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.

- 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.