Commission shall within two months from the notification referred to in paragraph 2 take one of the following actions:
246	(a) confirm that the exemption may be granted;	(a) confirm that the exemption may be granted;	(a) confirm that the exemption may be granted ***on the basis of the justification given by the Member State***;
247	(b) by reasoned decision, declare that the exemption may not be granted.	(b) by reasoned decision, declare that the exemption may not be granted.	(b) by reasoned decision, declare that the exemption may not be granted.
248	3. Upon reception of a decision by the Commission pursuant to paragraph 2(a), Member States may adopt the decision granting the exemption. Such decision shall state the reasons on which it is based. Member States shall review such decisions regularly, and in any case when they update their national risk assessment pursuant to Article 8 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	3. Upon reception of a decision by the Commission pursuant to paragraph 2(a), Member States may adopt the decision granting the exemption. Such decision shall state the reasons on which it is based. Member States shall review such decisions regularly, and in any case when they update their national risk assessment pursuant to Article 8 of Directive [please insert reference – proposal for ~~6th~~ ***6th*** Anti-Money Laundering Directive - COM/2021/423 final].	3. Upon reception of a decision by the Commission pursuant to paragraph 2(a), Member States may adopt the decision granting the exemption. Such decision shall state the reasons on which it is based. Member States shall review such decisions regularly, ***but no later than one year after the exemption has been granted for the first time*** and in any case when they update their national risk assessment pursuant to Article 8 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].

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249	4. By [3 months from the date of application of this Regulation], Member States shall notify to the Commission the exemptions granted pursuant to Article 2(2) and (3) of Directive (EU) 2015/849 in place at the time of the date of application of this Regulation.	4. By [3 months from the date of application of this Regulation], Member States shall notify to the Commission the exemptions granted pursuant to Article 2(2) and (3) of Directive (EU) 2015/849 in place at the time of the date of application of this Regulation.	4. By [3 months from the date of application of this Regulation], Member States shall notify to the Commission the exemptions granted pursuant to Article 2(2) and (3) of Directive (EU) 2015/849 in place at the time of the date of application of this Regulation.
250	5. The Commission shall publish every year in the Official Journal of the European Union the list of exemptions granted pursuant to this Article.	5. The Commission shall publish every year in the Official Journal of the European Union the list of exemptions granted pursuant to this Article.	5. The Commission shall publish every year in the Official Journal of the European Union the list of exemptions granted ***and an analytical and factual overview of the exemptions granted*** pursuant to this Article.
250a			***Article 6a*** ***Ban on citizenship by investment and minimum requirements regarding citizenship and residence by investment schemes*** ***1. Member States shall not put in place schemes under national law which allow for citizenship rights in exchange for any kind of investment, including capital transfers, the purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget, and without a***

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			genuine link with the Member States concerned. ***2. A Member State whose national law grants citizenship or residence rights in exchange for any kind of investment, such as capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget, shall ensure that public authorities that process applications for such residence rights carry out at least the following measures before a decision is taken:*** ***(a) require that transactions are carried out by means of a business relationship with an obliged entity established in that Member State;*** ***(b) request and assess information from involved obliged entities about customer due diligence measures carried out;*** ***(c) obtain and record detailed information, substantiated by verified documents, on the identity of the applicant, on the applicant's business interests and employment activities in the previous 10 years, and on the applicant's source of funds and source of wealth;*** ***(d) require clearance from relevant law enforcement authorities, substantiated by evidence of the absence of any criminal activities on the part of the applicant.***

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			(e) require that applicants are subject to requirements of minimum physical presence and minimum active involvement in the investment, quality of investment, added value and contribution to the economy;. ***(f) have in place a monitoring mechanism for ex post control of successful applicants' continued compliance with the legal requirements of the schemes.*** ***The applicant's physical presence as referred to in point (e) of the first subparagraph shall be regularly monitored by relevant authorities and non-compliance with that requirement shall result in the non-granting or withdrawal of citizenship or residence rights.*** ***3. Applicants with documented connections with suspicious activities, including close business relationships with persons having a criminal record related to money laundering, terrorist financing or predicate offences, or close personal or business relationships with individuals subjected to targeted financial sanctions shall not be granted residence rights under such schemes.*** ***4. Applicants who are nationals of countries referred to in Articles 23, 24 or 25 shall not be granted residency right under such schemes.***
250b			

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		Section 3 Outsourcing	
250c		***Article 6a*** ***Outsourcing***	
250d		***1. Obliged entities may outsource tasks deriving from requirements under this Regulation to a service provider, whether a natural or legal person, with the exception of natural or legal persons residing or established in third countries identified pursuant to Section 2 of this Chapter. The obliged entity shall notify to the supervisor the outsourcing before the service provider starts the activities for the obliged entity.***	
250e		***The obliged entity shall remain fully liable for any action, whether an act of commission or omission, connected to the outsourced tasks that are carried out by the service provider, and also remains responsible as controller pursuant Article 4, point (7) of Regulation (EU) 2016/679 for any personal data processed for the purpose of the***	

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		outsourced tasks.	
250f		***Whenever tasks are outsourced, the obliged entity shall in all cases ensure that it understands the rationale behind the activities carried out by the service provider and the approach followed in their implementation, and that it is able to demonstrate to supervisors that these activities mitigate the specific risks that the obliged entity is exposed to.***	
250g		***2. The tasks outsourced pursuant to paragraph 1 shall not be undertaken in such way as to impair materially the quality of the obliged entity's measures and procedures to comply with the requirements of this Regulation and of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 – COM/2021/422 final]. The following tasks shall not be outsourced under any circumstances:***	
250h		***(a) the approval of the obliged entity's risk assessment pursuant to Article 7;***	

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250i		***(b) the approval of the obliged entity's policies, controls and procedures pursuant to Article 8;***	
250j		***(c) the reporting of suspicious activities or threshold-based declarations to the FIU pursuant to Article 50, unless either such activities are outsourced to a service provider belonging to the same group as the obliged entity and which is established in the same Member State as the obliged entity or consent is granted by national competent authority to allow obliged entities participating in a partnership for information sharing in the AML/CFT field to outsource the reporting of suspicious activities within the partnership.***	
250k		***Where a collective investment undertaking established in a Member State has no legal personality, or has only a board of directors and has delegated the processing of subscriptions and the collection of funds from***	

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		investors, it may outsource the task referred to under point (c) to one of its service providers that is best placed to carry out the said tasks, taking into consideration the resources, experience and knowledge that the service provider has in the area of money laundering and funding of terrorism as well as the type of activity or transactions carried out by the collective investment undertaking.	
250l		***3. Before an obliged entity outsources a task pursuant to paragraph 1, it shall assure itself that the service provider is reliable and sufficiently qualified to fulfil its obligations. Furthermore, it has to ensure that the service provider applies the measures and procedures adopted by the obliged entity. The conditions for the performance of such tasks shall be laid down in a written agreement between the obliged entity and the service provider. The obliged entity shall perform regular controls to ascertain the effective implementation of such measures and procedures by the service provider. The frequency of such controls shall be determined on the basis of the nature of the tasks outsourced.***	

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250m		***4. Obliged entities shall ensure that outsourcing is not undertaken in such way as to impair materially the ability of the supervisory authorities to monitor and retrace the obliged entity's compliance with all of the requirements laid down in this Regulation.***	
250n		***5. By [3 years after the entry into force of this Regulation], AMLA shall issue guidelines addressed to obliged entities on:***	
250o		***(a) the establishment of outsourcing relationships, including the subsequent outsourcing relationship, in accordance with this article, their governance and procedures for monitoring the implementation of functions by the service provider;***	
250p		***(b) the roles and responsibility of the obliged entity and the service provider within an outsourcing agreement;***	

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250q		***(c) supervisory approaches to outsourcing.***	
250r		***6. When performing the activities under this Article, the service provider is to be regarded as part of the obliged entity.***	
251	CHAPTER II INTERNAL POLICIES, CONTROLS AND PROCEDURES OF OBLIGED ENTITIES	CHAPTER II INTERNAL POLICIES, ~~CONTROLS AND PROCEDURES~~***PROCEDURES AND CONTROLS*** OF OBLIGED ENTITIES	CHAPTER II INTERNAL POLICIES, CONTROLS AND PROCEDURES OF OBLIGED ENTITIES
252	SECTION 1 Internal procedures, risk assessment and staff	SECTION 1 Internal procedures, risk assessment and staff	SECTION 1 Internal procedures, risk assessment and staff
253	Article 7 Scope of internal policies, controls and procedures	Article ~~7~~***8*** Scope of internal policies, ~~controls and procedures~~***procedures and controls***	Article 7 Scope of internal policies, controls and procedures
254	1. Obliged entities shall have in place policies, controls and procedures in order to ensure	1. Obliged entities shall have in place policies, ~~controls and~~	1. Obliged entities shall have in place policies, controls and procedures in order to ensure

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	compliance with this Regulation and in particular to:	~~procedures~~***procedures and controls*** in order to ensure compliance with this Regulation***, the Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor*** and in particular to:	compliance with this Regulation and in particular to:
255	(a) mitigate and manage effectively the risks of money laundering and terrorist financing identified at the level of the Union, the Member State and the obliged entity;	(a) mitigate and manage effectively the risks of money laundering and terrorist financing identified at the level of the Union, the Member State and the obliged entity;	(a) mitigate and manage effectively the risks of money laundering and terrorist financing identified at the level of the Union, the Member State and the obliged entity;
256	(b) in addition to the obligation to apply targeted financial sanctions, mitigate and manage the risks of non-implementation and evasion of proliferation financing-related targeted financial sanctions.	(b) in addition to the obligation to apply targeted financial sanctions, mitigate and manage the risks of non-implementation and evasion of proliferation financing-related targeted financial sanctions.	(b) in addition to the obligation to apply targeted financial sanctions, mitigate and manage the risks of non-implementation***, divergent implementation*** and evasion of ***all targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorist financing and*** proliferation financing-related targeted financial sanctions.
257			

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	Those policies, controls and procedures shall be proportionate to the nature and size of the obliged entity.	Those policies, ~~controls and procedures~~***procedures and controls*** shall be proportionate to the ***risks,*** nature and ***complexity of the business and*** size of the obliged entity ***and shall cover all the activities of the entity that fall under the scope of this Regulation***.	Those policies, controls and procedures shall be proportionate to the nature***, activity*** and size of the obliged entity. ***Those policies, controls and procedures shall take into account supranational and national risk assessments and the guidelines of financial intelligence units (FIUs) and supervisors, including the results of controls by the competent authorities.***
258	2. The policies, controls and procedures referred to in paragraph 1 shall include:	2. The policies, ~~controls and procedures~~***procedures and controls*** referred to in paragraph 1 shall include:	2. The policies, controls and procedures referred to in paragraph 1 shall include:
259	(a) the development of internal policies, controls and procedures, including risk management practices, customer due diligence, reporting, reliance and record-keeping, the monitoring and management of compliance with such policies, controls and procedures, as well as policies in relation to the processing of personal data pursuant to Article 55;	(a) the development of internal policies~~, controls~~ and procedures, including ~~risk management practices, customer due diligence, reporting, reliance and record-keeping, the monitoring and management of compliance with such policies, controls and procedures, as well as policies in relation to the processing of personal data pursuant to Article 55;~~***in particular:***	(a) the development of internal policies, controls and procedures, including risk management practices, customer due diligence, reporting, reliance and record-keeping, the monitoring and management of compliance with such policies, controls and procedures, as well as policies in relation to the processing of personal data pursuant to Article 55;
259a		***(i) the establishment and updating of the business-wide risk assessment pursuant***	

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		to Article 7;	
259b		***(ii) risk management framework;***	
259c		***(iii) customer due diligence as provided by Chapter III, Sections 1 to 5 and Chapter IV, in particular:***	
259d		***(1) the process of identification of business relationships according to the criteria set out in Article 15 (5);***	
259e		***(2) the individual customer risk assessment;***	
259f		***(3) the identification and verification of the identity of the customer and of the beneficial owner;***	
259g		***(4) the identification of the purpose and intended nature of a business***	

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		relationship or occasional transaction;	
259h		***(5) the monitoring of business relationships and occasional transactions, including those that pose a higher or lower money laundering and terrorist financing risk;***	
259i		***(6) the determination of whether the customer or the beneficial owner of the customer is a politically exposed person or family member or close associate of a politically exposed person;***	
259j		***(7) the identification of business relationships or occasional transactions involving natural or legal persons from high risk third countries;***	
259k		***(iv) reporting, in particular reporting of suspicious transactions;***	
259l		***(v) outsourcing and reliance on third***	

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		parties;	
259m		***(vi) record-retention as well as policies in relation to the processing of personal data pursuant to Article 55;***	
259n		***(vii) the monitoring and management of compliance with such policies and procedures under the conditions set out in point (b), the identification and management of deficiencies and the implementation of remedial actions;***	
259o		***(viii) the verification, proportionate to the risks associated with the tasks and functions to be performed, when recruiting and assigning staff to certain tasks and functions and when appointing its agents and distributors, that those persons are of good repute, in accordance with Article 11;***	
259p		***(ix) the internal communication of the obliged entity's internal policies,***	

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		procedures and controls, including to its agents, distributors and service providers involved in the implementation of its AML/CFT policies;	
259q		***(x) a policy on the training of employees and, where relevant, its agents and distributors with regard to measures in place in the obliged entity to comply with the requirements of this Regulation, Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor, in accordance with Article 10.***	
260	(b) policies, controls and procedures to identify, scrutinise and manage business relationships or occasional transactions that pose a higher or lower money laundering and terrorist financing risk;	(b) ~~policies,~~***internal*** controls ~~and procedures to identify, scrutinise and manage business relationships or occasional transactions that pose a higher or lower money laundering and terrorist financing risk;~~***that include at least:***	(b) policies, controls and procedures to identify, scrutinise and manage business relationships or occasional transactions that pose a higher or lower money laundering and terrorist financing risk;

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260a		***(i) controls performed by operational functions in the field of AML/CFT, including AML/CFT related tasks carried out by commercial functions;***	
260b		***(ii) controls performed by the compliance functions pursuant to Article 9 other than those referred to in point (i), to ensure the implementation of the policies and procedures referred to in point (a) and controls referred to in point (i) across all obliged entity's activities, including activities carried out by agents and distributors or outsourced to external service providers;***	
260c		***(iii) where appropriate with regard to the size and nature of the business, an independent audit function to test the internal policies and procedures referred to in point (a) and the controls referred to in points (i) and (ii); Member States may, in the absence of an independent audit function, require obliged entities to have this test carried out by an external expert.***	

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260d		***The internal policies, procedures and controls set out in the first subparagraph shall be recorded in writing. Those policies shall be approved by the management body in its management function. Internal procedures, including controls, shall be approved, at least, by the AML compliance officer.***	
260e		***The type and extent of controls set out in point (b) should be commensurate to the risk of money laundering and terrorist financing and the size of the business.***	
261	(c) an independent audit function to test the internal policies, controls and procedures referred to in point (a);	(c) ~~*an independent audit function to test the internal policies, controls and procedures referred to in point (a);*~~***deleted***	(c) an independent audit function to ~~*test*~~***assess whether*** the internal policies, controls and procedures referred to in point (a) ***operate effectively***;
262	(d) the verification, when recruiting and assigning staff to certain tasks and functions and when appointing its agents and distributors, that those persons are of good repute, proportionate to the risks associated with the	(d) ~~*the verification, when recruiting and assigning staff to certain tasks and functions and when appointing its agents and distributors, that those persons are of good repute, proportionate to the risks*~~	(d) the verification, when recruiting and assigning staff to certain tasks and functions and when appointing its agents and distributors, that those persons are of good repute, ***have the skills and knowledge*** proportionate to the risks

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	tasks and functions to be performed;	~~associated with the tasks and functions to be performed;~~ ***deleted***	associated with the tasks and functions to be performed;
263	(e) the internal communication of the obliged entity's internal policies, controls and procedures, including to its agents and distributors;	(e) ~~the internal communication of the obliged entity's internal policies, controls and procedures, including to its agents and distributors;~~ ***deleted***	(e) the internal communication of the obliged entity's internal policies, controls and procedures, including to its agents and distributors;
264	(f) a policy on the training of employees and, where relevant, its agents and distributors with regard to measures in place in the obliged entity to comply with the requirements of this Regulation.	(f) ~~a policy on the training of employees and, where relevant, its agents and distributors with regard to measures in place in the obliged entity to comply with the requirements of this Regulation.~~ ***deleted***	(f) a policy on the training of employees and, where relevant, its agents and distributors with regard to measures in place in the obliged entity to comply with the requirements of this Regulation.
265	The internal policies, controls and procedures set out in the first subparagraph, points (a) to (f) shall be recorded in writing. The senior management shall approve those policies controls and procedures.	~~The internal policies, controls and procedures set out in the first subparagraph, points (a) to (f) shall be recorded in writing. The senior management shall approve those policies controls and procedures.~~ ***deleted***	The internal policies, controls and procedures set out in the first subparagraph, points (a) to (f) shall be recorded in writing. The senior management shall approve those policies controls and procedures.
266	3. The obliged entities shall keep the policies, controls and procedures up to date, and enhance	3. The obliged entities shall keep the policies, ~~controls and~~	3. The obliged entities shall keep the policies, controls and procedures up to date, and enhance

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	them where weaknesses are identified.	~~procedures~~***procedures and controls*** up to date, and enhance them where weaknesses are identified.	them where weaknesses are identified.
267	4. By [2 years after the entry into force of this Regulation], AMLA shall issue guidelines on the elements that obliged entities should take into account when deciding on the extent of their internal policies, controls and procedures.	4. By ***[2 years after the entry into force of this Regulation]***~~*[2 years after the entry into force of this Regulation]*~~, AMLA shall issue guidelines on the elements that obliged entities should take into account***, based on the nature and complexity of their business, size and the risks they are exposed to,*** when deciding on the extent of their internal policies, ~~*controls and procedures*~~***procedures and controls***.	4. By [~~*2*~~***two*** years after the entry into force of this Regulation], AMLA***, after consulting the European Supervisory Authority (European Banking Authority) (EBA), established by Regulation (EU) No 1093/2010 of the European Parliament and of the Council,*** shall ~~issue guidelines on~~***develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify*** the elements that obliged entities should take into account when deciding on the extent of their internal policies, controls and procedures ***based on their assessed level of risk. They shall also include guidance on how to determine the number of staff to be entrusted with compliance functions as set out in Article 9, taking into account the nature, activity and size of obliged entities and the inherent risks of the sector in which they operate***.
267a			***4a. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in***

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			paragraph 4 of this Article in accordance with Articles 38 to 41 of Regulation (EU) 2023/... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].
268	Article 8 Risk assessment	Article ~~8~~***7*** ***Business-wide*** risk assessment	Article 8 Risk assessment
269	1. Obliged entities shall take appropriate measures, proportionate to their nature and size, to identify and assess the risks of money laundering and terrorist financing to which they are exposed, as well as the risks of non-implementation and evasion of proliferation financing-related targeted financial sanctions, taking into account:	1. Obliged entities shall take appropriate measures, proportionate to their ***size, as well as to the*** nature and ~~size~~***complexity of their business***, to identify and assess the risks of money laundering and terrorist financing to which they are exposed, as well as the risks of non-implementation and evasion of proliferation financing-related targeted financial sanctions, taking into account ***at least***:	1. Obliged entities shall take appropriate measures, proportionate to their nature***, activity*** and size, to identify and assess the risks of money laundering and terrorist financing to which they are exposed, as well as the risks of non-implementation and evasion of ***all targeted financial sanctions including targeted financial sanctions relating to terrorism and terrorism financing and*** proliferation financing-related targeted financial sanctions, taking into account ***at least the following***:
270	(a) the risk variables set out in Annex I and the risk factors set out in Annexes II and III;	(a) the risk variables set out in Annex I and the risk factors set out in Annexes II and III;	(a) the risk variables set out in Annex I and the risk factors set out in Annexes II and III;

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271	(b) the findings of the supra-national risk assessment drawn up by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final];	(b) the findings of the supra-national risk assessment drawn up by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for ~~6th~~ ***6th*** Anti-Money Laundering Directive - COM/2021/423 final];	(b) the findings of the supra-national risk assessment drawn up by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final];
272	(c) the findings of the national risk assessments carried out by the Member States pursuant to Article 8 of [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	(c) the findings of the national risk assessments carried out by the Member States pursuant to Article 8 of ***Directive*** [please insert reference – proposal for ~~6th~~ ***6th*** Anti-Money Laundering Directive - COM/2021/423 final]~~.~~***, as well as of any relevant sector-specific risk assessment carried out by the Member States;***	(c) the findings of the national risk assessments carried out by the Member States pursuant to Article 8 of [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
272a			***(ca) relevant guidelines, recommendations and opinions issued by AMLA in accordance with Articles 43 and 44 of Regulation (EU) 2023/... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final];***
272b		***(d) the relevant information published by international standard setters in the***	

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		AML/CFT area or, at European level, by the Commission or by AMLA;	
272c			***(cb) the conclusions drawn from past infringements of AML/CFT rules by the obliged entity in question or any connection of the obliged entity in question with a case of money laundering or terrorist financing;***
272d		***(e) the information on money laundering and terrorist financing risks provided by national competent authorities.***	
272e			***(cc) information from FIUs and law enforcement agencies;***
272f			***(cd) information obtained as part of the initial customer due diligence process and ongoing monitoring;***
272g			***(ce) own knowledge and professional experience.***

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272h		***<u>Prior to the launch of new products, services or business practices, including the use of new delivery channels and new or developing technologies, in conjunction with new or pre-existing products and services or before starting to provide an existing service or product to a new customer segment or in a new geographical area, obliged entities shall identify and assess, in particular, the related money laundering and terrorist financing risks and take appropriate measures to manage and mitigate those risks.</u>***	
272i			***<u>1a. Obliged entities may, depending on the level of risk identified and the principle of proportionality, consider at their sole discretion additional sources of information, including:</u>*** ***<u>(a) information from organisations of obliged entities on typologies and on emerging risks;</u>*** ***<u>(b) information from civil society organisations, including corruption perception indices and other country reports;</u>*** ***<u>(c) information from international</u>***

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			standard-setting bodies such as mutual evaluation reports or other reports and reviews; ***(d) information from credible and reliable open sources and the media;*** ***(e) information from credible and reliable commercial organisations, such as risk reports;*** ***(f) information from statistic organisations and the academia.***
273	2. The risk assessment drawn up by the obliged entity pursuant to paragraph 1 shall be documented, kept up-to-date and made available to supervisors.	2. The ***business-wide*** risk assessment drawn up by the obliged entity pursuant to paragraph 1 shall be documented, kept up-to-date and ***regularly reviewed, including where any internal or external event significantly affect the ML/TF risks associated with the activities, products, transactions, delivery channels, customers or geographical zones of activities of the obliged entity. It shall be*** made available to supervisors ***upon request***.	2. The risk assessment drawn up by the obliged entity pursuant to paragraph 1 shall be documented, kept up-to-date and made available to supervisors.
273a		***The business-wide risk assessment shall be proposed by the AML compliance officer and approved by the management body in its management***	

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		function and, where such body exists, communicated to the management body in its supervisory function.	
274	3. Supervisors may decide that individual documented risk assessments are not required where the specific risks inherent in the sector are clear and understood.	3. ***With the exception of credit institutions, financial institutions, crowdfunding service providers and third-party financing intermediaries,*** supervisors ***or, where provided for by national law, other competent authorities,*** may decide that individual documented risk assessments are not required where the specific risks inherent in the sector are clear and understood.	3. Supervisors may decide that individual documented risk assessments are not required where the specific risks inherent in the sector are clear and understood.
274a		***3a. By [2 years from the entry into force of this Regulation], AMLA shall issue guidelines on the minimum requirements for the content of the business-wide risk assessment drawn up by the obliged entity pursuant to paragraph 1.***	
275	Article 9 Compliance functions	Article 9 Compliance functions	Article 9 Compliance functions

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276	1. Obliged entities shall appoint one executive member of their board of directors or, if there is no board, of its equivalent governing body who shall be responsible for the implementation of measures to ensure compliance with this Regulation ('compliance manager'). Where the entity has no governing body, the function should be performed by a member of its senior management.	1. Obliged entities shall appoint one ~~executive~~ member of ~~their board of directors or, if there is no board, of its equivalent governing body who shall be responsible~~***the management body in its management function who is responsible to ensure compliance with this Regulation, the Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], any other legal provisions adopted*** for the implementation of ~~measures to ensure compliance with this Regulation~~***these Regulations and any administrative act issued by any supervisor*** ('compliance manager'). ~~Where the~~ ***To this end, the compliance manager shall ensure that the obliged*** entity***'s policies, procedures and controls are consistent with the AML/CFT risk exposure and that they are implemented, with sufficient human and material resources. The compliance manager shall receive information on significant or material weaknesses in such policies, procedures and controls*** ~~has no governing body, the function should be performed by a member of its senior management~~.	1. Obliged entities shall appoint one executive member of their ~~board of directors or, if there is no board, of its equivalent governing body~~***management body in its management function*** who shall be responsible for the implementation ***and monitoring*** of measures to ensure compliance with this Regulation ('compliance manager'). Where the entity has no ~~governing~~***management*** body, the function should be performed by a member of its senior management. ***This paragraph is without prejudice to national provisions on joint civil or criminal liability of management bodies.***

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277	2. The compliance manager shall be responsible for implementing the obliged entity's policies, controls and procedures and for receiving information on significant or material weaknesses in such policies, controls and procedures. The compliance manager shall regularly report on those matters to the board of director or equivalent governing body. For parent undertakings, that person shall also be responsible for overseeing group-wide policies, controls and procedures.	2. ~~*The compliance manager shall be responsible for implementing the obliged entity's policies, controls and procedures and for receiving information on significant or material weaknesses in such policies, controls and procedures.*~~ ***Where the management body in its management function is a body collectively responsible for its decisions,*** the compliance manager ~~*shall regularly report on those matters to the board of director or equivalent governing body. For parent undertakings, that person shall also be responsible for overseeing group-wide policies, controls and procedures.*~~***is in charge to assist and advise it and to prepare the decisions referred to in this Article.***	2. The compliance manager shall ~~*be responsible for implementing*~~***ensure that*** the obliged entity's policies, controls and procedures ***are fully implemented and shall receive***~~*and for receiving*~~ information on significant or material weaknesses in such policies, controls and procedures. The compliance manager shall regularly report on those matters to the ~~*board of director or equivalent governing*~~***management*** body. For parent undertakings, that person shall also be responsible for overseeing group-wide policies, controls and procedures.
278	3. Obliged entities shall have a compliance officer, to be appointed by the board of directors or governing body, who shall be in charge of the day-to-day operation of the obliged entity's anti-money laundering and countering the financing of terrorism (AML/CFT) policies. That person shall also be responsible for reporting suspicious transactions to the Financial Intelligence Unit (FIU) in accordance with Article 50(6).	3. Obliged entities shall have ~~*a*~~***an AML*** compliance officer, to be appointed ***with sufficiently high hierarchical standing*** by the ~~*board of directors or governing body*~~***management body in its management function***, who shall be ~~*in charge of*~~***responsible for the policies, procedures and controls in*** the day-to-day operation of the obliged entity's anti-money laundering and countering the	3. Obliged entities shall have a compliance officer, to be appointed by the ~~*board of directors or governing body*~~***management body in its management function***, who shall be in charge of the day-to-day operation of the obliged entity's anti-money laundering and countering the financing of terrorism (AML/CFT) policies ***including being a contact point for competent authorities***. That person shall also be responsible for reporting

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		financing of terrorism (AML/CFT) ~~policies~~***and targeted financial sanctions***. That person shall also be responsible for reporting suspicious transactions to the Financial Intelligence Unit (FIU) in accordance with Article 50(6).	suspicious transactions to the ~~Financial Intelligence Unit (FIU)~~***FIU*** in accordance with Article 50(6). ***The compliance officer shall be independent in its function and responsibilities.***
279	In the case of obliged entities subject to checks on their senior management or beneficial owners pursuant to Article 6 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] or under other Union acts, compliance officers shall be subject to verification that they comply with those requirements.	In the case of obliged entities subject to checks on their senior management or beneficial owners pursuant to Article 6 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~ or under other Union acts, ***AML*** compliance officers shall be subject to verification that they comply with those requirements.	In the case of obliged entities subject to checks on their senior management or beneficial owners pursuant to Article 6 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] or under other Union acts, compliance officers shall be subject to verification that they comply with those requirements.
280	An obliged entity that is part of a group may appoint as its compliance officer an individual who performs that function in another entity within that group.	***Where justified by the size, the nature or the risks of its activities,*** an obliged entity that is part of a group may appoint as its ***AML*** compliance officer an individual who performs that function in another entity within that group.	An obliged entity that is part of a group may appoint as its compliance officer an individual who performs that function in another entity within that group***, provided that the other entity is established in the same Member State as the obliged entity***.

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280a			***3a. A compliance officer shall not be penalised in any way in the context of employment for the carrying out of duties. A compliance officer shall not be dismissed prior to the end of the term of appointment unless facts emerge that make it unreasonable for the obliged entity concerned to retain the person. Obliged entities shall notify supervisors of the dismissal of compliance officers and the reason therefor.***
280b			***3b. Where the suitability of a compliance manager or compliance officer is verified by a non-AML/CFT authority, that authority shall, without undue delay, inform the supervisor in the Member State where the obliged entity concerned is established of the receipt of the application for suitability verification and of the date by which the decision on the suitability needs to be taken. The supervisor shall, in cooperation with other competent authorities as appropriate, provide the non-AML/CFT authority with any input necessary within its supervisory competence, within an appropriate deadline taking into account the date by which the decision on the suitability needs to be taken.*** ***The input referred to in the first subparagraph shall consist of an assessment as***

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			to whether the knowledge, skills and experience of the appointee suffice for the performance of the function of compliance manager or compliance officer for which the appointee was nominated and such assessment shall become a part of the decision of the authority verifying the suitability. ***Where the supervisor concludes, that the appointee does not have adequate knowledge, skills and experience to perform the tasks set out in the first and second subparagraphs in respect of the function of a compliance manager, or the third subparagraph in respect of the function of a compliance officer, the authority verifying the suitability shall not take a decision that would allow the appointee to perform those tasks.*** ***The procedure for identifying the relevant supervisor, specific deadlines for providing the input referred to in this paragraph and other technical details regarding supervisors' cooperation with authorities verifying the suitability, including the ECB acting in accordance with Regulation (EU) No 1024/2013 of the European Parliament and of the Council and other authorities thereunder, shall be set out in the guidelines contained in Article 52 of Directive (EU) 2023/... [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].'***

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281	4. Obliged entities shall provide the compliance functions with adequate resources, including staff and technology, in proportion to the size, nature and risks of the obliged entity for the implementation of compliance functions, and shall ensure that the powers to propose any measures necessary to ensure the effectiveness of the obliged entity's internal policies, controls and procedures are granted to the persons responsible for those functions.	4. Obliged entities shall provide the compliance functions with adequate resources, including staff and technology, in proportion to the size, nature and risks of the obliged entity for ~~*the implementation of compliance functions*~~***effective performance of their tasks***, and shall ensure that the ***persons responsible for those functions are granted the*** powers to propose any measures necessary to ensure the effectiveness of the obliged entity's internal policies, ~~*controls and*~~ procedures ~~*are granted to the persons responsible for those functions*~~***and controls***.	4. Obliged entities shall provide the compliance functions with adequate resources, including staff and technology, in proportion to the size, nature***, activity*** and risks of the obliged entity for the implementation of compliance functions, and shall ensure that ***the access to all information, data, records and systems that might be of relevance in connection with the performance of their duties and*** the powers to propose any measures necessary to ensure the effectiveness of the obliged entity's internal policies, controls and procedures are granted to the persons responsible for those functions.
281a		***Obliged entities shall ensure that the AML compliance officer and the person responsible of the audit function referred to in Article 8 (2), point (b) (iii), can report directly to management body in its management function and, where such a body exists, to management body in its supervisory function, independent from senior management, and can raise concerns and warn the management body, where specific risk developments affect or may affect the entity.***	

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281b		***_Obliged entities shall take measures to ensure that the AML compliance officer's decisions are not harmed or unduly influenced by commercial interests of the obliged entity and that it is protected against retaliation, discrimination and any other unfair treatment. The AML compliance officer can only be removed by the management body in its management function after previous information of the management body in its supervisory function, where such a body exists._***	
281c		***_Obliged entities shall ensure that the persons directly or indirectly participating in implementation of this Regulation, the Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 – COM/2021/422 final], any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor, have unrestricted access to all information and data necessary to their tasks._***	

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282	5. The compliance manager shall submit once a year, or more frequently where appropriate, to the governing body a report on the implementation of the obliged entity's internal policies, controls and procedures, and shall keep the management body informed of the outcome of any reviews. The governing body shall take the necessary actions to remedy any deficiencies identified in a timely manner.	5. ***The compliance manager shall regularly report on the implementation of the obliged entity's policies, procedures and controls to the management body. In particular,*** the compliance manager shall submit once a year, or more frequently where appropriate, to the ~~governing~~***management*** body a report on the implementation of the obliged entity's internal policies, ~~controls and procedures~~***procedures and controls drafted by the AML compliance officer***, and shall keep ~~the management~~***that*** body informed of the outcome of any reviews. The ~~governing body~~***compliance manager*** shall take the necessary actions to remedy any deficiencies identified in a timely manner.	5. The compliance manager shall submit once a year, or more frequently where appropriate, to the ~~governing~~***management*** body a report on the implementation of the obliged entity's internal policies, controls and procedures, and shall keep the management body informed of the outcome of any reviews. The ~~governing~~***management*** body shall take the necessary actions to remedy any deficiencies identified in a timely manner.
283	6. Where the size of the obliged entity justifies it, the functions referred to in paragraphs 1 and 3 may be performed by the same natural person.	6. Where the size***, nature or risks of the activities*** of the obliged entity justifies it, the functions referred to in paragraphs 1 and 3 may be performed by the same natural person. ***Each Member State may lay down in its national law that an obliged entity subject to prudential rules requiring the appointment of a compliance officer or of a head of the internal audit function may entrust those***	6. Where the size of the obliged entity justifies it, the functions referred to in paragraphs 1 and 3 may be performed by the same natural person. ***The compliance officer may cumulate functions referred to in paragraphs 1 and 3 with other functions.***

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		persons with the functions and responsibilities as referred to in paragraph 3, first sub-paragraph and in Article 8(2), point (b)(iii). In cases of higher risks or where the size of the obliged entity justifies it, the responsibilities of controls performed by the compliance functions mentioned in Article 8(2), point (b)(ii), and of the day-to-day operation of the obliged entity's anti-money laundering and countering the financing of terrorism (AML/CFT) policies may be carried by two different persons.	
284	Where the obliged entity is a natural person or a legal person whose activities are performed by one natural person only, that person shall be responsible for performing the tasks under this Article.	Where the obliged entity is a natural person or a legal person whose activities are performed by one natural person only, that person shall be responsible for performing the tasks under this Article.	Where the obliged entity is a natural person or a legal person whose activities are performed by one natural person only, that person shall be responsible for performing the tasks under this Article.
285	Article 10 Awareness of requirements	Article 10 Awareness of requirements	Article 10 Awareness of requirements
286	Obliged entities shall take measures to ensure that their employees whose function so	Obliged entities shall take measures to ensure that their employees ***or person in***	Obliged entities shall take measures to ensure that their employees whose function so requires,

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	requires, as well as their agents and distributors are aware of the requirements arising from this Regulation and of the internal policies, controls and procedures in place in the obliged entity, including in relation to the processing of personal data for the purposes of this Regulation.	***comparable position*** whose function so requires, ~~as well as~~***including*** their agents and distributors are aware of the requirements arising from this Regulation ***, the Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor,*** and of the ***business wide risk assessment,*** internal policies, ~~controls and procedures~~***procedures and controls*** in place in the obliged entity, including in relation to the processing of personal data for the purposes of this Regulation.	as well as their agents and distributors are aware of the requirements arising from this Regulation and of the internal policies, controls and procedures in place in the obliged entity, including in relation to the processing of personal data for the purposes of this Regulation.
287	The measures referred to in the first subparagraph shall include the participation of employees in specific, ongoing training programmes to help them recognise operations which may be related to money laundering or terrorist financing and to instruct them as to how to proceed in such cases. Such training programmes shall be duly documented.	The measures referred to in the first subparagraph shall include the participation of employees ***or person in comparable position, including agents and distributors,*** in specific, ongoing training programmes to help them recognise operations which may be related to money laundering or terrorist financing and to instruct them as to how to proceed in such cases. Such training programmes ***shall be appropriate to their functions or activities and to the risks of money laundering and terrorist***	The measures referred to in the first subparagraph shall include the participation of employees in specific, ongoing training programmes to help them recognise operations which may be related to money laundering or terrorist financing and to instruct them as to how to proceed in such cases. Such training programmes shall be duly documented.

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		financing to which the obliged entity is exposed and shall be duly documented.	
288	Article 11 Integrity of employees	Article 11 Integrity of employees	Article 11 Integrity of employees
289	1. Any employee of an obliged entity entrusted with tasks related to the obliged entity's compliance with this Regulation and Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final] shall undergo an assessment approved by the compliance officer of:	1. Any employee***, or person in a comparable position, including agents and distributors,*** of an obliged entity ~~entrusted with tasks related to the obliged entity's compliance with~~***directly participating in the implementation of the requirements of*** this Regulation***, the*** ~~and~~ Regulation ***[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final] and any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor,***~~[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]~~ shall undergo an assessment ***commensurate with the risks associated with the tasks performed and whose content is*** approved by the ***AML*** compliance officer of:	1. Any employee of an obliged entity entrusted with tasks related to the obliged entity's compliance with this Regulation and Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final] shall undergo an assessment approved by the compliance officer of:

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290	(a) individual skills, knowledge and expertise to carry out their functions effectively;	(a) individual skills, knowledge and expertise to carry out their functions effectively;	(a) individual skills, knowledge and expertise to carry out their functions effectively;
291	(b) good repute, honesty and integrity.	(b) good repute, honesty and integrity.	(b) good repute, honesty and integrity.
291a		***Such assessment shall be performed prior to taking up of activities by the employee or person in a comparable position, including agents and distributors, and shall be regularly repeated. The intensity of the subsequent assessments shall be determined on the basis of the tasks entrusted to the person and risks associated with function they perform.***	
292	2. Employees entrusted with tasks related to the obliged entity's compliance with this Regulation shall inform the compliance officer of any close private or professional relationship established with the obliged entity's customers or prospective customers and shall be prevented from undertaking any tasks related to the obliged entity's compliance in relation to those	2. Employees***, or persons in a comparable position, including agents and distributors,*** entrusted with tasks related to the obliged entity's compliance with this Regulation shall inform the ***AML*** compliance officer of any close private or professional relationship established with the obliged entity's	2. Employees entrusted with tasks related to the obliged entity's compliance with this Regulation shall inform the compliance officer of any close private or professional relationship established with the obliged entity's customers or prospective customers***, who have indicated their intention to be legally bound by a contract in their statements or conduct as they***

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	customers.	customers or prospective customers and shall be prevented from undertaking any tasks related to the obliged entity's compliance in relation to those customers.	***were reasonably understood by the other party,*** and shall be prevented from undertaking any tasks related to the obliged entity's compliance in relation to those customers.
292a			***2a. Obliged entities shall have in place adequate procedures to ensure that responsibility for a business relationship changes from one employee to another at appropriate intervals. Where the size of the obliged entity or the need for special qualifications does not allow for the establishment of such a procedure, the compliance officer shall carry out, in a risk-based manner, a special examination of the affected business relationships at appropriate intervals.***
293	3. Obliged entities shall have in place appropriate procedures for their employees, or persons in a comparable position, to report breaches of this Regulation internally through a specific, independent and anonymous channel, proportionate to the nature and size of the obliged entity concerned.	3. ~~Obliged entities~~***This Article*** shall ~~have in place appropriate procedures for their employees, or persons in a comparable position, to report breaches of this Regulation internally through a specific, independent and anonymous channel, proportionate to the nature and size of the obliged entity concerned~~***not apply where the obliged entity is a natural person or a legal person whose activities are***	3. Obliged entities shall have in place appropriate procedures for their employees, or persons in a comparable position, to report breaches of this Regulation internally through a specific, independent and anonymous channel, proportionate to the nature***, activity*** and size of the obliged entity concerned.

