



30 September 2025
CryptoUK
Citypoint
1 Ropemaker Street
London
EC2Y 9SS

Submitted by email: Anti-MoneyLaunderingBranch@hmtreasury.gov.uk

Re: Draft Money Laundering and Terrorist Financing (Amendment and Miscellaneous Provision) Regulations 2025 ("the Statutory Instrument", "the Draft SI")

Dear Sir or Madam,

CryptoUK ("**we**") and its members welcome the opportunity to comment on the Draft SI. CryptoUK is the UK's self-regulatory trade association representing the cryptoasset sector. Our members comprise over 100 of the leading companies across the sector. In responding to the Draft SI, we set out the views of our members and others in the community.

As a general observation we support the proposed changes and appreciate that they attempt to overtly provide proportionate requirements that do not single out the cryptoassets industry for greater regulation than that applicable to traditional financial institutions.

Our members would welcome further clarity as follows:

- **Transitional arrangements:** the Draft SI should expressly provide for a transitional period for implementation commensurate with the extensive new obligations on cryptoasset firms. Our members consider that such a period ought to be no less than 18 months, and preferably 24 months.
- **Revisions to change in control regime:** the Draft SI ought to expressly provide for the retention of the 25% change in control threshold for MLR registered only cryptoasset firms. Our members are of the view that this would both be a proportionate measure given the lower risk profile of such firms, as well as in keeping with other statutory provisions departing from the FSMA control bands, for example, single thresholds in the case of limited permission consumer credit firms and, currently, FCA registered cryptoasset firms.
- **FCA Guidance:** Our members would benefit from clarification as to the application of the FCA's change in control guidance (FG24/5) to their business operations, as currently it states simply that "*It does not apply to cryptoasset firms registered with us solely under the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017. It does however apply to hybrid UK authorised persons who are also registered or authorised by us for other activities.*"

We thank you for the opportunity to offer insights from the cryptoasset industry, and would welcome further engagement should our response require any additional discussion or clarification. Finally, we specifically wish to thank our member firms, B2C2 and Charles Russell Speechlys LLP, for their key contributions to our response.

Yours sincerely

Su Carpenter - Executive Director, CryptoUK
www.cryptouk.io