

# 5th EU Anti-Money Laundering Directive:

## What You Need to Know

### E-Money & Prepaid Cards

More prepaid instruments will be subject to Customer Due Diligence

The threshold at which customer due diligence measures can be waived is reduced from

**€250 to €150**

Prepaid cards issued outside the EU will be prohibited unless they were issued in a country that enforces legislation equivalent to 5AMLD.



### Virtual Currencies / Cryptocurrency Exchanges

Cryptocurrency exchanges and custodian wallets will be classified as obliged entities and will have to perform the same AML checks as any obliged entity covered by 4AMLD rules.

Cryptocurrency exchanges must register with relevant financial authorities in order to conduct business.

- ✓ Customer Due Diligence
- ✓ Monitoring of ongoing behavior
- ✓ Suspicious Activity Reporting (SAR)

### Ultimate Beneficial Ownership (UBO)

UBO Registers of company ownership must be made publicly accessible.

UBO reporting requirements are extended to any legal arrangement similar to a trust: information covered by those requirements must be made publicly accessible where legitimate interest is shown.



### Clarification of Politically Exposed Persons (PEPs)

Each EU member state must issue a list of positions that qualify as prominent public functions. Legitimate interest is shown.



### High-Risk Third Countries

The EU will produce a list of high-risk third countries: obliged entities must carry out Enhanced Due Diligence (EDD) when moving money to and from the countries on this list



### Other Stores of Value

Traders in art will have to report suspicious activity and perform CDD checks.

This rule extends to high-value works of art: all persons trading or acting as intermediaries in the trade of high-value artworks must apply AML identity verification checks in transactions

amounting to **€10,000** or more.