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		performed by one natural person only.	
294	Obliged entities shall take measures to ensure that employees, managers or agents who report breaches pursuant to the first subparagraph are protected against retaliation, discrimination and any other unfair treatment.	~~*Obliged entities shall take measures to ensure that employees, managers or agents who report breaches pursuant to the first subparagraph are protected against retaliation, discrimination and any other unfair treatment.*~~***deleted***	Obliged entities shall take measures to ensure that employees, managers***, agents, and other persons referred to in Article 4 of Directive (EU) 2019/1937 of the European Parliament and of the Council***[5a] ~~*or agents*~~ who report breaches pursuant to the first subparagraph are protected ~~*against retaliation, discrimination and any other unfair treatment.*~~***in accordance with that Directive and other applicable legal acts***[5a] _________ ***5a. Directive (EU) 2016/97 of the European Parliament and of the Council of 20 January 2016 on insurance distribution (recast) (OJ L 26, 2.2.2016, p. 19).***
295	4. This Article shall not apply to obliged entities that are sole traders.	4. ~~*This Article shall not apply to obliged entities that are sole traders.*~~***deleted***	4. This Article shall not apply to obliged entities that are sole traders.
295a		***Article 11a*** ***Internal reporting***	
295b		***1. Obliged entities shall have in place appropriate procedures for their managers, employees, or persons in a***	

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		comparable position, including their agents and distributors, to report breaches of this Regulation, the Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 – COM/2021/422 final], and any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor, internally to the AML compliance officer and the compliance manager, where applicable, through a specific, independent and anonymous channel, proportionate to the nature and size of the obliged entity concerned.Where the obliged entities already have in place procedures to report breaches in accordance with other Union act, those procedures may also be used to report the breaches of this Regulation and Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 – COM/2021/422 final], any other legal provisions adopted for the implementation of these Regulations and any administrative act issued by any supervisor, provided that the guarantees of this Article are respected.	
295c			

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		2. Obliged entities shall take measures to ensure that those persons who report breaches pursuant to the first paragraph are protected against retaliation, discrimination and any other unfair treatment. ***These measures shall also define:***	
295d		***(a) specific procedures for the receipt of reports on breaches and their follow-up;***	
295e		***(b) protection of personal data concerning both the person who reports the breaches and the natural person who is allegedly responsible for a breach, in accordance with Regulation (EU) 2016/679;***	
295f		***(c) rules that ensure that confidentiality is guaranteed in all cases in relation to the person who reports the breaches committed within the obliged entity, unless disclosure is required by national law in the context of criminal investigations or subsequent judicial***	

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		proceedings.	
295g		***3. This Article shall not apply where the obliged entity is a natural person or a legal person whose activities are performed by one natural person only.***	
296	Article 12 Situation of specific employees	Article 12 Situation of specific employees	Article 12 Situation of specific employees
297	Where a natural person falling within any of the categories listed in Article 3, point (3) performs professional activities as an employee of a legal person, the requirements laid down in this Section shall apply to that legal person rather than to the natural person.	Where a natural person falling within any of the categories listed in Article 3, point (3) performs professional activities as an employee of a legal person, the requirements laid down in this Section shall apply to that legal person rather than to the natural person.	Where a natural person falling within any of the categories listed in Article 3, point (3) performs professional activities as an employee of a legal person, the requirements laid down in this Section shall apply to that legal person rather than to the natural person.
297a			***Article 12a*** ***Minimum requirements for sole traders, single operators or microenterprises*** ***1. By ... [two years from the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards***

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			and submit them to the Commission for adoption concerning minimum requirements and standards for compliance with this Chapter by obliged entities which are sole traders, single operators or microenterprises. In particular, AMLA shall develop requirements and standards in relation to execution of compliance functions. When developing the draft regulatory technical standards referred to in the first subparagraph, AMLA shall take due account of the inherent levels of risks of the business models of the different types of obliged entities in order to ensure that the requirements and standards for compliance are proportionate to the risks identified. ***2. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 1 of this Article in accordance with Articles 38 to 41 of Regulation (EU) .../... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].***
298	SECTION 2 Provisions applying to groups	SECTION 2 Provisions applying to groups	SECTION 2 Provisions applying to groups
299			

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	Article 13 Group-wide requirements	Article 13 Group-wide requirements	Article 13 Group-wide requirements
300	1. A parent undertaking shall ensure that the requirements on internal procedures, risk assessment and staff referred to in Section 1 of this Chapter apply in all branches and subsidiaries of the group in the Member States and, for groups whose parent undertaking is established in the Union in third countries. The group-wide policies, controls and procedures shall also include data protection policies and policies, controls and procedures for sharing information within the group for AML/CFT purposes.	1. A parent undertaking ***that is itself an obliged entity*** shall ensure that the requirements on internal procedures, risk assessment and staff referred to in Section 1 of this Chapter apply in all branches and subsidiaries of the group in the Member States and ***in third countries, where the branches and subsidiaries are majority-owned or controlled via other means. To this end, a***~~, for groups whose~~ parent undertaking ~~is established in the Union in third countries. The group-wide policies, controls and procedures shall also include data protection policies and~~***shall perform a group-wide risk assessment, taking into account the business-wide risk assessment performed by all branches and subsidiaries of the group, and use it to establish and implement group-wide*** policies, ~~controls and procedures for sharing~~***procedures and controls, including on data protection and on*** information ***sharing*** within the group for AML/CFT purposes. ***Obliged entities that are part of a group shall implement the aforementioned group-wide policies, procedures and controls,***	1. ~~A~~***Each*** parent undertaking ***established in the Union shall put in place group-wide policies, controls and procedures to comply with this Regulation and*** shall ensure that the requirements on internal procedures, risk assessment and staff referred to in Section 1 of this Chapter apply in all branches and subsidiaries of the group in the Member States ~~and, for groups whose~~***as well as in third countries. To that end, a*** parent undertaking ~~is established in the Union in third countries~~***shall carry out a group-wide risk assessment, taking into account the risks identified by all branches and subsidiaries of the group, and on the basis of that assessment establish and implement group-wide policies, controls and procedures***. The group-wide policies, controls and procedures shall also include data protection policies and policies, controls and procedures for sharing information within the group for AML/CFT purposes. ***Obliged entities that are part of a group shall implement the group-wide policies, controls and procedures, taking into account their specificities and the risks to which they are exposed.***

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		taking into account their specificities and risks to which they are exposed.	
300a		***With regards to the establishment and implementation of group-wide policies, procedures and controls and the performance of the group-wide risk assessment the Articles 7 and 8 shall apply accordingly. For the application of Article 7(1), points (c) and (e), parent undertakings take into account the information published by the authorities of the Member States where their branches and subsidiaries are established.***	
300b		***Parent undertakings that are themselves obliged entities shall appoint a compliance manager, responsible for overseeing group- wide policies, controls and procedures, under the conditions set out in Article 9(1) and (2). In addition, they shall appoint an AML compliance officer, under the conditions set out in Article 9(3), responsible for the day-to-day operation of the group's AML/CFT policies, procedures and controls. Article 9(4) also applies to parent undertakings.***	

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300c		***The compliance manager of the parent undertaking which is itself obliged entity shall regularly report on the implementation of the group's policies, procedures and controls to the management body of the parent undertaking. In particular, the compliance manager shall submit once a year an AML-CFT AML/CFT report, under the conditions set out in Article 9(5). The compliance manager appointed by the parent undertaking which is itself obliged entity shall take the necessary actions to remedy any deficiencies identified in a timely manner.***	
300d		***Parent undertaking which is itself obliged entity shall also apply Article 10 with regards to the group.***	
301	2. The policies, controls and procedures pertaining to the sharing of information referred to in paragraph 1 shall require obliged entities within the group to exchange information when such sharing is relevant for preventing money	2. The policies, ~~controls and procedures~~***procedures and controls*** pertaining to the sharing of information referred to in paragraph 1 shall require obliged entities within the group to	2. The policies, controls and procedures pertaining to the sharing of information referred to in paragraph 1 shall require obliged entities within the group to exchange information when such sharing is relevant for preventing money

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	laundering and terrorist financing. The sharing of information within the group shall cover in particular the identity and characteristics of the customer, its beneficial owners or the person on behalf of whom the customer acts, the nature and purpose of the business relationship and the suspicions that funds are the proceeds of criminal activity or are related to terrorist financing reported to FIU pursuant to Article 50, unless otherwise instructed by the FIU.	exchange information when such sharing is relevant for ~~preventing~~***the purposes of customer due diligence and*** money laundering and terrorist financing ***risk management***. The sharing of information within the group shall cover in particular the identity and characteristics of the customer, its beneficial owners or the person on behalf of whom the customer acts, the nature and purpose of the business relationship and ***of the transactions, as well as, where applicable, the analysis assessment of the atypical transactions and*** the suspicions that funds are the proceeds of criminal activity or are related to terrorist financing reported to FIU pursuant to Article 50, unless otherwise instructed by the FIU.	laundering and terrorist financing***, including customer due diligence and risk management***. The sharing of information within the group shall cover in particular the identity and characteristics of the customer, its beneficial owners or the person on behalf of whom the customer acts, the nature and purpose of the business relationship ***and of the transactions, as well as, where applicable, the analysis of atypical transactions*** and the suspicions that funds are the proceeds of criminal activity or are related to terrorist financing reported to FIU pursuant to Article 50, unless otherwise instructed by the FIU.
302	Groups shall put in place group-wide policies, controls and procedures to ensure that the information exchanged pursuant to the first subparagraph is subject to sufficient guarantees in terms of confidentiality, data protection and use of the information, including to prevent its disclosure.	~~Groups shall put in place~~***The*** group-wide policies, ~~controls and procedures to ensure that the information exchanged pursuant to the first subparagraph is subject to sufficient guarantees in terms of confidentiality, data protection and use of the information, including to prevent its disclosure~~***procedures and controls shall not prevent entities within a group which are not obliged entities according to Article 3 to provide information to***	***The group-wide policies, procedures and controls shall require that entities within a group which are not obliged entities pursuant to Article 3 of this Regulation provide relevant information to obliged entities within the same group in order to comply with the requirements set out in this Regulation.*** Groups shall put in place group-wide policies, controls and procedures to ensure that the information exchanged pursuant to the first ***and second*** subparagraph is subject to sufficient guarantees

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		obliged entities within the same group in particular where such sharing is relevant for those obliged entities to comply with requirements set out in this Regulation.	in terms of confidentiality, data protection and use of the information, including to prevent its disclosure.
302a		***A parent undertaking which is itself obliged entity shall put in place group-wide policies, controls and procedures to ensure that the information exchanged pursuant to the first and second subparagraph is subject to sufficient guarantees in terms of confidentiality, data protection and use of the information, including to prevent its disclosure.***	
302b			***2a. Entities within the same group shall be entitled to use the information received as up-to-date information for the intra-group business relationship, provided that:*** ***(a) the information or documents are provided by another entity within the same group;*** ***(b) the receiving entity within the same group and the providing entity within the same group are not aware that the information is no longer up to date.***

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303	3. By [2 years from the entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the minimum requirements of group-wide policies, including minimum standards for information sharing within the group, the role and responsibilities of parent undertakings that are not themselves obliged entities with respect to ensuring group-wide compliance with AML/CFT requirements and the conditions under which the provisions of this Article apply to entities that are part of structures which share common ownership, management or compliance control, including networks or partnerships.	3. By [2 years from the entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the minimum requirements of group-wide policies, including minimum standards for information sharing within the group, the role and responsibilities of parent undertakings that are not themselves obliged entities with respect to ensuring group-wide compliance with AML/CFT requirements and the conditions under which the provisions of this Article apply to entities that are part of structures which share common ownership, management or compliance control, including networks or partnerships.	3. By ***…*** [2 years from the entry into force of this Regulation], AMLA***, after consulting EBA,*** shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the minimum requirements of group-wide policies, including minimum standards for information sharing within the group, the role and responsibilities of parent undertakings that are not themselves obliged entities with respect to ensuring group-wide compliance with AML/CFT requirements and the conditions under which the provisions of this Article apply to entities that are part of structures which share common ownership, management or compliance control, including networks or partnerships.
304	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

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305	Article 14 Branches and subsidiaries in third countries	Article 14 Branches and subsidiaries in third countries	Article 14 Branches and subsidiaries in third countries
306	1. Where branches or subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements are less strict than those set out in this Regulation, the obliged entity concerned shall ensure that those branches or subsidiaries comply with the requirements laid down in this Regulation, including requirements concerning data protection, or equivalent.	1. Where branches or subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements are less strict than those set out in this Regulation, the ***parent undertaking which is itself*** obliged entity ~~concerned~~ shall ensure that those branches or subsidiaries comply with the requirements laid down in this Regulation, including requirements concerning data protection, or equivalent.	1. Where branches or subsidiaries of obliged entities are located in third countries where the minimum AML/CFT requirements are less strict than those set out in this Regulation, the ~~obliged entity concerned~~***parent undertaking*** shall ensure that those branches or subsidiaries comply with the requirements laid down in this Regulation, including requirements concerning data protection, or equivalent.
307	2. Where the law of a third country does not permit compliance with the requirements laid down in this Regulation, obliged entities shall take additional measures to ensure that branches and subsidiaries in that third country effectively handle the risk of money laundering or terrorist financing, and the head office shall inform the supervisors of their home Member State. Where the supervisors of the home	2. Where the law of a third country does not permit compliance with the requirements laid down in this Regulation, ***the parent undertaking which is itself*** obliged ~~entities~~***entity*** shall take additional measures to ensure that branches and subsidiaries in that third country effectively handle the risk of money laundering or terrorist financing,	2. Where the law of a third country does not permit compliance with the requirements laid down in this Regulation, ~~obliged entities~~***the parent undertaking*** shall take additional measures to ensure that branches and subsidiaries in that third country effectively handle the risk of money laundering or terrorist financing, and ~~the head office~~ shall inform the supervisors of their home Member State ***of***

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	Member State consider that the additional measures are not sufficient, they shall exercise additional supervisory actions, including requiring the group not to establish any business relationship, to terminate existing ones or not to undertake transactions, or to close down its operations in the third country.	and ~~the head office~~ shall inform the supervisors of ~~their~~***its*** home Member State. Where the supervisors of the home Member State consider that the additional measures are not sufficient, they shall exercise additional supervisory actions, including requiring the group not to establish any business relationship, to terminate existing ones or not to undertake transactions, or to close down its operations in the third country.	***those additional measures***. Where the supervisors of the home Member State consider that the additional measures are not sufficient, they shall exercise additional supervisory actions, including requiring the group not to establish any business relationship, to terminate existing ones or not to undertake transactions, or to close down its operations in the third country.
308	3. By [2 years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the type of additional measures referred to in paragraph 2, including the minimum action to be taken by obliged entities where the law of a third country does not permit the implementation of the measures required under Article 13 and the additional supervisory actions required in such cases.	3. By [2 years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the type of additional measures referred to in paragraph 2, including the minimum action to be taken by obliged entities where the law of a third country does not permit the implementation of the measures required under Article 13 and the additional supervisory actions required in such cases.	3. By ***…*** [2 years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify the type of additional measures referred to in paragraph 2, including the minimum action to be taken by obliged entities where the law of a third country does not permit the implementation of the measures required under Article 13 and the additional supervisory actions required in such cases. ***The draft regulatory technical standards shall include a list of third countries where the minimum AML/CFT requirement are deemed equivalent to those laid down in this Regulation. This list shall be regularly updated.***

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309	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].
310	CHAPTER III CUSTOMER DUE DILIGENCE	CHAPTER III CUSTOMER DUE DILIGENCE	CHAPTER III CUSTOMER DUE DILIGENCE
311	SECTION 1 General provisions	SECTION 1 General provisions	SECTION 1 General provisions
312	Article 15 Application of customer due diligence	Article 15 Application of customer due diligence	Article 15 Application of customer due diligence
313	1. Obliged entities shall apply customer due diligence measures in any of the following circumstances:	1. Obliged entities shall apply customer due diligence measures in any of the following circumstances:	1. Obliged entities shall apply customer due diligence measures in any of the following circumstances:
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	(a) when establishing a business relationship;	(a) when establishing a business relationship;	(a) when establishing a business relationship;
315	(b) when involved in or carrying out an occasional transaction that amounts to EUR 10 000 or more, or the equivalent in national currency, whether that transaction is carried out in a single operation or through linked transactions, or a lower threshold laid down pursuant to paragraph 5;	(b) when ~~involved in or~~ carrying out an occasional transaction that amounts to ***value of at least*** EUR 10 000 or more, or the equivalent in national currency, whether that transaction is carried out in a single operation or through linked transactions, or a lower threshold laid down pursuant to paragraph 5;	(b) when involved in or carrying out an occasional transaction that amounts to EUR 10 000 or more, or the equivalent in national currency, whether that transaction is carried out in a single operation or through linked transactions, or a lower threshold laid down pursuant to paragraph 5;
316	(c) when there is a suspicion of money laundering or terrorist financing, regardless of any derogation, exemption or threshold;	(c) when there is a suspicion of money laundering or terrorist financing, regardless of any derogation, exemption or threshold;	(c) when there is a suspicion of money laundering or terrorist financing, regardless of any derogation, exemption or threshold;
317	(d) when there are doubts about the veracity or adequacy of previously obtained customer identification data.	(d) when there are doubts about the veracity or adequacy of previously obtained customer identification data.	(d) when there are doubts about the veracity or adequacy of previously obtained customer identification data.
317a		***(e) when there are doubts that the person who, as part of a business relationship, wishes to carry out a***	

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		transaction, is actually the customer or person authorized to act on his behalf and who was identified and whose identity was verified as provided for in Article 16 (2), second subparagraph.	
318	2. In addition to the circumstances referred to in paragraph 1, credit and financial institutions and crypto-asset service providers shall apply customer due diligence when either initiating or executing an occasional transaction that constitutes a transfer of funds as defined in Article 3, point (9) of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], or a transfer of crypto-assets as defined in Article 3, point (10) of that Regulation, exceeding EUR 1 000 or the equivalent in national currency.	2. In addition to the circumstances referred to in paragraph 1, credit and financial institutions***, with the exception of*** ~~*and*~~ crypto-asset service providers***,*** shall apply customer due diligence when ~~*either*~~ initiating or executing an occasional transaction that constitutes a transfer of funds as defined in Article 3, point (9) of Regulation ***[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], that amounts to value of at least EUR 1 000 , or the equivalent in national currency, whether that transaction is carried out in a single operation or through linked transactions***~~*[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], or a transfer of crypto-assets as defined in Article 3, point (10) of that Regulation, exceeding EUR 1 000 or the equivalent in national currency*~~.	2. In addition to the circumstances referred to in paragraph 1, credit and financial institutions ~~*and crypto-asset service providers*~~ shall apply customer due diligence when ~~*either*~~ initiating or executing an occasional transaction that constitutes a transfer of funds as defined in Article 3, point (9) of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], ***amounts to EUR 1 000 or more or the equivalent in national currency.*** ***Credit and financial institutions which are obliged entities shall also apply customer due diligence measures when involved in or carrying out an occasional transaction involving crypto-assets that amounts to***~~*or a transfer of crypto-assets as defined in Article 3, point (10) of that Regulation, exceeding*~~ EUR 1 000 or ***more, or*** the equivalent in national currency***, whether the transaction is carried out in a single operation or through linked transactions***.

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318a		***2a. By way of derogation from paragraph 1, point (b), crypto-asset service providers shall:***	
318b		***(a) apply customer due diligence measures when carrying out an occasional transaction that amounts to value of at least EUR 1 000, or the equivalent in national currency, whether the transaction is carried out in a single operation or through linked transactions;***	
318c		***(b) apply at least customer due diligence measures referred to under Article 16(1), point (a), when carrying out an occasional transaction where the value is below EUR 1 000, or the equivalent in national currency, whether the transaction is carried out in a single operation or through linked transactions.***	
318d		***2b By way of derogation from paragraph 1, point (b), obliged entities***	

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		shall apply at least customer due diligence measures referred to under Article 16(1), point (a), when carrying out an occasional transaction in cash amounting to value of at least EUR 1 000, or the equivalent in national currency, whether the transaction is carried out in a single operation or through linked transactions.	
318e		***2c Obliged entities whose business activity consists in intermediating transactions between their customers and their counterparts, or whose business activity consists in otherwise facilitating transactions by matching two counterparts, shall also apply customer due diligence measures with regard to that counterparts, where the transaction meets the criteria of paragraph 1, point (b), or the criteria of paragraph 2 or 2a.***	
318f		***2d Obliged entities under Article 3, point (3)(e) and obliged entities under Article 3, point (3)(i) shall also apply customer due diligence measures with regard to their suppliers, where the transaction concerns precious metals or stones or***	

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		cultural goods and meets the criteria of paragraph 1, point (b).	
318g		***2e By way of derogation from paragraph 1, point (b), obliged entities shall apply customer due diligence when they set up a legal person or a legal arrangement, irrespective of the threshold of the transaction.***	
319	3. Providers of gambling services shall apply customer due diligence upon the collection of winnings, the wagering of a stake, or both, when carrying out transactions amounting to at least EUR 2 000 or the equivalent in national currency, whether the transaction is carried out in a single operation or in linked transactions.	3. Providers of gambling services shall apply customer due diligence upon the collection of winnings, the wagering of a stake, or both, when carrying out transactions amounting to at least EUR 2 000 or the equivalent in national currency, whether the transaction is carried out in a single operation or in linked transactions.	3. Providers of gambling services shall apply customer due diligence upon the collection of winnings, the wagering of a stake, or both, when carrying out transactions amounting to at least EUR 2 000 or the equivalent in national currency, ***or, in the case of online gambling services, transactions amounting to at least EUR 1 000 or the equivalent in national currency,*** whether the transaction is carried out in a single operation or in linked transactions.
319a			***3a. By way of derogation from paragraph 1, based on an appropriate risk assessment which demonstrates a low risk, a supervisor may allow obliged entities not to apply certain customer due diligence measures with respect***

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			to electronic money that can be used only in a limited way, where all of the following risk-mitigating conditions are met: ***a) the maximum amount stored does not exceed EUR 150;*** ***b) the payment instruments can be used exclusively to purchase, either in store or online, goods or services in a single Member State, from the issuer, or within a network of service providers under direct commercial agreement with a professional issuer;*** ***The payment instruments referred to in point b) of the first subparagraph shall not be linked to a bank account, shall not allow for balance top-ups and shall not exchangeable for cash.***
319b		***The obligation under Article 16 (1), point (a), may be fulfilled by identifying the customer and verifying his identity upon entry to the casino or other physical gambling premises, provided the obliged entity also ensures that each transaction of EUR 2 000 or more, including the purchase or exchange of gambling chips, can be attributed to the player in question.***	
320	4. In the case of credit institutions, the	4. ~~In the case of credit institutions, the~~	4. In the case of credit institutions, the

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	performance of customer due diligence shall also take place, under the oversight of supervisors, at the moment that the institution has been determined failing or likely to fail pursuant to Article 32(1) of Directive 2014/59/EU of the European Parliament and of the Council[1] or when the deposits are unavailable in accordance with Article 2(1)(8) of Directive 2014/49/EU of the European Parliament and of the Council[2]. Supervisors shall decide on the intensity and scope of such customer due diligence measures having regard to the specific circumstances of the credit institution. 1. Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council Text with EEA relevance (OJ L 173, 12.6.2014, p. 190). 2. Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes Text with EEA relevance (OJ L 173, 12.6.2014, p. 149).	~~*performance of customer due diligence shall also take place, under the oversight of supervisors, at the moment that the institution has been determined failing or likely to fail pursuant to Article 32(1) of Directive 2014/59/EU of the European Parliament and of the Council[1] or when the deposits are unavailable in accordance with Article 2(1)(8) of Directive 2014/49/EU of the European Parliament and of the Council[2]. Supervisors shall decide on the intensity and scope of such customer due diligence measures having regard to the specific circumstances of the credit institution.*~~***deleted*** ~~*1. Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council Text with EEA relevance (OJ L 173, 12.6.2014, p. 190).*~~ ~~*2. Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes Text with EEA relevance (OJ L 173, 12.6.2014, p. 149).*~~	performance of customer due diligence shall also take place, ***where necessary*** under the oversight of supervisors, at the moment that the institution has been determined failing or likely to fail pursuant to Article 32(1) of Directive 2014/59/EU of the European Parliament and of the Council[1] or when the deposits are unavailable in accordance with Article 2(1)(8) of Directive 2014/49/EU of the European Parliament and of the Council[2]. Supervisors shall decide on the intensity and scope of such customer due diligence measures having regard to the specific circumstances of the credit institution. 1. Directive 2014/59/EU of the European Parliament and of the Council of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms and amending Council Directive 82/891/EEC, and Directives 2001/24/EC, 2002/47/EC, 2004/25/EC, 2005/56/EC, 2007/36/EC, 2011/35/EU, 2012/30/EU and 2013/36/EU, and Regulations (EU) No 1093/2010 and (EU) No 648/2012, of the European Parliament and of the Council Text with EEA relevance (OJ L 173, 12.6.2014, p. 190). 2. Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes Text with EEA relevance (OJ L 173, 12.6.2014, p. 149).

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320a		***4a. In the case of a payout procedure pursuant to Article 8(1) of Directive 2014/49/EU of the European Parliament and of the Council[1], the payout shall be made to an account in the name of the depositor at a credit or financial institution established in the European Union. Where an institution has failed due to AML/CFT breaches, obliged entities holding the accounts to which the payout is made shall take this factor into consideration and consider the application of enhanced due diligence measures.*** ***1. Directive 2014/49/EU of the European Parliament and of the Council of 16 April 2014 on deposit guarantee schemes Text with EEA relevance (OJ L 173, 12.6.2014, p. 149).***	
321	5. By [2 years from the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify:	5. By ***[2 years from the date of entry into force of this Regulation]***~~[2 years from the date of entry into force of this Regulation]~~, AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify:	5. By [2 years from the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify:

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322	(a) the obliged entities, sectors or transactions that are associated with higher money laundering and terrorist financing risk and which shall comply with thresholds lower than those set in paragraph 1 point (b);	(a) the obliged entities, sectors or transactions that are associated with higher money laundering and terrorist financing risk and which shall comply with thresholds lower than those set in paragraph 1 point (b);	(a) the obliged entities, sectors or transactions that are associated with higher money laundering and terrorist financing risk and which shall comply with thresholds lower than those set in paragraph 1 point (b);
323	(b) the related occasional transaction thresholds;	(b) the related occasional transaction thresholds;	(b) the related occasional transaction thresholds;
323a			***(ba) the criteria to be taken into account for identifying occasional transactions, including those involving crypto-assets;***
323b			***(bb) the criteria to be taken into account to identify business relationships;***
324	(c) the criteria to identify linked transactions.	(c) the criteria to identify linked transactions.	(c) the criteria to identify linked transactions.
325	When developing the draft regulatory technical standards referred to in the first sub-paragraph,	When developing the draft regulatory technical standards referred to in the first	When developing the draft regulatory technical standards referred to in the first sub-paragraph,

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	AMLA shall take due account of the following:	sub-paragraph, AMLA shall take due account of the following:	AMLA shall take due account of the following:
326	(a) the inherent levels of risks of the business models of the different types of obliged entities;	(a) the inherent levels of risks of the business models of the different types of obliged entities;	(a) the inherent levels of risks of the business models of the different types of obliged entities;
327	(b) the supra-national risk assessment developed by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	(b) the supra-national risk assessment developed by the Commission pursuant to Article 7 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~*[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~.	(b) the supra-national risk assessment developed by the Commission pursuant to Article 7 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
328	6. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 5 of this Article in accordance with Articles 38 to 41 of [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	6. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 5 of this Article in accordance with Articles 38 to 41 of ***[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]*** ~~*[please insert reference – proposal for establishment of an Anti-Money*~~	6. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 5 of this Article in accordance with Articles 38 to 41 of [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].

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		~~*Laundering Authority - COM/2021/421 final]*~~.	
329	Article 16 Customer due diligence measures	Article 16 Customer due diligence measures	Article 16 Customer due diligence measures
330	1. For the purpose of conducting customer due diligence, obliged entities shall apply all of the following measures:	1. For the purpose of conducting customer due diligence, obliged entities shall apply all of the following measures:	1. For the purpose of conducting customer due diligence, obliged entities shall apply all of the following measures:
331	(a) identify the customer and verify the customer's identity;	(a) identify the customer and verify the customer's identity;	(a) identify the customer and verify the customer's identity;
332	(b) identify the beneficial owner(s) pursuant to Articles 42 and 43 and verify their identity so that the obliged entity is satisfied that it knows who the beneficial owner is and that it understands the ownership and control structure of the customer;	(b) identify the beneficial owner(s) pursuant to ~~*Articles 42 and 43 and*~~***Article 2, point (22) and take reasonable measures to*** verify their identity so that the obliged entity is satisfied that it knows who the beneficial owner is and that it understands the ownership and control structure of the customer;	(b) identify the beneficial owner(s) pursuant to Articles 42 and 43 and verify their identity so that the obliged entity is satisfied that it knows who the beneficial owner is and that it understands the ownership and control structure of the customer;
332a			***(ba) identify and record the identity of***

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			nominee shareholders and nominee directors of a corporate or other legal entity and identify their status as such, where applicable;
333	(c) assess and, as appropriate, obtain information on the purpose and intended nature of the business relationship;	(c) assess and, as appropriate, obtain information on ***and have a general understanding of*** the purpose and intended nature of the business relationship ***or the occasional transactions***;	(c) assess and, as appropriate, obtain information on the purpose and intended nature of the business relationship;
333a			***(ca) verify whether the customer or the beneficial owner are subject to targeted financial sanctions relating to terrorism and terrorism financing and proliferation financing, and to other applicable Union targeted financial sanctions;***
333b		***(ca) assess and, as appropriate, obtain information on the specific characteristics of the customer; where relevant having regard to the risk posed by the customer and by the transaction or business relationship, this shall also include determination of the business activity of the legal entity or***	

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		determination of whether legal entity has activities;	
334	(d) conduct ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the obliged entity's knowledge of the customer, the business and risk profile, including where necessary the source of funds.	(d) conduct ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the obliged entity's knowledge of the customer, the business and risk profile, including where necessary the source of funds.***;***	(d) conduct ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of the business relationship to ensure that the transactions being conducted are consistent with the obliged entity's knowledge of the customer, the business and risk profile, including where necessary the source of funds.
334a		***(da) determine whether the customer or the beneficial owner of the customer is a politically exposed person pursuant to Article 32.***	
335	When applying the measures referred to in points (a) and (b) of the first subparagraph, obliged entities shall also verify that any person purporting to act on behalf of the customer is so authorised and shall identify and verify the identity of that person in accordance with Article 18.	When applying the measures referred to in points (a) and (b) of the first subparagraph, obliged entities shall also verify that any person purporting to act on behalf of the customer is so authorised and shall identify and verify the identity of that person in accordance with Article 18.	When applying the measures referred to in points (a) and (b) of the first subparagraph, obliged entities shall also verify that any person purporting to act on behalf of the customer is so authorised and shall identify and verify the identity of that person in accordance with Article 18.

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336	2. Obliged entities shall determine the extent of the measures referred to in paragraph 1 on the basis of an individual analysis of the risks of money laundering and terrorist financing having regard to the specific characteristics of the client and of the business relationship or occasional transaction, and taking into account the risk assessment by the obliged entity pursuant to Article 8 and the money laundering and terrorist financing variables set out in Annex I as well as the risk factors set out in Annexes II and III.	2. Obliged entities shall determine the extent of the measures referred to in paragraph 1 on the basis of an individual analysis of the risks of money laundering and terrorist financing having regard to the specific characteristics of the client and of the business relationship or occasional transaction, and taking into account the ***business wide*** risk assessment by the obliged entity pursuant to Article ~~8~~***7*** and the money laundering and terrorist financing variables set out in Annex I as well as the risk factors set out in Annexes II and III.	2. Obliged entities shall determine the extent of the measures referred to in paragraph 1 on the basis of an individual analysis of the risks of money laundering and terrorist financing having regard to the specific characteristics of the client and of the business relationship or occasional transaction, and taking into account the risk assessment by the obliged entity pursuant to Article 8 and the money laundering and terrorist financing variables set out in Annex I as well as the risk factors set out in Annexes II and III.
337	Where obliged entities identify an increased risk of money laundering or terrorist financing they shall take enhanced due diligence measures pursuant to Section 4 of this Chapter. Where situations of lower risk are identified, obliged entities may apply simplified due diligence measures pursuant to Section 3 of this Chapter.	Where obliged entities identify an increased risk of money laundering or terrorist financing they shall take enhanced due diligence measures pursuant to Section 4 of this Chapter. Where situations of lower risk are identified, obliged entities may apply simplified due diligence measures pursuant to Section 3 of this Chapter.	Where obliged entities identify an increased risk of money laundering or terrorist financing they shall take enhanced due diligence measures pursuant to Section 4 of this Chapter. Where situations of lower risk are identified, obliged entities may apply simplified due diligence measures pursuant to Section 3 of this Chapter.
337a			

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			2a. Without prejudice to any other measures required to comply with the obligation to apply targeted financial sanctions, for credit and financial institutions the measures laid down in paragraph 1, point (ca), shall include the regular screening of the customer's identity as well as the beneficial owner's identity against the relevant sanctions lists of designated persons in order to verify that the customer is not a designated individual, entity or group subject to targeted financial sanctions.
338	3. By [2 years after the date of application of this Regulation], AMLA shall issue guidelines on the risk variables and risk factors to be taken into account by obliged entities when entering into business relationships or carrying out occasional transactions.	3. By ***[2 years after the date of application of this Regulation]*** ~~*[2 years after the date of application of this Regulation]*~~, AMLA shall issue guidelines on the risk variables and risk factors to be taken into account by obliged entities when entering into business relationships or carrying out occasional transactions.	3. By ***…*** [~~2~~***two*** years after the date of application of this Regulation], AMLA***, after consulting Europol and the European Supervisory Authorities (ESAs) shall issue guidelines on:*** ~~*shall issue guidelines on the risk variables and risk factors to be taken into account by obliged entities when entering into business relationships or carrying out occasional transactions.*~~
338a			***(a) the risk variables and risk factors to be taken into account by obliged entities when entering into business relationships or carrying out occasional transactions;***

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338b			***(b) measures to be applied by obliged entities for assessing whether the customer or the beneficial owner is subject to targeted financial sanctions including how to identify entities controlled by persons subject to targeted financial sanctions.***
339	4. Obliged entities shall at all times be able to demonstrate to their supervisors that the measures taken are appropriate in view of the risks of money laundering and terrorist financing that have been identified.	4. Obliged entities shall at all times be able to demonstrate to their supervisors that the measures taken are appropriate in view of the risks of money laundering and terrorist financing that have been identified.	4. Obliged entities shall at all times be able to demonstrate to their supervisors that the measures taken are appropriate in view of the risks of money laundering and terrorist financing that have been identified.
339a		***Article 16a***	
339b		***1. Obliged entities shall report to the entity in charge of the central registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] any discrepancies they find between the information available in the central registers and the***	

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		information available to them pursuant to Article 18 without undue delay and no later than 14 calendar days after detecting the discrepancy. The report shall include information obtained by the obliged entity which support the existence of discrepancy and information relevant for resolving the discrepancy.	
339c		***The first subparagraph shall not apply to information that notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors receive from, or obtain on, one of their clients, in the course of ascertaining the legal position of their client, or performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings.***	
339d		***2. Except in cases of higher risk to which measures under Section 4 of Chapter III apply, obliged entities may, by way of derogation from paragraph 1,***	

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		notify the customer first in order to allow the customer to provide clarification on the beneficial ownership information and if necessary to rectify any discrepancy with the information contained in the central register without undue delay, and in any case no later than 14 calendar days following the notification from the obliged entity. Where the customer of the obliged entity has not resolved the discrepancy within 14 calendar days following the notification from the obliged entity, the obliged entity shall report the discrepancy to the register without undue delay after the referred timeframe has expired. The report shall include information obtained by the obliged entity which support the existence of discrepancy and information relevant for resolving the discrepancy.	
339e		***Obliged entities are allowed to notify the customer pursuant to the first sub-paragraph only in the case of discrepancies consisting of typos, different ways of transliteration, minor inaccuracies that do not affect the identification of the beneficial owners or their position, or of discrepancies***	

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		consisting of outdated data, provided that the beneficial owners are known to the obliged entity from another reliable source and that there are no grounds for suspicion that there is an intention to conceal any information.	
340	Article 17 Inability to comply with the requirement to apply customer due diligence measures	Article 17 Inability to comply with the requirement to apply customer due diligence measures	Article 17 Inability to comply with the requirement to apply customer due diligence measures
341	1. Where an obliged entity is unable to comply with the customer due diligence measures laid down in Article 16(1), it shall refrain from carrying out a transaction or establishing a business relationship, and shall terminate the business relationship and consider filing a suspicious transaction report to the FIU in relation to the customer in accordance with Article 50.	1. Where an obliged entity is unable to comply with the customer due diligence measures laid down in Article 16(1), it shall refrain from carrying out a transaction or establishing a business relationship, and shall terminate the business relationship ***or adopt alternative measures instead of and having equivalent effect to terminating business relationship*** and consider filing a suspicious transaction report to the FIU in relation to the customer in accordance with Article 50.	1. Where an obliged entity is unable to comply with the customer due diligence measures laid down in Article 16(1), it shall ~~refrain from carrying~~***not carry*** out a transaction or ~~establishing~~***establish*** a business relationship, and shall terminate the business relationship and consider filing a suspicious transaction report to the FIU in relation to the customer in accordance with Article 50. ***Where there is a suspicion of money laundering or terrorist financing, the obliged entity shall file a suspicious transaction report to the FIU.***
342	The first subparagraph shall not apply to	The first subparagraph shall not apply to	~~The first subparagraph~~***Paragraph 1*** shall not

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	notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors, to the strict extent that those persons ascertain the legal position of their client, or perform the task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings.	notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors, to the strict extent that those persons ascertain the legal position of their client, or perform the task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings.	apply to notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors, to the strict extent that those persons ~~ascertain the legal position of their client, or perform the task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings.~~***:***
342a			***(a) ascertain the legal position of their client, except where the legal advice, is provided for the purpose of money laundering, or terrorist financing, or where those persons know or have a have a well-grounded suspicion that the client is seeking legal advice for the purposes of money laundering or terrorist financing or for the purposes of applying for residence rights or citizenship through investment schemes, and the advice is not sought in relation to judicial proceedings; or***
342b			***(b) perform the task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings.***

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342c		***Member States may set out in their national law that the exemption set forth in this subparagraph does not apply if the obliged professional has positive knowledge that the customer is seeking legal advice for the purposes of money laundering or terrorist financing.***	
343	2. Where obliged entities either accept or refuse to enter in a business relationship, they shall keep record of the actions taken in order to comply with the requirement to apply customer due diligence measures, including records of the decisions taken and the relevant supporting documents. Documents, data or information held by the obliged entity shall be updated whenever the customer due diligence is reviewed pursuant to Article 21.	2. Where obliged entities either accept or refuse to enter in a business relationship, ***or when they decide to terminate the relationship, or adopt alternative measures under Article 17(1),*** they shall keep record of the actions taken in order to comply with the requirement to apply customer due diligence measures, including records of the decisions taken and the relevant supporting documents ***and justifications***. Documents, data or information held by the obliged entity shall be updated whenever the customer due diligence is reviewed pursuant to Article 21.	2. Where obliged entities either accept or refuse to enter in a business relationship, they shall keep record of the actions taken in order to comply with the requirement to apply customer due diligence measures, including records of the decisions taken and the relevant supporting documents. Documents, data or information held by the obliged entity shall be updated whenever the customer due diligence is reviewed pursuant to Article 21.
343a		***3. Obliged entity shall not enter into***	

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		business relationship with a legal entity incorporated outside the Union or with legal arrangement administered outside the Union, whose beneficial ownership information are not held in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], except in case where an obliged entity entering into business relationship with legal entity operates in sector that is associated with low ML/TF risks and the business relationship or intermediated or linked transactions do not exceed EUR 250 000 or the equivalent in national currency.	
343b		***Where the obliged entity entered into business relationship and the conditions of exception under first subparagraph are not met anymore, the obliged entity shall notify the customer thereof without undue delay. If the beneficial ownership information is not reported in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] within 14 calendar days following the notification from the obliged entity, the***	

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		obliged entity shall terminate the business relationship, or adopt alternative measures under paragraph 1.	
344	Article 18 Identification and verification of the customer's identity	Article 18 Identification and verification of the customer's ***and beneficial owners's*** identity	Article 18 Identification and verification of the customer's identity ***and the beneficial owner's identity***
345	1. With the exception of cases of lower risk to which measures under Section 3 apply and irrespective of the application of additional measures in cases of higher risk under Section 4 obliged entities shall obtain at least the following information in order to identify the customer and the person acting on their behalf:	1. With the exception of cases of lower risk to which measures under Section 3 apply and irrespective of the application of additional measures in cases of higher risk under Section 4 obliged entities shall obtain at least the following information in order to identify***, as applicable,*** the customer***, a party to the intermediated transaction,*** and the person ~~acting~~***purporting to act*** on their behalf:	1. With the exception of cases of lower risk to which measures under Section 3 apply and irrespective of the application of additional measures in cases of higher risk under Section 4 obliged entities shall obtain at least the following information in order to identify the customer and the person acting on their behalf:
346	(a) for a natural person:	(a) for a natural person:	(a) for a natural person:
347	(i) the forename and surname;	(i) the forename and surname;	(i) the forename and surname;

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348	(ii) place and date of birth;	(ii) place and date of birth;	(ii) place and date of birth;
349	(iii) nationality or nationalities, or statelessness and refugee or subsidiary protection status where applicable, and the national identification number, where applicable;	(iii) nationality or nationalities, or statelessness and refugee or subsidiary protection status where applicable, and the national identification number, where applicable;	(iii) nationality or nationalities, or statelessness and refugee or subsidiary protection status where applicable, and the national identification number, where applicable;
350	(iv) the usual place of residence or, if there is no fixed residential address with legitimate residence in the Union, the postal address at which the natural person can be reached and, where possible, the occupation, profession, or employment status and the tax identification number;	(iv) the usual place of residence or, if there is no fixed residential address with legitimate residence in the Union, the postal address at which the natural person can be reached ~~*and, where possible, the occupation, profession, or employment status and the tax identification number*~~;	(iv) the usual place of residence or, if there is no fixed residential address with legitimate residence in the Union, the postal address at which the natural person can be reached and, where ***relevant for the purposes of customer due diligence,*** possible, the occupation, profession, or employment status and the tax identification number;
351	(b) for a legal entity:	(b) for a legal entity:	(b) for a legal entity:
352	(i) legal form and name of the legal entity;	(i) legal form and name of the legal entity;	(i) legal form and name of the legal entity;
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	(ii) address of the registered or official office and, if different, the principal place of business, and the country of incorporation;	(ii) address of the registered or official office and, if different, the principal place of business, and the country of incorporation;	(ii) address of the registered or official office and, if different, the principal place of business, and the country of incorporation;
354	(iii) the names of the legal representatives as well as, where available, the registration number, the tax identification number and the Legal Entity Identifier. Obliged entities shall also verify that the legal entity has activities on the basis of accounting documents for the latest financial year or other relevant information;	(iii) the names of the legal representatives as well as, where available, the registration number, the tax identification number and the Legal Entity Identifier~~. Obliged entities shall also verify that the legal entity has activities on the basis of accounting documents for the latest financial year or other relevant information~~;	(iii) the names of the legal representatives as well as, where available, the registration number, the tax identification number and the Legal Entity Identifier. ***On a risk sensitive basis,*** obliged entities shall also ***consider the need to*** verify that the legal entity has activities on the basis of accounting documents for the latest financial year or other relevant information;
354a			***(iiia) where a legal entity is established in more than one jurisdiction, the Legal Entity Identifier;***
355	(c) for a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement:	(c) for a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement:	(c) for a trustee of an express trust or a person holding an equivalent position in a similar legal arrangement:
356	(i) the information referred to in Article 44(1),	(i) the ~~information referred to in Article~~	(i) the information referred to in Article 44(1),

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	points (a) and (b), and in point (b) of this paragraph for all the persons identified as beneficial owners;	~~44(1), points (a) and (b), and in point (b) of this paragraph for all the persons identified as beneficial owners~~***name of the express trust or a similar legal arrangement***;	points (a) and (b), and in point (b) of this paragraph for all the persons identified as beneficial owners;
357	(ii) the address of residence of the trustee(s) or person(s) holding an equivalent position in a similar legal arrangement, and the powers that regulate and bind the legal arrangements, as well as, where available, the tax identification number and the Legal Entity Identifier;	(ii) the address of residence of the trustee(s) or person(s) holding an equivalent position in a similar legal arrangement, and the powers that regulate and bind the legal arrangements, as well as, where available, the tax identification number and the Legal Entity Identifier;	(ii) the address of residence of the trustee(s) or person(s) holding an equivalent position in a similar legal arrangement, and the powers that regulate and bind the legal arrangements, as well as, where available, the tax identification number and the Legal Entity Identifier;
358	(d) for other organisations that have legal capacity under national law:	(d) for other organisations that have legal capacity under national law:	(d) for other organisations that have legal capacity under national law:
359	(i) name, address of the registered office or equivalent;	(i) name, address of the registered office or equivalent;	(i) name, address of the registered office or equivalent;
360	(ii) names of the persons empowered to represent the organisation as well as, where applicable, legal form, tax identification number, register number, Legal Entity	(ii) names of the persons empowered to represent the organisation as well as, where applicable, legal form, tax identification number, register number,	(ii) names of the persons empowered to represent the organisation as well as, where applicable, legal form, tax identification number, register number, Legal Entity Identifier

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	Identifier and deeds of association or equivalent.	Legal Entity Identifier and deeds of association or equivalent.	and deeds of association or equivalent.
361	2. For the purposes of identifying the beneficial owner of a legal entity, obliged entities shall collect the information referred to in Article 44(1), point (a), and the information referred to in paragraph 1, point (b), of this Article.	2. For the purposes of identifying the beneficial owner of a legal entity, ~~*obliged entities shall collect the information referred to in Article 44(1), point (a), and*~~***an express trust or a similar legal arrangement, obliged entities shall collect*** the information referred to in ~~*paragraph 1*~~***Article 44(1)***, point ~~*(b), of this Article*~~***(a)***.	2. For the purposes of identifying the beneficial owner of a legal entity, obliged entities shall collect the information referred to in Article 44(1), point (a), and the information referred to in paragraph 1, point (b), of this Article.
362	Where, after having exhausted all possible means of identification pursuant to the first subparagraph, no natural person is identified as beneficial owner, or where there is any doubt that the person(s) identified is/are the beneficial owner(s), obliged entities shall identify the natural person(s) holding the position(s) of senior managing official(s) in the corporate or other legal entity and shall verify their identity. Obliged entities shall keep records of the actions taken as well as of the difficulties encountered during the identification process, which led to resorting to the identification of a senior managing official.	Where, after having exhausted all possible means of identification pursuant to the first subparagraph, no natural person is identified as beneficial owner, or where there is any doubt that the person(s) identified is/are the beneficial owner(s), obliged entities shall identify ***all*** the natural person(s) holding the position(s) of senior managing official(s) in the corporate or other legal entity and shall ***take reasonable measures to*** verify their identity. Obliged entities shall keep records of the actions taken as well as of the difficulties encountered during the identification process, which led to	Where, after having exhausted all possible means of identification pursuant to the first subparagraph, no natural person is identified as beneficial owner, or where there ~~*is any doubt*~~***are doubts*** that the person(s) identified is/are the beneficial owner(s), obliged entities shall ***record that no beneficial owner is identified and*** identify the natural person(s) holding the position(s) of senior managing official(s) in the corporate or other legal entity and shall verify their identity. Obliged entities shall keep records of the actions taken as well as of the difficulties encountered during the identification process, which led to resorting to the identification of a senior managing official.

