

# Seven key principles of the 5th EU Anti-Money Laundering Directive (AMLD)

1

## New Obligated Entities



Amendments in the 5th AMLD include new obligated businesses to be registered and monitored by Member States. Recent typologies have shown that these businesses are widely exposed to financial crime. They have been used in all three phases of money laundering and in terrorism financing activities, especially virtual currency exchanges and custodian wallet providers.

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## New Risk Factors



The 5th AMLD continues addressing the importance of inclusion of various risk factors and variables while performing risk assessments—specifically transactions related to oil, arms, precious metals, tobacco products, cultural artifacts and other items of archaeological, historical, cultural and religious importance, or of rare scientific value, as well as ivory and protected species.

3

## Increased Transparency on Trusts, Member States Cooperation and Data Centralization



The 5th AMLD states that “beneficial ownership information of trusts and similar legal arrangements should be registered where the trustees of trusts and persons holding equivalent positions in similar legal arrangements are established or where they reside.”

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## Public Registers of Beneficial Owners



The 5th AMLD is putting even more scrutiny on beneficial owners and Member States to increase transparency. EU citizens will be granted access to beneficial ownership records, including general data such as name, month and year of birth, county of residence and nationality of the beneficial owner.

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## Enhanced Due Diligence (EDD) on High-Risk Countries



The 5th AMLD proposes a standardized list of checks necessary to perform on high-risk Third World countries; and the Commission will include Third World countries with low transparency on beneficial ownership information, no appropriate sanctions or those that are less willing to cooperate in the exchange of information.

6

## Pre-Paid Cards Thresholds



To reduce financial crime associated with pre-paid cards, the new Directive sets the threshold for transactions on such instruments on a monthly basis to EUR 150.

7

## Enhanced Powers of Financial Intelligence Units (FIUs)



FIUs will have access to more information through centralized bank systems as well as payment account registers or data retrieval systems.



Member States will have to bring into force the laws, regulations and administrative provisions necessary to comply with the 5th AMLD by January 10, 2020.

To learn how LexisNexis® Risk Solutions can help your organization confidently adhere to 5th AMLD guidelines, complete risk-based assessments and better concentrate on core business operations, visit [risk.lexisnexis.com/EMEA](http://risk.lexisnexis.com/EMEA)