

Law No. (4) of Year 2010
on
Combating Money Laundering and Terrorism Financing

We, Tamim Bin Hamad Bin Khalifa Al Thani, Deputy Emir of the State of Qatar,

After having perused the Constitution; and

The Law No.(28) of 2002 on Anti-Money Laundering as amended by Decree Law No. (21) of 2003; and

The Customs Law issued by Law No. (40) of 2002; and

The Law No.(3) of 2004 on Combating Terrorism; and

The Penal Code issued by Law No. (11) of 2004 and its amending laws; and

The Code of Criminal Procedure issued by Law No. (23) of 2004 as amended by law No. (24) of 2009; and

The draft Law put forward by the Council of Ministers; and

After having consulted the Advisory Council, have decreed the following:

Article (1)

The Law on Combating Money Laundering and Terrorism Financing, enclosed with this Law, shall be effective.

Article (2)

The Law No.(28) of 2002 on Combating Money Laundering as amended by Decree Law No. (21) of 2003, shall be repealed.

Article (3)

All competent authorities, each within its own competence, shall execute this law which will be published in the Official Gazette.

Tamim Bin Hamad Al Thani

Deputy Emir and Heir Apparent of the State of Qatar

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**Law on Combating Money Laundering
and Terrorism Financing**

Chapter 1

Definitions

Article (1)

In the application of this law, the following words and phrases shall have the meanings shown against each of them, in accordance with concepts prevailing in the banking business, unless the context indicates otherwise:-

Competent Authority:	Every administrative or law enforcement authority concerned with combating money laundering and terrorism financing, including the Unit and any supervisory authority.
Supervisory Authority	A competent authority responsible for licensing or supervising financial institutions, DNFBPs and non-profit organizations or for ensuring their compliance with requirements to combat money laundering and terrorism financing.
The Committee:	The National Anti-Money Laundering and Terrorism Financing Committee.
The Unit:	The Financial Information Unit.
Predicate offence:	One of the asset-generating offences stipulated under Article (2), paragraph (1) of this law.
Instrumentalities:	Everything used or intended to be used, in any manner, in whole or in part, for committing one or more crimes stipulated in Articles (2), (4) of this law.
Proceeds of crime:	Any funds derived or obtained, directly or indirectly, from one of the crimes stipulated in Article (2/1), or converted or transformed in whole or in part, into other properties or investment yields.

Funds:	Assets or properties of every kind, whether tangible or intangible, movable or immovable, liquid or fixed, and all the rights attached thereto, and all legal documents or instruments in any form, including electronic or digital copies evidencing any of the above, whether existing inside or outside of the State. They include but are not limited to national currency, foreign currency, commercial notes, bank credits, travellers' cheques, money orders, shares, securities, bonds, bills, letters of credit, and any interest, dividends or other income on or value accruing from or generated by such assets.
Money Laundering:	<p>Any of the following acts:</p> <p>1) The conversion or transfer of funds, by any person who knows, should have known or suspects that such funds are the proceeds of crime, for the purpose of concealing or disguising the illicit origin of such funds or of assisting any person who is involved in the commission of the predicate offence to evade the legal consequences of his actions.</p> <p>2) The concealment or disguise of the true nature, source, location, disposition, movement or ownership of or rights with respect to funds by any person who knows, should have known or suspects that such funds are the proceeds of crime.</p> <p>3) The possession, acquisition, or use of funds by any person who knows, should have known or suspects that such funds are the proceeds of crime.</p>
Terrorist Act:	1) An act which constitutes an offence according to the following agreements: Convention for the Suppression of Unlawful Seizure of Aircraft (1970), Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (1971), Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents (1973), International Convention against the Taking of Hostages (1979), Convention on the Physical Protection of Nuclear Material (1980), Protocol for the Suppression of Unlawful Acts of Violence at Airports Serving International Civil Aviation, supplementary to the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation (1988),

	<p>Convention for the Suppression of Unlawful Acts against the Safety of Maritime Navigation (1988), Protocol for the Suppression of Unlawful Acts against the Safety of Fixed Platforms located on the Continental Shelf (1988), and the International Convention for the Suppression of Terrorist Bombings (1997).</p> <p>2) any other act intended to cause death or serious bodily injury to civilians, or to any other person not taking an active part in the hostilities in a situation of armed conflict, when the purpose of such act, by its nature or context, is to intimidate a population, or to compel a Government or an international organization to do or to abstain from doing any act.</p>
Terrorist:	<p>Any natural person who commits any of the following acts:</p> <ol style="list-style-type: none"> 1) commission or attempting to commit, terrorist acts, intentionally, by any means, either directly or indirectly, 2) participation as an accomplice in terrorist acts. 3) organizing terrorist acts, or directing others to commit such acts. 4) contributing to the commission of terrorist acts with a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.
Terrorist Organization:	<p>Any group of terrorists that:</p> <ol style="list-style-type: none"> 1) commits, or attempts to commit, terrorist acts, by any means, directly or indirectly, unlawfully and wilfully. 2) acts as an accomplice in the execution of terrorist acts. 3) organises or directs others to commit terrorist acts. 4) contributes to the commission of terrorist acts with a group of persons acting with a common purpose where the contribution is made intentionally and with the aim of furthering the terrorist act or with the knowledge of the intention of the group to commit a terrorist act.
Terrorism Financing:	<p>An act committed by any person who, in any manner, directly or indirectly, and willingly, provides or collects funds, or attempts to do so, with the intention to use</p>

	them or knowing that these funds will be used in whole or in part for the execution of a terrorist act, or by a terrorist or terrorist organization.
Freezing:	Prohibiting the transfer, conversion, disposition, movement, or transport of funds on the basis of, and for the duration of the validity of, a decision of a judicial or other competent authority.
Seizing:	Prohibiting the transfer, conversion, disposition, movement, or transport of funds on the basis of, and for the duration of the validity of, a decision of a competent judicial authority.
Confiscation:	The permanent deprivation of funds based on a court judgment.
Financial Institution:	<p>Any person or entity who conducts as a business one or more of the following activities or operations for or on behalf of a customer:</p> <ol style="list-style-type: none"> (1) accepting deposits and other repayable funds such as private banking services. (2) lending. (3) financial leasing. (4) transferring money or things of value. (5) issuing or managing means of payment, such as credit and debit cards, cheques, traveller's cheques, money orders, banker's drafts and electronic money. (6) financial guarantees and commitments. (7) trading in money market instruments, such as cheques, bills, certificates of deposit and derivatives, foreign exchange, exchange instruments, interest rate, index instruments, transferable securities, and commodity futures trading. (8) participating in securities issues and providing financial services related to securities issues. (9) undertaking individual or collective portfolio management. (10) safekeeping or administering cash or liquid securities on behalf of other persons. (11) investing, administering or managing funds or money on behalf of other persons. (12) underwriting or placing life insurance and other investment-related insurance, whether as insurer or insurance contract intermediary. (13) money or currency changing.