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		resorting to the identification of a senior managing official.	
362a		***2a. For the purposes of identifying the beneficial owner pursuant to Article 2, point (22)(b), obliged entities shall obtain information over the end user of the services provided through the business relationship or the occasional transaction. Where such services are provided to the end user through other obliged entities, the obliged entity shall ensure that it knows at any moment the identity of the end user and that it can obtain the information identifying and verifying the identity of the end user from the other obliged entities without delay and in any case within no more than five working days.***	
363	3. In the case of beneficiaries of trusts or similar legal entities or arrangements that are designated by particular characteristics or class, an obliged entity shall obtain sufficient information concerning the beneficiary so that it will be able to establish the identity of the beneficiary at the time of the payout or at the time of the exercise by the beneficiary of its	3. In the case of beneficiaries of ~~trusts or similar legal entities or~~***legal entities referred to in Article 42a and legal*** arrangements ***referred to in Article 43*** that are designated by particular characteristics or class, an obliged entity shall obtain sufficient information concerning the beneficiary so that it will	3. In the case of beneficiaries of trusts or similar legal entities or arrangements that are designated by particular characteristics or class, an obliged entity shall obtain sufficient information concerning the beneficiary so that it will be able to establish the identity of the beneficiary at the time of the payout or at the time of the exercise by the beneficiary of its

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	vested rights.	be able to establish the identity of the beneficiary at the time of the payout or at the time of the exercise by the beneficiary of its vested rights.	vested rights.
364	4. Obliged entities shall obtain the information, documents and data necessary for the verification of the customer and beneficial owner identity through either of the following:	4. Obliged entities shall obtain the information, documents and data necessary for the verification of the ***identity of the*** customer***, the party to the intermediated transaction and any person purporting to act on behalf of either of them*** ~~and beneficial owner identity~~ through either of the following ***means***:	4. Obliged entities shall obtain the information, documents and data necessary for the verification of the customer ~~and beneficial owner identity~~ through either of the following:
365	(a) the submission of the identity document, passport or equivalent and the acquisition of information from reliable and independent sources, whether accessed directly or provided by the customer;	(a) the submission of the identity document, passport or equivalent and the acquisition of information from reliable and independent sources, whether accessed directly or provided by the customer;	(a) the submission of the identity document, passport or equivalent and***, where relevant,*** the acquisition of information from reliable and independent sources, whether accessed directly or provided by the customer***, via reliable and trustworthy means, either physically or electronically, whereby the extent of the consultation for the verification shall be commensurate to the risk***;
366	(b) the use of electronic identification means	(b) the use of electronic identification	(b) the use of electronic identification means

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	and relevant trust services as set out in Regulation (EU) 910/2014.	means ***which meet the requirements set out in Regulation (EU) 910/2014 with regard to the assurance levels 'substantial' or 'high'*** and relevant ***qualified*** trust services as set out in Regulation (EU) 910/2014.	and relevant trust services as set out in Regulation (EU) 910/2014~~.~~ ***of the European Parliament and of the Council, in a reliable and trustworthy form via secure authentication processes, where appropriate, or other secure remote or electronic identification procedures regulated, recognised, approved or accepted by competent authorities, provided that the level of security designated is at least 'high' or equivalent;***
366a			***(ba) where applicable, the submission of proof of registration in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] for customers who are legal entities incorporated outside the Union, in accordance with Article 48 of this Regulation.*** ***Where a customer is a legal entity or a trustee or person in equivalent position acting on behalf of the legal arrangement, obliged entities shall take appropriate measures to verify the identity of the beneficial owner(s) of a legal entity or legal arrangement, including, where possible, on the basis of identity documents or by means of electronic identification, in order to know who the beneficial owner is and understand the***

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			ownership and control structure of the legal entity or legal arrangement.
366b		***5. Obliged entities shall obtain the information, documents and data necessary for taking reasonable measures to verify identity of beneficial owner of a customer, from a public register other than the beneficial ownership registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], the customer or other reliable sources.***	
367	For the purposes of verifying the information on the beneficial owner(s), obliged entities shall also consult the central registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] as well as additional information. Obliged entities shall determine the extent of the additional information to be consulted, having regard to the risks posed by the transaction or the business relationship and the beneficial owner.	***Besides sources mentioned in the first subparagraph,*** for the purposes of verifying the information on the beneficial owner(s) ***pursuant to Article 2, point (22)(a)***, obliged entities shall also consult the central registers referred to in Article 10 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~*[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~ as well as additional information. Obliged entities	For the purposes of verifying the information on the beneficial owner(s), obliged entities shall also consult ***(531, 532)*** the central registers referred to in Article 10 of Directive ***(EU) .../...*** [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***, irrespective of the Member State of the central register in which the beneficial ownership*** ~~*as well as additional*~~ information ***is held. Where appropriate, and on a risk sensitive basis, obliged entities shall also consult additional information from the customer or from reliable and independent***

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		shall determine the extent of the additional information to be consulted, having regard to the risks posed by the transaction or the business relationship and the beneficial owner.	***sources, in particular where the information in central registers does not match the information available to them under Article 18, where they have doubts as to the accuracy of the information or where there is a higher risk of money laundering or terrorist financing.*** Obliged entities shall determine the extent of the additional information to be consulted ***on a risk basis***, having regard to the risks posed by the transaction or the business relationship and the beneficial owner***, or the unusual or complex nature of the ownership structures given the nature of the company's business.*** ***Obliged entities shall report to the entity in charge of the central registers any discrepancies they find between the beneficial ownership information available therein and the beneficial ownership information available to them pursuant to this Article. National law pertaining to banking secrecy and confidentiality shall not hinder compliance with the obligation set out in this subparagraph***.
368	Article 19 Timing of the verification of the customer and beneficial owner identity	Article 19 Timing of the verification of the customer and beneficial owner identity	Article 19 Timing of the verification of the customer and beneficial owner identity

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369	1. Verification of the identity of the customer and of the beneficial owner shall take place before the establishment of a business relationship or the carrying out of an occasional transaction. Such obligation shall not apply to situations of lower risk under Section 3 of this Chapter, provided that the lower risk justifies postponement of such verification.	1. Verification of the identity of the customer***, of any person purporting to act on behalf of the customer*** and of the beneficial owner shall take place before the establishment of a business relationship or the carrying out of an occasional transaction. Such obligation shall not apply to situations of lower risk under Section 3 of this Chapter, provided that the lower risk justifies postponement of such verification.	1. Verification of the identity of the customer and of the beneficial owner shall take place before the establishment of a business relationship or the carrying out of an occasional transaction. Such obligation shall not apply to situations of lower risk under Section 3 of this Chapter, provided that the lower risk justifies postponement of such verification. ***By way of derogation from the first subparagraph, obliged entities other than credit and financial institutions involved in real estate transactions shall carry out verification of the customer identity, whether the buyer or seller or both, at the point that there is a formal offer.***
369a		***Obliged entities whose business activity consists in intermediating transactions between third parties shall identify and verify the identity of any third party to the intermediated transaction, of any person purporting to act on their behalf, and of the beneficial owners as soon as the parties to the prospective transaction express a serious interest in the conclusion of the transaction and the parties to the transaction are sufficiently clear.***	

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370	2. By way of derogation from paragraph 1, verification of the identity of the customer and of the beneficial owner may be completed during the establishment of a business relationship if necessary so as not to interrupt the normal conduct of business and where there is little risk of money laundering or terrorist financing. In such situations, those procedures shall be completed as soon as practicable after initial contact.	2. By way of derogation from paragraph 1, verification of the identity of the customer and of the beneficial owner may be completed during the establishment of a business relationship if necessary so as not to interrupt the normal conduct of business and where there is little risk of money laundering or terrorist financing. In such situations, those procedures shall be completed as soon as practicable after initial contact.	2. By way of derogation from paragraph 1, verification of the identity of the customer and of the beneficial owner may be completed during the establishment of a business relationship if necessary so as not to interrupt the normal conduct of business and where there is little risk of money laundering or terrorist financing. In such situations, those procedures shall be completed as soon as practicable after initial contact.
371	3. By way of derogation from paragraph 1, a credit institution or financial institution may open an account, including accounts that permit transactions in transferable securities, as may be required by a customer provided that there are adequate safeguards in place to ensure that transactions are not carried out by the customer or on its behalf until full compliance with the customer due diligence requirements laid down in Article 16(1), first subparagraph, points (a) and (b) is obtained.	3. By way of derogation from paragraph 1, a credit institution or financial institution may open an account, including accounts that permit transactions in transferable securities, as may be required by a customer provided that there are adequate safeguards in place to ensure that transactions are not carried out by the customer or on its behalf until full compliance with the customer due diligence requirements laid down in Article 16(1), first subparagraph, points (a) and (b) is obtained.	3. By way of derogation from paragraph 1, a credit institution or financial institution may open an account, including accounts that permit transactions in transferable securities, as may be required by a customer provided that there are adequate safeguards in place to ensure that transactions are not carried out by the customer or on its behalf until full compliance with the customer due diligence requirements laid down in Article 16(1), first subparagraph, points (a) and (b) is obtained.

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371a		***By way of derogation from paragraph 1, verification of the identity may be waived if the obliged entity has already identified and verified the identity of its customer, of any person purporting to act on behalf of the customer and of the beneficial owner on a previous occasion in the course of fulfilling its due diligence obligations and has recorded the information collected in the process. If, due to external circumstances, the obliged entity has doubts as to whether the information collected during the previous identification and verification is still accurate, current and valid it shall carry out a new identification and verification.***	
372	4. Whenever entering into a new business relationship with a legal entity or the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement referred to in Articles 42, 43 and 48 and subject to the registration of beneficial ownership information pursuant to Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], obliged entities shall collect proof of registration or an excerpt of the	4. Whenever entering into a new business relationship with a legal entity or the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement referred to in Articles 42, ***42a, 42b,*** 43 and 48 and subject to the registration of beneficial ownership information pursuant to Article 10 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~[please~~	4. Whenever entering into a new business relationship with a legal entity or the trustee of an express trust or the person holding an equivalent position in a similar legal arrangement referred to in Articles 42, 43 and 48 and subject to the registration of beneficial ownership information pursuant to Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], obliged entities shall collect proof of registration or an excerpt of the

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	register.	~~*insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~, obliged entities shall collect proof of registration or an excerpt of the register.	register.
373	Article 20 Identification of the purpose and intended nature of a business relationship or occasional transaction	Article 20 Identification of the purpose and intended nature of a business relationship or occasional transaction	Article 20 Identification of the purpose and intended nature of a business relationship or occasional transaction
374	Before entering into a business relationship or performing an occasional transaction, an obliged entity shall obtain at least the following information in order to understand its purpose and intended nature:	Before entering into a business relationship or performing an occasional transaction, an obliged entity shall ~~*obtain at least the following information in order to understand its purpose and intended nature*~~***have a general understanding of***:	Before entering into a business relationship or performing an occasional transaction, an obliged entity shall obtain at least the following information in order to understand its purpose and intended nature:
375	(a) the purpose of the envisaged account, transaction or business relationship;	(a) the purpose ***and economic rationale*** of the ~~*envisaged account,*~~***occasional*** transaction or business relationship;	(a) the purpose of the envisaged account, transaction or business relationship;
376	(b) the estimated amount and economic rationale of the envisaged transactions or	(b) the estimated amount ~~*and economic rationale*~~ of the envisaged ~~*transactions or*~~	(b) the estimated amount and economic rationale of the envisaged transactions or

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	activities;	activities;	activities;
377	(c) the source of funds;	(c) the source of funds***, to the extent possible***;	(c) the source of funds;
378	(d) the destination of funds.	(d) the destination of funds***, to the extent possible***.	(d) the destination of funds.
379	Article 21 Ongoing monitoring of the business relationship and monitoring of transactions performed by customers	Article 21 Ongoing monitoring of the business relationship and monitoring of transactions performed by customers	Article 21 Ongoing monitoring of the business relationship and monitoring of transactions performed by customers
380	1. Obliged entities shall conduct ongoing monitoring of the business relationship, including transactions undertaken by the customer throughout the course of that relationship, to control that those transactions are consistent with the obliged entity's knowledge of the customer, the customer's business activity and risk profile, and where necessary, with the information about the origin of the funds and to detect those transactions that shall be made subject to a more thorough	1. Obliged entities shall conduct ongoing monitoring of the business relationship, including transactions undertaken by the customer throughout the course of that relationship ***and the monitoring of occasional transactions***, to control that those transactions are consistent with the obliged entity's knowledge of the customer, the customer's business activity and risk profile, and where necessary, with the information about the origin of	1. Obliged entities shall conduct ongoing monitoring of the business relationship, including transactions undertaken by the customer throughout the course of that relationship, to control that those transactions are consistent with the obliged entity's knowledge of the customer, the customer's business activity and risk profile, and where necessary, with the information about the origin ***and destination*** of the funds and to detect those transactions that shall be made subject to a more

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	analysis pursuant to Article 50.	the funds and to detect those transactions that shall be made subject to a more thorough analysis pursuant to Article 50.	thorough analysis pursuant to Article 50.
380a		***The scrutiny of the business relationship shall be comprehensive, incorporating all the customer's products and transactions with the obliged entity and, when a group exists, with other group entities.***	
381	2. In the context of the ongoing monitoring referred to in paragraph 1, obliged entities shall ensure that the relevant documents, data or information of the customer are kept up-to-date.	2. In the context of the ongoing monitoring referred to in paragraph 1, obliged entities shall ensure that the relevant documents, data or information of the customer are kept up-to-date.	2. In the context of the ongoing monitoring referred to in paragraph 1, obliged entities shall ensure that the relevant documents, data or information of the customer are kept up-to-date.
382	The frequency of updating customer information pursuant to the first sub-paragraph shall be based on the risk posed by the business relationship. The frequency of updating of customer information shall in any case not exceed five years.	The frequency of updating customer information pursuant to the first sub-paragraph shall be based on the risk posed by the business relationship. The frequency of updating of customer information shall in any case not exceed five years***, unless a different frequency applies pursuant to Article 22(1), point (f)***.	The frequency of updating customer information pursuant to the first sub-paragraph shall be based on the risk posed by the business relationship. The frequency of updating of customer information shall ***be established on a risk sensitive basis, particularly taking into account changes of relevant circumstances and shall*** in any case not exceed five years. ***In case of high-risk business relationships***

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			customer information shall be updated at least every two years.
383	3. In addition to the requirements set out in paragraph 2, obliged entities shall review and, where relevant, update the customer information where:	3. In addition to the requirements set out in paragraph 2, obliged entities shall review and, where relevant, update the customer information where:	3. In addition to the requirements set out in paragraph 2, obliged entities shall review and, where relevant, update the customer information where:
384	(a) there is a change in the relevant circumstances of a customer;	(a) there is a change in the relevant circumstances of a customer;	(a) there is a change in the relevant circumstances of a customer;
385	(b) the obliged entity has a legal obligation in the course of the relevant calendar year to contact the customer for the purpose of reviewing any relevant information relating to the beneficial owner(s) or to comply with Council Directive 2011/16/EU[1]; __________ 1. Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC (OJ L 64, 11.3.2011, p. 1).	(b) the obliged entity has a legal obligation in the course of the relevant calendar year to contact the customer for the purpose of reviewing any relevant information relating to the beneficial owner(s) or to comply with Council Directive 2011/16/EU[1]; __________ 1. Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC (OJ L 64, 11.3.2011, p. 1).	(b) the obliged entity has a legal obligation in the course of the relevant calendar year to contact the customer for the purpose of reviewing any relevant information relating to the beneficial owner(s) or to comply with Council Directive 2011/16/EU[1]; __________ 1. Council Directive 2011/16/EU of 15 February 2011 on administrative cooperation in the field of taxation and repealing Directive 77/799/EEC (OJ L 64, 11.3.2011, p. 1).
386	(c) they become aware of a relevant fact which	(c) they become aware of a relevant fact	(c) they become aware of a relevant fact which

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	pertains to the customer.	which pertains to the customer.	pertains to the customer.
387	4. By [2 years after the entry into force of this Regulation], AMLA shall issue guidelines on ongoing monitoring of a business relationship and on the monitoring of the transactions carried out in the context of such relationship.	4. By ***[2 years after the entry into force of this Regulation]*** ~~*[2 years after the entry into force of this Regulation]*~~, AMLA shall issue guidelines on ongoing monitoring of a business relationship and on the monitoring of the transactions carried out in the context of such relationship.	4. By [2 years after the entry into force of this Regulation], AMLA shall issue guidelines on ongoing monitoring of a business relationship and on the monitoring of the transactions carried out in the context of such relationship.
387a			***Article 21a*** ***Timing of the assessment of whether the customer and the beneficial owner is subject to targeted financial sanctions*** ***1. Obliged entities shall assess whether the customer or the beneficial owner is subject to targeted financial sanctions when verifying the identity of the customer and the beneficial owner pursuant to Article 19.*** ***2. In addition to the requirements set out in paragraph 1, and without prejudice to any other measures required to comply with the obligation to apply targeted financial sanctions, credit and financial institutions shall screen the identity of their existing customers or beneficial owners against the relevant Union sanctions lists of designated***

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			persons on a regular basis, and each time targeted financial sanctions are adopted by the Union. ***3. In addition to the requirements set out in paragraph 1 and without prejudice to any other measures provided for by Union law relating to targeted financial sanctions, obliged entities other than credit and financial institutions shall assess on a regular basis whether any existing customer or beneficial owner is subject to targeted financial sanctions.*** ***4. Where an obliged entity identifies, when performing its customer due diligence, that a customer or beneficial owner is subject to targeted financial sanctions, it shall immediately notify the competent authority accordingly.*** ***5. By … [two years after the entry into force of this Regulation], AMLA shall issue guidelines on the measures to be applied by obliged entities for assessing whether the customer or the beneficial owner is subject to targeted financial sanctions. Those guidelines shall include the following elements:*** ***a) risk-based procedures to be established by obliged entities in order to assess whether the customer or the beneficial owner is subject to targeted financial sanctions;*** ***b) the extent, timing and procedures for screening measures to be applied by credit and financial institutions and crypto-asset service***

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			providers with regard to existing customers or when entering into a new business relationship; ***c) the conditions to be fulfilled for identifying entities controlled by persons subject to targeted financial sanctions; d) the notification measures to competent authorities in case an obliged entity identifies a customer or a beneficial owner subject to targeted financial sanctions.***
388	Article 22 Regulatory technical standards on the information necessary for the performance of customer due diligence	Article 22 Regulatory technical standards on the information necessary for the performance of customer due diligence	Article 22 Regulatory technical standards on the information necessary for the performance of customer due diligence
389	1. By [2 years after the entry into force of this Regulation] AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify:	1. By ***[2 years after the entry into force of this Regulation]*** ~~*[2 years after the entry into force of this Regulation]*~~ AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify:	1. By [2 years after the entry into force of this Regulation] AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall specify:
390	(a) the requirements that apply to obliged	(a) the requirements that apply to obliged	(a) the requirements that apply to obliged

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	entities pursuant to Article 16 and the information to be collected for the purpose of performing standard, simplified and enhanced customer due diligence pursuant to Articles 18 and 20 and Articles 27(1) and 28(4), including minimum requirements in situations of lower risk;	entities pursuant to Article 16 and the information to be collected for the purpose of performing standard, simplified and enhanced customer due diligence pursuant to Articles 18 and 20 and Articles 27(1) and 28(4), including minimum requirements in situations of lower risk;	entities pursuant to Article 16 and the information to be collected for the purpose of performing standard, simplified and enhanced customer due diligence pursuant to Articles 18 and 20 and Articles 27(1) and 28(4), including minimum requirements in situations of lower risk;
391	(b) the type of simplified due diligence measures which obliged entities may apply in situations of lower risk pursuant to Article 27(1),including measures applicable to specific categories of obliged entities and products or services, having regard to the results of the supra-national risk assessment drawn up by the Commission pursuant to Article 7 of [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final];	(b) the type of simplified due diligence measures which obliged entities may apply in situations of lower risk pursuant to Article 27(1), including measures applicable to specific categories of obliged entities and products or services, having regard to the results of the supra-national risk assessment drawn up by the Commission pursuant to Article 7 of ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~*[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~;	(b) the type of simplified due diligence measures which obliged entities may apply in situations of lower risk pursuant to Article 27(1),including measures applicable to specific categories of obliged entities and products or services, having regard to the results of the supra-national risk assessment drawn up by the Commission pursuant to Article 7 of [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final];
391a			***(ba) the type of exemptions that may apply to certain customer due diligence measures with respect to electronic money, on the basis of an***

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			appropriate risk assessment which demonstrates a low risk;
391b		***(ba) appropriate postponement duration under Article 27(1), point (a), taking into account the lower risk factors listed in Annex II;***	
392	(c) the reliable and independent sources of information that may be used to verify the identification data of natural or legal persons for the purposes of Article 18(4);	(c) the reliable and independent sources of information that may be used to verify the identification data of natural or legal persons for the purposes of Article 18(4) ***and (5) and Article 27(1)***;	(c) the reliable and independent sources of information that may be used to verify the identification data of natural or legal persons for the purposes of Article 18(4) ***in addition to minimum requirements to be complied with and necessary steps to be taken by obliged entities where discrepancies are found***;
393	(d) the list of attributes which electronic identification means and relevant trust services referred to in Article 18(4), point (b), must feature in order to fulfil the requirements of Article 16, points (a), (b) and (c) in case of standard, simplified and enhanced customer diligence.	(d) the list of attributes which electronic identification means and relevant trust services referred to in Article 18(4), point (b), must feature in order to fulfil the requirements of Article 16, points (a), (b) and (c) in case of standard, simplified and enhanced customer diligence.***;***	(d) the list of attributes which electronic identification means and relevant trust services referred to in Article 18(4), point (b), must feature in order to fulfil the requirements of Article 16, points (a), (b) and (c) in case of standard, simplified and enhanced customer diligence.
393a			

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		(e) the frequency of updating customer information pursuant to Article 21(2), based on the risk posed by the business relationship, and differentiated according to the type of obliged entity;	
393b		***(f) the alternative measures that obliged entities may take instead of and having equivalent effect to terminating the business relationship under Article 17(1) to mitigating the risks from the inability to comply with the customer due diligence measures, and particular cases where obliged entities are allowed to implement such alternative measures as an alternative to ending the business relationship, when the unilateral termination of the business relationship by the obliged entity is prohibited by other mandatory statutory provisions or public policy provisions, or if such a unilateral termination would have a severe and disproportionate negative impact on the obliged entity.***	
394	2. The requirements and measures referred to in paragraph 1, points (a) and (b), shall be based on the following criteria:	2. The requirements and measures referred to in paragraph 1, points (a) and (b), shall be based on the following	2. The requirements and measures referred to in paragraph 1, points (a) and (b), shall be based on the following criteria:

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		criteria:	
395	(a) the inherent risk involved in the service provided;	(a) the inherent risk involved in the service provided;	(a) the inherent risk involved in the service provided;
395a		***(aa) the inherent risk of the customer involved;***	
396	(b) the nature, amount and recurrence of the transaction;	(b) the nature, amount and recurrence of the transaction;	(b) the nature, amount and recurrence of the transaction;
397	(c) the channels used for conducting the business relationship or the occasional transaction.	(c) the channels used for conducting the business relationship or the occasional transaction.	(c) the channels used for conducting the business relationship or the occasional transaction.
397a			***(ca) the residual risk, taking into account a proper risk assessment, the risk mitigating measures put in place by the obliged entities, including innovation and technical developments to detect and prevent suspicious transactions.***

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398	3. AMLA shall review regularly the regulatory technical standards and, if necessary, prepare and submit to the Commission the draft for updating those standards in order, inter alia, to take account of innovation and technological developments.	3. AMLA shall review regularly the regulatory technical standards and, if necessary, prepare and submit to the Commission the draft for updating those standards in order, inter alia, to take account of innovation and technological developments.	3. AMLA shall review regularly the regulatory technical standards and, if necessary, prepare and submit to the Commission the draft for updating those standards in order, inter alia, to take account of innovation and technological developments.
399	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraphs 1 and 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraphs 1 and 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraphs 1 and 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].
399a			***Article 22a*** ***Special provisions regarding online gambling*** ***1. Gambling services, that are provided at a distance, by electronic means or any other technology for facilitating communication, shall be subject to this Article.*** ***2. Providers of gambling services shall ensure that transfers from players to gambling accounts are made only from an account held***

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			at a credit or financial institution referred to in Article 3 paragraph 1 and 2. ***3. A provider of gambling services shall refund a player only by executing a payment transaction within the meaning of Article 4, point (5), of Directive (EU) 2015/2366 to a payment account set up in the name of that player with a payment service provider as referred to in Article 1, point (1)(a) and (d), of that Directive.*** ***4. In addition to the circumstances referred to in Article 15(3) providers of gambling services referred to in paragraph 1 shall perform customer due diligence in the context of a business relationship at the opening of a gambling account***
400	SECTION 2 Third-country policy and ML/TF threats from outside the Union	SECTION 2 Third-country policy and ML/TF threats from outside the Union	SECTION 2 Third-country policy and ML/TF threats from outside the Union
401	Article 23 Identification of third countries with significant strategic deficiencies in their national AML/CFT regimes	Article 23 ***Identification of high-risk third countries***~~Identification of third countries with significant strategic deficiencies in their national AML/CFT regimes~~	Article 23 Identification of third countries with significant strategic deficiencies in their national AML/CFT regimes
402			

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	1. Third countries with significant strategic deficiencies in their national AML/CFT regimes shall be identified by the Commission and designated as 'high-risk third countries'.	1. Third countries ~~with significant strategic deficiencies in their national AML/CFT regimes~~***which are subject to a Call for Action regarding the application of enhanced due diligence measures or countermeasures by the Financial Action Task Force,*** shall be identified by the Commission and designated as 'high-risk third countries'~~.~~***, provided:***	1. Third countries with significant strategic deficiencies in their national AML/CFT regimes shall be identified by the Commission and designated as 'high-risk third countries'.
402a		***(a) the Commission remains member of the Financial Action Task Force; and***	
402b		***(b) those third countries suffer from strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation of weapons of mass destruction.***	
403	2. In order to identify the countries referred to in paragraph 1, the Commission is empowered to adopt delegated acts in accordance with Article 60 to supplement this Regulation, where:	2. In order to identify the countries referred to in paragraph 1, the Commission is empowered to adopt delegated acts in accordance with Article 60 to supplement this Regulation~~, where:~~***. The Commission shall review any delegated acts adopted under this***	2. In order to identify the countries referred to in paragraph 1, the Commission is empowered to adopt delegated acts in accordance with Article 60 to supplement this Regulation, where:

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		paragraph within 10 working days from a change to the respective Financial Action Task Force public document currently referred to as "High-Risk Jurisdictions subject to a Call for Action".	
404	(a) significant strategic deficiencies in the legal and institutional AML/CFT framework of the third country have been identified;	(a) ~~*significant strategic deficiencies in the legal and institutional AML/CFT framework of the third country have been identified;*~~***deleted***	(a) significant strategic deficiencies in the legal and institutional AML/CFT framework of the third country have been identified;
405	(b) significant strategic deficiencies in the effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks have been identified;	(b) ~~*significant strategic deficiencies in the effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks have been identified;*~~***deleted***	(b) significant strategic deficiencies in the effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks have been identified;
406	(c) the significant strategic deficiencies identified under points (a) and (b) are of a persistent nature and no measures to mitigate them have been taken or are being taken.	(c) ~~*the significant strategic deficiencies identified under points (a) and (b) are of a persistent nature and no measures to mitigate them have been taken or are being taken.*~~ ***deleted***	(c) the significant strategic deficiencies identified under points (a) and (b) are of a persistent nature and no measures to mitigate them have been taken or are being taken.
407			

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	Those delegated acts shall be adopted within one month after the Commission has ascertained that the criteria in point (a), (b) or (c) are met.	~~*Those delegated acts shall be adopted within one month after the Commission has ascertained that the criteria in point (a), (b) or (c) are met.*~~***deleted***	Those delegated acts shall be adopted within one month ***of the publication of a public statement or a compliance document concerning the third country by international organisations and standard setters,*** after the Commission has ascertained that the criteria in point (a), (b) or (c) are met.
408	3. For the purposes of paragraph 2, the Commission shall take into account calls for the application of enhanced due diligence measures and additional mitigating measures (‘countermeasures’) by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them.	3. ~~*For the purposes of paragraph 2, the Commission shall take into account calls for the application of enhanced due diligence measures and additional mitigating measures (‘countermeasures’) by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them.*~~***deleted***	3. For the purposes of paragraph 2, the Commission shall take into account calls for the application of enhanced due diligence measures and additional mitigating measures (~~‘~~countermeasures~~’~~) by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them. ***For the purposes of establishing whether a third country has significant strategic deficiencies in its national AML/CFT regime, the Commission shall also consider, where appropriate, any relevant assessments by AMLA or other Union institutions, bodies and agencies, competent authorities, civil society organisations, and academia. The Commission shall make its assessments of high-risk third countries publicly available.***

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409	4. Where a third country is identified in accordance with the criteria referred to in paragraph 3, obliged entities shall apply enhanced due diligence measures listed in Article 28(4), points (a) to (g) with respect to the business relationships or occasional transactions involving natural or legal persons from that third country.	4. ~~Where a third country is identified in accordance with the criteria referred to in paragraph 3, obliged entities shall apply enhanced due diligence measures listed in Article 28(4), points (a) to (g) with respect to the business relationships or occasional transactions involving natural or legal persons from that third country.~~***deleted***	4. Where a third country is identified in accordance with the criteria referred to in paragraph 3, obliged entities shall apply enhanced due diligence measures listed in Article 28(4), points (a) to (g) with respect to the business relationships or occasional transactions involving natural or legal persons from that third country.
410	5. The delegated act referred to in paragraph 2 shall identify among the countermeasures listed in Article 29 the specific countermeasures mitigating country-specific risks stemming from high-risk third countries.	5. The ~~delegated act referred to in paragraph 2 shall~~***Commission is empowered to*** identify***, by means of an implementing act:*** ~~among the countermeasures listed in Article 29 the specific countermeasures mitigating country-specific risks stemming from high-risk third countries.~~	5. The delegated act referred to in paragraph 2 shall identify among the countermeasures listed in Article 29 the specific countermeasures mitigating country-specific risks stemming from high-risk third countries.
410a		***(a) the specific enhanced due diligence measures among those listed in Article 28(4), points (a) to (g), that obliged entities shall apply to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from that third country; and***	

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410b		***(b) the specific countermeasures among those listed in Article 29, mitigating country-specific risks stemming from high-risk third countries.***	
410c		***That implementing act shall be adopted in accordance with the examination procedure referred to in Article 61(2).***	
410d		***5a. Where justified by risk posed by a particular third country, even if it is not identified pursuant to paragraph 1, to a particular Member State, that Member State may require obliged entities established on its territory to apply specific additional countermeasures mitigating country-specific risks stemming from that third country.***	
411	6. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis to ensure that the specific countermeasures identified pursuant to	6. The Commission shall review the ~~delegated acts~~***implementing act*** referred to in paragraph ~~2~~***5*** on a regular basis to ensure that the specific ***enhanced due***	6. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis***, within one month of any relevant change in the assessment by international***

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	paragraph 5 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	***diligence measures and*** countermeasures identified pursuant to paragraph 5 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	***organisations and standard setters, and at least every two years*** to ensure that the specific countermeasures identified pursuant to paragraph 5 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.
412	Article 24 Identification of third countries with compliance weaknesses in their national AML/CFT regimes	Article 24 ***Identification of third countries with compliance weaknesses in their national AML/CFT regimes****~~Identification of third countries with compliance weaknesses in their national AML/CFT regimes~~*	Article 24 Identification of third countries with compliance weaknesses in their national AML/CFT regimes
413	1. Third countries with compliance weaknesses in their national AML/CFT regimes shall be identified by the Commission.	1. Third countries***, which are under Increased Monitoring by the Financial Action Task Force,****~~ with compliance weaknesses in their national AML/CFT regimes~~* shall be identified by the Commission~~.~~ ***as third countries with compliance weaknesses in their national AML/CFT regime, provided:***	1. Third countries with compliance weaknesses in their national AML/CFT regimes shall be identified by the Commission.
413a		***(a) the Commission remains member of the Financial Action Task Force; and***	

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413b		***(b) those third countries suffer from strategic deficiencies in their regimes to counter money laundering, terrorist financing, and financing of proliferation of weapons of mass destruction.***	
414	2. In order to identify the countries referred to in paragraph 1, the Commission is empowered to adopt delegated acts in accordance with Article 60 to supplement this Regulation, where:	2. In order to identify the countries referred to in paragraph 1, the Commission is empowered to adopt delegated acts in accordance with Article 60 to supplement this Regulation~~, where:~~***. The Commission shall review any delegated acts adopted under this paragraph within ten working days from a change to the respective FATF public document currently referred to as "Jurisdictions under Increased Monitoring".***	2. In order to identify the countries referred to in paragraph 1, the Commission is empowered to adopt delegated acts in accordance with Article 60 to supplement this Regulation, where:
415	(a) compliance weaknesses in the legal and institutional AML/CFT framework of the third country have been identified;	(a) ~~compliance weaknesses in the legal and institutional AML/CFT framework of the third country have been identified;~~***deleted***	(a) compliance weaknesses in the legal and institutional AML/CFT framework of the third country have been identified;
416	(b) compliance weaknesses in the effectiveness	(b) ~~compliance weaknesses in the~~	(b) compliance weaknesses in the effectiveness

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	of the third country's AML/CFT system in addressing money laundering or terrorist financing risks have been identified.	~~effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks have been identified.~~ ***deleted***	of the third country's AML/CFT system in addressing money laundering or terrorist financing risks have been identified.
417	Those delegated acts shall be adopted within one month after the Commission has ascertained that the criteria in point (a) or (b) are met.	~~Those delegated acts shall be adopted within one month after the Commission has ascertained that the criteria in point (a) or (b) are met.~~***deleted***	Those delegated acts shall be adopted within one month after the Commission has ascertained that the criteria in point (a) or (b) are met.
418	3. The Commission, when drawing up the delegated acts referred to in paragraph 2 shall take into account information on jurisdictions under increased monitoring by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them.	3. ~~The Commission, when drawing up the delegated acts referred to in paragraph 2 shall take into account information on jurisdictions under increased monitoring by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them.~~***deleted***	3. The Commission, when drawing up the delegated acts referred to in paragraph 2 shall take into account information on jurisdictions under increased monitoring by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing, as well as relevant evaluations, assessments, reports or public statements drawn up by them. ***The Commission shall also consider, where appropriate, any relevant assessments by AMLA or other Union institutions, bodies and agencies, competent authorities, civil society organisations, and academia. The Commission shall make its assessments of high risk third countries publicly available.***

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419	4. The delegated act referred to in paragraph 2 shall identify the specific enhanced due diligence measures among those listed in Article 28(4), points (a) to (g), that obliged entities shall apply to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from that third country.	4. The ~~delegated act referred to in paragraph 2 shall identify~~***Commission is empowered to identify, by means of an implementing act,*** the specific enhanced due diligence measures***, if any,*** among those listed in Article 28(4), points (a) to (g), that obliged entities shall apply to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from that third country.*** That implementing act shall be adopted in accordance with the examination procedure referred to in Article 61(3).***	4. The delegated act referred to in paragraph 2 shall identify the specific enhanced due diligence measures among those listed in Article 28(4), points (a) to (g), that obliged entities shall apply to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from that third country.
420	5. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis to ensure that the specific enhanced due diligence measures identified pursuant to paragraph 4 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	5. The Commission shall review the ~~delegated~~***implementing*** acts referred to in paragraph ~~2~~***4*** on a regular basis to ensure that the specific enhanced due diligence measures identified pursuant to paragraph 4 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	5. The Commission shall review the delegated acts referred to in paragraph 2 on a regular basis***, within one month of any relevant change in the assessment by international organisations and standard setters, and at least every two years*** to ensure that the specific enhanced due diligence measures identified pursuant to paragraph 4 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.
421			

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	Article 25 Identification of third countries posing a threat to the Union's financial system	Article 25 ~~Identification of third countries posing a threat to the Union's financial system~~***Deleted***	Article 25 Identification of third countries posing a ***specific and serious*** threat to the Union's financial system
422	1. The Commission is empowered to adopt delegated acts in accordance with Article 60 identifying third countries that pose a specific and serious threat to the financial system of the Union and the proper functioning of the internal market other than those covered by Articles 23 and 24.	1. ~~The Commission is empowered to adopt delegated acts in accordance with Article 60 identifying third countries that pose a specific and serious threat to the financial system of the Union and the proper functioning of the internal market other than those covered by Articles 23 and 24.~~***Deleted***	1. ***In the context of its tasks specified in Article 5 (1) (b) of Regulation (EU) .../... [insert reference to AMLA Regulation], AMLA shall monitor and assess, in line with the risk-based approach,***~~The Commission is empowered to adopt delegated acts in accordance with Article 60 identifying~~ third countries that pose a specific and serious threat to the financial system of the Union and the proper functioning of the internal market other than those covered by Articles 23 and 24. ***AMLA shall carry out the assessment referred to in the first subparagraph on its own initiative, or following a request from the European Parliament, the Council or the Commission.*** ***Following a request from the European Parliament, the Council or the Commission, AMLA shall analyse whether a specific third country poses a specific and serious threat to the financial system of the Union and the proper functioning of the internal market and assess whether specific enhanced due diligence measures or countermeasures should be proposed in accordance with paragraph 3 in***

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			order to mitigate such threat. Where AMLA concludes that the specific third country referred to in the first subparagraph does not pose a specific and serious threat to the financial system of the Union, it shall provide a report to the requesting institution within [30/ 60] days of receipt of the request stating the reasons for its decision.
423	2. The Commission, when drawing up the delegated acts referred to in paragraph 1, shall take into account in particular the following criteria:	2. ~~*The Commission, when drawing up the delegated acts referred to in paragraph 1, shall take into account in particular the following criteria:*~~***Deleted***	2. ***For the purpose of identifying and monitoring the third countries posing a specific and serious threat to the financial system of the Union and the proper functioning of the internal market***~~*The Commission, when drawing up the delegated acts*~~ referred to in paragraph 1, ***and determining the level of threat, AMLA*** shall take into account~~*in particular*~~ the following criteria ***where relevant***:
424	(a) the legal and institutional AML/CFT framework of the third country, in particular:	(a) ~~*the legal and institutional AML/CFT framework of the third country, in particular:*~~***Deleted***	(a) the legal and institutional AML/CFT framework of the third country, in particular:
425	(i) the criminalisation of money laundering and terrorist financing;	(i) ~~*the criminalisation of money laundering and terrorist*~~	(i) the criminalisation of money laundering and ***its predicate offences and*** terrorist financing;

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		~~financing;~~ ***Deleted***	
426	(ii) measures relating to customer due diligence;	(ii) ~~measures relating to customer due diligence;~~ ***Deleted***	(ii) measures relating to customer due diligence;
427	(iii) requirements relating to record-keeping;	(iii) ~~requirements relating to record-keeping;~~ ***Deleted***	(iii) requirements relating to record-keeping;
428	(iv) requirements to report suspicious transactions;	(iv) ~~requirements to report suspicious transactions;~~ ***Deleted***	(iv) requirements to report suspicious transactions;
429	(v) the availability of accurate and timely information of the beneficial ownership of legal persons and arrangements to competent authorities;	(v) ~~the availability of accurate and timely information of the beneficial ownership of legal persons and arrangements to competent authorities;~~ ***Deleted***	(v) ***the requirements relating to*** the availability of accurate and timely information of the beneficial ownership of legal persons and arrangements to competent authorities ***held by a public authority or body functioning as a beneficial ownership register, or an alternative mechanism that is as efficient***;
429a			***(va) the laws, regulations and administrative provisions of the third country prevent the effective cooperation with competent authorities and judicial authorities of the***

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			Member States;
429b			***(vb) policies in relation to targeted financial sanctions and proliferation financing-related targeted financial sanctions and requirements to mitigate and manage the risks of non-implementation and evasion such sanctions;***
429c			***(vc) whether the third country is on the Union list of non-cooperative jurisdictions for tax purposes;***
429d			***(vd) whether the third country legal framework provides financial secrecy;***
429e			***(ve) whether the third country's actions run counter to the FATF core principles or represent a gross violation of the commitment to international cooperation;***
430	(b) the powers and procedures of the third country's competent authorities for the purposes of combating money laundering and	(b) ~~*the powers and procedures of the third country's competent authorities for the purposes of combating money*~~	(b) the powers and procedures of the third country's competent authorities for the purposes of combating money laundering and terrorist

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	terrorist financing including appropriately effective, proportionate and dissuasive sanctions, as well as the third country's practice in cooperation and exchange of information with Member States' competent authorities;	~~laundering and terrorist financing including appropriately effective, proportionate and dissuasive sanctions, as well as the third country's practice in cooperation and exchange of information with Member States' competent authorities;~~***Deleted***	financing including appropriately effective, proportionate and dissuasive sanctions, as well as the third country's practice in cooperation and exchange of information with Member States' competent authorities;
431	(c) the effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks;	(c) ~~the effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks;~~***Deleted***	(c) the effectiveness of the third country's AML/CFT system in addressing money laundering or terrorist financing risks;
431a			***(ca) the quality and effectiveness of financial supervision;***
431b			***(cb) the existence of a regulatory framework for crypto-assets service providers;***
431c			***(cc) the extent to which that third country is identified as having significant levels of corruption or other criminal activity;***
431d			

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			(cd) the recurrence of the involvement of the third country in money laundering or terrorist financing, as reflected in criminal analyses and investigations by Member States' competent authorities, and notably those supported by Europol.
432	3. For the purposes of determining the level of threat referred to in paragraph 1, the Commission may request AMLA to adopt an opinion aimed at assessing the specific impact on the integrity of the Union's financial system due to the level of threat posed by a third country.	3. ~~For the purposes of determining the level of threat referred to in paragraph 1, the Commission may request AMLA to adopt an opinion aimed at assessing the specific impact on the integrity of the Union's financial system due to the level of threat posed by a third country.~~***Deleted***	3. For the purposes of determining the level of threat referred to in paragraph 1~~, the Commission may request AMLA to adopt an~~ ***and identifying mitigating measures AMLA shall take into account any*** opinion ~~aimed at assessing~~***issued by EBA, ESMA or EIOPA concerning*** the specific impact on the ***orderly functioning and*** integrity of the Union's financial system due to the level of threat posed by a third country.
433	4. The Commission, when drawing up the delegated acts referred to in paragraph 1, shall take into account in particular relevant evaluations, assessments or reports drawn up by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.	4. ~~The Commission, when drawing up the delegated acts referred to in paragraph 1, shall take into account in particular relevant evaluations, assessments or reports drawn up by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.~~***Deleted***	4. ***When monitoring identifying the third countries posing a specific and serious threat to the Union and determining the level of threat, AMLA shall assess the impact of such threat on the financial system of the Union and on the proper functioning of the internal market. AMLA*** ~~The Commission, when drawing up the delegated acts referred to in paragraph 1,~~ shall take into account***, where appropriate, any*** ~~in particular~~ relevant ***public revelations,***

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			evaluations, assessments or reports drawn up by ***other Union institutions, bodies and agencies, competent authorities, civil society organisations and academia as well as*** international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.
434	5. Where the identified specific and serious threat from the concerned third country amounts to a significant strategic deficiency, Article 23(4) shall apply and the delegated act referred to in paragraph 2 shall identify specific countermeasures as referred to in Article 23(5).	5. ~~*Where the identified specific and serious threat from the concerned third country amounts to a significant strategic deficiency, Article 23(4) shall apply and the delegated act referred to in paragraph 2 shall identify specific countermeasures as referred to in Article 23(5).*~~***Deleted***	*deleted*
435	*6.* Where the identified specific and serious threat from the concerned third country amounts to a compliance weakness, the delegated act referred to in paragraph 2 shall identify specific enhanced due diligence measures as referred to in Article 24(4).	6. ~~*Where the identified specific and serious threat from the concerned third country amounts to a compliance weakness, the delegated act referred to in paragraph 2 shall identify specific enhanced due diligence measures as referred to in Article 24(4).*~~***Deleted***	*deleted*
436	*7.* The Commission shall review the delegated	7. ~~*The Commission shall review the*~~	7. ***In order to ensure a consistent approach***

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	acts referred to in paragraph 2 on a regular basis to ensure that the measures referred to in paragraphs 5 and 6 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.	~~delegated acts referred to in paragraph 2 on a regular basis to ensure that the measures referred to in paragraphs 5 and 6 take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks.~~***Deleted***	***towards threats of money laundering or terrorist financing coming from the third countries referred to in paragraph 1, AMLA shall identify specific enhanced due diligence measures that obliged entities shall apply to mitigate risks related to business relationships or occasional transactions involving natural or legal persons from a high third country that poses a specific and serious threat to the Union.*** ***For that purpose, AMLA shall develop draft regulatory technical standards to specify the appropriate enhanced due diligence measures, proportionate to the level of threat, among those listed in Article 28(4), points (a) to (g) that obliged entities shall apply. AMLA shall submit those draft regulatory technical standards to*** the Commission ***for adoption. Those draft regulatory technical standards shall be based on a purely technical assessment of the risks of money laundering and terrorist financing and do not imply strategic decisions or policy choices.*** ***The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in this paragraph in accordance with Articles 38 to 41 of Regulation (EU) .../... [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].*** ***AMLA*** shall review the ~~delegated~~

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			~~acts~~***regulatory technical standards*** referred to in paragraph ~~2~~***5*** on a regular basis ***and at least every two years*** to ensure that the measures referred to in ~~*paragraphs 5 and 6*~~***that paragraph*** take account of the changes in the AML/CFT framework of the third country and are proportionate and adequate to the risks. ***If necessary, AMLA shall prepare and submit to the Commission the draft for updating those standards.***
436a			***7a. If the specific and serious threat to the financial system of the Union persists and no effective measures have been taken or are being taken by the third country to mitigate the high risks, the Commission shall adopt by means of delegated acts specific countermeasures among those listed in Article 29, where justified by the nature of the threat. For that purpose, the Commission shall request AMLA to issue an opinion aimed at assessing the measures which may have been taken or are being taken by the third country to mitigate the threat and identifying possible countermeasures.*** ***In case of significant divergences with the opinion of AMLA, the Commission shall carry out a reasoned analysis, which shall be made publicly available.***

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436b			***Article 25a*** ***Identification of credit or financial institutions not established in the Union posing a specific and serious threat to the Union's financial system*** ***1. AMLA shall assess, in line with the risk-based approach, whether specific credit or financial institutions not established in the Union which pose a specific and serious threat to the financial system of the Union.*** ***AMLA shall carry out the assessment referred to in the first subparagraph on its own initiative following information received in the context of its supervisory tasks, or following a request from the European Parliament, the Council, a Member State, or a supervisor.*** ***2. For the purpose of the identification of credit or financial institutions as referred to in paragraph 1, AMLA shall take into account in particular the following criteria as regards the credit or financial institution:*** ***(a) the involvement of such entity in money laundering and terrorist financing;*** ***(b) any connections with organised crime and terrorism;*** ***(c) compliance with customer due diligence procedures;*** ***(d) any illegal activities; and*** ***(e) the provision of products and services prohibited in the Union, such as anonymous accounts, and other anonymising tools***

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			providing for the anonymization of the customer account or obfuscation of transactions, as its main activity. ***3. For the purpose of identifying credit of financial institutions as referred to in paragraph 1, AMLA shall take into account, where appropriate, any relevant information, public revelations and relevant evaluations, assessments or reports drawn up by other Union institutions, bodies, agencies and competent authorities, civil society organisations and academia, as well as by international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.*** ***Where relevant, AMLA may launch a public consultation to seek information on the criteria laid down in paragraph 2, and request information to third country supervisory authorities, FIUs and Europol, as deemed appropriate.*** ***AMLA shall take into account any opinion issued by EBA, ESMA or EIOPA, for the purposes of determining the level of threat referred to in paragraph 1, assessing the degree of exposure of the Union to a specific credit or financial institution not established in the Union, and the specific impact of the concerned credit or financial institution on the orderly functioning and integrity of the Union's financial system. (616)***

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			4. Where AMLA concludes that a specific credit or financial institution not established in the Union poses a specific and serious threat to the financial system of the Union which cannot be eliminated by other means, it shall require selected obliged entities to adopt one or more of the following measures: ***(a) the application of elements of enhanced due diligence;*** ***(b) the introduction of enhanced relevant reporting mechanisms or systematic reporting of financial transactions;*** ***(c) limiting business relationships or transactions with that credit institution or financial institution.*** ***5. Where a coordinated action by competent authorities is necessary to respond to a specific and serious threat to the integrity of the Union's financial system or the proper functioning of the internal market, AMLA shall be empowered to adopt decisions requiring national competent authorities to ensure that non-selected obliged entities are required to take the necessary mitigating measures with respect to specific credit or financial institutions in accordance with the AMLA decision referred to in paragraph 4.*** ***6. Where the analysis referred to in paragraph 1 is requested by the Commission, the European Parliament, the Council, a Member State, or by a supervisor, and AMLA***

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			concludes that a specific credit or financial institution not established in the Union does not pose a specific and serious threat to the financial system of the Union, it shall provide a reasoned justification to the requestor within 60 days. ***AMLA shall publish on its website a notice regarding any decision as referred to in paragraph 4. The notice shall at least specify the measures imposed in accordance with that paragraph and the reasons why AMLA is of the opinion that it is necessary to impose the measures including the evidence supporting those reasons.*** ***A measure shall take effect when the notice is published on the AMLA website or at a time specified in the notice that is after its publication. Where it decides to impose a measure as referred to in paragraph 4, AMLA shall notify the competent authorities without delay.***
437	Article 26 Guidelines on ML/TF risks, trends and methods	Article 26 Guidelines on ML/TF risks, trends and methods	Article 26 Guidelines on ML/TF risks, trends and methods
438	1. By [3 years from the date of entry into force of this Regulation], AMLA shall adopt	1. By ***[3 years from the date of entry into force of this Regulation]***~~[3 years from the~~	1. By [3 years from the date of entry into force of this Regulation], AMLA shall adopt

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	guidelines defining the money laundering and terrorist financing trends, risks and methods involving any geographical area outside the Union to which obliged entities are exposed. AMLA shall take into account, in particular, the risk factors listed in Annex III. Where situations of higher risk are identified, the guidelines shall include enhanced due diligence measures that obliged entities shall consider applying to mitigate such risks.	~~date of entry into force of this Regulation]~~, AMLA shall adopt guidelines defining the money laundering and terrorist financing trends, risks and methods involving any geographical area outside the Union to which obliged entities are exposed. AMLA shall take into account, in particular, the risk factors listed in Annex III. Where situations of higher risk are identified, the guidelines shall include enhanced due diligence measures that obliged entities shall consider applying to mitigate such risks.	guidelines defining the money laundering and terrorist financing trends, risks and methods involving any geographical area outside the Union to which obliged entities are exposed. AMLA shall take into account, in particular, the risk factors listed in Annex III. Where situations of higher risk are identified, the guidelines shall include enhanced due diligence measures that obliged entities shall consider applying to mitigate such risks.
439	2. AMLA shall review the guidelines referred to in paragraph 1 at least every two years.	2. AMLA shall review the guidelines referred to in paragraph 1 at least every two years.	2. AMLA shall review the guidelines referred to in paragraph 1 at least every two years.
440	3. In issuing and reviewing the guidelines referred to in paragraph 1, AMLA shall take into account evaluations, assessments or reports of international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.	3. In issuing and reviewing the guidelines referred to in paragraph 1, AMLA shall take into account evaluations, assessments or reports of international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing.	3. In issuing and reviewing the guidelines referred to in paragraph 1, AMLA shall take into account evaluations, assessments or reports of ***Union institutions, bodies and agencies, and competent authorities,*** international organisations and standard setters with competence in the field of preventing money laundering and combating terrorist financing~~.~~

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441	SECTION 3 Simplified customer due diligence	SECTION 3 Simplified customer due diligence	SECTION 3 Simplified customer due diligence
442	Article 27 Simplified customer due diligence measures	Article 27 Simplified customer due diligence measures	Article 27 Simplified customer due diligence measures
443	1. Where, taking into account the risk factors set out in Annexes II and III, the business relationship or transaction present a low degree of risk, obliged entities may apply the following simplified customer due diligence measures:	1. Where, taking into account the risk factors set out in Annexes II and III, the business relationship or transaction present a low degree of risk, obliged entities may apply the following simplified customer due diligence measures:	1. Where, taking into account the risk factors set out in Annexes II and III, the business relationship or transaction present a low degree of risk, obliged entities may apply the following simplified customer due diligence measures:
444	(a) verify the identity of the customer and the beneficial owner after the establishment of the business relationship, provided that the specific lower risk identified justified such postponement, but in any case no later than 30 days of the relationship being established;	(a) verify the identity of the customer and the beneficial owner after the establishment of the business relationship, provided that the specific lower risk identified justified such postponement, but in any case no later than ~~*30 days*~~***3 months or the period set out in regulatory technical standards under Article 22(1), point (c) or what is appropriate with regards to risk-based***	(a) verify the identity of the customer and the beneficial owner after the establishment of the business relationship, provided that the specific lower risk identified***, in the business-wide risk assessment and the customer risk assessment,*** justified such postponement~~,~~ but in any case no later than ~~*30*~~***60*** days of the relationship being established~~;~~***.***

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		approach, whatever is shorter, of the relationship being established;	
445	(b) reduce the frequency of customer identification updates;	(b) ~~*reduce the frequency of customer identification updates*~~***use sources of information to verify the identification data of natural or legal persons, with proportionately lower degree of reliability and independence***;	(b) reduce the frequency of customer identification updates;
446	(c) reduce the amount of information collected to identify the purpose and intended nature of the business relationship, or inferring it from the type of transactions or business relationship established ;	(c) ~~*reduce the amount of*~~ ***for the purposes of verifying the*** information ~~*collected to identify the purpose and intended nature of the business relationship, or inferring it from the type of transactions or business relationship established*~~ ***on the beneficial owner(s), only consult the central registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], insofar the obliged entity is reasonably satisfied that the information therein is correct and there are no grounds for suspicion***;	(c) reduce the amount of information collected to identify the purpose and intended nature of the business relationship, or inferring it from the type of transactions or business relationship established ;
447	(d) reduce the frequency or degree of scrutiny	(d) reduce the frequency ~~*or degree of*~~	(d) reduce the frequency or degree of scrutiny

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	of transactions carried out by the customer;	~~scrutiny of transactions carried out by the customer;~~***of customer identification updates***	of transactions carried out by the customer;
448	(e) apply any other relevant simplified due diligence measure identified by AMLA pursuant to Article 22.	(e) ~~apply any other relevant simplified due diligence measure identified by AMLA pursuant to Article 22.~~ ***reduce the amount of information collected to identify the purpose and intended nature of the business relationship, or inferring it from the type of transactions or business relationship established;***	(e) apply any other relevant simplified due diligence measure identified by AMLA pursuant to Article 22.
448a		***(f) reduce the frequency or degree of scrutiny of transactions carried out by the customer;***	
448b		***(g) apply any other relevant simplified due diligence measure identified by AMLA pursuant to Article 22.***	
449	The measures referred to in the first subparagraph shall be proportionate to the nature and size of the business and to the	The measures referred to in the first subparagraph shall be proportionate to the nature and size of the business and to the	The measures referred to in the first subparagraph shall be proportionate to the nature***, type of activity*** and size of the business

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	specific elements of lower risk identified. However, obliged entities shall carry out sufficient monitoring of the transactions and business relationship to enable the detection of unusual or suspicious transactions.	specific elements of lower risk identified. However, obliged entities shall carry out sufficient monitoring of the transactions and business relationship to enable the detection of unusual or suspicious transactions.	and to the specific elements of lower risk identified. However, obliged entities shall carry out sufficient monitoring of the transactions and business relationship to enable the detection of unusual or suspicious transactions.
450	2. Obliged entities shall ensure that the internal procedures established pursuant to Article 7 contain the specific measures of simplified verification that shall be taken in relation to the different types of customers that present a lower risk. Obliged entities shall document decisions to take into account additional factors of lower risk.	2. Obliged entities shall ensure that the internal procedures established pursuant to Article 7 contain the specific measures of simplified verification that shall be taken in relation to the different types of customers that present a lower risk. Obliged entities shall document decisions to take into account additional factors of lower risk.	2. Obliged entities shall ensure that the internal procedures established pursuant to Article 7 contain the specific measures of simplified verification that shall be taken in relation to the different types of customers that present a lower risk. Obliged entities shall document decisions to take into account additional factors of lower risk.
451	3. For the purpose of applying simplified due diligence measures referred to in paragraph 1, point (a), obliged entities shall adopt risk management procedures with respect to the conditions under which they can provide services or perform transactions for a customer prior to the verification taking place, including by limiting the amount, number or types of transactions that can be performed or by monitoring transactions to ensure that they are in line with the expected norms for the business	3. For the purpose of applying simplified due diligence measures referred to in paragraph 1, point (a), obliged entities shall adopt risk management procedures with respect to the conditions under which they can provide services or perform transactions for a customer prior to the verification taking place, including by limiting the amount, number or types of transactions that can be performed or by monitoring transactions to ensure that	3. For the purpose of applying simplified due diligence measures referred to in paragraph 1, point (a), obliged entities shall adopt risk management procedures with respect to the conditions under which they can provide services or perform transactions for a customer prior to the verification taking place, including by limiting the amount, number or types of transactions that can be performed or by monitoring transactions to ensure that they are in line with the expected norms for the business

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	relationship at hand.	they are in line with the expected norms for the business relationship at hand.	relationship at hand.
452	4. Obliged entities shall verify on a regular basis that the conditions for the application of simplified due diligence continue to exist. The frequency of such verifications shall be commensurate to the nature and size of the business and the risks posed by the specific relationship.	4. Obliged entities shall verify on a regular basis that the conditions for the application of simplified due diligence continue to exist. The frequency of such verifications shall be commensurate to the nature and size of the business and the risks posed by the specific relationship.	4. Obliged entities shall verify on a regular basis that the conditions for the application of simplified due diligence continue to exist. The frequency of such verifications shall be commensurate to the nature***, type of activity*** and size of the business and the risks posed by the specific relationship.
453	5. Obliged entities shall refrain from applying simplified due diligence measures in any of the following situations:	5. Obliged entities shall refrain from applying simplified due diligence measures in any of the following situations:	5. Obliged entities shall refrain from applying simplified due diligence measures in any of the following situations:
454	(a) the obliged entities have doubts as to the veracity of the information provided by the customer or the beneficial owner at the stage of identification, or they detect inconsistencies regarding that information;	(a) the obliged entities have doubts as to the veracity of the information provided by the customer or the beneficial owner at the stage of identification, or they detect inconsistencies regarding that information;	(a) the obliged entities have doubts as to the veracity of the information provided by the customer or the beneficial owner at the stage of identification, or they detect inconsistencies regarding that information;
455	(b) the factors indicating a lower risk are no	(b) the factors indicating a lower risk are	(b) the factors indicating a lower risk are no

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	longer present;	no longer present;	longer present;
456	(c) the monitoring of the customer's transactions and the information collected in the context of the business relationship exclude a lower risk scenario;	(c) the monitoring of the customer's transactions and the information collected in the context of the business relationship exclude a lower risk scenario;	(c) the monitoring of the customer's transactions and the information collected in the context of the business relationship exclude a lower risk scenario;
457	(d) there is a suspicion of money laundering or terrorist financing.	(d) there is a suspicion of money laundering or terrorist financing.	(d) there is a suspicion of money laundering or terrorist financing.
457a			***(da) the customer, or the beneficial owner is subjected to targeted financial sanctions or***
457b			***(db) the customer is a family members or a person known to be a their close associates of persons subject to targeted financial sanctions.***
458	SECTION 4 Enhanced customer due diligence	SECTION 4 Enhanced customer due diligence	SECTION 4 Enhanced customer due diligence
459	Article 28	Article 28	Article 28

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	Scope of application of enhanced customer due diligence measures	Scope of application of enhanced customer due diligence measures	Scope of application of enhanced customer due diligence measures
460	1. In the cases referred to in Articles 23, 24, 25 and 30 to 36, as well as in other cases of higher risk that are identified by obliged entities pursuant to Article 16(2), second subparagraph ('cases of higher risk'), obliged entities shall apply enhanced customer due diligence measures to manage and mitigate those risks appropriately.	1. In the cases referred to in Articles 23, 24~~, 25~~ and 30 to 36, as well as in other cases of higher risk ***of money laundering and terrorist financing*** that are identified by obliged entities pursuant to Article 16(2), second subparagraph ('cases of higher risk'), obliged entities shall apply enhanced customer due diligence measures to manage and mitigate those risks appropriately.	1. In the cases referred to in Articles 23, 24, 25 and 30 to ~~36,~~***36b*** as well as in other cases of higher risk that are identified by obliged entities pursuant to Article 16(2), second subparagraph ('cases of higher risk'), obliged entities shall apply enhanced customer due diligence measures to manage and mitigate those risks appropriately.
461	2. Obliged entities shall examine the origin and destination of funds involved in, and the purpose of, all transactions that fulfil at least one of the following conditions:	2. Obliged entities shall examine the origin and destination of funds involved in, and the purpose of, all transactions that fulfil at least one of the following conditions:	2. Obliged entities shall examine the origin and destination of funds involved in, and the purpose of, all transactions that ***are atypical and may*** fulfil at least one of the following conditions:
462	(a) the transactions are of a complex nature;	(a) the transactions are of a complex nature;	(a) the transactions are of a complex nature;
463	(b) the transactions are unusually large;	(b) the transactions are unusually large;	(b) the transactions are unusually large;

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464	(c) the transactions are conducted in an unusual pattern;	(c) the transactions are conducted in an unusual pattern;	(c) the transactions are conducted in an unusual pattern;
465	(d) the transactions do not have an apparent economic or lawful purpose.	(d) the ~~*transactions do*~~***transaction does*** not have an apparent economic or lawful purpose.	(d) the transactions do not have an apparent economic or lawful purpose.
466	3. With the exception of the cases covered by Section 2 of this Chapter, when assessing the risks of money laundering and terrorist financing posed by a business relationship or occasional transaction, obliged entities shall take into account at least the factors of potential higher risk set out in Annex III and the guidelines adopted by AMLA pursuant to Article 26.	3. With the exception of the cases covered by Section 2 of this Chapter, when assessing the risks of money laundering and terrorist financing posed by a business relationship or occasional transaction, obliged entities shall take into account at least the factors of potential higher risk set out in Annex III and the guidelines adopted by AMLA pursuant to Article 26***, as well as notifications of higher risk issued by the FIU under Article 50 (6) and findings of its business-wide risk assessment under Article 7***.	3. With the exception of the cases covered by Section 2 of this Chapter, when assessing the risks of money laundering and terrorist financing posed by a business relationship or occasional transaction, obliged entities shall take into account at least the factors of potential higher risk set out in Annex III and the guidelines adopted by AMLA pursuant to Article 26.
467	4. With the exception of the cases covered by	4. With the exception of the cases	4. With the exception of the cases covered by

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	Section 2 of this Chapter, in cases of higher risk, obliged entities may apply any of the following enhanced customer due diligence measures, proportionate to the higher risks identified:	covered by Section 2 of this Chapter, in cases of higher risk, obliged entities may apply any of the following enhanced customer due diligence measures, proportionate to the higher risks identified:	Section 2 of this Chapter, in cases of higher risk, obliged entities may ***shall*** apply ~~any~~***at least one*** of the following enhanced customer due diligence measures, proportionate to the higher risks identified:
468	(a) obtain additional information on the customer and the beneficial owner(s);	(a) obtain additional information on the customer and the beneficial owner(s);	(a) obtain additional information on the customer and the beneficial owner(s);
469	(b) obtain additional information on the intended nature of the business relationship;	(b) obtain additional information on the intended nature of the business relationship;	(b) obtain additional information on the intended nature of the business relationship;
470	(c) obtain additional information on the source of funds, and source of wealth of the customer and of the beneficial owner(s);	(c) obtain additional information on the source of funds, and source of wealth of the customer and of the beneficial owner(s);	(c) obtain additional information on the source of funds, and source of wealth of the customer and of the beneficial owner(s);
471	(d) obtain information on the reasons for the intended or performed transactions and their consistency with the business relationship;	(d) obtain information on the reasons for the intended or performed transactions and their consistency with the business relationship;	(d) obtain information on the reasons for the intended or performed transactions and their consistency with the business relationship;

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472	(e) obtain the approval of senior management for establishing or continuing the business relationship;	(e) obtain the approval of senior management for establishing or continuing the business relationship;	(e) obtain the approval of senior management for establishing or continuing the business relationship;
473	(f) conduct enhanced monitoring of the business relationship by increasing the number and timing of controls applied, and selecting patterns of transactions that need further examination;	(f) conduct enhanced monitoring of the business relationship by increasing the number and timing of controls applied, and selecting patterns of transactions that need further examination;	(f) conduct enhanced monitoring of the business relationship by increasing the number and timing of controls applied, and selecting patterns of transactions that need further examination;
474	(g) require the first payment to be carried out through an account in the customer's name with a credit institution subject to customer due diligence standards that are not less robust than those laid down in this Regulation.	(g) require the first payment to be carried out through an account in the customer's name with a credit institution subject to customer due diligence standards that are not less robust than those laid down in this Regulation.	(g) require the first payment to be carried out through an account in the customer's name with a credit institution subject to customer due diligence standards that are not less robust than those laid down in this Regulation.
475	5. With the exception of the cases covered by Section 2 of this Chapter, where Member States identify pursuant to Article 8 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] cases of higher risk, they may require obliged entities to apply enhanced due diligence measures and, where appropriate, specify those	5. With the exception of the cases covered by Section 2 of this Chapter, where Member States identify ***higher risks*** pursuant to Article 8 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] or in the course of any relevant sector-specific risk***	5. With the exception of the cases covered by Section 2 of this Chapter, where Member States identify pursuant to Article 8 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] cases of higher risk, they may require obliged entities to apply enhanced due diligence measures and, where appropriate, specify those

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	measures. Member States shall notify to the Commission and AMLA the enhanced due diligence requirements imposed upon obliged entities established in their territory within one month of their adoption, accompanied by a justification of the money laundering and terrorist financing risks underpinning such decision.	***assessment carried out by the Member States***~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] cases of higher risk~~, they may require obliged entities to apply enhanced due diligence measures and, where appropriate, specify those measures. Member States shall notify to the Commission and AMLA the enhanced due diligence requirements imposed upon obliged entities established in their territory within one month of their adoption, accompanied by a justification of the money laundering and terrorist financing risks underpinning such decision.	measures. Member States shall notify to the Commission and AMLA the enhanced due diligence requirements imposed upon obliged entities established in their territory within one month of their adoption, accompanied by a justification of the money laundering and terrorist financing risks underpinning such decision.
476	Where the risks identified by the Member States pursuant to the first subparagraph are likely to affect the financial system of the Union, AMLA shall, upon a request from the Commission or of its own initiative, consider updating the guidelines adopted pursuant to Article 26.	Where the risks identified by the Member States pursuant to the first subparagraph are likely to affect the financial system of the Union, AMLA shall, upon a request from the Commission or of its own initiative, consider updating the guidelines adopted pursuant to Article 26.	Where the risks identified by the Member States pursuant to the first subparagraph are likely to affect the financial system of the Union, AMLA shall, upon a request from the Commission or ~~of~~***on*** its own initiative, consider updating the guidelines adopted pursuant to Article 26 ***or, where appropriate, issue draft regulatory technical standards to impose enhanced due diligence requirements upon obliged entities uniformly within the Union and submit them to the Commission for adoption***.

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476a			***5a. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 5 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].***
477	6. Enhanced customer due diligence measures shall not be invoked automatically with respect to branches or subsidiaries of obliged entities established in the Union which are located third countries referred to in Articles 23, 24 and 25 where those branches or subsidiaries fully comply with the group-wide policies, controls and procedures in accordance with Article 14.	6. Enhanced customer due diligence measures shall not be invoked automatically with respect to branches or subsidiaries of obliged entities established in the Union which are located ***in*** third countries referred to in Articles 23~~, 24 and 25~~ ***and 24*** where those branches or subsidiaries fully comply with the group-wide policies, controls and procedures in accordance with Article 14.	*deleted*
478	Article 29 Countermeasures to mitigate ML/TF threats from outside the Union	Article 29 Countermeasures to mitigate ML/TF threats from outside the Union	Article 29 Countermeasures to mitigate ML/TF threats from outside the Union
479	For the purposes of Articles 23 and 25, the	For the purposes of ~~Articles 23 and~~	For the purposes of Articles 23 and 25, the

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	Commission may choose from among the following countermeasures:	~~25~~***Article 23***, the Commission may choose from among the following countermeasures:	Commission ~~may~~***shall*** choose from among the following countermeasures:
480	(a) countermeasures that obliged entities are to apply to persons and legal entities involving high-risk third countries and, where relevant, other countries posing a threat to the Union's financial system consisting in:	(a) countermeasures that obliged entities are to apply to persons and legal entities involving high-risk third countries and, where relevant, other countries posing a threat to the Union's financial system consisting in:	(a) countermeasures that obliged entities are to apply to persons and legal entities involving high-risk third countries and, where relevant, other countries posing a threat to the Union's financial system consisting in:
481	(i) the application of additional elements of enhanced due diligence;	(i) the application of additional elements of enhanced due diligence;	(i) the application of additional elements of enhanced due diligence;
482	(ii) the introduction of enhanced relevant reporting mechanisms or systematic reporting of financial transactions;	(ii) the introduction of enhanced relevant reporting mechanisms or systematic reporting of financial transactions;	(ii) the introduction of enhanced relevant reporting mechanisms or systematic reporting of financial transactions;
483	(iii) the limitation of business relationships or transactions with natural persons or legal entities from those third countries;	(iii) the limitation of business relationships or transactions with natural persons or legal entities from those third countries;	(iii) the limitation of business relationships or transactions with natural persons or legal entities from those third countries;
484			

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	(b) countermeasures that Member States are to apply with regard to high-risk third countries and, where relevant, other countries posing a threat to the Union's financial system consisting in:	(b) countermeasures that Member States are to apply with regard to high-risk third countries and, where relevant, other countries posing a threat to the Union's financial system consisting in:	(b) countermeasures that Member States are to apply with regard to high-risk third countries and, where relevant, other countries posing a threat to the Union's financial system consisting in:
485	(i) refusing the establishment of subsidiaries or branches or representative offices of obliged entities from the country concerned, or otherwise taking into account the fact that the relevant obliged entity is from a third country that does not have adequate AML/CFT regimes;	(i) refusing the establishment of subsidiaries or branches or representative offices of obliged entities from the country concerned, or otherwise taking into account the fact that the relevant obliged entity is from a third country that does not have adequate AML/CFT regimes;	(i) refusing the establishment of subsidiaries or branches or representative offices of obliged entities from the country concerned, or otherwise taking into account the fact that the relevant obliged entity is from a third country that does not have adequate AML/CFT regimes;
486	(ii) prohibiting obliged entities from establishing branches or representative offices of obliged entities in the third country concerned, or otherwise taking into account the fact that the relevant branch or representative office would be in a third country that does not have adequate AML/CFT regimes;	(ii) prohibiting obliged entities from establishing branches or representative offices of obliged entities in the third country concerned, or otherwise taking into account the fact that the relevant branch or representative office would be in a third country that does not have adequate AML/CFT regimes;	(ii) prohibiting obliged entities from establishing branches or representative offices of obliged entities in the third country concerned, or otherwise taking into account the fact that the relevant branch or representative office would be in a third country that does not have adequate AML/CFT regimes;
487	(iii) requiring increased supervisory examination or increased external audit	(iii) requiring increased supervisory examination or increased external audit	(iii) requiring increased supervisory examination or increased external audit

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	requirements for branches and subsidiaries of obliged entities located in the third country concerned;	requirements for branches and subsidiaries of obliged entities located in the third country concerned;	requirements for branches and subsidiaries of obliged entities located in the third country concerned;
488	(iv) requiring increased external audit requirements for financial groups with respect to any of their branches and subsidiaries located in the third country concerned;	(iv) requiring increased external audit requirements for financial groups with respect to any of their branches and subsidiaries located in the third country concerned;	(iv) requiring increased external audit requirements for financial groups with respect to any of their branches and subsidiaries located in the third country concerned;
489	(v) requiring credit and financial institutions to review and amend, or if necessary terminate, correspondent relationships with respondent institutions in the third country concerned.	(v) requiring credit and financial institutions to review and amend, or if necessary terminate, correspondent relationships with respondent institutions in the third country concerned.	(v) requiring credit and financial institutions to review and amend, or if necessary terminate, correspondent relationships with respondent institutions in the third country concerned.
489a			***In addition to the countermeasures chosen under paragraph 1, Member States shall not grant residence status to nationals of countries referred to in Article 23, 24 and 25 on the basis of national schemes that grant citizenship or residence rights in exchange for any kind of investments, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity***

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			contributing to the public good and contributions to the state budget.
490	Article 30 Specific enhanced due diligence measures for cross-border correspondent relationships	Article 30 Specific enhanced due diligence measures for cross-border correspondent relationships	Article 30 Specific enhanced due diligence measures for cross-border correspondent relationships
491	With respect to cross-border correspondent relationships, including relationships established for securities transactions or fund transfers, involving the execution of payments with a third-country respondent institution, in addition to the customer due diligence measures laid down in Article 16, credit institutions and financial institutions shall be required, when entering into a business relationship, to:	With respect to cross-border correspondent relationships, including relationships established for securities transactions or fund transfers, involving the execution of payments with a third-country respondent institution, in addition to the customer due diligence measures laid down in Article 16, credit institutions and financial institutions shall be required, when entering into a business relationship, to:	With respect to cross-border correspondent relationships, including relationships established for securities transactions or fund transfers, involving the execution of payments with a third-country respondent institution, in addition to the customer due diligence measures laid down in Article 16, credit institutions and financial institutions shall be required, when entering into a business relationship, to:
492	(a) gather sufficient information about the respondent institution to understand fully the nature of the respondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision;	(a) gather sufficient information about the respondent institution to understand fully the nature of the respondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision;	(a) gather sufficient information about the respondent institution to understand fully the nature of the respondent's business and to determine from publicly available information the reputation of the institution and the quality of supervision;

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493	(b) assess the respondent institution's AML/CFT controls;	(b) assess the respondent institution's AML/CFT controls;	(b) assess the respondent institution's AML/CFT controls;
494	(c) obtain approval from senior management before establishing new correspondent relationships;	(c) obtain approval from senior management before establishing new correspondent relationships;	(c) obtain approval from senior management before establishing new correspondent relationships;
495	(d) document the respective responsibilities of each institution;	(d) document the respective responsibilities of each institution;	(d) document the respective responsibilities of each institution;
496	(e) with respect to payable-through accounts, be satisfied that the respondent institution has verified the identity of, and performed ongoing due diligence on, the customers having direct access to accounts of the correspondent institution, and that it is able to provide relevant customer due diligence data to the correspondent institution, upon request.	(e) with respect to payable-through accounts, be satisfied that the respondent institution has verified the identity of, and performed ongoing due diligence on, the customers having direct access to accounts of the correspondent institution, and that it is able to provide relevant customer due diligence data to the correspondent institution, upon request.	(e) with respect to payable-through accounts, be satisfied that the respondent institution has verified the identity of, and performed ongoing due diligence on, the customers having direct access to accounts of the correspondent institution, and that it is able to provide relevant customer due diligence data to the correspondent institution, upon request.
497	Where credit institutions and financial institutions decide to terminate cross-border	Where credit institutions and financial institutions decide to terminate cross-	Where credit institutions and financial institutions decide to terminate cross-border

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	correspondent relationships for reasons relating to anti-money laundering and counter-terrorist financing policy, they shall document their decision.	border correspondent relationships for reasons relating to anti-money laundering and counter-terrorist financing policy, they shall document their decision.	correspondent relationships for reasons relating to anti-money laundering and counter-terrorist financing policy, they shall document their decision.
497a			***Article 30a*** ***Specific enhanced due diligence measures for correspondent cross-border relationships with non-Union entities providing crypto-asset services*** ***1. With respect to correspondent cross-border relationships involving the provision of crypto-asset services as defined in Article 3(16) of Regulation (EU) .../... [MiCA] with a respondent entity not established in the Union and providing similar services, including transfers of crypto-assets, crypto-asset service providers shall, in addition to the customer due diligence measures laid down in Article 16, be required when entering into a business relationship, to:*** ***(a) determine that the respondent entity is registered or licenced under the law of a third country;*** ***(b) gather sufficient information about the correspondent entity to understand fully the nature of the respondent institution's business and to determine from publicly available information the reputational risk of the entity and the quality of supervision;***

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			(c) assess the respondent entity's AML/CFT controls; ***(d) obtain approval from senior management before establishing the correspondent relationship;*** ***(e) document the respective responsibilities of each party to the correspondent relationship;*** ***(f) with respect to payable-through crypto-asset accounts, be satisfied that the respondent entity has verified the identity of, and performed ongoing due diligence on, the customers having direct access to accounts of the correspondent entity, and that it is able to provide relevant customer due diligence data to the correspondent entity, upon request.*** ***Where crypto-asset service providers decide to terminate correspondent relationships for reasons relating to anti-money laundering and counter-terrorist financing policy, they shall document and record their decision.*** ***Crypto-asset service providers shall update the due diligence information obtained pursuant to paragraph 1 for the correspondent relationship on a regular basis or when new risks emerge in relation to the respondent entity.*** ***2. Crypto-asset service providers shall take into account the information referred to in the first paragraph in order to determine, on a risk sensitive basis, the appropriate enhanced due diligence measures required to mitigate***

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			the risks associated with the respondent entity. ***3. By … [two years after the date of entry into force of this Regulation], AMLA shall, after consulting EBA, issue guidelines specifying the criteria and elements that crypto-asset services providers shall take into account for conducting the assessment referred to in paragraph 1 and the risk mitigating measures referred to in paragraph 2, including the variables and risk factors criteria to be taken into account to assess the level of risk associated with a particular category of crypto-asset service provider.***
497b		***Article 30a*** ***Specific enhanced due diligence measures for cross-border correspondent relationships for crypto-asset service providers***	
497c		***1. By way of derogation from Article 30, with respect to cross-border correspondent relationships involving the execution of crypto-asset services as defined in Article [XX] of Regulation [please insert reference – proposal for a Regulation on Markets in Crypto-assets, and amending Directive (EU) 2019/1937***	

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		- COM/2020/593 final] with a respondent entity not established in the EU and providing similar services, including transfers of crypto-assets, crypto-asset service providers shall, in addition to the customer due diligence measures laid down in article 15, when entering into a business relationship:	
497d		***(a) determine if the respondent entity is licensed or registered;***	
497e		***(b) gather sufficient information about the respondent entity to understand fully the nature of the respondent's business and to determine from publicly available information the reputation of the entity and the quality of supervision;***	
497f		***(c) assess the respondent entity AML/CFT controls;***	
497g		***(d) obtain approval from senior management before the establishment of***	

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		<u>the correspondent relationship;</u>	
497h		***<u>(e) document the respective responsibilities of each party to the correspondent relationship;</u>***	
497i		***<u>(f) with respect to payable-through crypto-asset accounts, be satisfied that the respondent entity has verified the identity of, and performed ongoing due diligence on, the customers having direct access to accounts of the correspondent entity, and that it is able to provide relevant customer due diligence data to the correspondent entity, upon request.</u>***	
497j		***<u>Where crypto-asset service providers decide to terminate correspondent relationships for reasons relating to anti-money laundering and counter-terrorist financing policy, they shall document and record their decision.</u>***	
497k		***<u>Crypto-asset service providers shall</u>***	

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		update the due diligence information for the correspondent relationship on a regular basis or when new risks emerge in relation to the respondent entity.	
497l		***2. Crypto-asset service providers shall take into account the information collected pursuant to the first paragraph in order to determine, on a risk sensitive basis, the appropriate measures to be taken to mitigate the risks associated with the respondent entity.***	
497m		***3. AMLA shall issue guidelines to specify the criteria and elements that crypto-asset services providers shall take into account for conducting the assessment referred to in paragraph 1 and the risk mitigating measures referred to in paragraph 2, including the minimum action to be taken by crypto-asset service providers where the respondent entity is not registered or licensed.***	
497n			***Article 30b***

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			Specific enhanced due diligence regarding crypto-assets transactions involving a self-hosted address ***1. In addition to the customer due diligence measures laid down in Article 16, and without prejudice to the measures required by Regulation (EU) .../... [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final], crypto-asset service providers shall have in place appropriate risk management systems, including risk-based procedures, to identify and assess the risk of money laundering and terrorist financing as well as the risk of non-implementation or evasion of targeted financial sanctions associated with crypto-assets transactions directed to or originating from a self-hosted address.*** ***2. With respect to the transactions referred to in paragraph 1, crypto-asset service providers shall apply mitigating measures commensurate with the risks identified. Those measures shall include:*** ***(a) taking risk-based measures to verify through suitable technical means whether the self-hosted address is owned or controlled by their customers;*** ***(b) taking risk-based measures to identify, and verify the identity of the person who owns or controls or benefits from a self-hosted address, to the extent possible outside the framework of a customer relationship,***

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			including through reliance on third party verification; ***(c) requiring additional information on the origin and destination of the crypto- assets, in accordance with a risk based approach;*** ***(d) conducting enhanced monitoring of those transactions, in accordance with a risk based approach;*** ***(e) any other risk-based measure to mitigate and manage the risks of money laundering and terrorist financing as well as the risk of non-implementation and evasion of targeted financial sanctions.*** ***Where the identification and verification is not technically feasible, crypto-asset service providers shall apply appropriate alternative measures to mitigate and manage the risks of money laundering and terrorist financing as well as the risk of non-implementation or evasion of targeted financial sanctions, in accordance with regulatory technical standards referred to in paragraph 3.*** ***3. By … [two years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall be developed taking into account of technological developments and shall specify the following:*** ***(a) the criteria and means for the identification and verification of a self-hosted***

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			address, whether or not it is owned or controlled by a customer, including criteria for secure and trusted means of electronic identification and verification performed by third parties; (b) alternative risk-mitigating measures to be applied where the verification of a self-hosted address owned or controlled by a third party is not technically feasible outside of a customer relationship; ***(c) other enhanced due diligence measures associated with the level of risk posed by transactions with a self-hosted address.*** ***4. The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in paragraph 3 of this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].***
498	Article 31 Prohibition of correspondent relationships with shell banks	Article 31 Prohibition of correspondent relationships with shell banks	Article 31 Prohibition of correspondent relationships with shell banks
499	Credit institutions and financial institutions shall not enter into, or continue, a	Credit institutions and financial institutions shall not enter into, or	Credit institutions and financial institutions shall not enter into, or continue, a correspondent

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	correspondent relationship with a shell bank. Credit institutions and financial institutions shall take appropriate measures to ensure that they do not engage in or continue correspondent relationships with a credit institution or financial institution that is known to allow its accounts to be used by a shell bank.	continue, a correspondent relationship with a shell bank. Credit institutions and financial institutions shall take appropriate measures to ensure that they do not engage in or continue correspondent relationships with a credit institution or financial institution that is known to allow its accounts to be used by a shell bank.	relationship with a shell bank. Credit institutions and financial institutions shall take appropriate measures to ensure that they do not engage in or continue correspondent relationships with a credit institution or financial institution that is known to allow its accounts to be used by a shell bank.
499a			***Article 31a*** ***Prohibition of correspondent relationships with unregistered or unlicensed entities providing crypto asset services*** ***Credit and financial institutions shall not enter into or continue a correspondent relationships with unregistered or unlicensed entities providing crypto-asset services. Credit and financial institutions shall take appropriate measures to ensure that they do not engage in or continue correspondent relationships with an entity that is known to allow its accounts or distributed ledger addresses to be used by an unregistered or unlicensed entity providing crypto-asset services.***
499b		***Article 31a***	

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		Measures to mitigate risks in relation to transactions with a self-hosted address	
499c		***1. Crypto-asset service providers shall identify and assess the risk of money laundering and financing of terrorism associated with transfers of crypto-assets directed to or originating from a self-hosted address. To that end, crypto-asset service providers shall have in place internal policies, procedures and controls.***	
499d		***Crypto-asset service providers shall apply mitigating measures commensurate with the risks identified. Those mitigating measures shall include one or more of the following:***	
499e		***(a) taking risk-based measures to identify, and verify the identity of, the originator or beneficiary of a transfer made from or to a self-hosted address or beneficial owner of such originator or beneficiary, including through reliance on third parties;***	

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499f		***(b) requiring additional information on the origin and destination of the crypto-assets;***	
499g		***(c) conducting enhanced ongoing monitoring of those transactions;***	
499h		***(d) any other measure to mitigate and manage the risks of money laundering and financing of terrorism as well as the risk of non-implementation and evasion of targeted financial sanctions and proliferation financing-related targeted financial sanctions.***	
499i		***2. AMLA shall issue guidelines to specify the measures referred to in this Article, including the criteria and means for identification and verification of the identity of the originator or beneficiary of a transfer made from or to a self-hosted address, including through reliance on third parties, taking into***	

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		account the latest technological developments;	
499j			***Article 31b*** ***Public register on shell banks and unregistered and unlicensed entities providing crypto-asset services*** ***1. Where competent authorities, supervisors or obliged entities become aware of shell banks and unregistered and unlicensed crypto-asset service providers operating within or outside the Union, they shall inform AMLA.*** ***2. AMLA shall establish and maintain an indicative and non-exhaustive public register of shell banks and unregistered and unlicensed entities providing crypto-asset services based on information which may be provided by competent authorities, supervisors, obliged entities and any additional information at its disposal. That register shall be publicly available in machine-readable format.*** ***3. AMLA shall update the register referred to in paragraph 2 on a regular basis, taking into account any changes in circumstances concerning the entities included in the list or any relevant information that has been brought to its attention.***
499k			

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			Article 31c ***Specific provisions regarding applicants for citizenship and residence by investment schemes*** ***In addition to the customer due diligence measures laid down in Article 16, with respect to customers who are third-country nationals who apply for residence rights in a Member State in exchange for any kind of investment, including transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget, obliged entities shall, as a minimum, carry out enhanced customer due diligence measures as set out in Article 28(4), points (a) (c) (e) and (f).***
500	Article 32 Specific provisions regarding politically exposed persons	Article 32 Specific provisions regarding politically exposed persons	Article 32 Specific provisions regarding politically exposed persons
501	1. In addition to the customer due diligence measures laid down in Article 16, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to determine whether the customer	1. In addition to the customer due diligence measures laid down in Article 16, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to	1. In addition to the customer due diligence measures laid down in Article 16, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to determine whether the customer

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	or the beneficial owner of the customer is a politically exposed person.	determine whether the customer or the beneficial owner of the customer is a politically exposed person.	or the beneficial owner of the customer is a politically exposed person.
502	2. With respect to transactions or business relationships with politically exposed persons, obliged entities shall apply the following measures:	2. With respect to ***occasional*** transactions or business relationships with politically exposed persons, obliged entities shall apply the following measures:	2. With respect to transactions or business relationships with politically exposed persons, obliged entities shall apply the following measures:
503	(a) obtain senior management approval for establishing or continuing business relationships with politically exposed persons;	(a) obtain senior management approval for ***carrying out occasional transaction or*** establishing or continuing business relationships with politically exposed persons;	(a) obtain senior management approval for establishing or continuing business relationships with politically exposed persons;
504	(b) take adequate measures to establish the source of wealth and source of funds that are involved in business relationships or transactions with politically exposed persons;	(b) take adequate measures ***in accordance with a risk based approach*** to establish the source of wealth and source of funds that are involved in business relationships or ***occasional*** transactions with politically exposed persons;	(b) take adequate measures to establish the source of wealth and source of funds that are involved in business relationships or ***occasional*** transactions with politically exposed persons;
505			

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	(c) conduct enhanced, ongoing monitoring of those business relationships.	(c) conduct enhanced, ongoing monitoring of those business relationships***, in accordance with a risk based approach***.	(c) conduct enhanced, ongoing monitoring of those business relationships.
506	3. By [3 years from the date of entry into force of this Regulation], AMLA shall issue guidelines on the following matters:	3. By [3 years from the date of entry into force of this Regulation], AMLA shall issue guidelines on the following matters:	3. By ***...*** [~~3~~***two*** years from the date of entry into force of this Regulation], AMLA shall issue guidelines on the following matters:
507	(a) the criteria for the identification of persons falling under the definition of persons known to be a close associate;	(a) the criteria for the identification of persons falling under the definition of persons known to be a close associate;	(a) the criteria for the identification of persons falling under the definition of persons known to be a close associate;
508	(b) the level of risk associated with a particular category of politically exposed person, their family members or persons known to be close associates, including guidance on how such risks are to be assessed after the person no longer holds a prominent public function for the purposes of Article 35.	(b) the level of risk associated with a particular category of politically exposed person, their family members or persons known to be close associates, including guidance on how such risks are to be assessed after the person no longer holds a prominent public function for the purposes of Article 35.	(b) the level of risk associated with a particular category of politically exposed person, their family members or persons known to be close associates, including guidance on how such risks are to be assessed after the person no longer holds a prominent public function for the purposes of Article 35.
509	Article 33 List of prominent public functions	Article 33 List of prominent public functions	Article 33 List of prominent public functions

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510	1. Each Member State shall issue and keep up to date a list indicating the exact functions which, in accordance with national laws, regulations and administrative provisions, qualify as prominent public functions for the purposes of Article 2, point (25). Member States shall request each international organisation accredited on their territories to issue and keep up to date a list of prominent public functions at that international organisation for the purposes of Article 2, point (25). These lists shall also include any function which may be entrusted to representatives of third countries and of international bodies accredited at Member State level. Member States shall notify those lists, as well as any change made to them, to the Commission and to AMLA.	1. Each Member State shall issue and keep up to date a list indicating the exact functions which, in accordance with national laws, regulations and administrative provisions, qualify as prominent public functions for the purposes of Article 2, point (25). Member States shall request each international organisation accredited on their territories to issue and keep up to date a list of prominent public functions at that international organisation for the purposes of Article 2, point (25). These lists shall also include any function which may be entrusted to representatives of third countries and of international bodies accredited at Member State level. Member States shall notify those lists, as well as any change made to them, to the Commission and to AMLA.	1. Each Member State shall issue and keep up to date a list indicating the exact functions which, in accordance with national laws, regulations and administrative provisions, qualify as prominent public functions for the purposes of Article 2, point (25). Member States shall request each international organisation accredited on their territories to issue and keep up to date a list of prominent public functions at that international organisation for the purposes of Article 2, point (25). These lists shall also include any function which may be entrusted to representatives of third countries and of international bodies accredited at Member State level. Member States shall notify those lists, as well as any change made to them, to the Commission and to AMLA.
510a		***1a. When issuing the list indicating the exact functions Member States can include functions corresponding to prominent public functions not included in Article 2, point (25) that are considered equivalent to other functions***	

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		listed in Article 2, point (25) in their Member State and require the application of the specific provisions of Article 32. Regarding the prominent public functions listed in Article 2, points (25)(a)(iii), (vi) and (vii), Member States may apply restrictive criteria when indicating the exact functions in order to ensure that the indicated exact functions are equivalent to other functions listed in Article 2, points (25) (a) (i) to (v) and Article 2, points (25) (b) to (d).	
511	2. The Commission shall draw up and keep up to date the list of the exact functions which qualify as prominent public functions at the level of the Union. That list shall also include any function which may be entrusted to representatives of third countries and of international bodies accredited at Union level.	2. The Commission shall draw up and keep up to date the list of the exact functions which qualify as prominent public functions at the level of the Union. That list shall also include any function which may be entrusted to representatives of third countries and of international bodies accredited at Union level.	2. The Commission shall draw up and keep up to date the list of the exact functions which qualify as prominent public functions at the level of the Union. That list shall also include any function which may be entrusted to representatives of third countries and of international bodies accredited at Union level.
512	3. The Commission shall assemble, based on the lists provided for in paragraphs 1 and 2 of this Article, a single list of all prominent public functions for the purposes of Article 2, point (25). The Commission shall publish that single list shall in the Official Journal of the European	3. The Commission shall assemble, based on the lists provided for in paragraphs 1 and 2 of this Article, a single list of all prominent public functions for the purposes of Article 2, point (25). The Commission shall publish that single list	3. The Commission shall assemble, based on the lists provided for in paragraphs 1 and 2 of this Article, a single list of all prominent public functions for the purposes of Article 2, point (25). The Commission shall publish that single list shall in the Official Journal of the European

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	Union. AMLA shall make the list public on its website.	shall in the ***Official Journal of the European Union***~~*Official Journal of the European Union*~~. AMLA shall make the list public on its website.	Union. AMLA shall make the list public on its website.
513	Article 34 Politically exposed persons who are beneficiaries of insurance policies	Article 34 Politically exposed persons who are beneficiaries of insurance policies	Article 34 Politically exposed persons who are beneficiaries of insurance policies
514	Obliged entities shall take reasonable measures to determine whether the beneficiaries of a life or other investment-related insurance policy or, where relevant, the beneficial owner of the beneficiary are politically exposed persons. Those measures shall be taken no later than at the time of the payout or at the time of the assignment, in whole or in part, of the policy. Where there are higher risks identified, in addition to applying the customer due diligence measures laid down in Article 16, obliged entities shall:	Obliged entities shall take reasonable measures to determine whether the beneficiaries of a life or other investment-related insurance policy or, where relevant, the beneficial owner of the beneficiary are politically exposed persons. Those measures shall be taken no later than at the time of the payout or at the time of the assignment, in whole or in part, of the policy. Where there are higher risks identified, in addition to applying the customer due diligence measures laid down in Article 16, obliged entities shall:	Obliged entities shall take reasonable measures to determine whether the beneficiaries of a life or other investment-related insurance policy or, where relevant, the beneficial owner of the beneficiary are politically exposed persons. Those measures shall be taken no later than at the time of the payout or at the time of the assignment, in whole or in part, of the policy. Where there are higher risks identified, in addition to applying the customer due diligence measures laid down in Article 16, obliged entities shall:
515	(a) inform senior management before payout of policy proceeds;	(a) inform senior management before payout of policy proceeds;	(a) inform senior management before payout of policy proceeds;

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516	(b) conduct enhanced scrutiny of the entire business relationship with the policyholder.	(b) conduct enhanced scrutiny of the entire business relationship with the policyholder.	(b) conduct enhanced scrutiny of the entire business relationship with the policyholder.
517	Article 35 Measures towards persons who cease to be politically exposed persons	Article 35 Measures towards persons who cease to be politically exposed persons	Article 35 Measures towards persons who cease to be politically exposed persons
518	1. Where a politically exposed person is no longer entrusted with a prominent public function by the Union, a Member State, third country or an international organisation, obliged entities shall take into account the continuing risk posed by that person in their assessment of money laundering and terrorist financing risks in accordance with Article 16.	1. Where a politically exposed person is no longer entrusted with a prominent public function by the Union, a Member State, third country or an international organisation, obliged entities shall take into account the continuing risk posed by that person ***due to their former function*** in their assessment of money laundering and terrorist financing risks in accordance with Article 16.	1. Where a politically exposed person is no longer entrusted with a prominent public function by the Union, a Member State, third country or an international organisation, obliged entities shall take into account the continuing risk posed by that person in their assessment of money laundering and terrorist financing risks in accordance with Article 16.
519	2. Obliged entities shall apply one or more of the measures referred to in Article 28(4) to mitigate the risks posed by the business relationship, until such time as that person is deemed to pose no further risk, but in any case for not less than 12 months following the time	2. Obliged entities shall apply one or more of the measures referred to in Article 28(4) to mitigate the risks posed by the ~~business relationship~~***politically exposed person***, until such time as that person is deemed to pose no further risk	2. Obliged entities shall apply one or more of the measures referred to in Article 28(4) to mitigate the risks posed by the business relationship~~,~~***. Obliged entities shall apply those measures in a manner proportionate to the risks identified*** until such time as that person is

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	when the individual is no longer entrusted with a prominent public function.	***due to their former function***, but in any case for not less than 12 months following the time when the individual is no longer entrusted with a prominent public function.	deemed to pose no further risk, but in any case for not less than ~~12~~***24*** months following the time when the individual is no longer entrusted with a prominent public function.
520	3. The obligation referred to in paragraph 2 shall apply accordingly where an obliged entity enters into a business relationship with a person who in the past was entrusted with a prominent public function by the Union, a Member State, third country or an international organisation.	3. The obligation referred to in paragraph 2 shall apply accordingly where an obliged entity ***carries out an occasional transaction or*** enters into a business relationship with a person who in the past was entrusted with a prominent public function by the Union, a Member State, third country or an international organisation.	3. The obligation referred to in paragraph 2 shall apply accordingly where an obliged entity enters into a business relationship with a person who in the past was entrusted with a prominent public function by the Union, a Member State, third country or an international organisation.
521	Article 36 Family members and close associates of politically exposed persons	Article 36 Family members and close associates of politically exposed persons	Article 36 Family members and close associates of politically exposed persons
522	The measures referred to in Articles 32, 34 and 35 shall also apply to family members or persons known to be close associates of politically exposed persons.	The measures referred to in Articles 32, 34 and 35 shall also apply to family members or persons known to be close associates of politically exposed persons.	The measures referred to in Articles 32, 34 and 35 shall also apply to family members or persons known to be close associates of politically exposed persons.