		(14) any other activity or operation prescribed by resolution issued by the Prime Minister upon the proposal of the Committee.
Designated Financial Businesses Professions (DNFBPs):	Non- and	<p>(1) Real estate brokers, if they act in transactions for customers in relation to buying or selling of real estate, or both.</p> <p>(2) Dealers in precious metals or stones, if they engage with their customers in cash transactions equal to a minimum of 55,000 Riyals.</p> <p>(3) Lawyers, notaries, other independent legal professionals, or accountants, whether sole practitioners, partners or employed specialists in specialist firms, if they prepare, execute, or conduct transactions for clients in relation to any of the following activities:</p> <ul style="list-style-type: none"> (a) buying or selling real estate. (b) managing client money, securities or other assets. (c) managing bank, savings or securities accounts. (d) organising contributions for the creation, operation or management of companies or other entities. (e) creating, operating or managing legal persons or legal arrangements. (f) buying or selling business entities. <p>(4) Trust Funds and Company Service Providers, if they prepare, or conducts transactions for customer on commercial basis in relation to any of the following activities:</p> <ul style="list-style-type: none"> a) acting as a founding agent of 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. c) providing a registered office, a business headquarter, or correspondence address or an administrative address, for one of the companies, partnerships or any other legal person or legal arrangement. d) acting as, or arranging for another person to act as, a trustee for a direct trust fund. e) acting as, or arranging for another person to act as, a nominee shareholder on behalf of another person. <p>(5) any other business or profession prescribed and regulated by a resolution issued by the Prime Minister upon the proposal of the Committee.</p>
Non-profit		Any legal entity or organization which collects, or disposes of funds for charitable, religious, cultural,

organization:	educational, social, or fraternal purposes, or to do any other kind of charitable activities.
Legal arrangements:	Express trust funds or any similar legal arrangements.
Financial Bearer Negotiable Instruments:	Monetary instruments in bearer form such as travellers cheques; negotiable instruments, including cheques, promissory notes, and money orders that are either in bearer form, endorsed without restriction, made out to a fictitious payee, or otherwise in such form that title thereto passes upon delivery; incomplete instruments including cheques, promissory notes and money orders signed, but with the payee's name omitted.
Beneficial Owner:	The natural person who owns, or exercises effective control, over the customer, or the person on whose behalf, the transaction is conducted, or the person who exercises effective control over a legal person, or legal arrangement.
Politically exposed persons:	Persons who are or have been entrusted with prominent public functions in a foreign country or territory, or any one of their' family or one of their closely related partners.
Shell Bank:	A bank that has no physical presence in the country or territory in which it is incorporated and licensed and is not affiliated with a regulated financial services group that is subject to effective consolidated supervision. "Physical presence" in a country or territory is a presence involving meaningful decision-making and effective management and not merely the presence of a local agent or low level staff.
Correspondent Banking	The provision of banking services by a bank (the "correspondent") to another bank (the "responent").
Business	Any relationship of a commercial aspect, including the

Relationship:	relationship between a non-profit organization and the persons from or to whom it receives or provides funds.
Customer:	Any person dealing with financial institutions, DNFBPs and non-profit organization, including the person from or to whom non-profit organizations receive or provide funds.
Law Enforcement Authority:	Judicial Officers, stipulated under article (27) of the afore-mentioned Code of Criminal Procedure.
Legal Person:	Corporate Person, i.e. company, partnership, corporation or association, or any similar body that can establish a permanent business relationship with a financial institution or can own property.

Chapter 2 **Money Laundering and Terrorism Financing**

Article (2)

It shall be prohibited to launder any funds generated from:

- (1) All types of felonies.
- (2) Crimes covered under the International Conventions, signed and ratified by the State.
- (3) Swindling, illicit trafficking in narcotic drugs and psychotropic substances, fraud, forgery, extortion, robbery, theft, trafficking in stolen and other goods, counterfeiting and piracy of products, smuggling, sexual exploitation, environmental crime, tax evasion, sale and trade in archaeological movables, market manipulation and insider dealing.

It is prohibited to participate through association, aiding, abetting, facilitating, counselling in, cooperation, contribution, or conspiracy to commit, or attempt to commit any of the forms of the Money Laundering crime mentioned in this law.

Predicate offences also include offences committed outside the State if they constitute offences as per the law of the State where they were committed and constitute an offence as per the law of the State.

A conviction with the predicate offence is not a condition to prove the illicit source of crime proceeds.

The Money Laundering crime is considered as an independent crime from the predicate offence. The punishment of the person who committed the predicate offence does not prevent his punishment on the Money Laundering crime.

Article (3)

Anyone who intentionally commits one of the following acts is considered to have committed an offence associated with Money Laundering or Terrorism Financing:

- (1) a financial institution which enters into, or continues, a correspondent banking relationship with a shell bank.
- (2) a financial institution which enters into, or continues, a correspondent banking relationship with a financial institution in a foreign country, unless the financial institution has satisfied itself that the foreign financial institution does not permit its accounts to be used by shell banks.
- (3) failure to maintain adequate, accurate and updated information on the beneficial ownership and organizational structure of legal persons and legal arrangements as required pursuant to this law;
- (4) failure, as required by this law, to take the following measures:
 - (a) to identify a customer or verify the customer's identity.
 - (b) to make enquiries in relation to a customer or collect relevant information.
 - (c) to identify the beneficial owners of a customer or verify their identity.
 - (d) to exercise ongoing due diligence with respect to business relationships, to examine transactions carried out under a business relationship, or to ensure that documents, data or information collected under customer due diligence measures are kept up to date and relevant.
 - (e) to take measures to address specific risks of money laundering or terrorism financing.
 - (f) to have risk management systems.
 - (g) to meet a requirement in relation to a correspondent banking relationship or wire transfers.
 - (h) to pay special attention to a transaction, pattern of transactions or business relationships.

- (i) to develop or implement programs for the prevention of money laundering and terrorism financing.
- (5) failure to maintain relevant records, in accordance with the provisions of this law or conceal, destroy or disguise such records.
- (6) failure to provide or to facilitate access to information or records in a timely fashion when requested by the competent authorities or the supervisory authorities in accordance with the provisions of this law.
- (7) failure to submit a report to the Unit as required pursuant to this law.
- (8) opening or facilitating the opening of an account for an unidentified customer, in violation to the provisions of this law.

Article (4)

It is prohibited to commit any terrorism financing act.

It is prohibited to participate through association, aiding, abetting, facilitating, counselling in, cooperation, contribution, or conspiracy to commit, attempt to commit any of the forms of the Terrorism Financing crime mentioned in this law.

The offence is considered as committed irrespective of any occurrence of a terrorist act, the place where it was committed, or whether the funds have actually been used to commit such act as required pursuant to this law.

Article (5)

A person commits a money laundering or terrorism financing crime when he receives information related to a money laundering or terrorism financing crime, and does not take the specified legal measures to inform the competent authorities of such crime.