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522a			***Article 36a*** ***Specific provisions regarding certain high-net-worth customers*** ***1. In addition to the customer due diligence measures laid down in Article 16, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to determine whether the customer or the beneficial owner of the customer is a high risk high-net-worth individual.*** ***2. A customer whose wealth derives from the extractive industry, or from reported links with politically exposed persons, or from the exploitation of monopolies in third countries identified by credible sources or acknowledged processes as having significant levels of corruption or other criminal activity shall be considered to be a high-risk high-net-worth individual where:*** ***a) obliged entities other than those referred to in Article 3 (3) (b):*** ***i) have a business relationship with that customer that exceeds EUR 1 000 0000, calculated on the basis of the customer's financial or investable wealth or assets either under management by the obliged entity or relating to which the obliged entity offers material aid, assistance or advice, excluding the customer's main private residence, regardless of whether that amount is reached at the time of establishment of the business***

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			relationship or after in the course of one year; or ***ii) perform an occasional transaction, or offer material aid, assistance or advice relating to an occasional transaction for that customer that exceeds EUR 1 000 0000; b) obliged entities referred to in Article 3 (3)*** ***(b) obliged entities referred to in Article 3 (3) (b):*** ***(i) act on behalf of and for that customer in any business relationship or occasional transaction which exceeds EUR 1 000 000; or*** ***(ii) when they assist in the planning or carry out transactions for that customer which, alone or combined in the course of a business relationship which extend over one year, exceed EUR 1 000 000.*** ***3. Without prejudice to paragraph 2, for the purposes of paragraph 1, obliged entities shall also consider information obtained as part of the customer due diligence process and ongoing monitoring of transactions in accordance with this Chapter or any other relevant information at their disposal.*** ***4. For the purpose of this Article, extraction of natural resources extractive industry means any activity involving the exploration, prospection, discovery, development, and extraction of minerals, oil, natural gas deposits or other materials, within the economic activities listed in Section B, Divisions 05 to 08 of Annex I to Regulation***

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			(EC) No 1893/2006 of the European Parliament and of the Council of 20 December 2006 establishing the statistical classification of economic activities NACE Revision 2, as referred to in Article 41(1) of Directive 2013/34. ***5. With respect to transactions or business relationships with high risk high-net-worth customers who present high risk factors as referred to in paragraph 1, obliged entities shall apply the following enhanced due diligence measures:*** ***(a) take adequate measures to establish the source of wealth and source of funds that are involved in business relationships or occasional transactions with those customers and determine to the extent possible be satisfied that the business relationships or transactions are not linked to money laundering, terrorist financing or predicate offences or in accordance with Union law, whether committed in the Union or in third countries;*** ***(b) obtain senior management approval for establishing or continuing business relationships with those customers as well as for carrying out occasional transactions with those customers;*** ***(c) conduct enhanced, ongoing monitoring of business relationships with those customers.***

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522b			***Article 36b*** ***Specific provisions regarding offshore financial centres*** ***1. In addition to the customer due diligence measures laid down in Article 16 and without prejudice to any stricter measures applicable under Section 2, obliged entities shall have in place appropriate risk management systems, including risk-based procedures, to determine whether the customer or the beneficial owner of the customer is a legal entity established or having a substantial link with an a jurisdiction designated by AMLA as an offshore financial centre.*** ***2. With respect to transactions or business relationships with legal entities companies established or having a substantial link with an offshore financial centre, obliged entities shall apply the following measures, on a risk sensitive basis:*** ***(a) gather sufficient information about the legal entity to understand fully the nature of the business of that entity;*** ***(b) obtain senior management approval for establishing or continuing business relationships with that legal entity;*** ***(c) take adequate measures to establish the source of funds that are involved in business relationships or transactions with the legal entity;*** ***(d) conduct enhanced, ongoing***

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			monitoring of those business relationships. ***3. AMLA shall develop draft regulatory technical standards to specify what constitutes a substantial link as referred to in paragraph 1 and further specify the criteria for the identification of offshore financial centres as defined in Article 2, taking into account:*** ***a) the inclusion of non-cooperative jurisdictions in the Annex I of the EU list of non-cooperative jurisdictions for tax purposes;*** ***b) the provision of financial secrecy, as identified by credible sources/ acknowledged processes;*** ***c) the absence of minimum substance requirements for legal entities;*** ***AMLA shall develop draft implementing technical standards to specify the offshore financial centres identified in accordance with the criteria referred to in the first subparagraph.*** ***AMLA shall adopt those draft implementing technical standards and submit them to the Commission for adoption by … [two years after the date of entry into force of this Regulation].*** ***Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.*** ***AMLA shall review the list of offshore financial centres on a regular basis and at***

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			least every two years and submit proposals for amendments to the Commission. ***4. For the purpose of paragraph 3, AMLA shall also take into account the relevant lists and definitions of offshore financial centres adopted by international organisations and standard setters as well as relevant evaluations, assessments, reports or public statements drawn up by them.*** ***AMLA shall develop those technical standards by … [two years from the date of entry into force of this Regulation] and submit them to the Commission for adoption. Power is conferred on the Commission to adopt the implementing technical standards referred to in the first subparagraph in accordance with Article 15 of Regulation (EU) No 1095/2010.***
522c			***Article 36c*** ***Persons subject to restrictive measures by international organisations*** ***1. Obliged entities shall report to the FIUs where they detect any business relationship or occasional transaction with persons subject to UN sanctions as referred in Annex III point (1) (d) in the temporary period between the moment the UN designation is made publicly available and the moment targeted financial sanctions adopted by the Union become applicable.***

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			In the circumstances referred to in the first subparagraph, obliged entities shall refrain from carrying out any transaction related to a person subject to UN sanctions until they have notified the FIU and have complied with any further specific instruction from the FIU. ***2. When the FIU receives a notification as referred to in paragraph 1 of this Article, it may decide to suspend any transaction or account in accordance with Article 20 of Directive [insert reference to AMLD6]*** ***3. This Article is without prejudice to the possibility of Member States to apply temporary measures that ensure a higher level of protection of the financial system of the Union, such as temporary measures applying UN designations directly pending the adoption by the Union of targeted financial sanctions.***
523	SECTION 5 Specific customer due diligence provisions	SECTION 5 Specific customer due diligence provisions	SECTION 5 Specific customer due diligence provisions
524	Article 37 Specifications for the life and other investment-related insurance sector	Article 37 Specifications for the life and other investment-related insurance sector	Article 37 Specifications for the life and other investment-related insurance sector
525			

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	For life or other investment-related insurance business, in addition to the customer due diligence measures required for the customer and the beneficial owner, obliged entities shall conduct the following customer due diligence measures on the beneficiaries of life insurance and other investment-related insurance policies, as soon as the beneficiaries are identified or designated:	For life or other investment-related insurance business, in addition to the customer due diligence measures required for the customer and the beneficial owner, obliged entities shall conduct the following customer due diligence measures on the beneficiaries of life insurance and other investment-related insurance policies, as soon as the beneficiaries are identified or designated:	For life or other investment-related insurance business, in addition to the customer due diligence measures required for the customer and the beneficial owner, obliged entities shall conduct the following customer due diligence measures on the beneficiaries of life insurance and other investment-related insurance policies, as soon as the beneficiaries are identified or designated:
526	(a) in the case of beneficiaries that are identified as specifically named persons or legal arrangements, taking the name of the person or arrangement;	(a) in the case of beneficiaries that are identified as specifically named persons or legal arrangements, taking the name of the person or arrangement;	(a) in the case of beneficiaries that are identified as specifically named persons or legal arrangements, taking the name of the person or arrangement;
527	(b) in the case of beneficiaries that are designated by characteristics or by class or by other means, obtaining sufficient information concerning those beneficiaries so that it will be able to establish the identity of the beneficiary at the time of the payout.	(b) in the case of beneficiaries that are designated by characteristics or by class or by other means, obtaining sufficient information concerning those beneficiaries so that it will be able to establish the identity of the beneficiary at the time of the payout.	(b) in the case of beneficiaries that are designated by characteristics or by class or by other means, obtaining sufficient information concerning those beneficiaries so that it will be able to establish the identity of the beneficiary at the time of the payout.
528	For the purposes of the first subparagraph, points (a) and (b), the verification of the	For the purposes of the first subparagraph, points (a) and (b), the verification of the	For the purposes of the first subparagraph, points (a) and (b), the verification of the identity

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	identity of the beneficiaries and, where relevant, their beneficial owners shall take place at the time of the payout. In the case of assignment, in whole or in part, of the life or other investment-related insurance to a third party, obliged entities aware of the assignment shall identify the beneficial owner at the time of the assignment to the natural or legal person or legal arrangement receiving for its own benefit the value of the policy assigned.	identity of the beneficiaries and, where relevant, their beneficial owners shall take place at the time of the payout. In the case of assignment, in whole or in part, of the life or other investment-related insurance to a third party, obliged entities aware of the assignment shall identify the beneficial owner at the time of the assignment to the natural or legal person or legal arrangement receiving for its own benefit the value of the policy assigned.	of the beneficiaries and, where relevant, their beneficial owners shall take place at the time of the payout. In the case of assignment, in whole or in part, of the life or other investment-related insurance to a third party, obliged entities aware of the assignment shall identify the beneficial owner at the time of the assignment to the natural or legal person or legal arrangement receiving for its own benefit the value of the policy assigned.
528a			***Article 37a*** ***Monitoring of transactions with regard to risks posed by targeted financial sanctions*** ***1. Without prejudice to other measures required by Union law relating to targeted financial sanctions, credit and financial institutions shall screen the information accompanying a transfer of funds or crypto-assets pursuant to [please insert reference – Regulation on information accompanying transfers of funds and certain crypto-assets (Recast)] in order to assess whether the payee or the payer of a funds transfer, or the originator or the beneficiary of a transfer of crypto-assets, are subject to targeted financial sanctions.*** ***By … [two years after the entry into force of this Regulation] AMLA shall develop draft***

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			regulatory technical standards and submit them to the Commission for adoption. ***Those draft regulatory technical standards shall specify:*** ***(a) which information shall be screened by the credit or financial institution of the payer as well as the relevant obligations of this institution;*** ***(b) which information shall be screened by the credit or financial institution of the payee as well the relevant obligations of this institution;*** ***The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].***
529	SECTION 6 Performance by third parties	SECTION 6 Performance by third parties	SECTION 6 Performance by third parties
530	Article 38 General provisions relating to reliance on other obliged entities	Article 38 General provisions relating to reliance on other obliged entities	Article 38 General provisions relating to reliance on other obliged entities
531			

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	1. Obliged entities may rely on other obliged entities, whether situated in a Member State or in a third country, to meet the customer due diligence requirements laid down in Article 16(1), points (a), (b) and (c), provided that:	1. Obliged entities may rely on other obliged entities, whether situated in a Member State or in a third country, to meet the customer due diligence requirements laid down in Article 16(1), points (a), (b) and (c), provided that:	1. Obliged entities may rely on other obliged entities, whether situated in a Member State or in a third country, to meet the customer due diligence requirements laid down in Article 16(1), points (a), (b)***, (c) and (d), and Article 21 (2) and (3)*** ~~and (c)~~, provided that:
532	(a) the other obliged entities apply customer due diligence requirements and record-keeping requirements laid down in this Regulation, or equivalent when the other obliged entities are established or reside in a third country;	(a) the other obliged entities apply customer due diligence requirements and record-keeping requirements laid down in this Regulation, or equivalent when the other obliged entities are established or reside in a third country;	(a) the other obliged entities apply customer due diligence requirements and record-keeping requirements laid down in this Regulation, or equivalent when the other obliged entities are established or reside in a third country;
533	(b) compliance with AML/CFT requirements by the other obliged entities is supervised in a manner consistent with Chapter IV of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	(b) compliance with AML/CFT requirements by the other obliged entities is supervised in a manner consistent with Chapter IV of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~.	(b) compliance with AML/CFT requirements by the other obliged entities is supervised in a manner consistent with Chapter IV of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
534	The ultimate responsibility for meeting the customer due diligence requirements shall	The ultimate responsibility for meeting the customer due diligence requirements	The ultimate responsibility for meeting the customer due diligence requirements shall

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	remain with the obliged entity which relies on another obliged entity.	shall remain with the obliged entity which relies on another obliged entity.	remain with the obliged entity which relies on another obliged entity.
535	2. When deciding to rely on other obliged entities situated in third countries, obliged entities shall take into consideration the geographical risk factors listed in Annexes II and III and any relevant information or guidance provided by the Commission, or by AMLA or other competent authorities.	2. When deciding to rely on other obliged entities situated in third countries, obliged entities shall take into consideration the geographical risk factors listed in Annexes II and III and any relevant information or guidance provided by the Commission, or by AMLA or other competent authorities.	2. When deciding to rely on other obliged entities situated in third countries, obliged entities shall take into consideration the geographical risk factors listed in Annexes II and III and any relevant information or guidance provided by the Commission, or by AMLA or other competent authorities.
536	3. In the case of obliged entities that are part of a group, compliance with the requirements of this Article and with Article 39 may be ensured through group-wide policies, controls and procedures provided that all the following conditions are met:	3. In the case of obliged entities that are part of a group, compliance with the requirements of this Article and with Article 39 may be ensured through group-wide policies, controls and procedures provided that all the following conditions are met:	3. In the case of obliged entities that are part of a group, compliance with the requirements of this Article and with Article 39 may be ensured through group-wide policies, controls and procedures provided that all the following conditions are met:
537	(a) the obliged entity relies on information provided solely by an obliged entity that is part of the same group;	(a) the obliged entity relies on information provided solely by an obliged entity that is part of the same group;	(a) the obliged entity relies on information provided solely by an obliged entity that is part of the same group;
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	(b) the group applies AML/CFT policies and procedures, customer due diligence measures and rules on record-keeping that are fully in compliance with this Regulation, or with equivalent rules in third countries;	(b) the group applies AML/CFT policies and procedures, customer due diligence measures and rules on record-keeping that are fully in compliance with this Regulation, or with equivalent rules in third countries;	(b) the group applies AML/CFT policies and procedures, customer due diligence measures and rules on record-keeping that are fully in compliance with this Regulation, or with equivalent rules in third countries;
539	(c) the effective implementation of the requirements referred to in point (b) is supervised at group level by the supervisory authority of the home Member State in accordance with Chapter IV of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] or of the third country in accordance with the rules of that third country.	(c) the effective implementation of the requirements referred to in point (b) is supervised at group level by the supervisory authority of the home Member State in accordance with Chapter IV of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~ or of the third country in accordance with the rules of that third country.	(c) the effective implementation of the requirements referred to in point (b) is supervised at group level by the supervisory authority of the home Member State in accordance with Chapter IV of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] or of the third country in accordance with the rules of that third country.
540	4. Obliged entities shall not rely on obliged entities established in third countries identified pursuant to Section 2 of this Chapter. However, obliged entities established in the Union whose branches and subsidiaries are established in those third countries may rely on those branches and subsidiaries, where all the	4. Obliged entities shall not rely on obliged entities established in third countries identified pursuant to Section 2 of this Chapter. However, obliged entities established in the Union whose branches and subsidiaries are established in those third countries may rely on those branches	4. Obliged entities shall not rely on obliged entities established in third countries identified pursuant to Section 2 of this Chapter. ~~However, obliged entities established in the Union whose branches and subsidiaries are established in those third countries may rely on those branches and subsidiaries, where all the~~

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	conditions set out in paragraph 3, points (a) to (c), are met.	and subsidiaries, where all the conditions set out in paragraph 3, points (a) to (c), are met.	~~*conditions set out in paragraph 3, points (a) to (c), are met.*~~
540a			***4a. Reliance on other obliged entities may also include the re-use of relevant customer due diligence information and documentation obtained and processed by that entity.***
541	Article 39 Process of reliance on another obliged entity	Article 39 Process of reliance on another obliged entity	Article 39 Process of reliance on another obliged entity
542	1. Obliged entities shall obtain from the obliged entity relied upon all the necessary information concerning the customer due diligence requirements laid down in Article 16(1), first subparagraph points (a), (b) and (c), or the business being introduced.	1. Obliged entities shall obtain from the obliged entity relied upon all the necessary information concerning the customer due diligence requirements laid down in Article 16(1), first subparagraph points (a), (b) and (c), or the business being introduced.	1. Obliged entities shall obtain from the obliged entity relied upon all the necessary information concerning the customer due diligence requirements laid down in Article 16(1), first subparagraph points (a), (b) and (c), or the business being introduced.
543	2. Obliged entities which rely on other obliged entities shall take all necessary steps to ensure that the obliged entity relied upon provides,	2. Obliged entities which rely on other obliged entities shall take all necessary steps to ensure that the obliged entity	2. Obliged entities which rely on other obliged entities shall take all necessary steps to ensure that the obliged entity relied upon provides,

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	upon request:	relied upon provides, upon request:	upon request:
544	(a) copies of the information collected to identify the customer;	(a) copies of the information collected to identify the customer;	(a) copies of the information collected to identify the customer;
545	(b) all supporting documents or trustworthy sources of information that were used to verify the identity of the client, and, where relevant, of the customer's beneficial owners or persons on whose behalf the customer acts, including data obtained through electronic identification means and relevant trust services as set out in Regulation (EU) No 910/2014; and	(b) all supporting documents or trustworthy sources of information that were used to verify the identity of the client, and, where relevant, of the customer's beneficial owners or persons on whose behalf the customer acts, including data obtained through electronic identification means and relevant trust services as set out in Regulation (EU) ~~*No 910/2014*~~***910/2014***; and	(b) all supporting documents or trustworthy sources of information that were used to verify the identity of the client, and, where relevant, of the customer's beneficial owners or persons on whose behalf the customer acts, including data obtained through electronic identification means and relevant trust services as set out in Regulation (EU) No 910/2014; and
546	(c) any information collected on the purpose and intended nature of the business relationship.	(c) any information collected on the purpose and intended nature of the business relationship.	(c) any information collected on the purpose and intended nature of the business relationship.
547	3. The information referred to in paragraphs 1 and 2 shall be provided by the obliged entity relied upon without delay and in any case within five working days.	3. The information referred to in paragraphs 1 and 2 shall be provided by the obliged entity relied upon without delay and in any case within five working	3. The information referred to in paragraphs 1 and 2 shall be provided by the obliged entity relied upon without delay and in any case within five working days.

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		days.	
548	4. The conditions for the transmission of the information and documents mentioned in paragraphs 1 and 2 shall be specified in a written agreement between the obliged entities.	4. The conditions for the transmission of the information and documents mentioned in paragraphs 1 and 2 shall be specified in a written agreement between the obliged entities.	4. The conditions for the transmission of the information and documents mentioned in paragraphs 1 and 2 shall be specified in a written agreement between the obliged entities.
549	5. Where the obliged entity relies on an obliged entity that is part of its group, the written agreement may be replaced by an internal procedure established at group level, provided that the conditions of Article 38(2) are met.	5. Where the obliged entity relies on an obliged entity that is part of its group, the written agreement may be replaced by an internal procedure established at group level, provided that the conditions of Article 38(2) are met.	5. Where the obliged entity relies on an obliged entity that is part of its group, the written agreement may be replaced by an internal procedure established at group level, provided that the conditions of Article 38(2) are met.
550	Article 40 Outsourcing	Article 40 ~~Outsourcing~~***Deleted***	Article 40 Outsourcing
551	1. Obliged entities may outsource tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider, whether a natural or legal person, with the exception of natural or legal	1. ~~*Obliged entities may outsource tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider, whether a natural or legal person, with the*~~	1. Obliged entities may outsource tasks deriving from requirements under this Regulation for the purpose of performing customer due diligence to an agent or external service provider~~*, whether*~~***. Such tasks can be outsourced to*** a natural or legal person, with the

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	persons residing or established in third countries identified pursuant to Section 2 of this Chapter.	~~*exception of natural or legal persons residing or established in third countries identified pursuant to Section 2 of this Chapter.*~~ ***Deleted***	exception of natural or legal persons residing or established in third countries identified pursuant to Section 2 of this Chapter.
552	The obliged entity shall remain fully liable for any action of agents or external service providers to which activities are outsourced.	~~*The obliged entity shall remain fully liable for any action of agents or external service providers to which activities are outsourced.*~~***Deleted***	The obliged entity shall remain fully liable for any action of agents or external service providers to which activities are outsourced.
553	2. The tasks outsourced pursuant to paragraph 1 shall not be undertaken in such way as to impair materially the quality of the obliged entity's measures and procedures to comply with the requirements of this Regulation and of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]. The following tasks shall not be outsourced under any circumstances:	2. ~~*The tasks outsourced pursuant to paragraph 1 shall not be undertaken in such way as to impair materially the quality of the obliged entity's measures and procedures to comply with the requirements of this Regulation and of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]. The following tasks shall not be outsourced under any circumstances:*~~***Deleted***	2. The tasks outsourced pursuant to paragraph 1 shall not be undertaken in such way as to impair materially the quality of the obliged entity's measures and procedures to comply with the requirements of this Regulation and of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]. The following tasks shall not be outsourced under any circumstances:
554	(a) the approval of the obliged entity's risk assessment;	(a) ~~*the approval of the obliged entity's risk assessment;*~~***Deleted***	(a) the approval of the obliged entity's risk assessment;

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555	(b) the internal controls in place pursuant to Article 7;	(b) ~~the internal controls in place pursuant to Article 7;~~***Deleted***	(b) the internal controls in place pursuant to Article 7;
556	(c) the drawing up and approval of the obliged entity's policies, controls and procedures to comply with the requirements of this Regulation;	(c) ~~the drawing up and approval of the obliged entity's policies, controls and procedures to comply with the requirements of this Regulation;~~***Deleted***	(c) ~~the drawing up and~~ approval of the obliged entity's policies, controls and procedures to comply with the requirements of this Regulation;
557	(d) the attribution of a risk profile to a prospective client and the entering into a business relationship with that client;	(d) ~~the attribution of a risk profile to a prospective client and the entering into a business relationship with that client;~~***Deleted***	(d) the ~~attribution of a risk profile to a prospective~~ ***decision to enter into a business relationship with a*** client ~~and the entering into a business relationship with that client~~***based on the attribution of a risk profile***;
558	(e) the identification of criteria for the detection of suspicious or unusual transactions and activities;	(e) ~~the identification of criteria for the detection of suspicious or unusual transactions and activities;~~***Deleted***	(e) the ~~identification~~***approval*** of criteria for the detection of suspicious or unusual transactions and activities;
559	(f) the reporting of suspicious activities or threshold-based declarations to the FIU pursuant to Article 50.	(f) ~~the reporting of suspicious activities or threshold-based declarations to the FIU pursuant to Article 50.~~***Deleted***	(f) the reporting of suspicious activities or threshold-based declarations to the FIU pursuant to Article 50***, unless such activities are outsourced to a service provider belonging to the same group as the obliged entity and which***

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			is established in the same Member State as the obliged entity.
560	3. Where an obliged entity outsources a task pursuant to paragraph 1, it shall ensure that the agent or external service provider applies the measures and procedures adopted by the obliged entity. The conditions for the performance of such tasks shall be laid down in a written agreement between the obliged entity and the outsourced entity. The obliged entity shall perform regular controls to ascertain the effective implementation of such measures and procedures by the outsourced entity. The frequency of such controls shall be determined on the basis of the critical nature of the tasks outsourced.	3. ~~*Where an obliged entity outsources a task pursuant to paragraph 1, it shall ensure that the agent or external service provider applies the measures and procedures adopted by the obliged entity. The conditions for the performance of such tasks shall be laid down in a written agreement between the obliged entity and the outsourced entity. The obliged entity shall perform regular controls to ascertain the effective implementation of such measures and procedures by the outsourced entity. The frequency of such controls shall be determined on the basis of the critical nature of the tasks outsourced.*~~***Deleted***	3. Where an obliged entity outsources a task pursuant to paragraph 1, it shall ensure that the agent or external service provider applies the measures and procedures adopted by the obliged entity. The conditions for the performance of such tasks shall be ***clearly specified and*** laid down in a written agreement between the obliged entity and the outsourced entity. The obliged entity shall perform regular controls to ascertain the effective implementation of such measures and procedures by the outsourced entity. The frequency of such controls shall be determined on the basis of the critical nature of the tasks outsourced. ***The obligation to lay down in a written agreement the conditions for the performance of customer due diligence tasks by the outsourced entity shall be without prejudice to any obligation of the obliged entity under Regulation (EU) 2016/679. Any subsequent outsourcing of tasks by the outsourced entity to other third party service providers shall be foreseen in the written agreement with the obliged entity, provided that the outsourced entity maintains full responsibility for applying the measures and procedures agreed with the obliged entity.***

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560a			***3a. Where an obliged entity outsources a task pursuant to paragraph 1 which requires the consultation of beneficial ownership registers referred to in Article 10 of Directive [insert reference to AMLD6] and in accordance with the rules laid down in Article 11 of Directive [insert reference to AMLD6], the obliged entity shall notify the respective supervisor of the outsourcing agreement.***
561	4. Obliged entities shall ensure that outsourcing is not undertaken in such way as to impair materially the ability of the supervisory authorities to monitor and retrace the obliged entity's compliance with all of the requirements laid down in this Regulation.	4. ~~*Obliged entities shall ensure that outsourcing is not undertaken in such way as to impair materially the ability of the supervisory authorities to monitor and retrace the obliged entity's compliance with all of the requirements laid down in this Regulation.*~~***Deleted***	4. Obliged entities shall ensure that outsourcing is not undertaken in such way as to impair materially the ability of the supervisory authorities to monitor and retrace the obliged entity's compliance with all of the requirements laid down in this Regulation.
562	Article 41 Guidelines on the performance by third parties	Article 41 Guidelines on the performance by third parties	Article 41 Guidelines on the performance by third parties
563	By [3 years after the entry into force of this Regulation], AMLA shall issue guidelines addressed to obliged entities on:	By ***[3 years after the entry into force of this Regulation]***~~*[3 years after the entry into force of this Regulation]*~~, AMLA	By [3 years after the entry into force of this Regulation], AMLA***, in cooperation with the ESAs,*** shall issue guidelines addressed to

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		shall issue guidelines addressed to obliged entities on:	obliged entities on:
564	(a) the conditions which are acceptable for obliged entities to rely on information collected by another obliged entity, including in case of remote customer due diligence;	(a) the conditions which are acceptable for obliged entities to rely on information collected by another obliged entity, including in case of remote customer due diligence;	(a) the conditions which are acceptable for obliged entities to rely on information collected by another obliged entity, including in case of remote customer due diligence;
565	(b) the establishment of outsourcing relationships in accordance with Article 40, their governance and procedures for monitoring the implementation of functions by the outsourced entities, and in particular those functions that are to be regarded as critical;	(b) ~~*the establishment of outsourcing relationships in accordance with Article 40, their governance and procedures for monitoring the implementation of functions by the outsourced entities, and in particular those functions that are to be regarded as critical;*~~***Deleted***	(b) the establishment of outsourcing relationships in accordance with Article 40, their governance and procedures for monitoring the implementation of functions by the outsourced entities, and in particular those functions that are to be regarded as critical;
566	(c) the roles and responsibility of each actor, whether in a situation of reliance on another obliged entity or of outsourcing;	(c) the roles and responsibility of each actor~~*, whether*~~ in a situation of reliance on another obliged entity~~*or of outsourcing;*~~***;***	(c) the roles and responsibility of each actor, whether in a situation of reliance on another obliged entity or of outsourcing;
567	(d) supervisory approaches to reliance on other obliged entities and outsourcing.	(d) supervisory approaches to reliance on other obliged entities~~*and outsourcing.*~~***.***	(d) supervisory approaches to reliance on other obliged entities and outsourcing.

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567a			***Article 41a*** ***Unwarranted de-risking, non-discrimination and financial inclusion*** ***1. Credit and financial institutions shall have in place controls and procedures to ensure that and in the application of customer due diligence requirements provided under this Chapter does not result in the unwarranted refusal, or termination, of business relationships with entire categories of customers and that obliged entities comply with Article 15 and Article 16(2) of Directive 2014/92/EU. The internal policies, controls and procedures of credit and financial institutions shall include options for mitigating the risks of money laundering and terrorist financing that obliged entities will consider applying before deciding to reject a customer on the grounds of a risk of money laundering or terrorist financing.*** ***The internal policies and procedures of credit and financial institutions shall include options and criteria to adjust the features of products or services offered to a given customer on an individual and risk-sensitive basis and, where applicable, in accordance with the level of services offered under Directive 2014/92/EU.*** ***2. Without prejudice to paragraph 1, credit and financial institutions shall have in place internal policies, controls and***

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			procedures to ensure that the application of customer due diligence requirements provided under this Chapter does not result in the undue exclusion of non-profit organisations and their representatives and associates from access to financial services exclusively on the basis of geographical risk. ***3. Obliged entities shall not rely exclusively on information provided by public authorities from the third countries covered by Articles 23, 24 and 25, as well as from the third countries covered by a decision adopted in accordance with Chapter 2 of Title V of the Treaty on European Union providing for the interruption or reduction, in part or completely, of economic and financial relations.*** ***4. By ... [three years after the entry into force of this Regulation], AMLA and EBA shall jointly issue guidelines on the clarification of the relationship between requirements in this Chapter and access to financial services, including in relation to the interactions between this Chapter and Directive (EU) 2014/92 and Directive (EU) 2015/2366. Those guidelines shall include guidance on how to maintain a balance between financial inclusion of categories of customers particularly affected by de-risking, and AML/CFT requirements. The guidelines shall clarify how risk can be mitigated in relation to those customers and ensure***

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			transparent and fair processes for customers.
568	CHAPTER IV BENEFICIAL OWNERSHIP TRANSPARENCY	CHAPTER IV BENEFICIAL OWNERSHIP TRANSPARENCY	CHAPTER IV BENEFICIAL OWNERSHIP TRANSPARENCY
569	Article 42 Identification of Beneficial Owners for corporate and other legal entities	Article 42 Identification of Beneficial Owners for corporate and other legal entities	Article 42 Identification of Beneficial Owners for corporate and other legal entities
570	1. In case of corporate entities, the beneficial owner(s) as defined in Article 2(22) shall be the natural person(s) who control(s), directly or indirectly, the corporate entity, either through an ownership interest or through control via other means.	1. In case of corporate entities, the beneficial owner(s) as defined in Article 2***, point (22)(a),***~~(22)~~ shall be the natural person(s) who~~ control(s), directly or indirectly, the corporate entity, either through an ownership interest or through control via other means. ~~***:***	1. In case of corporate ***and other legal*** entities ***regardless of form or structure***, the beneficial owner(s) as defined in Article 2(22) shall be the natural person(s) who ***owns, or*** control(s), directly or indirectly, the corporate ***or other legal*** entity, either through an ownership interest or through control via other means.
571	For the purpose of this Article, 'control through an ownership interest' shall mean an ownership of 25% plus one of the shares or voting rights or other ownership interest in the corporate entity, including through bearer shareholdings, on every level of ownership.	~~For the purpose of this Article, 'control through an ownership interest' shall mean an ownership of 25% plus one of the shares or voting rights or other ownership interest in the corporate entity, including through bearer shareholdings,~~	For the purpose of this Article~~, 'control through~~ an ownership interest' shall mean an ownership of ~~25%~~***15 %*** plus one of the shares or voting rights or other ***direct or indirect*** ownership interest in the corporate entity, including through bearer shareholdings, on every level of

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		~~on every level of ownership.~~***deleted***	ownership. ***In assessing whether there is an ownership interest in the corporate entity, shareholdings on every level of ownership shall be taken into account. Indirect ownership shall be calculated by multiplying the shares or voting rights or other ownership interests held by the intermediate entities in the chain and by adding together the results from the various chains.*** ***For the purpose of this Article, 'control of the corporate or legal entity' means the possibility to exercise, directly or indirectly, significant influence and impose relevant decisions within the corporate or legal entity. The 'indirect control of the corporate or legal entity' means control of intermediate entities in the chain or in various chains of the structure, where the direct control is identified on each level of the structure, insofar the control over intermediate entities allows for a natural person to control the legal entity.***
572	For the purpose of this Article, 'control via other means' shall include at least one of the following:	~~For the purpose of this Article, 'control via other means' shall include at least one of the following:~~***deleted***	For the purpose of this Article, 'control ***of the corporate or legal entity' including control*** via other means' ~~shall include~~***includes*** at least one of the following:
573			

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	(a) the right to appoint or remove more than half of the members of the board or similar officers of the corporate entity;	(a) ~~the right to appoint or remove more than half of the members of the board or similar officers of~~***have, directly or indirectly, an ownership interest in*** the corporate entity;	(a) the right to appoint or remove more than half of the members of the board or similar officers of the corporate entity;
574	(b) the ability to exert a significant influence on the decisions taken by the corporate entity, including veto rights, decision rights and any decisions regarding profit distributions or leading to a shift in assets;	(b) ~~the ability to exert a significant influence on the decisions taken by~~***controls, directly or indirectly,*** the corporate entity, ~~including veto rights, decision rights and any decisions regarding profit distributions or leading to a shift in assets~~***through ownership interest or via other means***;	(b) the ~~ability to exert a significant~~***exercise of dominant*** influence ~~on~~***over*** the decisions taken by the corporate entity, including veto rights, decision rights and any decisions regarding profit distributions or leading to a shift in assets;
575	(c) control, whether shared or not, through formal or informal agreements with owners, members or the corporate entities, provisions in the articles of association, partnership agreements, syndication agreements, or equivalent documents depending on the specific characteristics of the legal entity, as well as voting arrangements;	(c) ~~control, whether shared or not, through formal or informal agreements with owners, members or~~***controls, directly or indirectly, legal entities that have a direct ownership interest in*** the corporate ~~entities, provisions in the articles of association, partnership agreements, syndication agreements, or equivalent documents depending on the specific characteristics of the legal entity, as well as voting arrangements;~~***entity, whether individually or cumulatively; or***	(c) control, whether shared or not, through formal or informal agreements with owners, members or the corporate entities, provisions in the articles of association, partnership agreements, syndication agreements, or equivalent documents depending on the specific characteristics of the legal entity, as well as voting arrangements;

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576	(d) links with family members of managers or directors/those owning or controlling the corporate entity;	(d) ~~links with family members of managers or directors/those owning or controlling the corporate entity;~~***are the beneficial owner(s) of:***	(d) ~~links with family members~~***control through informal means, such as close personal connections with relatives or associates*** of managers or directors/those owning or controlling the corporate entity;
576a		***(i) legal persons referred to in Article 42a which have, directly or indirectly, an ownership interest in the corporate entity, whether individually or cumulatively; or***	
576b		***(ii) legal arrangements, which hold, directly or indirectly, an ownership interest of the corporate entity, whether individually or cumulatively.***	
577	(e) use of formal or informal nominee arrangements.	(e) ~~use of formal or informal nominee arrangements.~~ ***deleted***	(e) use of formal or informal nominee arrangements~~.~~***, including powers to manage or dispose of the corporate entity's assets or income, in particular its bank or financial accounts;***
577a			

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			(ea) control through debt instruments or other financing arrangements.
578	Control via other means may be determined also in accordance with the criteria of Article 22(1) to (5) of Directive 2013/34/EU.	~~*Control via other means may be determined also in accordance with the criteria of Article 22(1) to (5) of Directive 2013/34/EU.*~~***deleted***	Control via other means may be determined also in accordance with the criteria of Article 22(1) to (5) of Directive 2013/34/EU.
579	2. In case of legal entities other than corporate entities, the beneficial owner(s) as defined in Article 2(22) shall be the natural person identified according to paragraph 1 of this Article, except where Article 43(2) applies.	2. ***For the purpose of this Article, 'an ownership interest in the corporate entity' shall mean direct or indirect ownership of 25% or more of the shares or voting rights or***~~*In case of legal entities*~~ other ~~*than*~~***ownership interest in the*** corporate ~~*entities, the beneficial owner(s) as defined in Article 2(22)*~~***entity, including through bearer shareholdings, where the indirect ownership*** shall be ***calculated by multiplying the shares or voting rights or other ownership interests held by the intermediate entities in the chain and by adding together the results from the various chains***~~*the natural person identified according to paragraph 1 of this Article, except where Article 43(2) applies*~~.	2. In case of legal entities other than corporate entities, the beneficial owner(s) as defined in Article 2(22) shall be the natural person identified according to paragraph 1 of this Article, except where Article 43(2) applies.

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580	3. Member States shall notify to the Commission by [3 months from the date of application of this Regulation] a list of the types of corporate and other legal entities existing under their national laws with beneficial owner(s) identified in accordance with paragraph 1. The notification shall include the specific categories of entities, description of characteristics, names and, where applicable, legal basis under the national laws of the Member States. It shall also include an indication of whether, due to the specific form and structures of legal entities other than corporate entities, the mechanism under Article 45(3) applies, accompanied by a detailed justification of the reasons for that.	3. ~~Member States shall notify to the Commission by [3 months from the date of application~~***For the purpose*** of this ~~Regulation] a list~~***Article, 'control*** of the ~~types of corporate and other legal entities existing under their national laws with beneficial owner(s) identified in accordance with paragraph 1. The notification shall include the specific categories of entities, description of characteristics, names and, where applicable, legal basis under the national laws~~***legal entity' shall mean the possibility to exercise, directly or indirectly, significant influence and impose relevant decisions within the legal entity. The 'indirect control of a legal entity' shall mean control of intermediate entities in the chain or in various chains*** of the ~~Member States. It shall also include an indication of whether, due to the specific form and structures of legal entities other than corporate entities, the mechanism under Article 45(3) applies, accompanied by a detailed justification of the reasons for that~~***structure, where the direct control is identified on each level of the structure, insofar the control over intermediate entities allows for a natural person to control the legal entity***.	3. Member States shall notify to the Commission by ***…*** [3 months from the date of application of this Regulation] a list of the types of corporate and other legal entities existing under their national laws with beneficial owner(s) identified in accordance with paragraph 1. The notification shall include the specific categories of entities, description of characteristics, names and, where applicable, legal basis under the national laws of the Member States. It shall also include an indication of whether, due to the specific form and structures of legal entities other than corporate entities, the mechanism under Article 45(3) applies, accompanied by a detailed justification of the reasons for that. ***In that notification, Member States shall also include other legal entities or vehicles to which, under national law, identification of beneficial ownership information is not deemed applicable, in particular if that is the case for investment vehicles such as special purpose vehicles or entities, protected cell companies or series limited liability companies.***

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581	4. The Commission shall make recommendations to Member States on the specific rules and criteria to identity the beneficial owner(s) of legal entities other than corporate entities by [1 year from the date of application of this Regulation]. In the event that Member States decide not to apply any of the recommendations, they shall notify the Commission thereof and provide a justification for such a decision.	4. ~~The Commission shall make recommendations to Member States on the specific rules and criteria to identity the beneficial owner(s) of legal entities other than corporate entities by [1 year from the date of application of this Regulation]. In the event that Member States decide not to apply any of the recommendations, they shall notify the Commission thereof and provide a justification for such a decision.~~***Control of the legal entity shall in any case include the possibility to exercise:***	4. The Commission shall ~~make recommendations to Member States on~~***determine*** the specific rules and criteria to ~~identity~~***identify*** the beneficial owner(s) of legal entities other than corporate entities ~~by [1 year from the date of application of this Regulation]. In the event that Member States decide not to apply any of the recommendations, they shall notify the Commission thereof and provide a justification for such a decision~~***through the adoption of a delegated act by … [six months from the date of application of this Regulation]***.
581a		***(a) in case of a corporate entity, the majority of the voting rights in the corporate entity, whether or not shared by persons acting in concert;***	
581b		***(b) the right to appoint or remove a majority of the members of the board or the administrative, management or supervisory body or similar officers of the legal entity;***	

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581c		***(c) relevant veto rights or decision rights attached to the share of the corporate entity and any decisions regarding distribution of profit of the legal entity or leading to a shift in assets in the legal entity.***	
582	5. The provisions of this Chapter shall not apply to:	5. ***Control of the legal entity may be exercised also via other means than those referred to in paragraph 4. Depending on the particular situation of the legal entity and its structure, other means of control may include*** ~~*The provisions of this Chapter shall not apply to*~~:	5. The provisions of this Chapter shall not apply to:
583	(a) companies listed on a regulated market that is subject to disclosure requirements consistent with Union legislation or subject to equivalent international standards; and	(a) ~~*companies listed on a regulated market that is subject to disclosure requirements consistent with Union legislation or subject to*~~***formal or informal agreements with owners, members or the corporate entities, provisions in the articles of association, partnership agreements, syndication agreements, or*** equivalent ~~*international standards; and*~~***documents or agreements depending on the specific characteristics***	(a) companies listed on a regulated market that is subject to disclosure requirements consistent with Union legislation or subject to equivalent international standards~~*; and*~~***, except for undertakings active in the extractive industry as defined in Article 41 (1) of Directive 2013/34;***

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		of the legal corporate entity, as well as voting arrangements;	
584	(b) bodies governed by public law as defined under Article 2(1), point (4) of Directive 2014/24/EU of the European Parliament and of the Council[1]. __________ 1. Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC Text with EEA relevance (OJ L 94, 28.3.2014, p. 65).	(b) ~~*bodies governed by public law as defined under Article 2(1), point (4) of Directive 2014/24/EU of the European Parliament and of the Council*~~~~[1]~~~~.~~***relationships between family members; or*** __________ ~~*1. Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC Text with EEA relevance (OJ L 94, 28.3.2014, p. 65).*~~	(b) bodies governed by public law as defined under Article 2(1), point (4) of Directive 2014/24/EU of the European Parliament and of the Council[1]. __________ 1. Directive 2014/24/EU of the European Parliament and of the Council of 26 February 2014 on public procurement and repealing Directive 2004/18/EC Text with EEA relevance (OJ L 94, 28.3.2014, p. 65).
584a		***(c) use of formal or informal nominee arrangements.***	
584b			***5a. By way of derogation from paragraph 1 of this Article, an ownership interest shall mean an ownership of 5 % plus one share or voting right or other ownership interest in the corporate entity, for the following legal entities:*** ***i) undertakings active in the extractive industry as defined in Article 41 (1) of***

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			<u>Directive 2013/34;</u> ***<u>ii) legal entities that are exposed to a higher risk of money laundering and terrorist financing as identified by the Commission in accordance with paragraph 5b.</u>***
584c			***<u>5b. By … [three months from the date of application of this Regulation], Member States shall provide the Commission with a list of all categories of corporate and other legal entities existing in their territory.</u>*** ***<u>The Commission shall be empowered to identify, by means of delegated acts, the categories of legal entities or sectors that are associated with higher risk of money laundering and terrorist financing and its predicate offences for which a threshold of 5% shall be an ownership interest.</u>*** ***<u>For the purpose of the first subparagraph, the Commission shall consult AMLA and take into account the national risk assessment carried out in accordance with Article 8 of Directive and any additional information provided by the Member States. [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].</u>*** ***<u>In order to identify the categories of legal entities or sectors of higher risk in accordance with this paragraph, the Commission shall, where relevant, consult experts from the</u>***

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			private sector, civil society and academia. The Commission shall review the delegated acts on a regular basis to ensure that the categories of corporate entities identified as associated with higher risks are correct, and that the lower thresholds imposed are proportionate and adequate to the risks identified.
584d		***Control via other means over corporate entity shall be identified independently of and parallel to the existence of ownership interest or control.***	
584e		***6. In case of legal entities other than corporate entities that have legal personality under national law, for which with regard to their form and structure, it is not appropriate or possible to take into account the ownership interest, the beneficial owner(s) as defined in Article 2, point (22)(a), shall be the natural person(s) who controls, directly or indirectly, the legal entity, except where Article 42a applies.***	
584f		***7. Member States shall notify to the***	

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		Commission by [3 months from the date of application of this Regulation] a list of the types of corporate and other legal entities existing under their national laws with beneficial owner(s) identified in accordance with paragraph 1 and 6. The Commission shall communicate that decision to the other Member States. The notification by the Member States shall include the specific categories of entities, description of characteristics, names and, where applicable, legal basis under the national laws of the Member States. It shall also include an indication of whether, due to the specific form and structures of legal entities other than corporate entities, the mechanism under Article 45(3) applies, accompanied by a detailed justification of the reasons for that.	
584g		***8. In case of categories of corporate entities that are associated with higher money laundering and terrorist financing risk and where it is appropriate to mitigate such risk, a lower threshold than set out in paragraph 2 shall be an ownership interest.***	

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584h		***The Commission is empowered to identify, by adoption of an implementing act in accordance with the examination procedure referred to in Article 61(2):***	
584i		***(a) the categories of corporate entities that are associated with higher money laundering and terrorist financing risk and for which a lower threshold than that set out in paragraph 2, shall be an ownership interest;***	
584j		***(b) the related thresholds.***	
584k		***9. The Commission shall review the implementing acts referred to in paragraph 8 on a regular basis to ensure that the categories of corporate entities identified as associated with higher risks are correct, and that the lower thresholds imposed are proportionate and adequate to those risks.***	
584l			

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		Article 42a ***Identification of beneficial owners for legal entities similar to express trust***	
584m		***1. In the case of legal entities other than those referred to in Article 42, which have legal personality under national law and are structurally or functionally similar to express trust, such as foundations and other similar legal persons insofar they are similar to express trusts under the law of the Member State, the beneficial owners as defined in Article 2, point (22)(a) shall be all the following natural persons:***	
584n		***(a) the founder(s);***	
584o		***(b) the members of the board or the administrative or management body of the legal entity;***	
584p		***(c) the members of the supervisory or similar body of the legal entity;***	

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584q		***(d) the beneficiaries, unless Article 43a applies;***	
584r		***(e) any other natural person, who controls directly or indirectly the legal entity.***	
584s		***2. In cases where legal entities referred to in paragraph 1 belong to multi-layered control structures, where any of the positions listed under paragraph 1, points (a) to (e), is held by a legal entity, beneficial owner of the legal entity referred to in paragraph 1 shall be:***	
584t		***(a) the natural persons listed in paragraph 1, points (a) to (e); and***	
584u		***(b) the beneficial owner of the legal entities that occupy any of the positions listed in paragraph 1, points (a) to (e).***	

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584v		***3. Member States shall notify to the Commission by [3 months from the date of application of this Regulation] a list of legal entities, where the beneficial owner(s) is identified in accordance with paragraph 1. The Commission shall communicate that decision to the other Member States.***	
585	Article 43 Identification of beneficial owners for express trusts and similar legal entities or arrangements	Article 43 Identification of beneficial owners for express trusts and similar legal ~~entities or~~ arrangements	Article 43 Identification of beneficial owners for express trusts and similar legal entities or arrangements
586	1. In case of express trusts, the beneficial owners shall be all the following natural persons:	1. In case of express trusts, the beneficial owners ***as defined in Article 2, point (22)(a),*** shall be all the following natural persons:	1. In case of express trusts, the beneficial owners shall be all the following natural persons:
587	(a) the settlor(s);	(a) the settlor(s);	(a) the ***economic and legal*** settlor(s);
588	(b) the trustee(s);	(b) the trustee(s);	(b) the trustee(s);

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589	(c) the protector(s), if any;	(c) the protector(s), if any;	(c) the protector(s), if any;
590	(d) the beneficiaries or where there is a class of beneficiaries, the individuals within that class that receive a benefit from the legal arrangement or entity , irrespective of any threshold, as well as the class of beneficiaries. However, in the case of pension schemes within the scope of Directive (EU) 2016/2341 of the European Parliament and of the Council[1] and which provide for a class of beneficiaries, only the class of beneficiaries shall be the beneficiary; ________ 1. Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37).	(d) the beneficiaries ~~or where there is a class of beneficiaries, the individuals within that class that receive a benefit from the legal arrangement or entity , irrespective of any threshold, as well as the class of beneficiaries. However, in the case of pension schemes within the scope of Directive (EU) 2016/2341 of the European Parliament and of the Council[1] and which provide for a class of beneficiaries, only the class of beneficiaries shall be the beneficiary~~***, unless Article 43a applies***; ________ ~~1. Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37).~~	(d) the beneficiaries or where there is a class of beneficiaries, the individuals within that class that receive a benefit from the legal arrangement or entity , irrespective of any threshold, as well as the class of beneficiaries. However, in the case of pension schemes within the scope of Directive (EU) 2016/2341 of the European Parliament and of the Council[1] and which provide for a class of beneficiaries, only the class of beneficiaries shall be the beneficiary; ________ 1. Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37).
591	(e) any other natural person exercising ultimate control over the express trust by means of direct or indirect ownership or by other means, including through a chain of control or ownership.	(e) any other natural person exercising ultimate control over the express trust ~~by means of direct or indirect ownership or by other means, including through a chain of control or ownership~~.	(e) any other natural person exercising ultimate control over the express trust by means of direct or indirect ownership or by other means, including through a chain of control or ownership.

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591a		***1a. In cases where legal arrangements belong to multi-layered control structures, where any of the positions listed under paragraph 1, points (a) to (e), is held by a legal entity, beneficial owner legal arrangements shall be:***	
591b		***(a) the natural persons listed in paragraph 1, points (a) to (e); and***	
591c		***(b) the beneficial owner of the legal entities that occupy any of the positions listed in paragraph 1, points (a) to (e).***	
592	2. In the case of legal entities and legal arrangements similar to express trusts, the beneficial owners shall be the natural persons holding equivalent or similar positions to those referred to under paragraph 1.	2. In the case of legal ~~*entities and legal*~~ arrangements ~~*similar to*~~***other than*** express trusts, the beneficial owners shall be the natural persons holding equivalent or similar positions to those referred to under paragraph 1.	2. In the case of legal entities and legal arrangements similar to express trusts, the beneficial owners shall be the natural persons holding equivalent or similar positions to those referred to under paragraph 1. ***In the event that the parties of the express trust laid down in paragraph 1, point (a), (b), (c), or (d) are corporate or legal entities or arrangements themselves, the beneficial owner shall be the natural person who owns, directly or indirectly, those entities or arrangements,***

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			through an ownership of at least one share or voting right or other ownership interest in the corporate entity or the ultimate natural persons who exercise control through a chain of control or ownership of corporate or legal entities or arrangements or through control via other means.
593	Member States shall notify to the Commission by [3 months from the date of application of this Regulation] a list of legal arrangements and of legal entities, similar to express trusts, where the beneficial owner(s) is identified in accordance with paragraph 1.	2a. Member States shall notify to the Commission by ***[3 months from the date of application of this Regulation]*** ~~*[3 months from the date of application of this Regulation]*~~ a list of legal arrangements ~~*and of legal entities, similar to express trusts*~~, where the beneficial owner(s) is identified in accordance with paragraph 1. ***The Commission shall communicate that decision to the other Member States. Such notification by Member States shall be accompanied by an assessment of which of the legal arrangements that are regulated or recognised under their national law or, when based on the general principle of the autonomy of the contracting parties, delimited by jurisprudence and doctrine, are to be considered as similar to express trusts and which are not.***	Member States shall notify to the Commission by [3 months from the date of application of this Regulation] a list of legal arrangements and of legal entities, similar to express trusts, where the beneficial owner(s) is identified in accordance with paragraph 1.

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594	3. The Commission is empowered to adopt, by means of an implementing act, a list of legal arrangements and legal entities governed under the laws of Member States which should be subject to the same beneficial ownership transparency requirements as express trusts. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 61(2) of this Regulation.	3. ~~*The Commission is empowered to adopt, by means of an implementing act, a list of legal arrangements and legal entities governed under the laws of Member States which should be subject to the same beneficial ownership transparency requirements as express trusts. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 61(2) of this Regulation.*~~***Deleted***	3. The Commission is empowered to adopt, by means of an implementing act, a list of legal arrangements and legal entities governed under the laws of Member States which should be subject to the same beneficial ownership transparency requirements as express trusts. That implementing act shall be adopted in accordance with the examination procedure referred to in Article 61(2) of this Regulation.
594a		***3a. By way of derogation from paragraph 1, where collective investment undertakings are set up in the form of a legal arrangement, the beneficial owner(s) as defined in Article 2, point (22)(a), shall be the natural person(s) who hold directly or indirectly 25% or more of the units held in the undertaking, or who have the ability to define or influence the investment policy of the undertaking, or to control its activities through other means.***	
594b		***Article 43a*** ***Identification of a class of beneficiaries***	

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594c		***1. In case of legal entities under Article 42a or express trusts and similar legal arrangements under Article 43, where beneficiaries have yet to be determined, the class of beneficiaries and its general characteristics shall be identified. Beneficiaries within the class shall be beneficial owner(s) as soon as they are identified or designated.***	
594d		***2. In the following cases, only the class of beneficiaries and its characteristics shall be identified:***	
594e		***(a) pension schemes within the scope of Directive (EU) 2016/2341 of the European Parliament and of the Council[1];*** __________ ***1. Directive (EU) 2016/2341 of the European Parliament and of the Council of 14 December 2016 on the activities and supervision of institutions for occupational retirement provision (IORPs) (OJ L 354, 23.12.2016, p. 37).***	

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594f		***(b) employee financial ownership or participation schemes, following an appropriate risk assessment, Member States have concluded a low risk of misuse for money laundering or terrorist financing;***	
594g		***(c) legal entities under Article 42a, express trusts and similar legal arrangements under Article 43, provided that:***	
594h		***(i) the legal entity, the express trusts or similar legal arrangement is set up for a non-profit or charitable purpose; and***	
594i		***(ii) following an appropriate risk assessment, Member States have concluded that the legal entity, express trust or similar legal arrangement is at a low risk of misuse for money laundering or terrorist financing.***	
594j			

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		3. Member State shall notify to the Commission the categories of legal entities, express trusts or similar legal arrangements where identification is under paragraph 2, together with a justification based on the specific risk assessment. The Commission shall communicate that decision to the other Member States.	
595	Article 44 Beneficial ownership information	Article 44 Beneficial ownership information	Article 44 Beneficial ownership information
596	1. For the purpose of this Regulation, beneficial ownership information shall be adequate, accurate, and current and include the following:	1. For the purpose of this Regulation, beneficial ownership information ***submitted to the beneficial ownership register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] and held by legal persons and trustees or persons holding equivalent position in the case of legal arrangements*** shall be adequate, accurate, and current and include ***at least*** the following:	1. For the purpose of this Regulation, beneficial ownership information shall be adequate, accurate, and current and include the following:
597			

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	(a) the first name and surname, full place and date of birth, residential address, country of residence and nationality or nationalities of the beneficial owner, national identification number and source of it, such as passport or national identity document, and, where applicable, the tax identification number or other equivalent number assigned to the person by his or her country of usual residence;	(a) ~~the first name and surname~~***all names and surnames***, full place and date of birth, residential address, country of residence and nationality or nationalities of the beneficial owner, ~~national identification number and source of it, such as passport or national identity document, and, where applicable, the tax identification~~***and if available, unique personal identification number assigned to the person by his or her country of usual residence or*** number ~~or other equivalent number assigned to the person by his or her country of usual residence~~***of identity document, and general description of the source of such number, such as passport or national identity document***;	(a) the first name and surname, full place and date of birth, residential address, country of residence and nationality or nationalities of the beneficial owner, national identification number and source of it, such as passport or national identity document,~~ and, where applicable, the tax identification number or other equivalent number assigned to the person by his or her country of usual residence;~~
598	(b) the nature and extent of the beneficial interest held in the legal entity or legal arrangement, whether through ownership interest or control via other means, as well as the date of acquisition of the beneficial interest held;	(b) the nature and extent of the beneficial interest held in the legal entity or legal arrangement, whether through ownership interest***, if applicable,*** or control via other means, as well as the date of ~~acquisition of~~***gaining*** the beneficial interest held;	(b) the nature and extent of the beneficial interest held in the legal entity or legal arrangement, whether through ownership interest or control via other means, as well as the date of acquisition of the beneficial interest held;
599	(c) information on the legal entity or legal arrangement of which the natural person is the	(c) information on the legal entity or legal arrangement of which the natural	(c) information on the legal entity or legal arrangement of which the natural person is the

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	beneficial owner in accordance with Article 16(1) point (b), as well as the description of the control and ownership structure.	person is the beneficial owner in accordance with Article ~~16(1)~~***18(1),*** point (b), ~~*as well as the description of the control and ownership structure.*~~***in case of legal arrangement, information about its name and, where applicable, identification number;***	beneficial owner in accordance with Article 16(1) point (b), as well as the description of the control and ownership structure.
599a		***(d) where the ownership and control structure contains more than one legal entity or legal arrangement, a description of such structure, including names and, where applicable, identification numbers of the individual legal entities or legal arrangements that are part of that structure, and a description of the relationships between them, including the share of the interest held;***	
599b		***(e) where a class of beneficiaries is identified under section 43a, general description of the characteristic of the class of beneficiaries.***	
599c		***'Ownership or control structure'***	

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		means the relationships by which is legal entity indirectly owned or controlled or by which is legal arrangement controlled; the structure includes those persons and legal arrangements that mediate the position of beneficial owner or the entity with indirect ownership interest or indirect control.	
600	2. Beneficial ownership information shall be obtained within 14 calendar days from the creation of legal entities or legal arrangements. It shall be updated promptly, and in any case no later than 14 calendar days following any change of the beneficial owner(s), and on an annual basis.	2. ~~*Beneficial ownership information shall be obtained within 14 calendar days from the creation of legal entities or legal arrangements. It shall be updated promptly, and in any case no later than 14 calendar days following any change of the beneficial owner(s), and on an annual basis.*~~***deleted***	2. ~~*Beneficial ownership information*~~***The entities referred to in Articles 42 and 43*** shall ~~*be obtained within 14 calendar days from the creation of legal entities or legal arrangements*~~***obtain adequate, accurate, and current beneficial ownership information within 21 calendar days from their creation***. It shall be updated promptly, and in any case no later than ~~*14*~~***21*** calendar days following any change of the beneficial owner(s), and on an annual basis.
601	Article 45 Obligations of legal entities	Article 45 Obligations of legal entities	Article 45 Obligations of legal entities
602	1. All corporate and other legal entities incorporated in the Union shall obtain and hold	1. All corporate and other legal entities incorporated in the Union shall obtain and	1. All corporate and other legal entities incorporated in the Union shall obtain and hold

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	adequate, accurate and current beneficial ownership information.	hold adequate, accurate and current beneficial ownership information. ***pursuant to Article 44.***	adequate, accurate and current beneficial ownership information.
603	Legal entities shall provide, in addition to information about their legal owner(s), information on the beneficial owner(s) to obliged entities where the obliged entities are taking customer due diligence measures in accordance with Chapter III.	Legal entities shall provide, in addition to information about their legal owner(s), information on the beneficial owner(s) to obliged entities where the obliged entities are taking customer due diligence measures in accordance with Chapter III.	Legal entities shall provide, in addition to information about their legal owner(s), information on the beneficial owner(s) to obliged entities where the obliged entities are taking customer due diligence measures in accordance with Chapter III.
603a		***1a. Beneficial ownership information shall be obtained and reported to the register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] by the legal entity without undue delay after its incorporation. Without undue delay after any change of the information, and in any case no later than 28 calendar days following the change of the beneficial owner, the legal entity shall ensure that the updated information is reported to the register. The legal entity shall regularly verify that it holds updated information over its beneficial ownership. As a minimum, such***	

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		verification shall be performed annually whether as a self-standing process or as part of other periodical processes, such as the submission of financial statement.	
604	The beneficial owner(s) of corporate or other legal entities shall provide those entities with all the information necessary for the corporate or other legal entity.	***1b.*** The beneficial owner(s) of corporate or other legal entities shall provide those entities with all the information ***and documentation*** necessary for the corporate or other legal entity ***to comply with the requirements of this Chapter. The same cooperation shall be provided by those persons and, in the case of legal arrangements, their trustees, who are the links that mediate indirect ownership or control***.	The beneficial owner(s) of corporate or other legal entities shall provide those entities with all the information necessary for the corporate or other legal entity ***and shall inform obliged entities without undue delay about all changes relating to beneficial ownership***.
605	2. Where, after having exhausted all possible means of identification pursuant to Articles 42 and 43, no person is identified as beneficial owner, or where there is any doubt that the person(s) identified is the beneficial owner(s), the corporate or other legal entities shall keep records of the actions taken in order to identify their beneficial owner(s).	2. Where, after having exhausted all possible means of identification pursuant to ~~Articles 42 and 43~~***Article 42*** , no person is identified as beneficial owner ***of the legal entity under Article 42***, or where there is ~~any doubt~~***substantial and justified uncertainty on the part of the legal entity*** that the person(s) identified is the beneficial owner(s), ~~the corporate or other~~ legal entities shall keep records of the actions taken in order to identify their	2. Where, after having exhausted all possible means of identification pursuant to Articles 42 and 43, no person is identified as beneficial owner, or where there is any doubt that the person(s) identified is the beneficial owner(s), the corporate or other legal entities shall keep records of the actions taken in order to identify their beneficial owner(s) ***and hold additional information available on a risk-sensitive basis, and promptly provide it to competent authorities where required, including***

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		beneficial owner(s) ***pursuant to Article 42***.	***resolutions of the board of directors and minutes of their meetings, partnership agreements, trust deeds, informal arrangements determining powers equivalent to powers of attorney or other contractual agreements and documentation***.
606	3. In the cases referred to in paragraph 2, when providing beneficial ownership information in accordance with Article 16 of this Regulation and Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], corporate or other legal entities shall provide the following:	3. In the cases referred to in paragraph 2, when providing beneficial ownership information in accordance with Article 16 of this Regulation and Article 10 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~, corporate or other legal entities shall provide the following:	3. In the cases referred to in paragraph 2, when providing beneficial ownership information in accordance with Article 16 of this Regulation and Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], corporate or other legal entities shall provide the following ***information, which shall be clearly stated in the register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***:
607	(a) a statement, accompanied by a justification, that there is no beneficial owner or that the beneficial owner(s) could not be identified and verified;	(a) a statement~~, accompanied by a justification,~~ that there is no beneficial owner or that the beneficial owner(s) could not be identified and verified; ***accompanied by a justification as to why it was not possible to identify or to verify the beneficial owner in accordance with Article 42 and what constitutes***	(a) a statement, accompanied by a justification, that there is no beneficial owner or that the beneficial owner(s) could not be identified and verified;

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		uncertainty about the ascertained information;	
608	(b) the details on the natural person(s) who hold the position of senior managing official(s) in the corporate or legal entity equivalent to the information required under Article 44(1), point (a).	(b) the details on ~~the~~***all*** natural person(s) who hold the position of senior managing official(s) in the corporate or legal entity equivalent to the information required under Article 44(1), point (a).	(b) the details on the natural person(s) who hold the position of senior managing official(s) in the corporate or legal entity equivalent to the information required under Article 44(1), point (a).
608a		***For the purpose of this Article, 'senior management officials' shall mean natural persons who are executive members of the board of directors as well as the natural persons who exercise executive functions within a corporate entity and are responsible, and accountable to the management body, for the day-to-day management of the institution.***	
609	4. Legal entities shall make the information collected pursuant to this Article available, upon request and without delay, to competent authorities.	4. Legal entities shall make the information collected pursuant to this Article available, upon request and without delay, to competent authorities.	4. Legal entities shall make the information collected pursuant to this Article available, upon request and without delay, to competent authorities.

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610	5. The information referred to in paragraph 4 shall be maintained for five years after the date on which the companies are dissolved or otherwise ceases to exist, whether by persons designated by the entity to retain the documents, or by administrators or liquidators or other persons involved in the dissolution of the entity. The identity and contact details of the person responsible for retaining the information shall be reported to the registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	5. The information referred to in paragraph 4 shall be maintained for five years after the date on which the companies are dissolved or otherwise ceases to exist, whether by persons designated by the entity to retain the documents, or by administrators or liquidators or other persons involved in the dissolution of the entity. The identity and contact details of the person responsible for retaining the information shall be reported to the registers referred to in Article 10 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~.	5. The information referred to in paragraph 4 shall be maintained for five years after the date on which the companies are dissolved or otherwise ceases to exist, whether by persons designated by the entity to retain the documents, or by administrators or liquidators or other persons involved in the dissolution of the entity. The identity and contact details of the person responsible for retaining the information shall be reported to the registers referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
610a		***Article 45a***	
610b		***1. The provisions of Article 45 shall not apply to:***	
610c			

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		(a) companies whose securities are admitted to trading on a regulated market that are subject to the disclosure requirements consistent with Union legislation or subject to equivalent international standards, provided that:	
610d		***(i) control over the company is exercised exclusively by the natural person with the voting rights; and***	
610e		***(ii) no other legal persons or legal arrangements are part of the company's ownership or control structure;***	
610f		***(b) bodies governed by public law of a Member State that have all of the following characteristics:***	
610g		***(i) they are established for the specific purpose of meeting needs in the general interest;***	
610h			

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		(ii) they have legal personality; and	
610i		***(iii) at least one of the following conditions is met:***	
610j		***(1) they are financed, for the most part, by the Member State or its regional or local authorities or municipalities, or by other bodies governed by public law;***	
610k		***(2) they are subject to management supervision by those authorities or bodies; or***	
610l		***(3) they have an administrative, managerial or supervisory board, more than half of whose members are appointed by the Member State or its regional or local authorities or municipalities, or by other bodies governed by public law.***	
611	Article 46	Article 46	Article 46

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	Trustees obligations	Trustees obligations	Trustees obligations ***relating to the identification of beneficial owners of express trusts or similar legal arrangements***
612	1. Trustees of any express trust administered in a Member State and persons holding an equivalent position in a similar legal arrangement shall obtain and hold adequate, accurate and current beneficial ownership information regarding the legal arrangement. Such information shall be maintained for five years after their involvement with the express trust or similar legal arrangement ceases.	1. ~~Trustees~~***In case*** of any ~~express trust~~***legal arrangement*** administered in a Member State ***or whose trustee or the person holding an equivalent position in a similar legal arrangement is established or resides in a Member State, trustees*** and persons holding an equivalent position in a similar legal arrangement shall obtain and hold adequate, accurate and current beneficial ownership information ***as defined under Article 44*** regarding the legal arrangement. Such information shall be maintained for five years after their involvement with the express trust or similar legal arrangement ceases ***to exist***.	1. Trustees of any express trust administered in a Member State and persons holding an equivalent position in a similar legal arrangement shall obtain and hold adequate, accurate and current beneficial ownership information regarding the legal arrangement. Such information shall be maintained for five years after their involvement with the express trust or similar legal arrangement ceases.
612a		***1a. Beneficial ownership information shall be obtained and reported to the register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] by the trustee or the person holding an***	

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		equivalent position in a similar legal arrangement without undue delay after the creation of the express trust or similar legal arrangements. Without undue delay after any change of the information, and in any case no later than 28 calendar days following the change of the beneficial owner, the trustee or the person holding an equivalent position in a similar legal arrangement shall ensure that the updated information is reported to the register. The trustee or the person holding an equivalent position shall regularly verify that they hold updated information over the beneficial ownership of the legal arrangement. As a minimum, such verification shall be performed annually whether as a self-standing process or as part of other periodical processes.	
613	2. The persons referred to in paragraph 1 shall disclose their status and provide the information on the beneficial owner(s) to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.	2. The persons referred to in paragraph 1 shall disclose their status and provide the information on the beneficial owner(s) to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.	2. The persons referred to in paragraph 1 shall disclose their status and provide the information on the beneficial owner(s) to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.

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614	3. The beneficial owner(s) of an express trust or similar legal arrangement other than the trustee or person holding an equivalent position, shall provide the trustee or person holding an equivalent position in a similar legal arrangement with all the information necessary to comply with the requirements of this Chapter.	3. The beneficial owner(s) of ~~an express trust or similar~~***a*** legal arrangement other than the trustee or person holding an equivalent position, shall provide the trustee or person holding an equivalent position in a similar legal arrangement with all the information ***and documentation*** necessary ***for the trustee or person holding an equivalent position*** to comply with the requirements of this Chapter. ***The same cooperation shall be provided by those persons and, in the case of legal arrangements, their trustees, who are the links that mediate the indirect position of beneficial owner(s) of the legal arrangement.***	3. The beneficial owner(s) of an express trust or similar legal arrangement other than the trustee or person holding an equivalent position, shall provide the trustee or person holding an equivalent position in a similar legal arrangement with all the information necessary to comply with the requirements of this Chapter.
615	4. Trustees of an express trust and persons holding an equivalent position in a similar legal arrangement shall make the information collected pursuant to this Article available, upon request and without delay, to competent authorities.	4. Trustees of an express trust and persons holding an equivalent position in a similar legal arrangement shall make the information collected pursuant to this Article available, upon request and without delay, to competent authorities.	4. Trustees of an express trust and persons holding an equivalent position in a similar legal arrangement shall make the information collected pursuant to this Article available, upon request and without delay, to competent authorities.
615a			***4a. Where the trustee or person holding an equivalent position in a similar legal arrangement is not established or resides in the***

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			Union, beneficial ownership information shall be obtained and held in the conditions laid down in paragraph 1 by the settlor, provided that: ***1) the express trust or legal arrangement is governed under the law of one Member State; or*** ***2) either the settlor, the protector or the beneficiary are residents in one Member State.***
616	Article 47 Nominees obligations	Article 47 Nominees obligations	Article 47 ~~Nominees obligations~~***Measures to mitigate risks relating to nominee shareholders and nominee directors***
617	Nominee shareholders and nominee directors of a corporate or other legal entities shall maintain adequate, accurate and current information on the identity of their nominator and the nominator's beneficial owner(s) and disclose them, as well as their status, to the corporate or other legal entities. Corporate or other legal entities shall report this information to the registers set up pursuant to Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	Nominee shareholders and nominee directors of a corporate or other legal entities shall maintain adequate, accurate and current information on the identity of their nominator and the nominator's beneficial owner(s) and disclose them, as well as their status, to the corporate or other legal entities. Corporate or other legal entities shall report this information to the registers set up pursuant to Article 10 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***~~[please~~	Nominee shareholders and nominee directors of a corporate or other legal entities shall ***be granted a licence under national law to offer nominee services and shall*** maintain adequate, accurate and current information on the identity of their nominator and the nominator's beneficial owner(s) and disclose them, as well as their status, to the corporate or other legal entities***, regardless of whether the nominee arrangements are formal or informal***. Corporate or other legal entities shall report this information to the registers set up pursuant to Article 10 of Directive [please insert reference –

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		~~*insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~.	proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]. ***Corporate and other legal entities shall also report this information to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.***
618	Corporate and other legal entities shall also report this information to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.	Corporate and other legal entities shall also report this information to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.	Corporate and other legal entities shall also report this information to obliged entities when the obliged entities are taking customer due diligence measures in accordance with Chapter III.
619	Article 48 Foreign legal entities and arrangements	Article 48 Foreign legal entities and arrangements	Article 48 Foreign legal entities and arrangements
620	1. Beneficial ownership information of legal entities incorporated outside the Union or of express trusts or similar legal arrangements administered outside the Union shall be held in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] set up by the Member State where such entities or trustees of express	1. Beneficial ownership information of legal entities incorporated outside the Union or of ~~*express trusts or similar legal arrangements administered*~~***legal arrangements administered outside the Union or whose trustee or the person holding an equivalent position is established or resides*** outside the Union shall be held in the central register	1. Beneficial ownership information of legal entities incorporated outside the Union or of express trusts or similar legal arrangements administered outside the Union shall be held in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] set up by the Member State where such entities or trustees of express

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	trusts or persons holding equivalent positions in similar legal arrangements:	referred to in Article 10 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]~~ set up by the Member State where such entities or trustees of express trusts or persons holding equivalent positions in similar legal arrangements ***acting in the name of the express trust or similar legal arrangement***:	trusts or persons holding equivalent positions in similar legal arrangements:
621	(a) enter into a business relationship with an obliged entity;	(a) ~~enter into a business relationship with an obliged entity;~~ ***Deleted***	(a) enter into ***or hold*** a business relationship with an obliged entity;
622	(b) acquire real estate in their territory.	(b) acquire real estate in their territory~~.~~***;***	(b) ***own or*** acquire ***land or*** real estate in their territory.
622a			***(ba) own or acquire goods as referred to in Article 16b and Article 16c of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final], unless Member States make the beneficial ownership information available in other registers or electronic data retrieval systems in***

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			accordance with Articles 16b or 16c of that Directive;
622b		***(c) are awarded a public procurement for goods, services or concessions.***	
622c			***(bb) own or acquire a majority or minority stake in bodies governed by public law, as defined in Article 2(1), point (4) of Directive 2014/24/EU of the European Parliament and of the Council;***
622d		***(d) enter into a business relationship with an obliged entity except in case of the legal entities which enter into a business relationship with an obliged entity that operates in sector that is associated with low ML/TF risks and the business relationship or intermediated or linked transactions do not exceed EUR 250 000 or the equivalent in national currency.***	
622e			***(bc) are awarded a public procurement for***

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			goods, services or concessions or have been awarded a public procurement for goods, services or concessions that is ongoing.
622f		***1a. Member States shall allow legal entities incorporated outside the Union and trustees or express trusts or persons holding equivalent positions in similar legal arrangements, in case of legal arrangements administered outside the Union or whose trustee or the person holding an equivalent position is established or resides outside the Union, to reported the beneficial ownership information pursuant to Article 44 to the register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] on the basis of their statement that they intend to acquire the real estate in the territory of the Member State, participate in public procurement for goods, services or concessions or enter into a business relationship with an obliged entity.***	
623	2. Where the legal entity, the trustee of the express trust or the person holding an	2. ~~Where the legal entity, the trustee of the express trust or the person holding an~~	2. Where the legal entity, the trustee of the express trust or the person holding an equivalent

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	equivalent position in a similar legal arrangement enters into multiple business relationships or acquires real estate in different Member States, a certificate of proof of registration of the beneficial ownership information in a central register held by one Member State shall be considered as sufficient proof of registration.	~~equivalent position in a similar legal arrangement enters into multiple business relationships or acquires real estate in different Member States, a certificate of proof of registration of the beneficial ownership information in a central register held by one Member State shall be considered as sufficient proof of registration.~~***deleted***	position in a similar legal arrangement enters into multiple business relationships or acquires ***land or*** real estate ***other relevant high value goods or assets referred to in point (ba)*** in different Member States, a certificate of proof of registration of the beneficial ownership information in a central register held by one Member State shall be considered as sufficient proof of registration.
623a			***2a. With regard to already existing business relationships referred in paragraph 1, points (a), (ba) and (bd), or real estate owned as of ... [the date of application of this Regulation], obliged entities and legal entities as referred to in paragraph 1 shall comply with the requirements set out in paragraphs 1 and 2 by ... [six months after the date of application of this Regulation].***
624	Article 49 Sanctions	Article 49 Sanctions	Article 49 Sanctions
625	Member States shall lay down the rules on sanctions applicable to infringements of the provisions of this Chapter and shall take all	***1.*** Member States shall lay down the rules on sanctions applicable to ~~infringements~~***breaches*** of the provisions	Member States shall lay down the rules on sanctions applicable to infringements of the provisions of this Chapter and shall take all

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	measures necessary to ensure that they are implemented. The sanctions provided for must be effective, proportionate and dissuasive.	of ~~*this Chapter*~~***Articles 45 to 47*** and shall take all measures necessary to ensure that they are implemented. The sanctions provided for must be effective, proportionate and dissuasive.	measures necessary to ensure that they are implemented. The sanctions provided for must be effective, proportionate and dissuasive.
626	Member States shall notify those rules on sanctions by [6 months after the entry into force of this Regulation] to the Commission together with their legal basis and shall notify it without delay of any subsequent amendment affecting them.	Member States shall notify ~~*those*~~ rules on sanctions by ***[6 months after the entry into force of this Regulation]***~~*[6 months after the entry into force of this Regulation]*~~ to the Commission together with their legal basis and shall notify it without delay of any subsequent amendment affecting them.	Member States shall notify those rules on sanctions by ***…*** [6 months after the entry into force of this Regulation] to the Commission together with their legal basis and shall notify it without delay of any subsequent amendment affecting them. ***By … [two years after the date of entry into force of this Regulation], AMLA shall develop draft regulatory technical standards and submit them to the Commission for adoption. Those draft regulatory technical standards shall define indicators to classify the level of gravity of infringements and criteria to be taken into account when setting the level of administrative sanctions, including ranges of pecuniary sanctions relative to the turnover of the entity that shall be applied as references for effective, proportionate and dissuasive sanctions.*** ***The Commission is empowered to supplement this Regulation by adopting the regulatory technical standards referred to in this Article in accordance with Articles 38 to 41 of Regulation [please insert reference – proposal***

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			for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].
626a		***2. With respect to national limits of enforcing sanctions against legal entities pursuant to Article 48(1a) and trustees or express trusts or persons holding equivalent positions in similar legal arrangements pursuant to Article 48(1a), Member States shall take reasonable measures to ensure that the information pursuant to Article 48(1) is held in the central register referred to in Article 10 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].***	
627	CHAPTER V REPORTING OBLIGATIONS	CHAPTER V REPORTING OBLIGATIONS	CHAPTER V REPORTING OBLIGATIONS
628	Article 50 Reporting of suspicious transactions	Article 50 Reporting of suspicious transactions	Article 50 Reporting of ~~*suspicious transactions*~~***suspicions***
629	1. Obliged entities shall report to the FIU all	1. Obliged entities***, and, where***	1. Obliged entities shall report ~~*to the FIU all*~~

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	suspicious transactions, including attempted transactions.	***applicable, their directors and employees,*** shall ***promptly*** report to the FIU***, on their own initiative, where the obliged entity knows, suspects or has reasonable grounds to suspect that funds,*** ~~all suspicious~~ transactions ***or activities***, including attempted transactions~~.~~ ***or activities, or any other relevant fact, fulfil at least one of the following conditions:***	~~suspicious transactions~~***all suspicions of money laundering, terrorist financing or predicate offences to the FIU***, including ***suspicious*** attempted transactions.
629a		***(a) they are related to terrorist financing or proceeds of criminal activity;***	
629b		***(b) they are related to proceeds-generating criminal activity.***	
630	Obliged entities, and, where applicable, their directors and employees, shall cooperate fully by promptly:	***1a.*** Obliged entities~~, and, where applicable, their directors and employees, shall cooperate fully by promptly:~~ ***shall reply to requests for information by the FIU by providing the FIU directly with all necessary information.***	Obliged entities, and, where applicable, their directors and employees, shall cooperate fully by promptly:
631			

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	(a) reporting to the FIU, on their own initiative, where the obliged entity knows, suspects or has reasonable grounds to suspect that funds, regardless of the amount involved, are the proceeds of criminal activity or are related to terrorist financing, and by responding to requests by the FIU for additional information in such cases;	(a) ~~reporting to the FIU, on their own initiative, where the obliged entity knows, suspects or has reasonable grounds to suspect that funds, regardless of the amount involved, are the proceeds of criminal activity or are related to terrorist financing, and by responding to requests by the FIU for additional information in such cases;~~***deleted***	(a) reporting to the FIU, on their own initiative, where the obliged entity knows, suspects or has reasonable grounds to suspect that funds, ***assets or activities,*** regardless of the amount involved, are ***related to*** the proceeds of criminal activity or are related to terrorist financing, and by responding to requests by the FIU for additional information in such cases;
632	(b) providing the FIU directly, at its request, with all necessary information.	(b) ~~providing the FIU directly, at its request, with all necessary information.~~ ***deleted***	(b) providing the FIU directly, at its request, with all necessary information.
632a		***Obliged entities shall reply to a request for information by the FIU promptly, within the deadline set by the FIU, taking account of the urgency and the complexity of the query.***	
632b			
633	For the purposes of points (a) and (b), obliged entities shall reply to a request for information by the FIU within 5 days. In justified and	***1b. Member States shall be able to exempt obliged entities from reporting certain categories of criminal activity*** for	For the purposes of points (a) and (b), obliged entities shall reply to a request for information by the FIU within ~~5 days~~***five working days,***

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	urgent cases, FIUs shall be able to shorten such a deadline to 24 hours.	the ~~purposes of points (a) and (b), obliged entities~~***application of paragraph 1, point (b), where they identify that such exemptions concern low-level criminal activity and would not have a negative impact on the protection of the internal market from the threat caused by money laundering, its predicate offences and terrorist financing. Member States*** shall ~~reply to a request for information by the FIU within 5 days. In justified and urgent cases, FIUs~~***notify such exemptions to the Commission and AMLA immediately, accompanied by an assessment of the impacts of such an exemption on the protection of the internal market from the threat caused by money laundering, its predicate offences and terrorist financing. Within 6 months from that notification, the Commission, having consulted AMLA,*** shall ~~be able to shorten such a deadline to 24 hours~~***issue a detailed opinion regarding whether the exemption envisaged may have a disproportionate and negative impact on the protection of the internal market from the threat caused by money laundering, its predicate offences and terrorist financing***.	***unless the FIU determines a different deadline***. In justified and urgent cases, ***such as where transactions are in progress or a prompt action is required, FIUs may require the information to be provided as soon as possible, and within***~~FIUs shall be able to shorten such~~ a deadline ~~to 24 hours~~***that shall not be longer than one working day***.
634			

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	2. For the purposes of paragraph 1, obliged entities shall assess transactions identified pursuant to Article 20 as atypical in order to detect those that can be suspected of being linked to money laundering or terrorist financing.	2. For the purposes of paragraph 1, obliged entities shall assess transactions ~~identified pursuant to Article 20 as atypical in order to detect those that can be suspected of being linked to money laundering or terrorist financing.~~ ***or activities carried out by their customers on the basis of and against any relevant fact and information known to them or which they are in possession of, including any fact or information obtained by their agents, distributors and service providers.***	2. For the purposes of paragraph 1, obliged entities shall assess transactions identified pursuant to Article 20 as atypical in order to detect those that can be suspected of being linked to money laundering or terrorist financing.
635	A suspicion is based on the characteristics of the customer, the size and nature of the transaction or activity, the link between several transactions or activities and any other circumstance known to the obliged entity, including the consistency of the transaction or activity with the risk profile of the client.	A suspicion ***under paragraph 1*** is based on ***any fact or circumstance known to the obliged entity, including*** the characteristics of the customer ***and their counterparts***, the size***, nature and methods of execution*** ~~and nature~~ of the transaction or activity, the link between several transactions or activities ~~and any other circumstance known to the obliged entity, including the consistency~~***, the origin, the destination or the use of property and the unexplained inconsistency*** of the transaction or activity with the ~~risk profile~~***information collected in the framework of customer due diligence pursuant to chapter III, or***	A suspicion ~~is~~***may be*** based on the characteristics of the customer ***and their counterparts***, the size and nature of the transaction or activity, the ***methods, techniques and patterns of execution of the transaction or activity, the use of anonymising tools, the*** link between several transactions or activities and any other circumstance known to the obliged entity, including the ***origin of funds or assets and the*** consistency of the transaction or activity with the risk profile of the client ***and the characteristics of the transaction or customer when linked to patterns highlighted by the risk assessments conducted in accordance with Articles 7 and 8 of Directive (EU) .../... [please insert reference proposal for***

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		any other relevant information . The grounds to suspect should be properly assessed, qualified and documented. Obliged entities shall keep records of the ~~*client*~~***facts and circumstances considered, the anomalies detected, the decisions taken, for 10 years from fulfilling the obligation under paragraph 1. Member States may require that obliged entities specify in internal policies and procedures under Article 8(2), point (a)(iv) the way in which they carry out this assessment***.	***6th Anti-Money Laundering Directive - COM/2021/423 final]***.
636	3. By [two years after entry into force of this Regulation], AMLA shall develop draft implementing technical standards and submit them to the Commission for adoption. Those draft implementing technical standards shall specify the format to be used for the reporting of suspicious transactions pursuant to paragraph 1.	3. By ***[two years after entry into force of this Regulation]***~~*[two years after entry into force of this Regulation]*~~, AMLA shall develop draft implementing technical standards and submit them to the Commission for adoption. Those draft implementing technical standards shall specify the ~~*format to be used*~~***minimum set of data*** for the reporting of suspicious transactions pursuant to paragraph 1.	3. By ***…*** [two years after entry into force of this Regulation], AMLA shall develop draft implementing technical standards and submit them to the Commission for adoption. Those draft implementing technical standards shall specify the ***means and*** format to be used for the reporting of ~~*suspicious transactions*~~***suspicions*** pursuant to paragraph 1. ***The technical standards shall include appropriate formats for the reporting of specific indicators that may be associated with crypto-asset transactions.***
637	4. The Commission is empowered to adopt the implementing technical standards referred to in	4. The Commission is empowered to adopt the implementing technical	4. The Commission is empowered to adopt the implementing technical standards referred to in

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	paragraph 3 of this Article in accordance with Article 42 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].	standards referred to in paragraph 3 of this Article in accordance with Article 42 of Regulation ***[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]*** ~~[please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final]~~.	paragraph 3 of this Article in accordance with Article 42 of Regulation [please insert reference – proposal for establishment of an Anti-Money Laundering Authority - COM/2021/421 final].
638	5. AMLA shall issue and periodically update guidance on indicators of unusual or suspicious activity or behaviours.	5. AMLA shall issue and periodically update guidance on indicators of unusual or suspicious activity or behaviours. ***The guidance issued by AMLA shall not prejudge the competence of the FIU to issue guidance or indicators to obliged entities in its Member State in relation to risks and methods identified at national level.***	5. AMLA shall issue and periodically update***, with the assistance of other Union bodies, offices and agencies involved in the AML/CFT framework,*** guidance on indicators of unusual or suspicious activity or behaviours.
639	6. The person appointed in accordance with Article 9(3) shall transmit the information referred to in paragraph 1 of this Article to the FIU of the Member State in whose territory the obliged entity transmitting the information is established.	6. The person appointed in accordance with Article 9(3) shall transmit the information referred to in paragraph 1 of this Article to the FIU of the Member State in whose territory the obliged entity transmitting the information is established.	6. The person appointed in accordance with Article 9(3) shall transmit the information referred to in paragraph 1 of this Article to the FIU of the Member State in whose territory the obliged entity transmitting the information is established.