Chapter 3

Disclosure to Customs

Article (6)

Any traveller, upon entering or leaving the State must, upon the request of a customs officer, make a disclosure regarding being in possession of any currency, bearer negotiable instruments, or precious metals or stones.

The customs authorities may request further information from the traveller regarding the origin of the currency, bearer negotiable instruments, or precious metals or stones or their intended use. In this case, he must provide this information.

This information, including a true certified copy of the declaration form, shall be sent to the Unit who shall enter the information in its database.

Article (7)

The customs authorities may take necessary action, to retain his identification data or seize the currency, bearer negotiable instruments, precious metals or stones in his possession in order to ascertain whether evidence of money

laundering or terrorism financing may be found where there is a suspicion of money laundering or terrorism financing or where there is a false disclosure or failure to disclose the required information.

The customs authorities may refer matters to the Public Prosecution and may also request the Public Prosecution to apply cautionary measures with regard to suspected money laundering or terrorism financing crimes, in accordance with the provision of Article (126) of the aforementioned Code of Criminal Procedure.

Article (8)

The customs officers are required to keep confidential the information obtained within the scope of their duties, even after the cessation of those duties. Such information may only be used for the purposes provided for in accordance with this law.

Article (9)

The customs authorities may cooperate with related authorities both nationally and internationally with regard to the matters listed in this section and to the information related to the discovering of an unusual movement of precious metals or stones through customs departments.

The customs authorities may issue resolutions, directives or guidelines for implementing the provisions of this section.

Chapter 4

The National Anti Money Laundering and Terrorism Financing

Article (10)

A committee named "The National Anti Money Laundering and Terrorism Financing" shall be formed at Qatar Central Bank, under the presidency of Qatar Central Bank Deputy Governor, and the membership of:

1. Two representatives of the Ministry of Interior, one of them to be chosen among the directors of the ministry's competent departments and to be appointed Vice-Chairman of the Committee.
2. Head of the Unit.
3. Two representatives of the Ministry of Economy & Finance, one of them to be chosen from the General Directorate of Customs.
4. Representative of the Ministry of Business & Trade.
5. Representative of the Ministry of Social Affairs.
6. Representative of the Ministry of Justice.
7. Representative of the State Security Bureau.
8. Representative of the Qatar Central Bank.
9. Representative of the Public Prosecution.
10. Representative of the Qatar Financial Markets Authority.
11. Representative of the Qatar Financial Centre Regulatory Authority.
12. Representative of the General Secretariat of the Council of Ministers.

Each body shall nominate its own representative, provided that its grade shall not be lower than head of department or an equivalent grade. The Chairman, the vice-chairman and the members shall be appointed by a resolution issued

by the Prime Minister who may also appoint other representatives from other bodies, upon the proposal of the Committee.

The Committee shall have a secretary, and a number of Qatar Central Bank employees to accomplish secretarial tasks, and whose names to be mandated, functions and remunerations to be prescribed by a resolution by the QCB governor.

Article (11)

The Committee shall have the following powers:

1. Set the national anti-money laundering and terrorism financing strategy for the State.
2. Facilitate coordination among the Ministries and authorities represented in the Committee.
3. Study and follow the international developments in fighting against money laundering and terrorism financing, and issue recommendations to the relevant government authorities regarding the improvement of the regulatory instructions and controls issued by the supervisory authorities in the State and suggest legislative amendments in line with those developments.
4. Monitor the implementation by competent authorities of the fighting against money laundering and terrorism financing legal and institutional framework.
5. Coordinate and host national training programs on anti-money laundering and terrorism financing.
6. Take part in anti-money laundering and terrorism financing international meetings and conferences.
7. Coordinate with the National Counter Terrorism Financing Committee, formed under the Council of Minister Resolution No. (7) of 2007, with regard to all what is related to international, regional and bilateral terrorism financing conventions and treaties and with regard to developing proper mechanisms for enforcement of the United Nations resolutions related to combating terrorism financing.
8. Coordinate with the National Committee for Integrity and Transparency issued by Emiri decree No. (84) of 2007, with regard to the committee's activities.
9. Prepare and submit an annual report to the Governor of the Central Bank regarding the activities and efforts deployed by the Committee and the national, regional and international developments in the anti-money laundering and terrorism financing field and the Committee's proposals to strengthen control systems and regulations inside the State.

Article (12)

The Committee shall be convened by its Chairman whenever needed. The meetings shall be held at non-official working hours, however meetings may be held at official working hours, if necessarily required.

The meetings shall not be considered valid without the presence of the chairman or the vice-chairman. The Committee issues its recommendations by majority of votes present. In case of tie vote, the Chairman shall cast the

deciding vote. The vice-chairman will deputize for the chairman in his absence.

The committee shall put in place its work system, including the rules required for the exercise of its functions.

The Committee may select workgroups among its members or other members, or delegate any of its members to address specific tasks falling under its competences. It may also have recourse to experts selected from among the government's employees or any other experts to assist the Committee in performing its duties.

Chapter 5

Financial Information Unit and Reporting Requirements

Article (13)

The "Financial Information Unit" shall be an independent unit, with a legal personality and an independent budget affiliated to the State's public budget. It shall be located in the city of Doha.

The Head of the Unit shall be appointed by a resolution issued by the Governor of Qatar Central Bank, upon the proposal of the Committee.

Sufficient number of qualified and trained employees shall be appointed to join the Unit in addition to an adequate number of experts and specialists in the fields relating to the implementation of the provisions of this law.

Article (14)

The Unit shall serve as a central national body which shall be responsible for receiving, requesting, analyzing and disseminating information concerning suspected proceeds of crime, potential money laundering or potential terrorism financing operations, as provided for by this law.

The Unit shall have a database of all available financial data and information and the Unit may disseminate data and information to judicial and law enforcement authorities for investigation or action when there are grounds to suspect money laundering or terrorism financing operations.

Article (15)

The Unit has the authority to obtain from any entity or person subject to the reporting obligation in this law, any information it deems useful for the accomplishment of its functions. The information requested shall be provided within the time limits set and the form specified by the Unit, taking into consideration the professional obligations limits stipulated under the Advocacy Law, issued by Law No. (23) of 2006.

The Unit may request, directly or indirectly, in relation to any report it has received, any additional information it deems useful for the accomplishment of its functions from competent authorities, supervisory authorities, and enforcement authorities.

Whenever the Unit determines that a financial institution, non-profit organization, or any DNFBP is not complying or has not complied with the obligations set out in this law, it may notify the relevant supervisory authority accordingly.

Article (16)

The Unit may, spontaneously or on request, share information with any foreign counterpart agency that performs similar functions and is subject to similar confidentiality obligations, regardless of the nature of the agency, subject to reciprocity or pursuant to the provisions of international or bilateral treaties.

The information provided shall be used only for the purposes of combating predicate offences, money laundering, and terrorism financing and shall be disclosed to another party only with the consent of the Unit.