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639a			***6a. By ... [three years from the entry into force of this Regulation], AMLA shall develop an electronic filing system, (FIU.net one-stop-shop), to be used by obliged entities to submit to the FIU of the Member State in whose territory the obliged entity transmitting the information is established, and to any other concerned FIU, reports of suspicion of money laundering, predicate offences and terrorist financing, including on attempted transactions. The FIU.net one-stop-shop shall provide a single access point for reporting of suspicions through protected channels of communications and via a standardised form, as well for communication between the competent FIUs and obliged entities, and for information and intelligence sharing between FIUs on submitted reports of suspicions. The FIU.net one-stop-shop shall be managed by AMLA, and shall be hosted by the FIU.net. The FIU.net one-stop-shop shall become fully operational by … [five years from the entry into force of this Regulation], and its use for the submission of reports of suspicion and the transmission of information between obliged entities and competent FIUs shall become mandatory as of ... [five years after entry into force of this Regulation]. The FIU.net one-stop-shop shall be established as a decentralised system. Information transmitted by obliged entities via such system***

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			shall be controlled and stored by the competent FIUs, in full compliance with the Union data protection acquis. When establishing the FIU.net one-stop-shop, AMLA shall specify the conditions for operational management of the system, its composition, and digital procedural standards enabling the interconnection through the single access points.
640	Article 51 Specific provisions for reporting of suspicious transactions by certain categories of obliged entities	Article 51 Specific provisions for reporting of suspicious transactions by certain categories of obliged entities	Article 51 Specific provisions for reporting of suspicious transactions by certain categories of obliged entities
641	1. By way of derogation from Article 50(1), Member States may allow obliged entities referred to in Article 3, point (3)(a), (b) and (d) to transmit the information referred to in Article 50(1) to a self-regulatory body designated by the Member State.	1. By way of derogation from Article 50(1), Member States may allow obliged entities referred to in Article 3, point (3)(a), (b) and (d) to transmit the information referred to in Article 50(1) to a self-regulatory body designated by the Member State.	1. By way of derogation from Article 50(1), Member States may allow obliged entities referred to in Article 3, point (3)(a), (b) ~~*and (d)*~~ to transmit the information referred to in Article 50(1) to a self-regulatory body designated by the Member State.
642	The designated self-regulatory body shall forward the information referred to in the first sub-paragraph to the FIU promptly and	The designated self-regulatory body shall forward the information referred to in the first sub-paragraph to the FIU promptly	The designated self-regulatory body shall forward the information referred to in the first sub-paragraph to the FIU promptly and

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	unfiltered.	and unfiltered.	unfiltered.
643	2. Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors shall be exempted from the requirements laid down in Article 50(1) to the extent that such exemption relates to information that they receive from, or obtain on, one of their clients, in the course of ascertaining the legal position of their client, or performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings.	2. Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors shall be exempted from the requirements laid down in Article 50(1) to the extent that such exemption relates to information that they receive from, or obtain on, one of their clients, in the course of ascertaining the legal position of their client, or performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings.	2. Notaries, lawyers and other independent legal professionals, auditors, external accountants and tax advisors shall be exempted from the requirements laid down in Article 50(1) to the extent that such exemption relates to information that they receive from, or obtain on, one of their clients, in the course of ascertaining the legal position of their client ***except where the legal advice is provided for the purpose of money laundering or terrorist financing, or where those persons know or have a well-grounded suspicion that the client is seeking legal advice for the purposes of money laundering or terrorist financing and the advice is not sought in relation to judicial proceedings***, or performing their task of defending or representing that client in, or concerning, judicial proceedings, including providing advice on instituting or avoiding such proceedings, whether such information is received or obtained before, during or after such proceedings. ***With regard to specific transactions that involve a particularly high risk of being used for money laundering or terrorist financing, Member States may adopt or maintain additional reporting obligations for the professionals mentioned in this paragraph to***

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			which the exemption from the requirements laid down in Article 50(1) does not apply. For that purpose, Member States may introduce specific provisions in national law on the application of requirements applicable to such professionals under Article 17.
643a		***3. Member States may set out in national law that the exemption set forth in paragraph 2 does not apply if the obliged professional has positive knowledge that the client is seeking legal advice for the purposes of money laundering or terrorist financing. Within the limits of Union Law, Member states may adopt or maintain with regard to specific transactions that involve a particular high risk to be used for money laundering or terrorist financing additional reporting obligations for the professionals listed in paragraph 2 to which the exemption set forth in paragraph 2 does not apply.***	
644	Article 52 Consent by FIU to the performance of a transaction	Article 52 ~~Consent by FIU to the performance of a transaction~~***Refraining from carrying out transactions***	Article 52 Consent by FIU to the performance of a transaction

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645	1. Obliged entities shall refrain from carrying out transactions which they know or suspect to be related to proceeds of criminal activity or to terrorist financing until they have completed the necessary action in accordance with Article 50(1), second subparagraph, point (a), and have complied with any further specific instructions from the FIU or other competent authority in accordance with the applicable law.	1. ~~Obliged entities shall refrain from carrying out transactions~~***A transaction about*** which ~~they know or suspect to be related to proceeds of criminal activity or to terrorist financing until they have completed the necessary action in accordance with~~***a report under*** Article 50(1)~~, second subparagraph, point (a), and have complied with any further specific instructions from the FIU or other competent authority in accordance with the applicable law.~~ ***has been filed may be executed at the earliest when:***	1. Obliged entities shall refrain from carrying out transactions which they know or suspect to be related to proceeds of criminal activity or to terrorist financing until they have completed the necessary action in accordance with Article 50(1), second subparagraph, point (a), and have complied with any further specific instructions from the FIU or other competent authority in accordance with the applicable law. ***Obliged entities may carry out the transaction concerned after a proper risk assessment if they have not received instructions to the contrary from the FIU within three days.***
645a		***(a) the FIU has informed the obliged entity that it is not required to refrain from carrying out the transaction; or***	
645b		***(b) the third working day has elapsed after the day on which the report was sent without the execution of the transaction having been prohibited by the FIU according to Article 20 of [please insert reference – proposal for 6th Anti-Money Laundering Directive -***	

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		COM/2021/423 final] or by the public prosecution office in accordance with applicable law.	
646	2. Where refraining from carrying out transactions referred to in paragraph 1 is impossible or is likely to frustrate efforts to pursue the beneficiaries of a suspected transaction, the obliged entities concerned shall inform the FIU immediately afterwards.	2. Where refraining from carrying out transactions referred to in paragraph 1 is impossible or is likely to frustrate efforts to pursue the beneficiaries of a suspected transaction, the obliged entities concerned shall inform the FIU immediately afterwards.	2. Where refraining from carrying out transactions referred to in paragraph 1 is impossible or is likely to frustrate efforts to pursue the beneficiaries of a suspected transaction, the obliged entities concerned shall inform the FIU immediately afterwards.
647	Article 53 Disclosure to FIU	Article 53 Disclosure to FIU	Article 53 Disclosure to FIU
648	Disclosure of information in good faith by an obliged entity or by an employee or director of such an obliged entity in accordance with Articles 50 and 51 shall not constitute a breach of any restriction on disclosure of information imposed by contract or by any legislative, regulatory or administrative provision, and shall not involve the obliged entity or its directors or employees in liability of any kind even in circumstances where they were not precisely aware of the underlying criminal activity and	Disclosure of information in good faith by an obliged entity or by an employee or director of such an obliged entity in accordance with Articles 50 and 51 shall not constitute a breach of any restriction on disclosure of information imposed by contract or by any legislative, regulatory or administrative provision, and shall not involve the obliged entity or its directors or employees in liability of any kind even in circumstances where they were not	Disclosure of information in good faith by an obliged entity or by an employee or director of such an obliged entity in accordance with Articles 50 and 51 shall not constitute a breach of any restriction on disclosure of information imposed by contract or by any legislative, regulatory or administrative provision, and shall not involve the obliged entity or its directors or employees in liability of any kind even in circumstances where they were not precisely aware of the underlying criminal activity and

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	regardless of whether illegal activity actually occurred.	precisely aware of the underlying criminal activity and regardless of whether illegal activity actually occurred.	regardless of whether illegal activity actually occurred.
649	Article 54 Prohibition of disclosure	Article 54 Prohibition of disclosure	Article 54 Prohibition of disclosure
650	1. Obliged entities and their directors and employees shall not disclose to the customer concerned or to other third persons the fact that information is being, will be or has been transmitted in accordance with Article 50 or 51 or that a money laundering or terrorist financing analysis is being, or may be, carried out.	1. Obliged entities and their directors***, employees, or persons in a comparable position, including service providers, agents and distributors,*** ~~and employees~~ shall not disclose to the customer concerned or to other third persons the fact that information is being, will be or has been transmitted in accordance with Article 50 or 51 or that a money laundering or terrorist financing analysis ***aimed at transmitting the information in accordance with Article 50 or analysis performed by FIU, including analysis under Article 17(2) of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** is being, or may be, carried out.	1. Obliged entities and their directors and employees shall not disclose to the customer concerned or to other third persons the fact that information is being, will be or has been transmitted in accordance with Article 50 or 51 or that a money laundering or terrorist financing analysis is being, or may be, carried out.
651			

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	2. Paragraph 1 shall not apply to disclosures to competent authorities and to self-regulatory bodies where they perform supervisory functions, or to disclosure for the purposes of investigating and prosecuting money laundering, terrorist financing and other criminal activity.	2. Paragraph 1 shall not apply to disclosures to competent authorities and to self-regulatory bodies where they perform supervisory functions, or to disclosure for the purposes of investigating and prosecuting money laundering, terrorist financing and other criminal activity.	2. Paragraph 1 shall not apply to disclosures to competent authorities and to self-regulatory bodies where they perform supervisory functions, or to disclosure for the purposes of investigating and prosecuting money laundering, terrorist financing and other criminal activity.
652	3. By way of derogation from paragraph 1, disclosure may take place between the obliged entities that belong to the same group, or between those entities and their branches and subsidiaries established in third countries, provided that those branches and subsidiaries fully comply with the group-wide policies and procedures, including procedures for sharing information within the group, in accordance with Article 13, and that the group-wide policies and procedures comply with the requirements set out in this Regulation.	3. By way of derogation from paragraph 1, disclosure may take place between the obliged entities that belong to the same group, or between those entities and their branches and subsidiaries established in third countries, provided that those branches and subsidiaries fully comply with the group-wide policies and procedures, including procedures for sharing information within the group, in accordance with Article 13, and that the group-wide policies and procedures comply with the requirements set out in this Regulation.	3. By way of derogation from paragraph 1, disclosure may take place between the obliged entities that belong to the same group, or between those entities and their branches and subsidiaries established in third countries, provided that those branches and subsidiaries fully comply with the group-wide policies and procedures, including procedures for sharing information within the group, in accordance with Article 13, and that the group-wide policies and procedures comply with the requirements set out in this Regulation.
652a		***3a. By way of derogation from paragraph 1, disclosure may take place between obliged entities, or where applicable public authorities, to***	

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		partnership for information sharing in AML/CFT field, when established under national law, provided that at least	
652b		***(a) it is necessary and proportionate for the prevention of money laundering and terrorist financing;***	
652c		***(b) obliged entities, or where applicable public authorities, to the partnership for information sharing in AML/CFT field implement appropriate measures to prevent further undue disclosure, including secure channels for exchange of information;***	
652d		***(c) the measures under point (b), as well as the responsibilities of each obliged entity, or where applicable public authority, to the partnership are duly documented; and***	
652e		***(d) the FIU under Article 50 paragraph 6 has not forbidden this disclosure on***	

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		case-by-case basis on the grounds of disproportionate impact of disclosure on protection of integrity of its analyses.	
653	4. By way of derogation from paragraph 1, disclosure may take place between the obliged entities as referred to in Article 3, point (3)(a) and (b), or entities from third countries which impose requirements equivalent to those laid down in this Regulation, who perform their professional activities, whether as employees or not, within the same legal person or a larger structure to which the person belongs and which shares common ownership, management or compliance control, including networks or partnerships.	4. By way of derogation from paragraph 1, disclosure may take place between the obliged entities as referred to in Article 3, point (3)(a) and (b), or entities from third countries which impose requirements equivalent to those laid down in this Regulation, who perform their professional activities, whether as employees or not, within the same legal person or a larger structure to which the person belongs and which shares common ownership, management or compliance control, including networks or partnerships.	4. By way of derogation from paragraph 1, disclosure may take place between the obliged entities as referred to in Article 3, point (3)(a) and (b), or entities from third countries which impose requirements equivalent to those laid down in this Regulation, who perform their professional activities, whether as employees or not, within the same legal person or a larger structure to which the person belongs and which shares common ownership, management or compliance control, including networks or partnerships.
654	5. For obliged entities referred to in Article 3, points (1), (2), (3)(a) and (b), in cases relating to the same customer and the same transaction involving two or more obliged entities, and by way of derogation from paragraph 1, disclosure may take place between the relevant obliged entities provided that they are located in the Union, or with entities in a third country which imposes requirements equivalent to those laid	5. For obliged entities referred to in Article 3, points (1), (2), (3)(a) and (b), in cases relating to the same ~~customer and the same~~ transaction involving two or more obliged entities, and by way of derogation from paragraph 1, disclosure may take place between the relevant obliged entities provided that they are located in the Union, or with entities in a	5. For obliged entities referred to in Article 3, points (1), (2), (3)(a) and (b), in cases relating to the same ~~customer and the same~~ transaction involving two or more obliged entities, and by way of derogation from paragraph 1, disclosure may take place between the relevant obliged entities provided that they are located in the Union, or with entities in a third country which imposes requirements equivalent to those laid

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	down in this Regulation, and that they are from the same category of obliged entities and are subject to professional secrecy and personal data protection requirements.	third country which imposes requirements equivalent to those laid down in this Regulation, and that they ~~are from the same category of obliged entities and~~ are subject to professional secrecy and personal data protection requirements.	down in this Regulation, and that they are from the same category of obliged entities and are subject to professional secrecy and personal data protection requirements***, in line with the Union acquis on data protection***.
655	6. Where the obliged entities referred to in Article 3, point (3)(a) and (b), seek to dissuade a client from engaging in illegal activity, that shall not constitute disclosure within the meaning of paragraph 1.	6. Where the obliged entities referred to in Article 3, point (3)(a) and (b), seek to dissuade a client from engaging in illegal activity, that shall not constitute disclosure within the meaning of paragraph 1.	6. Where the obliged entities referred to in Article 3, point (3)(a) and (b), seek to dissuade a client from engaging in illegal activity, that shall not constitute disclosure within the meaning of paragraph 1.
656	CHAPTER VI DATA PROTECTION AND RECORD-RETENTION	CHAPTER VI DATA PROTECTION AND RECORD-RETENTION	CHAPTER VI DATA PROTECTION AND RECORD-RETENTION
657	Article 55 Processing of certain categories of personal data	Article 55 Processing of ~~certain categories of~~ personal data	Article 55 Processing of certain categories of personal data
658	1. To the extent that it is strictly necessary for the purposes of preventing money laundering	1. To the extent that it is ~~strictly~~ necessary for the purposes of preventing	1. To the extent that it is strictly necessary for the purposes of preventing money laundering

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	and terrorist financing, obliged entities may process special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 and personal data relating to criminal convictions and offences referred to in Article 10 of that Regulation subject to the safeguards provided for in paragraphs 2 and 3.	money laundering and terrorist financing, obliged entities may process special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 and personal data relating to criminal convictions and offences referred to in Article 10 of that Regulation subject to the safeguards provided for in paragraphs 2 and 3.	and terrorist financing ***and in accordance with the principle of proportionality***, obliged entities may process special categories of personal data referred to in Article 9(1) of Regulation (EU) 2016/679 and personal data relating to criminal convictions and offences referred to in Article 10 of that Regulation subject to the safeguards provided for in paragraphs 2 and 3.
659	2. Obliged entities shall be able to process personal data covered by Article 9 of Regulation (EU) 2016/679 provided that:	2. Obliged entities shall be able to process personal data covered by Article 9 of Regulation (EU) 2016/679 provided that:	2. Obliged entities shall be able to process personal data covered by Article 9 ***and 10*** of Regulation (EU) 2016/679 provided that:
660	(a) obliged entities inform their customers or prospective customers that such categories of data may be processed for the purpose of complying with the requirements of this Regulation;	(a) obliged entities inform their customers or prospective customers that such categories of data may be processed for the purpose of complying with the requirements of this Regulation;	(a) obliged entities inform their customers or prospective customers that such categories of data may be processed for the purpose of complying with the requirements of this Regulation;
661	(b) the data originate from reliable sources, are accurate and up-to-date;	(b) the data originate from reliable sources, are accurate and up-to-date;	(b) the data originate from reliable sources, are accurate***, adequate*** and up-to-date;
661a			

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			(ba) the processing of the data does not lead to biased and discriminatory outcomes;
661b			***(bb) obliged entities ensure the possibility of human intervention on the part of the controller by appropriately trained staff to verify automated individual decision-making;***
661c			***(bc) obliged entities ensure verification, where a higher risk is identified solely on the basis of special categories of data;***
662	(c) the obliged entity adopts measures of a high level of security in accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of confidentiality.	(c) the obliged entity adopts measures of a high level of security in accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of confidentiality.	(c) the obliged entity adopts measures of a high level of security in accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of confidentiality.
663	3. In addition to paragraph 2, obliged entities shall be able to process personal data covered by Article 10 of Regulation (EU) 2016/679 provided that:	3. In addition to paragraph 2, obliged entities shall be able to process personal data covered by Article 10 of Regulation (EU) 2016/679 provided that:	3. In addition to paragraph 2, obliged entities shall be able to process personal data covered by Article 10 of Regulation (EU) 2016/679 provided that:
664	(a) such personal data relate to money	(a) such personal data relate to money	(a) such personal data relate to money

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	laundering, its predicate offences or terrorist financing;	laundering, its predicate offences or terrorist financing;	laundering, its predicate offences or terrorist financing;
665	(b) the obliged entities have procedures in place that allow the distinction, in the processing of such data, between allegations, investigations, proceedings and convictions, taking into account the fundamental right to a fair trial, the right of defence and the presumption of innocence.	(b) the obliged entities have procedures in place that allow the distinction, in the processing of such data, between allegations, investigations, proceedings and convictions, taking into account the fundamental right to a fair trial, the right of defence and the presumption of innocence.	(b) the obliged entities have procedures in place that allow the distinction, in the processing of such data, between allegations, investigations, proceedings and convictions, taking into account the fundamental right to a fair trial, the right of defence and the presumption of innocence.
666	4. Personal data shall be processed by obliged entities on the basis of this Regulation only for the purposes of the prevention of money laundering and terrorist financing and shall not be further processed in a way that is incompatible with those purposes. The processing of personal data on the basis of this Regulation for commercial purposes shall be prohibited.	4. ~~Personal data shall be processed by obliged entities~~***Obliged entities may process personal data*** on the basis of this Regulation only for the purposes of the prevention of money laundering and terrorist financing~~and shall not be further processed in a way that is incompatible with those purposes. The processing of personal data on the basis of this Regulation for commercial purposes shall be prohibited~~.	4. Personal data shall be processed by obliged entities on the basis of this Regulation only for the purposes of the prevention of money laundering and terrorist financing and shall not be further processed in a way that is incompatible with those purposes. The processing of personal data on the basis of this Regulation for commercial purposes shall be prohibited.
666a		***5. Without prejudice to Article 54 and to the extent that is necessary and***	

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		proportionate, obliged entities may share between each other personal data collected in the course of performing its customer due diligence obligations under Chapter III, for the purposes of the prevention of money laundering and terrorist financing, provided that:	
666b		***(a) personal data shared involve abnormalities or unusual circumstances indicating money laundering or terrorist financing;***	
666c		***(b) obliged entities concerned inform their customers or prospective customers that they may share their personal data under this paragraph;***	
666d		***(c) personal data shared originate from reliable sources, are accurate and up-to-date;***	
666e		***(d) the obliged entities concerned adopt measures of a high level of security in***	

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		accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of confidentiality, including secure channels for exchange of information;	
666f		***(e) each instance of sharing of personal data is recorded by obliged entities concerned; the records shall be made available, without prejudice to Article 54 (1), to data protection authorities and authorities responsible for protection of customers from undue tipping-off upon request; and***	
666g		***(f) obliged entities sharing personal data implement appropriate measures for protection of justified interests of the customer concerned.***	
666h		***Further processing of personal data under this paragraph for other, in particular commercial purposes, shall be prohibited.***	
666i			

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		6. Without prejudice to further obligations under Regulation (EU) 2016/679 and Regulation [please insert reference – EU-AI-Reg; COM(2021) 206 final], the processing of personal data according to paragraph 4 may be conducted by means of automated decision-making, including profiling within the meaning of Article 4, point (4) of Regulation (EU) 2016/679, or artificial-intelligence systems as defined in Article [please insert reference – Article 3 of Regulation EU-AI-Reg; COM(2021) 206 final], provided that the processing of personal data only comprises data which an obliged entity has collected in the course of performing its customer due diligence obligations under Chapter III, including, in particular, the ongoing monitoring pursuant to Article 20.	
666j		***7. Without prejudice to Article 54, each Member State may lay down in its national law that to the extent that is necessary and proportionate, obliged entities, and where applicable, public authorities that are party to the partnership for information sharing in AML/CFT field, may share within***	

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		partnership for information sharing in AML/CFT field, when established under national law, personal data collected in the course of performing its customer due diligence obligations under Chapter III, and process that data within the partnership, including based on outsourcing arrangement established in accordance with article 6a, for the purposes of the prevention of money laundering and terrorist financing, provided that at a minimum:	
666k		***(a) obliged entities concerned inform their customers or prospective customers that they may share their personal data under this paragraph;***	
666l		***(b) personal data shared originate from reliable sources, are accurate and up-to-date;***	
666m		***(c) the obliged entities concerned adopt measures of a high level of security in accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of***	

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		confidentiality, including secure channels for exchange of information;	
666n		***(d) each instance of sharing of personal data is recorded by obliged entities, and where applicable, public authorities, concerned; the records shall be made available, without prejudice to Article 54 (1), to data protection authorities and authorities responsible for protection of customers from undue tipping-off upon request; and***	
666o		***(e) obliged entities and, where applicable, public authorities, that are party to the partnership for information sharing in AML/CFT field implement appropriate measures for protection of justified interests of the customer concerned.***	
666p		***Further processing of personal data under this paragraph for other, in particular commercial purposes, shall be prohibited.***	

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666q		***8. By [2 years from the entry into force of this Regulation], AMLA shall adopt guidelines specify abnormalities or unusual circumstances indicating money laundering or terrorist financing.***	
666r			***Article 55a*** ***Exchange of data under partnerships for information sharing in AML/CFT field*** ***1. For the purpose of combating money laundering and terrorist financing and related predicate offences, including for the fulfilment of their obligations under Chapter V of this Regulation, obliged entities and public authorities may participate in partnerships for information sharing in AML/CFT field established under national law in one or across several Member States.*** ***2. Without prejudice to Article 54, each Member State may lay down in its national law that, to the extent that is necessary and proportionate, obliged entities, and where applicable, public authorities that are party to the partnership for information sharing in AML/CFT field, may share personal data collected in the course of performing customer due diligence obligations under Chapter III, and process that data within the partnership for the purposes of the prevention of money***

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			laundering and terrorist financing, provided that at a minimum: ***(a) obliged entities concerned inform their customers or prospective customers that they may share their personal data under this paragraph;*** ***(b) personal data shared originate from reliable sources, are accurate and up-to-date;*** ***(c) the obliged entities concerned adopt measures of a high level of security in accordance with Article 32 of Regulation (EU) 2016/679, in particular in terms of confidentiality, including secure channels for exchange of information;*** ***(d) each instance of sharing of personal data is recorded by obliged entities, and where applicable, public authorities, concerned; the records shall be made available, without prejudice to Article 54(1), to data protection authorities and authorities responsible for protection of customers from undue tipping-off upon request;*** ***(e) obliged entities and, where applicable, public authorities, that are party to the partnership for information sharing in AML/CFT field implement appropriate measures for protection of justified interests of the customer concerned. Further processing of personal data under this paragraph for other purposes, in particular commercial purposes, shall be prohibited.***

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667	Article 56 Record retention	Article 56 Record retention	Article 56 Record retention
668	1. Obliged entities shall retain the following documents and information in accordance with national law for the purpose of preventing, detecting and investigating, by the FIU or by other competent authorities, possible money laundering or terrorist financing:	1. Obliged entities shall retain the following documents and information in accordance with national law for the purpose of preventing, detecting and investigating, by the FIU or by other competent authorities, possible money laundering or terrorist financing:	1. Obliged entities shall retain the following documents and information in accordance with national law for the purpose of preventing, detecting and investigating, by the FIU or by other competent authorities, possible money laundering or terrorist financing:
669	(a) a copy of the documents and information obtained in the performance of customer due diligence pursuant to Chapter III, including information obtained through electronic identification means, and the results of the analyses undertaken pursuant to Article 50;	(a) a ***full*** copy of the documents and information obtained in the performance of customer due diligence pursuant to Chapter III, including information obtained through electronic identification means, and the results of the analyses undertaken pursuant to Article 50;	(a) a copy of the documents and information obtained in the performance of customer due diligence pursuant to Chapter III, including information obtained through electronic identification means, and the results of the analyses undertaken pursuant to Article 50;
670	(b) the supporting evidence and records of transactions, consisting of the original documents or copies admissible in judicial proceedings under the applicable national law, which are necessary to identify transactions.	(b) the supporting evidence and records of transactions, consisting of the original documents or copies admissible in judicial proceedings under the applicable national law, which are necessary to identify transactions***, and the evidence of***	(b) the supporting evidence and records of transactions, consisting of the original documents or copies admissible in judicial proceedings under the applicable national law, which are necessary to identify transactions.

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		the suspicious transaction reports sent to the FIU.	
671	2. By way of derogation from paragraph 1, obliged entities may decide to replace the retention of copies of the information by a retention of the references to such information, provided that the nature and method of retention of such information ensure that the obliged entities can provide immediately to competent authorities the information and that the information cannot be modified or altered.	2. By way of derogation from paragraph 1, obliged entities may decide to replace the retention of copies of the information by a retention of the references to such information, provided that the nature and method of retention of such information ensure that the obliged entities can provide immediately to competent authorities the information and that the information cannot be modified or altered.	2. By way of derogation from paragraph 1, obliged entities may decide to replace the retention of copies of the information by a retention of the references to such information, provided that the nature and method of retention of such information ensure that the obliged entities can provide immediately to competent authorities the information and that the information cannot be modified or altered.
672	Obliged entities making use of the derogation referred to in the first subparagraph shall define in their internal procedures drawn up pursuant to Article 7, the categories of information for which they will retain a reference instead of a copy or original, as well as the procedures for retrieving the information so that it can be provided to competent authorities upon request.	Obliged entities making use of the derogation referred to in the first subparagraph shall define in their internal procedures drawn up pursuant to Article 7, the categories of information for which they will retain a reference instead of a copy or original, as well as the procedures for retrieving the information so that it can be provided to competent authorities upon request.	Obliged entities making use of the derogation referred to in the first subparagraph shall define in their internal procedures drawn up pursuant to Article 7, the categories of information for which they will retain a reference instead of a copy or original, as well as the procedures for retrieving the information so that it can be provided to competent authorities upon request.
673	3. The information referred to in paragraphs 1	3. The information referred to in	3. The information referred to in paragraphs 1

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	and 2 shall be retained for a period of five years after the end of a business relationship with their customer or after the date of an occasional transaction. Upon expiry of that retention period, obliged entities shall delete personal data.	paragraphs 1 and 2 shall be retained for a period of ~~five~~***ten*** years after the end of a business relationship with their customer or after the date of an occasional transaction***, or after the date of refrainment from carrying out a transaction or establishing a business relationship***. Upon expiry of that retention period~~,~~ obliged entities shall delete personal data.	and 2 shall be retained for a period of five years after the end of a business relationship with their customer or after the date of an occasional transaction. Upon expiry of that retention period, obliged entities shall delete personal data.
674	The retention period referred to in the first subparagraph shall also apply in respect of the data accessible through the centralised mechanisms referred to in Article 14 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].	The retention period referred to in the first subparagraph shall also apply in respect of the data accessible through the centralised mechanisms referred to in Article 14 of Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]***~~*[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~.	The retention period referred to in the first subparagraph shall also apply in respect of the data accessible through the centralised mechanisms referred to in Article 14 of Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final].
675	4. Where, on [the date of application of this Regulation], legal proceedings concerned with the prevention, detection, investigation or prosecution of suspected money laundering or terrorist financing are pending in a Member State, and an obliged entity holds information	4. Where, on ***[the date of application of this Regulation]***~~*[the date of application of this Regulation]*~~, legal proceedings concerned with the prevention, detection, investigation or prosecution of suspected money laundering or terrorist financing	4. Where, on [the date of application of this Regulation], legal proceedings concerned with the prevention, detection, investigation or prosecution of suspected money laundering or terrorist financing are pending in a Member State, and an obliged entity holds information or

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	or documents relating to those pending proceedings, the obliged entity may retain that information or those documents, in accordance with national law, for a period of five years from [the date of application of this Regulation].	are pending in a Member State, and an obliged entity holds information or documents relating to those pending proceedings, ***Member States may, without prejudice to national criminal law on evidence applicable to ongoing criminal investigations and legal proceedings, allow or require*** the obliged entity ~~may~~***to*** retain that information or those documents, in accordance with national law, for a period of ~~five~~***ten*** years from ***[the date of application of this Regulation], where the necessity and proportionality of such further retention have been established for the prevention, detection, investigation or prosecution of suspected money laundering or terrorist financing.***~~[the date of application of this Regulation].~~	documents relating to those pending proceedings, the obliged entity may retain that information or those documents, in accordance with national law, for a period of five years from [the date of application of this Regulation].
676	Member States may, without prejudice to national criminal law on evidence applicable to ongoing criminal investigations and legal proceedings, allow or require the retention of such information or documents for a further period of five years where the necessity and proportionality of such further retention have been established for the prevention, detection, investigation or prosecution of suspected money laundering or terrorist financing.	~~*Member States may, without prejudice to national criminal law on evidence applicable to ongoing criminal investigations and legal proceedings, allow or require the retention of such information or documents for a further period of five years where the necessity and proportionality of such further retention have been established for the prevention, detection, investigation or*~~	Member States may, without prejudice to national criminal law on evidence applicable to ongoing criminal investigations and legal proceedings, allow or require the retention of such information or documents for a further period of five years where the necessity and proportionality of such further retention have been established for the prevention, detection, investigation or prosecution of suspected money laundering or terrorist financing.

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		~~prosecution of suspected money laundering or terrorist financing.~~***deleted***	
677	Article 57 Provision of records to competent authorities	Article 57 Provision of records to competent authorities	Article 57 Provision of records to competent authorities
678	Obliged entities shall have systems in place that enable them to respond fully and speedily to enquiries from their FIU or from other competent authorities, in accordance with their national law, as to whether they are maintaining or have maintained, during a five-year period prior to that enquiry a business relationship with specified persons, and on the nature of that relationship, through secure channels and in a manner that ensures full confidentiality of the enquiries.	Obliged entities shall have systems in place that enable them to respond fully and speedily to enquiries from their FIU or from other competent authorities, in accordance with their national law, as to whether they are maintaining or have maintained, during a five-year period prior to that enquiry a business relationship with specified persons, and on the nature of that relationship, through secure channels and in a manner that ensures full confidentiality of the enquiries.	Obliged entities shall have systems in place that enable them to respond fully and speedily to enquiries from their FIU or from other competent authorities, in accordance with their national law, as to whether they are maintaining or have maintained, during a five-year period prior to that enquiry a business relationship with specified persons, and on the nature of that relationship, through secure channels and in a manner that ensures full confidentiality of the enquiries. ***Such system shall also provide for the authentication of competent authorities.***
679	CHAPTER VII Measures to mitigate risks deriving from anonymous instruments	CHAPTER VII Measures to mitigate risks deriving from anonymous instruments	CHAPTER VII Measures to mitigate risks deriving from anonymous instruments

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680	Article 58 Anonymous accounts and bearer shares and bearer share warrants	Article 58 Anonymous accounts and bearer shares and bearer share warrants	Article 58 Anonymous accounts and bearer shares and bearer share warrants
681	1. Credit institutions, financial institutions and crypto-asset service providers shall be prohibited from keeping anonymous accounts, anonymous passbooks, anonymous safe-deposit boxes or anonymous crypto-asset wallets as well as any account otherwise allowing for the anonymisation of the customer account holder.	1. Credit institutions, financial institutions and crypto-asset service providers shall be prohibited from keeping anonymous accounts, anonymous passbooks, anonymous safe-deposit boxes***, anonymity-enhancing coins*** or anonymous crypto-asset wallets as well as any account otherwise allowing for the anonymisation of the customer account holder.	1. Credit institutions, financial institutions and crypto-asset service providers shall be prohibited from keeping anonymous ***bank and payment*** accounts, anonymous passbooks, anonymous safe-deposit boxes or anonymous crypto-asset ~~wallets~~***accounts*** as well as any account otherwise allowing for the anonymisation of the customer account holder~~.~~ ***or the increased obfuscation of transactions.***
682	Owners and beneficiaries of existing anonymous accounts, anonymous passbooks, anonymous safe-deposit boxes or crypto-asset wallets shall be subject to customer due diligence measures before those accounts, passbooks, deposit boxes or crypto-asset wallets are used in any way.	Owners and beneficiaries of existing anonymous accounts, anonymous passbooks, anonymous safe-deposit boxes or crypto-asset wallets shall be subject to customer due diligence measures before those accounts, passbooks, deposit boxes or crypto-asset wallets are used in any way.	Owners and beneficiaries of existing anonymous ***bank and payment*** accounts, anonymous passbooks, anonymous safe-deposit boxes or crypto-asset ~~wallets~~***accounts*** shall be subject to customer due diligence measures before those accounts, passbooks, deposit boxes or crypto-asset ~~wallets~~***accounts*** are used in any way.
683	2. Credit institutions and financial institutions	2. Credit institutions and financial	2. Credit institutions and financial institutions

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	acting as acquirers shall not accept payments carried out with anonymous prepaid cards issued in third countries, unless otherwise provided in the regulatory technical standards adopted by the Commission in accordance with Article 22 on the basis of a proven low risk.	institutions acting as acquirers ***within the meaning Article 2, point (1) of Regulation (EU) 2015/751 of the European Parliament and of the Council***[1] shall not accept payments carried out with anonymous prepaid cards issued in third countries, unless otherwise provided in the regulatory technical standards adopted by the Commission in accordance with Article 22 on the basis of a proven low risk. ______ *1*. ***Regulation (EU) 2015/751 of the European Parliament and of the Council of 29 April 2015 on interchange fees for card-based payment transactions (OJ L 123, 19.5.2015, p. 1).***	acting as acquirers shall not accept payments carried out with anonymous prepaid cards issued in third countries, unless otherwise provided in the regulatory technical standards adopted by the Commission in accordance with Article 22 on the basis of a proven low risk.
684	3. Companies shall be prohibited from issuing bearer shares, and shall convert all existing bearer shares into registered shares by [2 years after the date of application of this Regulation]. However, companies with securities listed on a regulated market or whose shares are issued as intermediated securities shall be permitted to maintain bearer shares.	3. Companies shall be prohibited from issuing bearer shares, and shall convert all existing bearer shares into registered shares by ***[2 years after the date of application of this Regulation]***~~[2 years after the date of application of this Regulation]~~. However, companies with securities listed on a regulated market or whose shares are issued as intermediated securities shall be permitted to maintain bearer shares.	3. Companies shall be prohibited from issuing bearer shares, and shall convert all existing bearer shares into registered shares by [2 years after the date of application of this Regulation]. However, companies with securities listed on a regulated market or whose shares are issued as intermediated securities shall be permitted to maintain bearer shares.
685			

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	Companies shall be prohibited from issuing bearer share warrants that are not in intermediated form.	Companies shall be prohibited from issuing bearer share warrants that are not in intermediated form.	Companies shall be prohibited from issuing bearer share warrants that are not in intermediated form.
686	Article 59 Limits to large cash payments	Article 59 Limits to large cash payments	Article 59 Limits to large cash payments
687	1. Persons trading in goods or providing services may accept or make a payment in cash only up to an amount of EUR 10 000 or equivalent amount in national or foreign currency, whether the transaction is carried out in a single operation or in several operations which appear to be linked.	1. Persons trading in goods or providing services may accept or make a payment in cash only up to an amount of EUR 10 000 ***in exchange for such goods or services,*** or equivalent amount in national or foreign currency, whether the transaction is carried out in a single operation or in several operations which appear to be linked.	1. Persons trading in goods or providing services may accept or make a payment in cash only up to an amount of EUR ~~*10 000*~~***7 000*** or equivalent amount in national or foreign currency, whether the transaction is carried out in a single operation or in several operations which appear to be linked.
687a			***1a. When implementing paragraph 1, Member States shall not discriminate between residents and non-residents with regard to the limits applicable for cash payments.***
688	2. Member States may adopt lower limits following consultation of the European Central	2. Member States may adopt lower limits following consultation of the European	2. Member States may adopt lower limits following consultation of the European Central

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	Bank in accordance with Article 2(1) of Council Decision 98/415/EC[1]. Those lower limits shall be notified to the Commission within 3 months of the measure being introduced at national level. 1. Council Decision of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).	Central Bank in accordance with Article 2(1) of Council Decision 98/415/EC[1]. Those lower limits shall be notified to the Commission within 3 months of the measure being introduced at national level. 1. Council Decision of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).	Bank in accordance with Article 2(1) of Council Decision 98/415/EC[1]***provided that financial inclusion is guaranteed in accordance with Article 15 and Article 16(2) of Directive 2014/92/EU. Any lower limit adopted by Member States shall be necessary to pursue legitimate objectives and proportionate to such objectives***. Those lower limits shall be notified to the Commission within 3 months of the measure being introduced at national level. 1. Council Decision of 29 June 1998 on the consultation of the European Central Bank by national authorities regarding draft legislative provisions (OJ L 189, 3.7.1998, p. 42).
689	3. When limits already exist at national level which are below the limit set out in paragraph 1, they shall continue to apply. Member States shall notify those limits within 3 months of the entry into force of this Regulation.	3. When limits already exist at national level which are below the limit set out in paragraph 1, they shall continue to apply. Member States shall notify those limits within 3 months of the entry into force of this Regulation.	3. When limits already exist at national level which are below the limit set out in paragraph 1, they shall continue to apply. Member States shall notify those limits within 3 months of the entry into force of this Regulation.
690	4. The limit referred to in paragraph 1 shall not apply to:	4. The limit referred to in paragraph 1 shall not apply to:	4. The limit referred to in paragraph 1 shall not apply to:
691	(a) payments between natural persons who are	(a) payments between ~~natural~~ persons	(a) payments between natural persons who are

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	not acting in a professional function;	who are not acting in a professional function;	not acting in a professional function***, except for transactions related to land and real estate, precious metals and stones and other luxury goods above the corresponding thresholds as listed in Annex IIIa***;
692	(b) payments or deposits made at the premises of credit institutions. In such cases, the credit institution shall report the payment or deposit above the limit to the FIU.	(b) payments or deposits made at the premises of credit institutions***, electronic money institutions and payment institutions. It is up to the discretion of the Member States to decide whether*** ~~-~~in such cases, ~~the credit institution~~***those institutions*** shall report the payment or deposit above the limit to the FIU.*** This report is without prejudice to the obligation to report suspicious transactions under Article 50(1);***	(b) payments or deposits made at the premises of credit institutions. In such cases, the credit institution shall report the payment or deposit above the limit to the FIU*** except for recurrent instalments in accordance with an agreement with the credit institution***.
692a		***(c) central banks when performing their tasks.***	
693	5. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons acting in their professional capacity which are suspected of a breach of the limit set out in paragraph 1, or of	5. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons acting in their professional capacity which are suspected of a breach	5. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons ~~acting in their professional capacity~~ which are suspected of a breach of the limit set out in paragraph 1, or of a

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	a lower limit adopted by the Member States.	of the limit set out in paragraph 1, or of a lower limit adopted by the Member States.	lower limit adopted by the Member States.
694	6. The overall level of the sanctions shall be calculated, in accordance with the relevant provisions of national law, in such way as to produce results proportionate to the seriousness of the infringement, thereby effectively discouraging further offences of the same kind.	6. The overall level of the sanctions shall be calculated, in accordance with the relevant provisions of national law, in such way as to produce results proportionate to the seriousness of the infringement, thereby effectively discouraging further offences of the same kind.	6. The overall level of the sanctions shall be calculated, in accordance with the relevant provisions of national law, in such way as to produce results proportionate to the seriousness of the infringement, thereby effectively discouraging further offences of the same kind.
694a		***7. In cases of force majeure that result in the unavailability, at the national scale, of other means of payment, Member States may temporarily lift the limit referred to in paragraph 1 or 2.***	
694b		***Member States shall immediately notify the Commission of such lifting and its justification. Member States shall reinstate the limit as soon as other means of payments become available again or if the Commission finds the lifting, or its continuing application,***	

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		unjustified and issues a decision thereon.	
694c			***Article 59a*** ***Payments in crypto-assets without the involvement of a crypto-asset service provider*** ***1. Persons trading in goods or providing services may accept or make a transfer in crypto-assets from a self-hosted address only up to an amount equivalent to EUR 1 000 whether the transaction is carried out in a single operation or in several operations which appear to be linked, unless the customer or beneficial owner of such self-hosted address can be identified.*** ***2. The limit referred to in paragraph 1 shall not apply to:*** ***(a) transfers of crypto-assets between natural persons who are not acting in a professional function;*** ***(b) transfers of crypto-assets involving a crypto-asset service provider.*** ***3. Member States shall ensure that appropriate measures, including sanctions, are taken against natural or legal persons acting in their professional capacity which are suspected of a breach of the limit set out in paragraph 1.*** ***4. The overall level of the sanctions shall be calculated, in accordance with the relevant provisions of national law, in such way as to***

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			produce results proportionate to the seriousness of the infringement, thereby effectively discouraging further offences of the same kind. ***5. By … [three years after entry into force of this Regulation], the Commission shall assess whether the provisions relating to payment in crypto-assets referred to in paragraph 1 should be amended, in light of the regulatory technical standards developed by AMLA in accordance with Article 30b and taking into account technological developments and the framework for a European Digital Identity. Where appropriate, the Commission shall present a legislative proposal.***
695	CHAPTER VIII FINAL PROVISIONS	CHAPTER VIII FINAL PROVISIONS	CHAPTER VIII FINAL PROVISIONS
696	Article 60 Delegated acts	Article 60 Delegated acts	Article 60 Delegated acts
697	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.	1. The power to adopt delegated acts is conferred on the Commission subject to the conditions laid down in this Article.

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698	2. The power to adopt delegated acts referred to in Articles 23, 24 and 25 shall be conferred on the Commission for an indeterminate period of time from [date of entry into force of this Regulation].	2. The power to adopt delegated acts referred to in Articles 23, 24 and 25 shall be conferred on the Commission for an indeterminate period of time from ***[date of entry into force of this Regulation]***~~[date of entry into force of this Regulation]~~.	2. The power to adopt delegated acts referred to in Articles 23, 24 and ~~25~~***42*** shall be conferred on the Commission for an indeterminate period ~~of time~~ from [date of entry into force of this Regulation].
699	3. The power to adopt delegated acts referred to in Articles 23, 24 and 25 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	3. The power to adopt delegated acts referred to in Articles 23, 24 and 25 may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.	3. The power to adopt delegated acts referred to in Articles 23, 24 and ~~25~~***42*** may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the Official Journal of the European Union or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.
700	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13	4. Before adopting a delegated act, the Commission shall consult experts designated by each Member State in accordance with the principles laid down in the Interinstitutional Agreement of 13 April 2016 on Better Law-

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	Making.	April 2016 on Better Law-Making.	Making.
701	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.	5. As soon as it adopts a delegated act, the Commission shall notify it simultaneously to the European Parliament and to the Council.
702	6. A delegated act adopted pursuant to Articles 23, 24 and 25 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.	6. A delegated act adopted pursuant to Articles 23, 24 and 25 shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.	6. A delegated act adopted pursuant to Articles 23, 24 and ~~25~~***42*** shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of one month of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by one month at the initiative of the European Parliament or of the Council.
703	Article 61 Committee	Article 61 Committee	Article 61 Committee

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704	1. The Commission shall be assisted by the Committee on the Prevention of Money Laundering and Terrorist Financing established by Article 28 of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council.	1. The Commission shall be assisted by the Committee on the Prevention of Money Laundering and Terrorist Financing established by Article 28 of Regulation ***[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]***~~[please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]~~. That committee shall be a committee within the meaning of Regulation (EU) ~~No 182/2011 of the European Parliament and of the Council~~182/2011 .	1. The Commission shall be assisted by the Committee on the Prevention of Money Laundering and Terrorist Financing established by Article 28 of Regulation [please insert reference – proposal for a recast of Regulation (EU) 2015/847 - COM/2021/422 final]. That committee shall be a committee within the meaning of Regulation (EU) No 182/2011 of the European Parliament and of the Council.
705	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) ~~No 182/2011~~***182/2011*** shall apply.	2. Where reference is made to this paragraph, Article 5 of Regulation (EU) No 182/2011 shall apply.
705a		***3. Where reference is made to this paragraph, Article 3 of Regulation (EU) 182/2011 shall apply.***	
706	Article 62 Review	Article 62 Review	Article 62 Review

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707	By [5 years from the date of application of this Regulation], and every three years thereafter, the Commission shall present a report to the European Parliament and to the Council on the application of this Regulation.	By ***[5 years from the date of application of this Regulation]***~~*[5 years from the date of application of this Regulation]*~~, and every three years thereafter, the Commission shall present a report to the European Parliament and to the Council on the application of this Regulation.	By ***…*** [~~*5*~~***three*** years from the date of application of this Regulation], and every ~~*three*~~***two*** years thereafter, the Commission shall present a report to the European Parliament and to the Council on the application of this Regulation.
707a		***In the preparation of the report, the Commission shall take into account existing assessment reports and similar documents.***	
708	Article 63 Reports	Article 63 Reports	Article 63 Reports
709	By [3 years from the date of application of this Regulation], the Commission shall present reports to the European Parliament and to the Council assessing the need and proportionality of:	By ***[3 years from the date of application of this Regulation]***~~*[3 years from the date of application of this Regulation]*~~, the Commission shall present reports to the European Parliament and to the Council assessing the need and proportionality of:	By [~~*3*~~***two*** years from the date of application of this Regulation], the Commission shall present reports to the European Parliament and to the Council assessing the need and proportionality of:

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710	(a) lowering the percentage for the identification of beneficial ownership of legal entities;	(a) lowering the percentage for the identification of beneficial ownership of legal entities;	(a) ~~lowering~~***amending*** the percentage for the identification of beneficial ownership of legal entities;
710a			***(aa) introducing a prohibition on nominee arrangements as well as measures to detect undisclosed nominees, including in combination with transparency and licensing measures for different type of nominee arrangements;***
710b			***(ab) extending the prohibition on anonymous accounts to the provision by crypto-asset service providers of privacy wallets, mixers and tumblers;***
710c			***(ac) including as obliged entities in the scope of this Regulation professional sport clubs, sport federations and sport confederations and sport agents in sectors other than football;***
710d			***(ad) including as obliged entities in the scope of this Regulation additional categories of***

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			providers of digital services;
711	(b) further lowering the limit for large cash payments.	(b) ~~*further lowering*~~***adjusting*** the limit for large cash payments.	(b) ~~*further lowering*~~***amending*** the limit for large cash payments***, following consultation with the European Central Bank.*** ***Such reports shall be accompanied, if appropriate, by a legislative proposal***.
712	Article 64 Relation to Directive 2015/849	Article 64 Relation to Directive 2015/849	Article 64 Relation to Directive 2015/849
713	References to Directive (EU) 2015/849 shall be construed as references to this Regulation and to Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] and read in accordance with the correlation table set out in Annex IV.	References to Directive (EU) 2015/849 shall be construed as references to this Regulation and to Directive ***[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*** ~~*[please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final]*~~ and read in accordance with the correlation table set out in Annex IV.	References to Directive (EU) 2015/849 shall be construed as references to this Regulation and to Directive [please insert reference – proposal for 6th Anti-Money Laundering Directive - COM/2021/423 final] and read in accordance with the correlation table set out in Annex IV.
713a			***Article 64a*** ***Amendments to Regulation (EU) No xx/2023***

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			[please insert reference to the new Funds Transfer Regulation] ***Regulation (EU) No xx/2023 [please insert reference to the new Funds Transfer Regulation] is amended as follows:*** ***(1) Article 23, second paragraph, is replaced by the following:*** ***'The European Banking Authority (EBA) shall issue guidelines by … [18 months after the date of entry into force of this Regulation] specifying the measures referred to in this Article. On ... [18 months after the date of entry into force of this Regulation], the power to issue such guidelines shall be transferred to the Authority for Anti-Money Laundering and Countering the Financing of Terrorism (AMLA). Guidelines issued by EBA pursuant to this paragraph shall continue to apply until amended or repealed by AMLA.';*** ***(2) Article 25 is amended as follows:*** ***(a) Paragraph 1 is replaced by the following:*** ***'1. The processing of personal data under this Regulation is subject to Regulation (EU) 2016/679. Personal data that is processed pursuant to this Regulation by the Commission, EBA or AMLA is subject to Regulation (EU) 2018/1725.';*** ***(b) Paragraph 4, second subparagraph, is replaced by the following:*** ***'The European Data Protection Board shall, after consulting EBA, issue guidelines on the***