Article (17)

The staffs of the Unit are required to keep confidential any information obtained within the scope of their duties, even after the cessation of those duties within the Unit. Such information may only be used for the purposes provided for in accordance with this law.

Article (18)

The financial institutions, DNFBPs and non-profit organizations and their personnel, shall report promptly to the Unit any suspicious financial transactions or any attempts to perform such transactions, regardless of the amount of the transaction, when they suspect or have reasonable grounds to suspect that these transactions include funds that are proceeds of a criminal activity or are linked or related to, or to be used in terrorist acts or by terrorist organizations or those who finance terrorism.

Lawyers, notaries, other independent legal professionals have no obligation to report information they receive from or obtain through a client, in the course of determining the legal position for their client or performing their task of defending or representing that client, or information concerning judicial proceedings, including advice on instituting or commencing proceedings, whether such information is received or obtained before, during or after such proceedings.

Article (19)

The Unit, in coordination with the supervisory authorities, shall issue directives and guidelines to assist financial institutions, non-profit organizations and DNFBPs on implementing and complying with their respective anti-money laundering and terrorism financing requirements and with regard to filing suspicious transaction reports.

Article (20)

The Unit shall report to the Public Prosecution the findings of its examination and analysis when there are reasonable grounds to suspect that money laundering or terrorism financing acts have been committed.

The Unit may request the Public Prosecution to apply preventive measures with regard to suspected proceeds of crime, potential money laundering, or potential terrorism financing in accordance with the provision of Article (126) of the aforementioned Code of Criminal Procedure.

Article (21)

The Unit shall prepare an annual report describing its activities in combating money laundering and terrorism financing field and providing an overall analysis and evaluation of the reports received and of money laundering and terrorism financing trends. The annual report shall be submitted to the Council of Ministers after being perused by the Committee.

Chapter 6

Preventive Measures

Article (22)

Adequate, accurate and up-to-date information on the beneficial owner, ownership and organizational structure of legal persons incorporated or otherwise established in the State shall be maintained by the competent commercial register systems.

Competent authorities and supervisory authorities shall have the right of access to such information.

Article (23)

(1) Financial institutions, non-profit organizations and DNFBPs shall identify their customers whether permanent or occasional, and whether natural or legal persons or legal arrangements, verify their identities using reliable, independent source documents, data or information, when establishing business relationships, during a domestic or international transfer of funds; when doubts exist about the veracity or adequacy of previously obtained customer identification documents, data or information; when there is a suspicion of money laundering or terrorism financing; when carrying out occasional transactions, with a value equal to or above 55 000 Riyals, or an equivalent amount in a foreign currency, or a lesser amount as set out by the supervisory authorities, whether conducted as a single transaction or several transactions that appear to be linked. If the amount of the transaction is unknown at the time of the operation, the identification shall be done as soon as the amount becomes known or the threshold is reached.

Financial institutions and DNFBPs shall enquire about the anticipated purpose and the nature of the business relationship and collect all relevant information.

They shall also identify the beneficial owner of the customer and take all reasonable measures to verify his identity using reliable, independent source documents, data or information until they are satisfied that they know who the beneficial owner is. In the event that the customer is a legal person or legal arrangements, these measures must include taking additional reasonable measures to recognise and monitor the beneficial owner of the ownership of that person or arrangement as well as the one who has control thereof.

Article (24)

For the purposes of implementation of the requirements provided for in the preceding article, identification of natural persons and verification of their identity shall include the full name, as well as national identification number for Qatari citizens and residents and the passport number for expatriates.

Identification of legal persons shall include obtaining and verifying information concerning the corporate name, registered office business address, proof of incorporation or similar evidence of their legal status, legal form, the names of executives, and articles of association, as well as verifying that the person purporting to act on behalf of the customer is so authorised, and to identify and verify the identity of that person.

Identification of legal arrangements that are express trusts shall include identifying and verifying the identities of the trustees, the settlers, and major beneficiaries.

Article (25)

Supervisory authorities may prescribe, by regulation, the circumstances in which the verification of identity can be completed at a later stage provided:

- (1) this is necessary in order not to interrupt the normal course of business.
- (2) there is little risk of money laundering or terrorism financing and these risks are effectively managed.
- (3) this is completed as soon as practicable after contact is first established with the customer.

Article (26)

Financial institutions and DNFBPs shall put in place the following measures:

1- Exercise ongoing due diligence with respect to each business relationship with a customer and scrutinise the transactions carried out under the business relationship in order to ensure that they are consistent with their knowledge of their customer, his business and risk profile and, where required, the source of his income and wealth. A particular care shall be given to due diligence measures related to higher risk customers, transactions, and business relationships.

2- Ensure that documents, data and information collected under the customer due diligence processes are kept up to date and relevant by undertaking reviews of existing records, particularly for higher risk categories of customers and business relationships.

3- Take specific and adequate measures to address the risks of money laundering and terrorism financing, in the event they conduct business relationships or execute transactions with a customer that is not physically present for purposes of identification.

4- Put in place appropriate risk management systems to determine if a customer or a beneficial owner is or is not a politically exposed person, and, if so:

- a- obtain approval from senior management before establishing a business relationship with the customer.
- b- take all reasonable measures to identify the source of wealth and funds and identify the beneficial owner.
- c- provide enhanced and ongoing monitoring of the business relationship.

Article (27)

With respect to cross-border correspondent banking relationships, financial institutions shall:

- 1- identify and verify the identification of respondent institutions.
- 2- collect information on the nature of the respondent institution's business.
- 3- based on available information, evaluate the respondent institution's reputation and the nature of supervision to which it is subject.
- 4- obtain approval from senior management before establishing a correspondent banking relationship.
- 5- assess the controls implemented by the respondent institution with respect to anti-money laundering and terrorism financing, and ensure that they are appropriate and effective.
- 6- in case of a correspondent payable through account, ensure that the respondent institution has verified its customer's identity, has implemented mechanisms for ongoing monitoring with respect to its customers, and is capable of providing relevant identifying information on request.

Article (28)

If financial institutions, and DNFBPs cannot fulfil their obligation of due diligence described in Articles (23) through (27) of this law, they shall not establish or maintain the business relationship.

Where appropriate, they shall submit a report to the Unit in accordance with this law.

Article (29)

Financial institutions, and DNFBPs, each in its own competency, shall fulfil the obligations described in Articles (23) through (27) of this law, with regard to every customer with whom they have a business relationship or a cross-border correspondent banking relationship which was already existing on the commencement day of this law, during a period not exceeding six months starting the commencement day.

Article (30)

Financial institutions whose activities include domestic and external wire transfers of a value exceeding (4000) Riyals, or an equivalent value in other currencies, shall obtain and verify the following information about the originators of the transfers:

- (1) full name.
- (2) account number or, if there is no account number, a unique reference number.
- (3) address, Identity Card (ID) Number, or customer identification number, or date and place of birth.

The information shall be included in the message or payment form accompanying the transfer.

Supervisory authorities may issue directives with measures to be taken with regard to some forms of wire transfers, including for transactions executed as batch transfers and domestic transfers and credit or debit card transactions.

Institutions referred to in paragraph (1) of this article, and upon receipt of wire transfers that do not contain the complete originator information, shall take

measures to obtain and verify the missing information from the ordering institution or the beneficiary. Should the institutions fail to obtain the missing information, they shall decline the transfer and report it to the Unit.

Article (31)

In case of non-suspicion of money laundering or terrorism financing, and based on an assessment of the risks represented by customer, product, business relationship or transactions, supervisory authorities may prescribe by regulation, the simplification of customer due diligence obligations established in this law with regard to the identification and verification of the identity of the customer or the beneficial owner.

Article (32)

In case of non-suspicion of money laundering or terrorism financing, supervisory authorities may, by regulation, authorise financial institutions to rely on measures conducted by others for the customer as required by this section.

In all cases, financial institutions remain responsible for the proper conduct of prescribed measures as required by this chapter and ongoing monitoring for their customers.

Article (33)

Financial institutions and DNFBPs shall pay special attention to the following matters:

1- Verification of the background and purpose in regards to all complex, unusual large transactions and all unusual patterns of transactions, which have no apparent economic or visible lawful purpose.

2- Verification of the background and purpose in regards to business relationships and transactions with persons, including legal persons and legal arrangements which are subject to legal systems that do not apply or that do not sufficiently apply the relevant international standards to combat money laundering and terrorism financing.

3- Have policies and procedures in place to address risks arising from products and transactions that favour anonymity.

Financial institutions and DNFBPs shall set forth in writing the specific information regarding transactions as referred to in paragraphs (1) and (2) of this article and the identity of all parties involved. They shall maintain it as specified in this law and shall be made available if requested by the Unit, the supervisory authorities or other competent authorities.

Article (34)

Financial institutions and DNFBPs shall maintain records of the following information:

(1) copies of documents verifying the identities of customers, beneficial owners, obtained in accordance with the provisions in this chapter, account files and business correspondence for a minimum of five years after the business relationship has ended or longer if requested by the competent authority in specific cases.

(2) information obtained in accordance with the provisions in this chapter, to enable the tracing of transactions, attempted or executed by customers and

the written reports established in accordance with the provisions of this law for a minimum of five years following the attempt or execution of the transaction or longer if requested by the competent authority in specific cases.

Financial institutions and DNFBPs shall ensure that the records and underlying information are readily available to the Unit and other competent authorities.

Article (35)

Financial institutions and DNFBPs shall develop and implement programs for the prevention of money laundering and terrorism financing. Such programs shall include the following:

(1) internal policies, procedures, systems and controls, including sound implementation of program management arrangements, and appropriate employee screening procedures to ensure that they are appointed accordingly with the highest standards.

(2) ongoing training for officers and employees to assist them in recognizing transactions and activities that may be linked to money laundering and terrorism financing and inform them of the procedures to be followed in such cases.

(3) audit arrangements to check compliance with and effectiveness of the measures taken to apply this law.

Article (36)

Financial institutions and DNFBPs shall designate an officer at the level of department leadership to be responsible for overseeing implementation of this law within the institution.

Article (37)

The relevant supervisory authorities may by regulation determine the type and extent of measures to be taken by financial institutions, NPOs and DNFBPs, having regard to the requirements of this chapter.

Article (38)

Financial institutions shall require their foreign majority owned subsidiaries and branches to implement the requirements of this section except to the extent that local applicable laws and regulations prevent this. If the laws of the country where the majority owned subsidiary or branch is situated prevent compliance with these obligations, the financial institution shall so inform its supervisory authority.

Article (39)

Under no circumstance shall financial institutions, NPOs and DNFBPs, and their personnel disclose to their customer or a third party that information was provided to the Unit or that a report concerning suspected money laundering or terrorism financing will be, is being or has been submitted to the Unit or that a money laundering or terrorism financing investigation is being or has been carried out.

This shall preclude disclosures or communications regarding suspicious money laundering or terrorism financing between and among their directors, officers and employees, legal departments and appropriate competent authorities, while performing their duties.

Article (40)

Save the professional obligations stated in the Advocacy Act, issued by Law No. (23) of 2006, professional secrecy or requirements shall not be invoked as a ground not to provide information or documents, when requested, in accordance with the provisions of this law.

Chapter 7

Supervisory Authorities

Article (41)

A supervisory authority may issue or make regulations, directives, rules, guidelines, recommendations or other instruments, for the implementation of the provisions of this law and for the purpose of fighting against money laundering and terrorism financing.

Article (42)

The supervisory authorities shall supervise compliance by financial institutions, NPOs and DNFBPs with the requirements stipulated in this law.

They shall:

- (1) adopt necessary measures to establish fit and proper criteria for owning, controlling, or participating, directly or indirectly, in the directorship, management or operation of financial institutions.
- (2) regulate and supervise financial institutions, NPOs and DNFBPs for compliance with the obligations set out in this law, including through on-site examinations, and the request of documents, information, or records.
- (3) cooperate and share information with competent authorities, and provide assistance in evidence collection, prosecutions or proceedings relating to predicate offences, money laundering, and terrorism financing.
- (4) develop in cooperation with the Unit, standards applicable to the reporting of suspicious transactions that shall take into account pertinent national and international standards.
- (5) ensure that financial institutions and their foreign branches and majority owned subsidiaries adopt and enforce measures consistent with this law except to the extent that local laws and regulations prevent this.
- (6) report promptly to the Unit any information concerning suspicious transactions or information that could be related to money laundering or terrorism financing.
- (7) provide prompt and effective cooperation to counterpart agencies performing similar functions in other States, including exchange of information.
- (8) maintain statistics concerning measures adopted and sanctions imposed in the context of enforcing this law.

Article (43)

No one may operate as a DNFBP without prior registration by the relevant supervisory authority, taking into consideration legal regulations specific to each business and profession.

Article (44)

A supervisory authority, in case of a violation of the obligations established under this law by a financial institution, NPO, or DNFBP, made intentionally or by gross negligence, is evidenced, may impose one or more of the following measures and sanctions:

- (1) ordering regular reports on the measures it is taking.
- (2) ordering compliance with specific instructions.
- (3) sending written warnings.
- (4) replacing or restricting the powers of managers, board members, or controlling owners, including the appointing of ad hoc administrator.
- (5) barring individuals from employment within a business, profession or activity, either permanently or for a provisional period.
- (6) imposing supervision, suspending license, restricting or withdrawing any other form of permission and prohibiting the continuation of a business, profession or activity.
- (7) imposing financial penalty in an amount no greater than 10 million Rials.
- (8) any other measures.

The supervisory authority shall inform the Unit of the measures and sanctions imposed.