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			practical implementation of data protection requirements for transfers of personal data to third countries in the context of transfers of crypto-assets. EBA shall issue guidelines on suitable procedures for determining whether to execute, reject, return or suspend a transfer of crypto-assets in situations where compliance with data protection requirements for the transfer of personal data to third countries cannot be ensured. On ... [18 months after the date of entry into force of this Regulation], the right to be consulted and the power to issue guidelines shall be transferred from EBA to AMLA. Guidelines issued by EBA pursuant to this paragraph shall continue to apply until amended or repealed by AMLA.'; ***(3) Article 28 is replaced by the following:*** ***'1. Without prejudice to the right to provide for and impose criminal sanctions, Member States shall lay down rules on administrative sanctions and measures applicable to breaches of this Regulation and shall take the measures necessary to ensure that those rules are implemented. The sanctions and measures provided for shall be effective, proportionate and dissuasive and shall be consistent with those laid down in accordance with Chapter VI, Section 4, of Directive (EU) .../... [please insert reference to AML Directive].'.***

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714	Article 65 Entry into force and application	Article 65 Entry into force and application	Article 65 Entry into force and application
715	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.	This Regulation shall enter into force on the twentieth day following that of its publication in the ***Official Journal of the European Union***~~*Official Journal of the European Union*~~.	This Regulation shall enter into force on the twentieth day following that of its publication in the Official Journal of the European Union.
716	It shall apply from [3 years from its date of entry into force].	It shall apply from ***[3 years from its date of entry into force]***~~*[3 years from its date of entry into force]*~~.	It shall apply from ***…*** [~~*3*~~***two*** years from its date of entry into force].
717	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.	This Regulation shall be binding in its entirety and directly applicable in all Member States.
718	Done at Brussels,	Done at Brussels,	Done at Brussels,
719	For the European Parliament	For the European Parliament	For the European Parliament

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720	The President	The President	The President
721	For the Council	For the Council	For the Council
722	The President	The President	The President
722.1	Annex I	Annex I	Annex I
723	Indicative list of risk variables	Indicative list of risk variables	Indicative list of risk variables
724	The following is a non-exhaustive list of risk variables that obliged entities shall take into account when drawing up their risk assessment in accordance with Article 8 determining to what extent to apply customer due diligence measures in accordance with Article 16:	The following is a non-exhaustive list of risk variables that obliged entities shall take into account when drawing up their risk assessment in accordance with Article 8 determining to what extent to apply customer due diligence measures in accordance with Article 16:	The following is a non-exhaustive list of risk variables that obliged entities shall take into account when drawing up their risk assessment in accordance with Article 8 determining to what extent to apply customer due diligence measures in accordance with Article 16:
725	(a) Customer risk variables:	(a) Customer risk variables:	(a) Customer risk variables:

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726	(i) the customer's and the customer's beneficial owner's business or professional activity;	(i) the customer's and the customer's beneficial owner's business or professional activity;	(i) the customer's and the customer's beneficial owner's business or professional activity;
727	(ii) the customer's and the customer's beneficial owner's reputation;	(ii) the customer's and the customer's beneficial owner's reputation;	(ii) the customer's and the customer's beneficial owner's reputation;
728	(iii) the customer's and the customer's beneficial owner's nature and behaviour;	(iii) the customer's and the customer's beneficial owner's nature and behaviour;	(iii) the customer's and the customer's beneficial owner's nature and behaviour;
729	(iv) the jurisdictions in which the customer and the customer's beneficial owner are based;	(iv) the jurisdictions in which the customer and the customer's beneficial owner are based;	(iv) the jurisdictions in which the customer and the customer's beneficial owner are based;
730	(v) the jurisdictions that are the customer's and the customer's beneficial owner's main places of business;	(v) the jurisdictions that are the customer's and the customer's beneficial owner's main places of business;	(v) the jurisdictions that are the customer's and the customer's beneficial owner's main places of business;
731	(vi) the jurisdictions to which the customer and the customer's beneficial owner have relevant personal links;	(vi) the jurisdictions to which the customer and the customer's beneficial owner have relevant personal links;	(vi) the jurisdictions to which the customer and the customer's beneficial owner have relevant personal links;

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732	(b) Product, service or transaction risk variables:	(b) Product, service or transaction risk variables:	(b) Product, service or transaction risk variables:
733	(i) the purpose of an account or relationship;	(i) the purpose of an account or relationship;	(i) the purpose of an account or relationship;
734	(ii) the regularity or duration of the business relationship;	(ii) the regularity or duration of the business relationship;	(ii) the regularity or duration of the business relationship;
735	(iii) the level of assets to be deposited by a customer or the size of transactions undertaken;	(iii) the level of assets to be deposited by a customer or the size of transactions undertaken;	(iii) the level of assets to be deposited by a customer or the size of transactions undertaken;
736	(iv) the level of transparency, or opaqueness, the product, service or transaction affords;	(iv) the level of transparency, or opaqueness, the product, service or transaction affords;	(iv) the level of transparency, or opaqueness, the product, service or transaction affords;
737	(v) the complexity of the product, service or transaction;	(v) the complexity of the product, service or transaction;	(v) the complexity of the product, service or transaction;
738			

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	(vi) the value or size of the product, service or transaction.	(vi) the value or size of the product, service or transaction.	(vi) the value or size of the product, service or transaction.
739	(c) Delivery channel risk variables:	(c) Delivery channel risk variables:	(c) Delivery channel risk variables:
740	(i) the extent to which the business relationship is conducted on a non-face-to-face basis;	(i) the extent to which the business relationship is conducted on a non-face-to-face basis;	(i) the extent to which the business relationship is conducted on a non-face-to-face basis;
741	(ii) the presence of any introducers or intermediaries that the customer might use and the nature of their relationship with the customer;	(ii) the presence of any introducers or intermediaries that the customer might use and the nature of their relationship with the customer;	(ii) the presence of any introducers or intermediaries that the customer might use and the nature of their relationship with the customer;
742	(d) Risk variable for life and other investment-related insurance:	(d) Risk variable for life and other investment-related insurance:	(d) Risk variable for life and other investment-related insurance:
743	(i) the risk level presented by the beneficiary of the insurance policy.	(i) the risk level presented by the beneficiary of the insurance policy.	(i) the risk level presented by the beneficiary of the insurance policy.
743.1	Annex II	Annex II	Annex II

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744	Lower risk factors	Lower risk factors	Lower risk factors
745	The following is a non-exhaustive list of factors and types of evidence of potentially lower risk referred to in Article 16:	The following is a non-exhaustive list of factors and types of evidence of potentially lower risk referred to in Article 16:	The following is a non-exhaustive list of factors and types of evidence of potentially lower risk referred to in Article 16:
746	(1) Customer risk factors:	(1) Customer risk factors:	(1) Customer risk factors:
747	(a) public companies listed on a stock exchange and subject to disclosure requirements (either by stock exchange rules or through law or enforceable means), which impose requirements to ensure adequate transparency of beneficial ownership;	(a) public companies listed on a stock exchange and subject to disclosure requirements (either by stock exchange rules or through law or enforceable means), which impose requirements to ensure adequate transparency of beneficial ownership;	(a) public companies listed on a stock exchange and subject to disclosure requirements (either by stock exchange rules or through law or enforceable means), which impose requirements to ensure adequate transparency of beneficial ownership;
748	(b) public administrations or enterprises;	(b) public administrations or enterprises;	(b) public administrations ~~or enterprises;~~
749	(c) customers that are resident in geographical	(c) customers that are resident in	(c) customers that are resident in geographical

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	areas of lower risk as set out in point (3);	geographical areas of lower risk as set out in point (3);	areas of lower risk as set out in point (3);
750	(2) Product, service, transaction or delivery channel risk factors:	(2) Product, service, transaction or delivery channel risk factors:	(2) Product, service, transaction or delivery channel risk factors:
751	(a) life insurance policies for which the premium is low;	(a) life insurance policies for which the premium is low;	(a) life insurance policies for which the premium is low;
752	(b) insurance policies for pension schemes if there is no early surrender option and the policy cannot be used as collateral;	(b) insurance policies for pension schemes if there is no early surrender option and the policy cannot be used as collateral;	(b) insurance policies for pension schemes if there is no early surrender option and the policy cannot be used as collateral;
753	(c) a pension, superannuation or similar scheme that provides retirement benefits to employees, where contributions are made by way of deduction from wages, and the scheme rules do not permit the assignment of a member's interest under the scheme;	(c) a pension, superannuation or similar scheme that provides retirement benefits to employees, where contributions are made by way of deduction from wages, and the scheme rules do not permit the assignment of a member's interest under the scheme;	(c) a pension, superannuation or similar scheme that provides retirement benefits to employees, where contributions are made by way of deduction from wages, and the scheme rules do not permit the assignment of a member's interest under the scheme;
754	(d) financial products or services that provide	(d) financial products or services that	(d) financial products or services that provide

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	appropriately defined and limited services to certain types of customers, so as to increase access for financial inclusion purposes;	provide appropriately defined and limited services to certain types of customers, so as to increase access for financial inclusion purposes;	appropriately defined and limited services to certain types of customers, so as to increase access for financial inclusion purposes;
755	(e) products where the risks of money laundering and terrorist financing are managed by other factors such as purse limits or transparency of ownership (e.g. certain types of electronic money);	(e) products where the risks of money laundering and terrorist financing are managed by other factors such as purse limits or transparency of ownership (e.g. certain types of electronic money);	(e) products where the risks of money laundering and terrorist financing are managed by other factors such as purse limits or transparency of ownership (e.g. certain types of electronic money);
756	(3) Geographical risk factors — registration, establishment, residence in:	(3) Geographical risk factors — registration, establishment, residence in:	(3) Geographical risk factors — registration, establishment, residence in:
757	(a) Member States;	(a) Member States;	(a) Member States;
758	(b) third countries having effective AML/CFT systems;	(b) third countries having effective AML/CFT systems;	(b) third countries having effective AML/CFT systems;
759	(c) third countries identified by credible sources as having a low level of corruption or other criminal activity;	(c) third countries identified by credible sources as having a low level of corruption or other criminal activity;	(c) third countries identified by credible sources as having a low level of corruption or other criminal activity;

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760	(d) third countries which, on the basis of credible sources such as mutual evaluations, detailed assessment reports or published follow-up reports, have requirements to combat money laundering and terrorist financing consistent with the revised FATF Recommendations and effectively implement those requirements.	(d) third countries which, on the basis of credible sources such as mutual evaluations, detailed assessment reports or published follow-up reports, have requirements to combat money laundering and terrorist financing consistent with the revised FATF Recommendations and effectively implement those requirements.	(d) third countries which, on the basis of credible sources such as mutual evaluations, detailed assessment reports or published follow-up reports, have requirements to combat money laundering and terrorist financing consistent with the revised FATF Recommendations and effectively implement those requirements.
760.1	Annex III	Annex III	Annex III
761	Higher risk factors	Higher risk factors	Higher risk factors
762	The following is a non-exhaustive list of factors and types of evidence of potentially higher risk referred to in Article 16:	The following is a non-exhaustive list of factors and types of evidence of potentially higher risk referred to in Article 16:	The following is a non-exhaustive list of factors and types of evidence of potentially higher risk referred to in Article 16:
763	(1) Customer risk factors:	(1) Customer risk factors:	(1) Customer risk factors:
764	(a) the business relationship is conducted in unusual circumstances;	(a) the business relationship is conducted in unusual circumstances;	(a) the business relationship is conducted in unusual circumstances;

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765	(b) customers that are resident in geographical areas of higher risk as set out in point (3);	(b) customers that are resident in geographical areas of higher risk as set out in point (3);	(b) customers that are resident in geographical areas of higher risk as set out in point (3);
765a			***(ba) customers who are high-net-worth individuals or whose beneficial owner is a high-net-worth individual whose wealth derives prominently from the extractive industry, or from links with politically exposed persons or from the exploitation of monopolies in third countries identified by credible sources or through acknowledged processes as having significant levels of corruption or other criminal activity;***
766	(c) legal persons or arrangements that are personal asset-holding vehicles;	(c) legal persons or ***legal*** arrangements that are personal asset-holding vehicles;	(c) legal persons or arrangements that are personal asset-holding vehicles;
767	(d) companies that have nominee shareholders or shares in bearer form;	(d) companies that have nominee shareholders or shares in bearer form;	(d) companies ***or other legal entities*** that have nominee shareholders or shares in bearer form ***or fiduciary deposits***;
768			

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	(e) businesses that are cash-intensive;	(e) businesses that are cash-intensive;	(e) businesses that are cash-intensive;
769	(f) the ownership structure of the company appears unusual or excessively complex given the nature of the company's business;	(f) the ownership structure of the company appears unusual or excessively complex given the nature of the company's business;	(f) the ownership structure of the company appears unusual or excessively complex given the nature of the company's business;
770	(g) customer is a third country national who applies for residence rights in a Member State in exchange of any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget;	(g) customer is a third country national who applies for residence rights in a Member State in exchange of any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget;	(g) customer is a third country national who applies for residence rights in a Member State in exchange of any kind of investment, including capital transfers, purchase or renting of property, investment in government bonds, investment in corporate entities, donation or endowment of an activity contributing to the public good and contributions to the state budget;
770a			***(ga) customer is subject to sanctions, embargos or similar measures issued by international organisations, such as the United Nations;***
771	(2) Product, service, transaction or delivery	(2) Product, service, transaction or	(2) Product, service, transaction or delivery

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	channel risk factors:	delivery channel risk factors:	channel risk factors:
772	(a) private banking;	(a) private banking;	(a) private banking;
773	(b) products or transactions that might favour anonymity;	(b) products or transactions that might favour anonymity;	(b) products or transactions that might favour anonymity;
774	(c) payment received from unknown or unassociated third parties;	(c) payment received from unknown or unassociated third parties;	(c) payment received from unknown or unassociated third parties;
775	(d) new products and new business practices, including new delivery mechanism, and the use of new or developing technologies for both new and pre-existing products;	(d) new products and new business practices, including new delivery mechanism, and the use of new or developing technologies for both new and pre-existing products;	(d) new products and new business practices, including new delivery mechanism, and the use of new or developing technologies for both new and pre-existing products;
776	(e) transactions related to oil, arms, precious metals, tobacco products, cultural artefacts and other items of archaeological, historical, cultural and religious importance, or of rare scientific value, as well as ivory and protected species;	(e) transactions related to oil, arms, precious metals ***or stones***, tobacco products, cultural artefacts and other items of archaeological, historical, cultural and religious importance, or of rare scientific value, as well as ivory and protected species;	(e) transactions related to oil, arms, precious metals, tobacco products, cultural artefacts and other items of archaeological, historical, cultural and religious importance, or of rare scientific value, as well as ivory and protected species;

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777	(3) Geographical risk factors:	(3) Geographical risk factors:	(3) Geographical risk factors:
778	(a) third countries subject to increased monitoring or otherwise identified by the FATF due to the compliance weaknesses in their AML/CFT systems;	(a) third countries subject to increased monitoring or otherwise identified by the FATF due to the compliance weaknesses in their AML/CFT systems;	(a) third countries subject to increased monitoring or otherwise identified by the FATF due to the compliance weaknesses in their AML/CFT systems;
779	(b) third countries identified by credible sources/ acknowledged processes, such as mutual evaluations, detailed assessment reports or published follow-up reports, as not having effective AML/CFT systems;	(b) third countries identified by credible sources/ acknowledged processes, such as mutual evaluations, detailed assessment reports or published follow-up reports, as not having effective AML/CFT systems;	(b) third countries identified by credible sources/ acknowledged processes, such as mutual evaluations, detailed assessment reports or published follow-up reports, as not having effective AML/CFT systems;
780	(c) third countries identified by credible sources/ acknowledged processes as having significant levels of corruption or other criminal activity;	(c) third countries identified by credible sources/ acknowledged processes as having significant levels of corruption or other criminal activity;	(c) third countries identified by credible sources/ acknowledged processes as having significant levels of corruption or other criminal activity;
781	(d) third countries subject to sanctions, embargos or similar measures issued by, for example, the Union or the United Nations;	(d) third countries subject to sanctions, embargos or similar measures issued by, for example, the Union or the United Nations;	(d) third countries subject to sanctions, embargos or similar measures issued by, for example, the Union or the United Nations;

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782	(e) third countries providing funding or support for terrorist activities, or that have designated terrorist organisations operating within their country.	(e) third countries providing funding or support for terrorist activities, or that have designated terrorist organisations operating within their country.	(e) third countries providing funding or support for terrorist activities, or that have designated terrorist organisations operating within their country.
782a			***Annex IIIa List of luxury goods referred to in Article 3*** ***(1) Jewellery, gold- or silversmith articles of a value exceeding EUR 5 000;*** ***(2) Clocks and watches of a value exceeding EUR 5 000;*** ***(3) Motor vehicles, aircrafts and watercrafts of a value exceeding EUR 50 000;*** ***(4) Garments and clothing accessories of a value exceeding EUR 5 000;***
782.1	Annex IV		Annex IV
783	Correlation table	Correlation table	Correlation table
784	Directive (EU) 2015/849	Directive (EU) 2015/849	Directive (EU) 2015/849

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
785	Article 1(1)	Article 1(1)	Article 1(1)
786	Article 1(2)	Article 1(2)	Article 1(2)
787	Article 1(3)	Article 1(3)	Article 1(3)
788	Article 1(4)	Article 1(4)	Article 1(4)
789	Article 1(5)	Article 1(5)	Article 1(5)
790	Article 1(6)	Article 1(6)	Article 1(6)
791	Article 2(1)	Article 2(1)	Article 2(1)
792	Article 2(2)	Article 2(2)	Article 2(2)
793			

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	Article 2(3)	Article 2(3)	Article 2(3)
794	Article 2(4)	Article 2(4)	Article 2(4)
795	Article 2(5)	Article 2(5)	Article 2(5)
796	Article 2(6)	Article 2(6)	Article 2(6)
797	Article 2(7)	Article 2(7)	Article 2(7)
798	Article 2(8)	Article 2(8)	Article 2(8)
799	Article 2(9)	Article 2(9)	Article 2(9)
800	Article 3, point (1)	Article 3, point (1)	Article 3, point (1)
801	Article 3, point (2)	Article 3, point (2)	Article 3, point (2)

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802	Article 3, point (3)	Article 3, point (3)	Article 3, point (3)
803	Article 3, point (4)	Article 3, point (4)	Article 3, point (4)
804	Article 3, point (5)	Article 3, point (5)	Article 3, point (5)
805	Article 3, point (6)	Article 3, point (6)	Article 3, point (6)
806	Article 3, point (6) (a)	Article 3, point (6) (a)	Article 3, point (6) (a)
807	Article 3, point (6) (b)	Article 3, point (6) (b)	Article 3, point (6) (b)
808	Article 3, point (6) (c)	Article 3, point (6) (c)	Article 3, point (6) (c)
809	Article 3, point (7)	Article 3, point (7)	Article 3, point (7)

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810	Article 3, point (8)	Article 3, point (8)	Article 3, point (8)
811	Article 3, point (9)	Article 3, point (9)	Article 3, point (9)
812	Article 3, point (10)	Article 3, point (10)	Article 3, point (10)
813	Article 3, point (11)	Article 3, point (11)	Article 3, point (11)
814	Article 3, point (12)	Article 3, point (12)	Article 3, point (12)
815	Article 3, point (13)	Article 3, point (13)	Article 3, point (13)
816	Article 3, point (14)	Article 3, point (14)	Article 3, point (14)
817	Article 3, point (15)	Article 3, point (15)	Article 3, point (15)
818			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 3, point (16)	Article 3, point (16)	Article 3, point (16)
819	Article 3, point (17)	Article 3, point (17)	Article 3, point (17)
820	Article 3, point (18)	Article 3, point (18)	Article 3, point (18)
821	Article 3, point (19)	Article 3, point (19)	Article 3, point (19)
822	Article 4	Article 4	Article 4
823	Article 5	Article 5	Article 5
824	Article 6	Article 6	Article 6
825	Article 7	Article 7	Article 7
826	Article 8(1)	Article 8(1)	Article 8(1)

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827	Article 8(2)	Article 8(2)	Article 8(2)
828	Article 8(3)	Article 8(3)	Article 8(3)
829	Article 8(4)	Article 8(4)	Article 8(4)
830	Article 8(5)	Article 8(5)	Article 8(5)
831	Article 9	Article 9	Article 9
832	Article 10	Article 10	Article 10
833	Article 11	Article 11	Article 11
834	Article 12	Article 12	Article 12

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
835	Article 13(1)	Article 13(1)	Article 13(1)
836	Article 13(2)	Article 13(2)	Article 13(2)
837	Article 13(3)	Article 13(3)	Article 13(3)
838	Article 13(4)	Article 13(4)	Article 13(4)
839	Article 13(5)	Article 13(5)	Article 13(5)
840	Article 13(6)	Article 13(6)	Article 13(6)
841	Article 14(1)	Article 14(1)	Article 14(1)
842	Article 14(2)	Article 14(2)	Article 14(2)
843			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 14(3)	Article 14(3)	Article 14(3)
844	Article 14(4)	Article 14(4)	Article 14(4)
845	Article 14(5)	Article 14(5)	Article 14(5)
846	Article 15	Article 15	Article 15
847	Article 16	Article 16	Article 16
848	Article 17	Article 17	Article 17
849	Article 18(1)	Article 18(1)	Article 18(1)
850	Article 18(2)	Article 18(2)	Article 18(2)
851	Article 18(3)	Article 18(3)	Article 18(3)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
852	Article 18(4)	Article 18(4)	Article 18(4)
853	Article 18a(1)	Article 18a(1)	Article 18a(1)
854	Article 18a(2)	Article 18a(2)	Article 18a(2)
855	Article 18a(3)	Article 18a(3)	Article 18a(3)
856	Article 18a(4)	Article 18a(4)	Article 18a(4)
857	Article 18a(5)	Article 18a(5)	Article 18a(5)
858	Article 19	Article 19	Article 19
859	Article 20	Article 20	Article 20

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860	Article 20a	Article 20a	Article 20a
861	Article 21	Article 21	Article 21
862	Article 22	Article 22	Article 22
863	Article 23	Article 23	Article 23
864	Article 24	Article 24	Article 24
865	Article 25	Article 25	Article 25
866	Article 26	Article 26	Article 26
867	Article 27	Article 27	Article 27
868			

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	Article 28	Article 28	Article 28
869	Article 29	Article 29	Article 29
870	Article 30(1)	Article 30(1)	Article 30(1)
871	Article 30(2)	Article 30(2)	Article 30(2)
872	Article 30(3)	Article 30(3)	Article 30(3)
873	Article 30(4)	Article 30(4)	Article 30(4)
874	Article 30(5)	Article 30(5)	Article 30(5)
875	Article 30(5)a	Article 30(5)a	Article 30(5)a
876	Article 30(6)	Article 30(6)	Article 30(6)

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877	Article 30(7)	Article 30(7)	Article 30(7)
878	Article 30(8)	Article 30(8)	Article 30(8)
879	Article 30(9)	Article 30(9)	Article 30(9)
880	Article 30(10)	Article 30(10)	Article 30(10)
881	Article 31(1)	Article 31(1)	Article 31(1)
882	Article 31(2)	Article 31(2)	Article 31(2)
883	Article 31(3)	Article 31(3)	Article 31(3)
884	Article 31(3a)	Article 31(3a)	Article 31(3a)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
885	Article 31(4)	Article 31(4)	Article 31(4)
886	Article 31(4a)	Article 31(4a)	Article 31(4a)
887	Article 31(5)	Article 31(5)	Article 31(5)
888	Article 31(6)	Article 31(6)	Article 31(6)
889	Article 31(7)	Article 31(7)	Article 31(7)
890	Article 31(7a)	Article 31(7a)	Article 31(7a)
891	Article 31(9)	Article 31(9)	Article 31(9)
892	Article 31(10)	Article 31(10)	Article 31(10)
893			

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	Article 31a	Article 31a	Article 31a
894	Article 32(1)	Article 32(1)	Article 32(1)
895	Article 32(2)	Article 32(2)	Article 32(2)
896	Article 32(3)	Article 32(3)	Article 32(3)
897	Article 32(4)	Article 32(4)	Article 32(4)
898	Article 32(5)	Article 32(5)	Article 32(5)
899	Article 32(6)	Article 32(6)	Article 32(6)
900	Article 32(7)	Article 32(7)	Article 32(7)
901	Article 32(8)	Article 32(8)	Article 32(8)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
902	Article 32(9)	Article 32(9)	Article 32(9)
903	Article 32a(1)	Article 32a(1)	Article 32a(1)
904	Article 32a(2)	Article 32a(2)	Article 32a(2)
905	Article 32a(3)	Article 32a(3)	Article 32a(3)
906	Article 32a(4)	Article 32a(4)	Article 32a(4)
907	Article 32b	Article 32b	Article 32b
908	Article 33(1)	Article 33(1)	Article 33(1)
909	Article 33(2)	Article 33(2)	Article 33(2)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
910	Article 34(1)	Article 34(1)	Article 34(1)
911	Article 34(2)	Article 34(2)	Article 34(2)
912	Article 34(3)	Article 34(3)	Article 34(3)
913	Article 35	Article 35	Article 35
914	Article 36	Article 36	Article 36
915	Article 37	Article 37	Article 37
916	Article 38	Article 38	Article 38
917	Article 39	Article 39	Article 39
918			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 40	Article 40	Article 40
919	Article 41	Article 41	Article 41
920	Article 42	Article 42	Article 42
921	Article 43	Article 43	Article 43
922	Article 44(1)	Article 44(1)	Article 44(1)
923	Article 44(2)	Article 44(2)	Article 44(2)
924	Article 44(3)	Article 44(3)	Article 44(3)
925	Article 44(4)	Article 44(4)	Article 44(4)
926	Article 45(1)	Article 45(1)	Article 45(1)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
927	Article 45(2)	Article 45(2)	Article 45(2)
928	Article 45(3)	Article 45(3)	Article 45(3)
929	Article 45(4)	Article 45(4)	Article 45(4)
930	Article 45(5)	Article 45(5)	Article 45(5)
931	Article 45(6)	Article 45(6)	Article 45(6)
932	Article 45(7)	Article 45(7)	Article 45(7)
933	Article 45(8)	Article 45(8)	Article 45(8)
934	Article 45(9)	Article 45(9)	Article 45(9)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
935	Article 45(10)	Article 45(10)	Article 45(10)
936	Article 45(11)	Article 45(11)	Article 45(11)
937	Article 46(1)	Article 46(1)	Article 46(1)
938	Article 46(2)	Article 46(2)	Article 46(2)
939	Article 46(3)	Article 46(3)	Article 46(3)
940	Article 46(4)	Article 46(4)	Article 46(4)
941	Article 47(1)	Article 47(1)	Article 47(1)
942	Article 47(2)	Article 47(2)	Article 47(2)
943			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 47(3)	Article 47(3)	Article 47(3)
944	Article 48(1)	Article 48(1)	Article 48(1)
945	Article 48(1a)	Article 48(1a)	Article 48(1a)
946	Article 48(2)	Article 48(2)	Article 48(2)
947	Article 48(3)	Article 48(3)	Article 48(3)
948	Article 48(4)	Article 48(4)	Article 48(4)
949	Article 48(5)	Article 48(5)	Article 48(5)
950	Article 48(6)	Article 48(6)	Article 48(6)
951	Article 48(7)	Article 48(7)	Article 48(7)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
952	Article 48(8)	Article 48(8)	Article 48(8)
953	Article 48(9)	Article 48(9)	Article 48(9)
954	Article 48(10)	Article 48(10)	Article 48(10)
955	Article 49	Article 49	Article 49
956	Article 50	Article 50	Article 50
957	Article 50a	Article 50a	Article 50a
958	Article 51	Article 51	Article 51
959	Article 52	Article 52	Article 52

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960	Article 53	Article 53	Article 53
961	Article 54	Article 54	Article 54
962	Article 55	Article 55	Article 55
963	Article 56	Article 56	Article 56
964	Article 57	Article 57	Article 57
965	Article 57a(1)	Article 57a(1)	Article 57a(1)
966	Article 57a(2)	Article 57a(2)	Article 57a(2)
967	Article 57a(3)	Article 57a(3)	Article 57a(3)
968			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 57a(4)	Article 57a(4)	Article 57a(4)
969	Article 57a(5)	Article 57a(5)	Article 57a(5)
970	Article 57b	Article 57b	Article 57b
971	Article 58(1)	Article 58(1)	Article 58(1)
972	Article 58(2)	Article 58(2)	Article 58(2)
973	Article 58(3)	Article 58(3)	Article 58(3)
974	Article 58(4)	Article 58(4)	Article 58(4)
975	Article 58(5)	Article 58(5)	Article 58(5)
976	Article 59(1)	Article 59(1)	Article 59(1)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
977	Article 59(2)	Article 59(2)	Article 59(2)
978	Article 59(3)	Article 59(3)	Article 59(3)
979	Article 59(4)	Article 59(4)	Article 59(4)
980	Article 60(1)	Article 60(1)	Article 60(1)
981	Article 60(2)	Article 60(2)	Article 60(2)
982	Article 60(3)	Article 60(3)	Article 60(3)
983	Article 60(4)	Article 60(4)	Article 60(4)
984	Article 60(5)	Article 60(5)	Article 60(5)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
985	Article 60(6)	Article 60(6)	Article 60(6)
986	Article 61	Article 61	Article 61
987	Article 62(1)	Article 62(1)	Article 62(1)
988	Article 62(2)	Article 62(2)	Article 62(2)
989	Article 62(3)	Article 62(3)	Article 62(3)
990	Article 63	Article 63	Article 63
991	Article 64	Article 64	Article 64
992	Article 64a	Article 64a	Article 64a
993			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 65	Article 65	Article 65
994	Article 66	Article 66	Article 66
995	Article 67	Article 67	Article 67
996	Article 68	Article 68	Article 68
997	Article 69	Article 69	Article 69
998	Annex I	Annex I	Annex I
999	Annex II	Annex II	Annex II
1000	Annex III	Annex III	Annex III
1001	Annex IV	Annex IV	Annex IV

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1002	Directive (EU) XXXX/XX [please insert reference to proposal for 6th anti-money laundering Directive]	Directive (EU) XXXX/XX [***please insert reference to proposal for 6th anti-money laundering Directive***~~please insert reference to proposal for 6th anti-money laundering Directive~~]	Directive (EU) XXXX/XX [please insert reference to proposal for 6th anti-money laundering Directive]
1003	-	-	-
1004	-	-	-
1005			
1006			
1007			
1008			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
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1034			
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1036			
1037			
1038			
1039	-	-	-
1040	Article 3	Article 3	Article 3
1041	-	-	-
1042			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 7	Article 7	Article 7
1043	Article 8	Article 8	Article 8
1044			
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
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1052	-	-	-
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
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1066	-	-	-
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1068			
1069	-	-	-
1070	-	-	-
1071			
1072	-	-	-
1073			
1074	-	-	-
1075	-	-	-

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1084			
1085			
1086			
1087	-	-	-
1088			
1089			
1090	Article 10(1)	Article 10(1)	Article 10(1)
1091	Article 10(5)	Article 10(5)	Article 10(5)
1092			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 11 and Article 12(1)	Article 11 and Article 12(1)	Article 11 and Article 12(1)
1093	Article 12(2)	Article 12(2)	Article 12(2)
1094	Article 11(1), (2) and (3)	Article 11(1), (2) and (3)	Article 11(1), (2) and (3)
1095	Article 45(2)	Article 45(2)	Article 45(2)
1096			
1097	Article 13	Article 13	Article 13
1098	Article 10(11) and (12)	Article 10(11) and (12)	Article 10(11) and (12)
1099			
1100			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1101			
1102	Article 10(1)	Article 10(1)	Article 10(1)
1103	Article 11 and Article 12(1)	Article 11 and Article 12(1)	Article 11 and Article 12(1)
1104	Article 12(2)	Article 12(2)	Article 12(2)
1105	Article 10(5)	Article 10(5)	Article 10(5)
1106			
1107	Article 45(2)	Article 45(2)	Article 45(2)
1108	Article 13	Article 13	Article 13

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1109	Article 10(11) and (12)	Article 10(11) and (12)	Article 10(11) and (12)
1110			
1111	Article 15(1)	Article 15(1)	Article 15(1)
1112	Article 17(1)	Article 17(1)	Article 17(1)
1113	Article 46(1)	Article 46(1)	Article 46(1)
1114	Article 17(2), (4) and (5)	Article 17(2), (4) and (5)	Article 17(2), (4) and (5)
1115	Articles 18(1) and 19(1)	Articles 18(1) and 19(1)	Articles 18(1) and 19(1)
1116	Article 19(1)	Article 19(1)	Article 19(1)
1117			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 19(2)	Article 19(2)	Article 19(2)
1118	Article 20(1)	Article 20(1)	Article 20(1)
1119	Article 17(3)	Article 17(3)	Article 17(3)
1120	Article 18(4)	Article 18(4)	Article 18(4)
1121	Article 14(1)	Article 14(1)	Article 14(1)
1122	Article 14(2)	Article 14(2)	Article 14(2)
1123	Article 14(3)	Article 14(3)	Article 14(3)
1124	Article 14(4)	Article 14(4)	Article 14(4)
1125	Article 16	Article 16	Article 16

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1126			
1127			
1128			
1129			
1130	-	-	-
1131			
1132	Article 32	Article 32	Article 32
1133			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1134	Article 43(3)	Article 43(3)	Article 43(3)
1135			
1136			
1137			
1138			
1139	-	-	-
1140	Article 9(1)	Article 9(1)	Article 9(1)
1141	Article 9(2)	Article 9(2)	Article 9(2)
1142			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 9(3)	Article 9(3)	Article 9(3)
1143	Article 9(6)	Article 9(6)	Article 9(6)
1144			
1145	-	-	-
1146			
1147	Article 35	Article 35	Article 35
1148			
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1151			
1152	Article 5(1)	Article 5(1)	Article 5(1)
1153	Article 5(2)	Article 5(2)	Article 5(2)
1154	Article 5(3)	Article 5(3)	Article 5(3)
1155			
1156	-	-	-
1157	Article 21	Article 21	Article 21
1158			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1159	Article 4	Article 4	Article 4
1160	Article 6(1)	Article 6(1)	Article 6(1)
1161	Article 6(2)	Article 6(2)	Article 6(2)
1162	Article 29(1)	Article 29(1)	Article 29(1)
1163	Article 29(5) and Article 46	Article 29(5) and Article 46	Article 29(5) and Article 46
1164	Article 29(2) and (5)	Article 29(2) and (5)	Article 29(2) and (5)
1165	Article 29(6)	Article 29(6)	Article 29(6)
1166	Articles 33 and 34	Articles 33 and 34	Articles 33 and 34
1167			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Articles 33(4) and 34(2)	Articles 33(4) and 34(2)	Articles 33(4) and 34(2)
1168	Article 31(1)	Article 31(1)	Article 31(1)
1169	Article 31(2)	Article 31(2)	Article 31(2)
1170	Article 31(5)	Article 31(5)	Article 31(5)
1171	Article 29(3)	Article 29(3)	Article 29(3)
1172	Article 31(4)	Article 31(4)	Article 31(4)
1173	Article 45(1)	Article 45(1)	Article 45(1)
1174	Article 47	Article 47	Article 47
1175	Article 45(3)	Article 45(3)	Article 45(3)

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1176	-	-	-
1177	Article 22	Article 22	Article 22
1178	Article 24	Article 24	Article 24
1179	Article 26	Article 26	Article 26
1180	Article 27	Article 27	Article 27
1181	Article 23(2) and (3)	Article 23(2) and (3)	Article 23(2) and (3)
1182	Article 28	Article 28	Article 28
1183	Article 50(1)	Article 50(1)	Article 50(1)

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1184	Article 50(2)	Article 50(2)	Article 50(2)
1185	Article 50(3)	Article 50(3)	Article 50(3)
1186	Articles 33(1) and 34(1) and (3)	Articles 33(1) and 34(1) and (3)	Articles 33(1) and 34(1) and (3)
1187	Article 37	Article 37	Article 37
1188	Article 51	Article 51	Article 51
1189	Article 39(1)	Article 39(1)	Article 39(1)
1190	Article 39(2)	Article 39(2)	Article 39(2)
1191	Article 39(3)	Article 39(3)	Article 39(3)
1192			

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	-	-	-
1193	Article 39(4)	Article 39(4)	Article 39(4)
1194	Article 40(1)	Article 40(1)	Article 40(1)
1195	Articles 40(2) and 41(1)	Articles 40(2) and 41(1)	Articles 40(2) and 41(1)
1196	Article 40(3)	Article 40(3)	Article 40(3)
1197	Article 40(4)	Article 40(4)	Article 40(4)
1198	Article 42(1)	Article 42(1)	Article 42(1)
1199	Article 42(2)	Article 42(2)	Article 42(2)
1200	Article 42(3)	Article 42(3)	Article 42(3)

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1201	Article 39(5)	Article 39(5)	Article 39(5)
1202	Article 42(4)	Article 42(4)	Article 42(4)
1203	Article 42(5)	Article 42(5)	Article 42(5)
1204	Article 43	Article 43	Article 43
1205	Article 44(1)	Article 44(1)	Article 44(1)
1206	Article 6(6)	Article 6(6)	Article 6(6)
1207	Article 44(2)	Article 44(2)	Article 44(2)
1208	-	-	-

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1209			
1210	Article 54	Article 54	Article 54
1211	-	-	-
1212	-	-	-
1213	-	-	-
1214	-	-	-
1215	-	-	-
1216			
1217			

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1218			
1219	-	-	-
1220	This Regulation	This Regulation	This Regulation
1221	-	-	-
1222	-	-	-
1223	Article 2, point (1)	Article 2, point (1)	Article 2, point (1)
1224	Article 2, point (1)	Article 2, point (1)	Article 2, point (1)
1225	Article 2, point (2)	Article 2, point (2)	Article 2, point (2)

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1226	Article 2, points (1) and (2)	Article 2, points (1) and (2)	Article 2, points (1) and (2)
1227	Article 3	Article 3	Article 3
1228	Article 4	Article 4	Article 4
1229	Article 5(1)	Article 5(1)	Article 5(1)
1230	Article 5(2)	Article 5(2)	Article 5(2)
1231	Article 5(3)	Article 5(3)	Article 5(3)
1232	Article 5(4)	Article 5(4)	Article 5(4)
1233	Article 5(5)	Article 5(5)	Article 5(5)

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1234	Article 6	Article 6	Article 6
1235	Article 4(3) and Article 5(6)	Article 4(3) and Article 5(6)	Article 4(3) and Article 5(6)
1236	Article 2, point (5)	Article 2, point (5)	Article 2, point (5)
1237	Article 2, point (6)	Article 2, point (6)	Article 2, point (6)
1238	Article 2, point (4)	Article 2, point (4)	Article 2, point (4)
1239	Article 2, point (3)	Article 2, point (3)	Article 2, point (3)
1240	Article 2, point (35)	Article 2, point (35)	Article 2, point (35)
1241	Article 2, point (22)	Article 2, point (22)	Article 2, point (22)
1242			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 42(1)	Article 42(1)	Article 42(1)
1243	Article 43	Article 43	Article 43
1244	Article 42(2)	Article 42(2)	Article 42(2)
1245	Article 2, point (7)	Article 2, point (7)	Article 2, point (7)
1246	Article 2, point (19)	Article 2, point (19)	Article 2, point (19)
1247	Article 2, point (25)	Article 2, point (25)	Article 2, point (25)
1248	Article 2, point (26)	Article 2, point (26)	Article 2, point (26)
1249	Article 2, point (27)	Article 2, point (27)	Article 2, point (27)
1250	Article 2, point (28)	Article 2, point (28)	Article 2, point (28)

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1251	Article 2, point (16)	Article 2, point (16)	Article 2, point (16)
1252	Article 2, point (8)	Article 2, point (8)	Article 2, point (8)
1253	Article 2, point (29)	Article 2, point (29)	Article 2, point (29)
1254	Article 2, point (15)	Article 2, point (15)	Article 2, point (15)
1255	Article 2, point (20)	Article 2, point (20)	Article 2, point (20)
1256	Article 2, point (13)	Article 2, point (13)	Article 2, point (13)
1257	-	-	-
1258			

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1259	-	-	-
1260			
1261			
1262	Article 8(1)	Article 8(1)	Article 8(1)
1263	Article 8(2) and (3)	Article 8(2) and (3)	Article 8(2) and (3)
1264	Article 7(1)	Article 7(1)	Article 7(1)
1265	Article 7(2)	Article 7(2)	Article 7(2)
1266	Article 7(2) and (3)	Article 7(2) and (3)	Article 7(2) and (3)
1267			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 23	Article 23	Article 23
1268	Article 58	Article 58	Article 58
1269	Article 15	Article 15	Article 15
1270	-	-	-
1271	Article 16(1)	Article 16(1)	Article 16(1)
1272	Article 16(2)	Article 16(2)	Article 16(2)
1273	Article 16(2)	Article 16(2)	Article 16(2)
1274	Article 16(4)	Article 16(4)	Article 16(4)
1275	Article 37	Article 37	Article 37

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1276	Article 18(3)	Article 18(3)	Article 18(3)
1277	Article 19(1)	Article 19(1)	Article 19(1)
1278	Article 19(2)	Article 19(2)	Article 19(2)
1279	Article 19(3)	Article 19(3)	Article 19(3)
1280	Article 17	Article 17	Article 17
1281	Article 21(2) and (3)	Article 21(2) and (3)	Article 21(2) and (3)
1282	Article 27	Article 27	Article 27
1283	Article 27(1)	Article 27(1)	Article 27(1)

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1284	-	-	-
1285	Article 28(1)	Article 28(1)	Article 28(1)
1286	Article 28(2)	Article 28(2)	Article 28(2)
1287	Article 28(3)	Article 28(3)	Article 28(3)
1288	-	-	-
1289	Article 28(4)	Article 28(4)	Article 28(4)
1290	Article 23(5) and Article 29, point (a)	Article 23(5) and Article 29, point (a)	Article 23(5) and Article 29, point (a)
1291	Article 23(5) and Article 29, point (b)	Article 23(5) and Article 29, point (b)	Article 23(5) and Article 29, point (b)
1292			

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	-	-	-
1293	-	-	-
1294	Article 30	Article 30	Article 30
1295	Article 32	Article 32	Article 32
1296	Article 33	Article 33	Article 33
1297	Article 34	Article 34	Article 34
1298	Article 35	Article 35	Article 35
1299	Article 36	Article 36	Article 36
1300	Article 31	Article 31	Article 31

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1301	Article 38(1)	Article 38(1)	Article 38(1)
1302	Article 38	Article 38	Article 38
1303	Article 39	Article 39	Article 39
1304	Article 38(3)	Article 38(3)	Article 38(3)
1305	-	-	-
1306	Article 45(1) and (3) and Article 49	Article 45(1) and (3) and Article 49	Article 45(1) and (3) and Article 49
1307	Article 45(4)	Article 45(4)	Article 45(4)
1308			

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1309			
1310			
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1314	Article 18(4)	Article 18(4)	Article 18(4)
1315			
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1317			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Articles 43(1) and 46(1) and Article 49	Articles 43(1) and 46(1) and Article 49	Articles 43(1) and 46(1) and Article 49
1318	Article 46(2)	Article 46(2)	Article 46(2)
1319	Article 46(3)	Article 46(3)	Article 46(3)
1320	Article 48	Article 48	Article 48
1321			
1322			
1323			
1324	Article 18(4)	Article 18(4)	Article 18(4)
1325			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1326			
1327			
1328	Article 43(2)	Article 43(2)	Article 43(2)
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1343			
1344	Article 50(1)	Article 50(1)	Article 50(1)
1345	Article 50(6)	Article 50(6)	Article 50(6)
1346	Article 51(1)	Article 51(1)	Article 51(1)
1347	Article 51(2)	Article 51(2)	Article 51(2)
1348	-	-	-
1349	Article 52	Article 52	Article 52
1350			

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1351	Article 53	Article 53	Article 53
1352	Article 11(3)	Article 11(3)	Article 11(3)
1353	Article 54	Article 54	Article 54
1354	Article 56	Article 56	Article 56
1355	Article 55	Article 55	Article 55
1356	Article 57	Article 57	Article 57
1357	-	-	-
1358			

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1359			
1360			
1361			
1362	Article 13(1)	Article 13(1)	Article 13(1)
1363	-	-	-
1364	Article 14(1)	Article 14(1)	Article 14(1)
1365			
1366	Article 14(2)	Article 14(2)	Article 14(2)
1367			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
	Article 14(3)	Article 14(3)	Article 14(3)
1368	Article 14(4)	Article 14(4)	Article 14(4)
1369	Article 13(2)	Article 13(2)	Article 13(2)
1370			
1371			
1372			
1373	Article 10	Article 10	Article 10
1374	-	-	-
1375			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1376	Article 9	Article 9	Article 9
1377			
1378			
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
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1394	-	-	-
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1409			
1410	-	-	-
1411			
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	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1418			
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1425			

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1426	-		-
1427	Article 60	Article 60	Article 60
1428	Article 61	Article 61	Article 61
1429	-	-	-
1430	-	-	-
1431	-	-	-
1432	-	-	-
1433	-	-	-

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1434	Annex I	Annex I	Annex I
1435	Annex II	Annex II	Annex II
1436	Annex III	Annex III	Annex III
1437	-	-	-
1437a		***Annex IVa***	
1437b		***Precious metals refered to in article 2 (37) of this regulation include at least:***	
1437c		***a) Gold***	
1437d		***b) Silver***	

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1437e		***c) Platinium***	
1437f		***d) Iridium***	
1437g		***e) Osmium***	
1437h		***f) Palladium***	
1437i		***g) Rhodium***	
1437j		***h) Rhutenium***	
1437k		***Precious stones refered to in article 2 (37) of this regulation include at least :***	
1437l		***a) Diamond***	

	Commission Proposal	st15517 + ADD1 Council Mandate	A9-2023-0151 EP Mandate
1437m		***b) Ruby***	
1437n		***c) Sapphire***	
1437o		***d) Emerald***	