Chapter 8

Investigation Procedures and Provisional Measures

Article (45)

Investigation in money laundering crimes may be carried out independently from predicate offences.

Article (46)

The Public Prosecutor, or the authorised General Advocates, may issue an order to the financial institutions, DNFBPs, or NPOs to disclose or provide any information or data on any accounts, deposits, trusts, funds or other transactions that may assist in revealing the facts of any possible money laundering or terrorism financing crimes, or any related predicate offence.

Article (47)

The Public Prosecutor, or authorised General Advocates, may issue an order to seize all types of letters, printed materials, mail boxes, and telegrams and to control all communication means and record any activities taking place in public or private places if this assists in revealing the facts of any possible money laundering or terrorism financing crime, or any related predicate offence.

In all cases, the seizure order or the recording order shall be grounded on reasons and it shall not exceed ninety days. This term may only be extended pursuant to an order issued by the competent court.

Article (48)

Without prejudice to the authority of the Public Prosecutor set out in this law, in cases where there is a concern about the disposal of money laundering proceeds held at Financial Institutions, or where there is suspicion that funds, balances or accounts are being used in terrorism financing, the Governor of the Central Bank, may order the freezing of the suspected funds, balances or accounts for a period not exceeding ten business days. The Public Prosecutor shall be notified of such an order within three business days of its issuance, otherwise it shall be treated as void *ab initio*. The Public Prosecutor may cancel the freezing order or renew it for a period not exceeding three months.

The freezing order may not be renewed beyond the three months limit referred to except by order of the competent court at the request of the Public Prosecutor and the renewal shall be for a similar period or periods until a final judgment is passed in the criminal case.

In all cases, every party concerned may lodge a grievance against the freezing order or the renewal thereof before the competent court within 30 days from the date of his knowledge thereof, and the court ruling thereon shall be final.

Article (49)

Without prejudice to the rights of third parties acting in good faith, the Public Prosecutor may, at his discretion, impose temporary measures including freezing or seizing, intended to preserve the availability of funds, instrumentalities used or intended to be used in the commission of a predicate offence, a money laundering crime, or a terrorism financing crime, or any properties of corresponding value.

Such measures may be lifted at any time by the competent court at the request of the Public Prosecutor, or at the request of the suspects or persons claiming rights to these properties.

Article (50)

The Public Prosecutor shall issue the necessary orders for freezing the funds of terrorists, those who finance terrorism and terrorist organizations, designated by the United Nations Security Council acting pursuant to Chapter VII of the United Nations Charter, or designated by a resolution issued by the Combating of Terrorism Committee, formed under the Council of Ministers Resolution No.(7) of 2007, pursuant to UN Security Council Resolution (1373) of 2001 or subsequent resolutions.

The Public Prosecutor's decision shall define the terms, conditions and time limits applicable to the freezing, and shall be published in the Official Gazette. The financial institutions, designated non-financial businesses and professions, or any other person holding such funds shall immediately freeze them and report the freezing to the Unit or any competent authority.

Article (51)

Frozen funds shall remain the property of persons which had interest therein, when the freezing was imposed. The financial institution may continue the management thereof.

Seized funds shall remain the property of persons which had interest therein, when the seizure was signed, provided that they are managed by the competent judicial authority.

Chapter 9

International Cooperation

Section: One

General Rules

Article (52)

The competent authorities shall provide help to their competent counterpart authorities in other States for purposes of extradition and mutual legal assistance in connection with criminal investigations and proceedings related to money laundering and terrorism financing, according to the rules set by the aforementioned Code of Criminal Procedure, the bilateral or multilateral agreements, that Qatar is party thereto, or the reciprocity principle, and in such a way that does not contradict the basic principles of the State's legal system.

The request for criminal extradition or legal assistance shall only be executed, based on this law, unless the law of the requesting State and the laws of the State of Qatar penalize the crime, which is the subject of extradition request, or a similar crime. Dual criminality shall be deemed to have been fulfilled irrespective of whether the laws of the requesting State place the offence within the same category of offences or denominate the offence by the same terminology as in the State, provided the conduct underlying the offence for which request is presented is a criminal offence under the laws of the requesting States.

Article (53)

The Public Prosecutor has the authority and power to receive requests for mutual legal assistance or extradition requests sent by competent foreign authorities with respect to money laundering and terrorism financing, and he shall either execute them or refer them to the competent authorities for execution as soon as possible.

In urgent cases, such requests may be sent through the International Criminal Police Organization (ICPO/Interpol) or directly by the competent foreign authorities to the judicial authorities of the State. In such cases, the authority receiving the request shall notify the Public Prosecutor.

Requests and answers should be sent either by post or any other faster means that makes a written record or its equivalent obtainable under conditions allowing the State to establish authenticity.

In all cases, requests and their annexes shall be accompanied by a translation into Arabic.

Article (54)

Requests for legal assistance or extradition requests shall include the following:

- 1) the identity of the authority requesting the measures.
- 2) the name and function of the authority conducting the investigation, or prosecution.
- 3) the requested authority.
- 4) the purpose of the request and any relevant contextual remarks.
- 5) the facts supporting the request.
- 6) any known details that may facilitate identification of the person concerned, particularly his name, his marital status, his nationality, his address, his location and his occupation.
- 7) any information necessary for identifying and tailing the persons, tracking instrumentalities, funds or properties in question.
- 8) the legal text incriminating the act or, if required, a statement of the law applicable to the offence and any indication of the penalty that can be imposed against the offender.
- 9) the details of the assistance required and any specific procedures that the requesting State wishes to be applied.

In addition, to the preceding data, the request shall include in some specific cases, the following particulars:

- 1) a description of the measures sought in case of requests for provisional measures.
- 2) a statement of the relevant facts and arguments to enable the judicial authorities to order the confiscation under the law, this shall be sought in case of requests for the issuance of a confiscation order.
- 3) in case of requests for the enforcement of orders relating to provisional measures or confiscations:
 - a) a certified copy of the order, and a statement of the grounds for issuing the order if they are not indicated in the order itself.
 - b) a document certifying that the order is executable and is incontestable by the normal path of appeal.
 - c) an indication of the extent to which the order is to be enforced and the amount to be recovered from the value of properties.
 - d) any information concerning third-party rights in the instrumentalities, proceeds, properties or other things in question if such information is possible and appropriate.
 - e) the original copy of the judicial judgment, or a certified copy thereof or any other document indicating the conviction of the person accused and the sentence imposed, the fact that the sentence is enforceable and the extent to

which the sentence remains to be served, this is in case of requests for extradition of a person convicted of committing a crime.

Article (55)

The Public Prosecutor or the concerned competent authority may, out of its own motion or based on the request of the Public Prosecutor, request additional information from the competent foreign authority if such information is necessary to execute or facilitate the execution of the request.

Article (56)

It must be adhered to the confidentiality of the request if a condition to that effect is stipulated therein, and if that is not possible, the requesting authority shall be promptly informed thereof.

Article (57)

The Public Prosecutor may delay the referral of the request to the competent authorities responsible for the execution of the request if the measure or order sought is likely to substantially interfere with an ongoing investigation or a pending case. Consequently, the requesting authority shall immediately be informed of such delay.

Section: Two

Mutual Legal Assistance

Article (58)

If a foreign State requests mutual legal assistance in connection with money laundering or terrorism financing, the request shall be executed in accordance with the principles set out in this chapter. The mode of mutual legal assistance, in particular, may include the following:

- 1) obtaining evidence or statements from persons.
- 2) assistance in making detained persons, voluntary witnesses or others appear before the judicial authorities of the requesting State in order to give evidence or assist in investigations.
- 3) delivering of judicial papers.
- 4) executing searches and seizures.
- 5) examining objects and sites.
- 6) providing information, evidentiary items and experts reports.
- 7) providing originals or certified copies of relevant documents and records, including government, bank, financial, companies and business records.
- 8) identifying or tracking the proceeds of crime, funds or property or instrumentalities or other things for evidentiary or confiscation purposes.
- 9) confiscation of assets.
- 10) execution of freezing and other provisional measures.
- 11) any other form of mutual legal assistance which is not contrary to the laws in force in the State.

Article (59)

A request for mutual legal assistance shall not be refused except in the following cases:

- 1) If it was not made by a competent authority according to the law of the requesting State, or if it was not sent in accordance with applicable laws or if its contents are in substantial non-conformity with Article (54) of this law.
- 2) If its execution is likely to prejudice the security, sovereignty, public order or fundamental interests of the State.
- 3) If the offence to which the request relates is the subject of criminal case, which is pending or has already been adjudicated upon by a final judgment in the State.
- 4) If there are substantial grounds for believing that the measure or order being sought is directed at the person in question solely on account of that person's race, religion, nationality, ethnic origin, political opinions, gender or status.
- 5) If the offence referred to in the request is not provided for under the laws of the State or does not have features in common with an offence provided for under the law of the State; however, assistance shall be otherwise granted if it does not entail coercive measures.
- 6) If it is not possible to issue an order to take or execute the measures requested by reason of the rules of prescription applicable to money laundering or terrorism financing under the legislation of the State or the law of the requesting State.
- 7) If the order whose execution is being requested is not enforceable under the law.
- 8) If the decision rendered in the requesting State was issued under conditions that did not afford sufficient protections with respect to the rights of the accused.

Article (60)

No request for mutual legal assistance shall be refused on the basis of unduly restrictive conditions, or on the basis of confidentiality provisions which bind the financial institutions, or for the sole ground that the offence involves fiscal matters.

The decision passed by a court, in relation to a request for mutual legal assistance shall be subject to appeal, in accordance with prescribed legal rules.

In case of refusal to execute the request, the Public Prosecutor or the competent authority in the State shall promptly inform the foreign competent authority of the grounds for refusal.

Article (61)

Requests for Investigative measures shall be undertaken in conformity with the procedural rules of the State, unless the competent foreign authority has requested specific procedures which are not contrary to such rules to be followed.

A public official authorised by the competent foreign authority may attend the implementation of the measures.

Article (62)

Requests for taking provisional measures shall be executed in accordance with the above-mentioned Code of Criminal Procedure. If the request is worded in general terms, the most appropriate measures provided by law`

Should the requested measures are not provided for in the aforementioned Code of Criminal Procedure, the competent authority may substitute those measures with measures provided for in that Code, which have effects corresponding most closely to the requested measures.

The provisions relating to the lifting of provisional measures as stipulated in this law shall be applicable. Before lifting the provisional measures, the requesting State should be informed thereof.

Article (63)

In case of a request for mutual legal assistance seeking a confiscation order, the competent authorities shall recognize the confiscation order made by a court of the requesting State or refer the request to the Public Prosecution for issuing the confiscation order and the execution thereof if such order has been issued.

The confiscation order shall apply to the funds referred to in the confiscation provisions of this law, and existing in the territory of the State.

Where the competent authorities recognize and enforce a confiscation order, they shall be bound by the findings of facts on which the order is based.

Article (64)

Without prejudice to the rights of a *bonafide* owner, the State shall have power of disposal of properties confiscated on its territory at the request of foreign authorities, unless an agreement concluded with the requesting State provides otherwise.

Article (65)

The competent authorities of the State may enter into bilateral or multilateral agreements or arrangements, in relation to matters that are the subject of investigations or proceedings in one or more States, in order to set up joint investigative teams and conduct joint investigations.

In the absence of such agreements or arrangements joint investigations may be undertaken on a case by case basis.

Section : Three

Criminals' Extraditions

Article (66)

Money laundering and terrorism financing shall be considered as an extraditable offence.

For the purposes of this law, money laundering and terrorism financing shall not be regarded as political offences, or offences connected with a political offence, or offences inspired by political motives.

Article (67)

Extradition shall not be granted in the following cases:

1) If there are substantial grounds to believe that the request for extradition has been made for the purpose of prosecuting or punishing a person on account of that person's sex, race, religion, nationality, ethnic origin or political opinions or that compliance with the request would cause prejudice to that person's position for any one of these reasons.

2) If a final judgment has been rendered in the State in respect of the offence for which extradition is requested.

3) If the person whose extradition is requested has, under the legislation of either country, become immune from prosecution or punishment for any reason, including elapse of time or amnesty.

4) If there are substantial grounds to conclude that the person whose extradition is requested has been or would be subjected to torture or cruel, inhuman or degrading treatment or if that person has not received or would not receive the minimum guarantees in criminal proceedings, pursuant to international standards in that regard.

5) the person whose extradition is requested is a Qatari citizen.

Extradition shall not be refused on the sole ground that the offence is considered to entail fiscal matters.

Article (68)

Extradition may be refused if:

1) a prosecution in respect of the offence for which extradition is requested is pending in the State against the person whose extradition is requested.

2) the offence for which extradition is requested has been committed outside the territory of either country and the legislation of the State does not provide for jurisdiction over offences committed outside its territory for the offence which gave rise to the request.

3) the person whose extradition is requested has been sentenced for the conduct which gives rise to the request or would be liable to be tried or sentenced in the requesting State by an irregular or fundamentally unfair extraordinary or ad hoc court or tribunal.

4) the State, while also taking into account the nature of the offence and the interests of the requesting State, considers that, in the circumstances of the case, the extradition of the person in question would be incompatible with humanitarian considerations in view of the age, health or other personal circumstances of that person.

5) the extradition is requested pursuant to a final judgment rendered in the absence of the convicted person who, for reasons beyond his control, has not had sufficient notice of the trial or the opportunity to arrange for his defence and he has not had or will not have the opportunity to have the case retried in his presence.

6) the State has assumed jurisdiction over the offence.

Article (69)

If extradition is refused on either of the grounds stated in this law, the case shall be referred to the competent authorities in order to institute criminal proceedings against the person concerned in respect of the offence which gave rise to the request.

Article (70)

With regard to money laundering and terrorism financing, the State may assist in extradition after receipt of a request for provisional arrest by the requesting State, provided that the person whose extradition is requested explicitly consents before a competent authority.

Chapter 10

Penalties

Article (71)

The money laundering crime does not fall within the provisions of Article (85) of the afore-mentioned Penal Code.

Article (72)

Without prejudice to a more severe punishment prescribed under any other law:

1- Any one who commits, or attempts to commit one of the terrorism financing crimes stipulated in Article (4) of this law shall be sentenced to imprisonment for a term not exceeding ten years and a fine not exceeding 2.000.000 Riyals.

2- Any one who commits, or attempts to commit one of the money laundering crimes stipulated in Article (2) of this law shall be sentenced to imprisonment for a term not exceeding seven years and by a fine not exceeding 2.000.000 Riyals.

3- Any one who violates the provisions of Articles (3), (5), and (39) of this law shall be sentenced to imprisonment for a term not exceeding three years and by a fine not exceeding 500,000 Riyals.

The penalties stipulated under the previous paragraphs shall be doubled if the criminal was assisted in the commitment of his crime by one or more persons or by an organised criminal gang, or through a terrorist organization; or if the

crime was committed as part of other criminal acts; or if it is associated with other criminal activities; or if the criminal committed the crime by abusing his authority or powers in a financial institution, NPO or DNFBP, or by abusing the facilities offered through his job position or his professional or social activity; or if the criminal has taken part in the predicate offence from which the funds of the money laundering crime derive, whether as committer or partner, or for the intention to hinder the investigation of the money laundering and terrorism financing crime.

In addition to the penalties mentioned in the above two paragraphs, the perpetrator of a crime may be barred from employment within a business, profession or activity, which contributed in presenting the opportunity to commit a crime provided for in this article, either permanently or for a provisional period.

Article (73)

Without prejudice to a more severe punishment prescribed under any other law, any one who breaches the provisions of Article (6), paragraphs (1) and (2), and Article (17) of this law shall be sentenced to imprisonment for a term not exceeding three years and a fine not exceeding 500,000 Riyals.

Article (74)

Without prejudice to a more severe punishment prescribed under any other law, any one who breaches the provision of Article (8) of this law shall be sentenced to imprisonment for a term not exceeding one year and a fine not exceeding 100,000 Riyals.

Article (75)

Without prejudice to a more severe punishment prescribed under any other law, a legal person, on whose behalf or for whose benefit money laundering or terrorism financing has been committed by any natural person, acting either individually or as part of an organ of the legal person, who has a leading position within it, based on a power of representation of the legal person, an authority to take decisions on behalf of the legal person, or an authority to exercise control within the legal person, acting in such capacity, shall be punished by a fine not less than 5 million Riyals or equivalent to the total value of the instrumentalities and the proceeds of the crime, irrespective of the conviction of the natural person as perpetrator of the offence.

The above does not prevent the punishment of the natural person, perpetrator of the crime with the corresponding sanction prescribed by the law.

A legal person may additionally be barred permanently or for a provisional period from directly or indirectly carrying on certain business activities, placed under court supervision; ordered to close, permanently or for a provisional period, its premises which were used for the commission of the offence; wound up; or ordered to publicise the judgment issued in relation thereto.

Article (76)

Without prejudice to a more severe punishment prescribed under any other law, every financial institution, or DNFBP shall be punished by a fine not

exceeding 1.000.000 Riyals, if it violates the provision of Article (50) of this law.

Article (77)

In the event of a conviction for a predicate offence, a money laundering or a terrorism financing crime, or an attempt to commit such an offence, without prejudice to the rights of *bona fide* third parties, an order shall be issued by the court for the confiscation of:

- 1) funds constituting the proceeds of crime, including properties intermingled with such proceeds or derived from or exchanged for such proceeds, or properties the value of which corresponds to that of such proceeds.
- 2) funds forming the object of the offence.
- 3) funds constituting income and other benefits obtained from such funds or properties, or proceeds of crime.
- 4) instrumentalities of the crime.
- 5) funds referred to in this article that have been disposed of and transferred to any party, unless the court finds that the owner acquired them by paying a fair price or in return of services corresponding to their value or on any other legitimate grounds, and that he was unaware of its illicit origin.

If, in cases where an offence is established by the provisions of this law, the perpetrator thereof has not been convicted because he is unknown, or he died, the Public Prosecution may nevertheless submit the file to the competent court to order the confiscation of the seized funds if sufficient evidence is adduced that they constitute proceeds of crime.

In all cases, the confiscation order shall specify the relevant funds and contain the necessary details to identify and locate these funds.

Article (78)

Without prejudice to the rights of *bona fide* third parties, a contract, arrangement, or any other legal instrument, shall become null and void if its parties or any party becomes aware or believes that the purpose of the contract is to avoid confiscation of the instrumentalities, returns or proceeds related to either a money laundering or a terrorism financing crime.

Article (79)

Unless otherwise provided for in this law, confiscated funds shall accrue to the State Treasury. Such funds shall remain encumbered, up to their value, by any rights lawfully established in favour of third parties acting in good faith.

Article (80)

An office for seizure and confiscation shall be established and directly affiliated to the Public Prosecutor. It shall be responsible for identifying and tracing funds that may be subject to seizure and confiscation. It shall collect and maintain all data associated with its mission in accordance with the law. It shall also manage seized assets.

Article (81)

The office for seizure and confiscation shall be responsible for the administration or management of seized assets in accordance with the feasible means available to it, with a view to returning or confiscating such assets in a condition reasonably comparable to their condition at the time of

the seizure. The Public Prosecutor may authorise the sale of funds or properties likely to incur significant depreciation as a result of management or for which the cost of preservation is unreasonably disproportional to its value. In such case, the value of the sale shall remain subject to the seizure.

The office for seizure and confiscation shall manage the sums of money seized unless they were already entrusted to a financial institution or private manager or were seized or withheld there.

Article (82)

Every person, who reports, in good faith, any suspicious transaction covered under the provisions of this law or submits any information or data on suspicious transactions is exempted from criminal or civil liability for breach of professional secrecy requirements.

No criminal action for money laundering or terrorism financing shall be brought against financial institutions, designated non-financial businesses and professions, NPOs or their personnel in connection with the execution of a suspicious transaction where reports of suspicions were made in good faith in accordance with this law.

Article (83)

A perpetrator of money laundering or terrorism financing crime shall be exempted from the punishments of imprisonment and fine payment stipulated under this law if he notifies the competent authorities of any information related to the crime and involved persons, before they become aware of the crime.

If the notification takes place after the competent authorities have become aware of the crime and the involved persons, which led to the detention of the remaining criminals and the confiscation of the instrumentalities and the proceeds, the court may issue a judgment suspending the imposition of the punishment.

