COUNCIL OF EUROPE CONSEIL DE L'EUROPE

COMMITTEE OF EXPERTS ON THE EVALUATION OF ANTI-MONEY LAUNDERING MEASURES AND THE FINANCING OF TERRORISM (MONEYVAL)

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Romania

Progress report – *Annexes* [1]

16 December 2011

[1] Second 3rd Round Written Progress Report Submitted to MONEYVAL

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List of Annexes

Annex no. 1 - National Strategy for Preventing and Combating Money Laundering and Terrorism Financing

Chapter I - Introduction

The National Strategy for Preventing and Combating Money Laundering and Terrorism Financing is a programmatic document, designed to use the valuable cumulated experience and optimize the activities in this area, at national level.

In order to have a coherent and unitary base for sector actions, as well as for the specific actions of institutions and authorities with attributions in the area, the strategy is a synthesis of the objectives and defines and correlates the directions of action for all the institutional components, in fully accordance with the provisions of the Romanian Strategy on National Security and with international standards in the concerned area.

The conceptual architecture of the strategy is based on defining elements of current social and economic environment and also on relations which govern their specific, having regard in the same time the short and medium term predictable perspectives of the internal and international life.

The novelty of the Strategy consists in a comprehensive approach of this topic, taking into consideration the increasing complexity and diversity of the aspects which are specific to phenomena of money laundering and terrorism financing.

The complexity of aspects which influence this topics and the potential or obvious vulnerabilities generated by the economic and social developments impose that within the national mechanism for cooperation to be included non-governmental civil and commercial structures, which can contribute to ensuring the equilibrium of the internal environment – economic, social, civil, military – necessary for an efficient prevention and fight against the attempts of money laundering and terrorism financing.

The national mechanism of cooperation in the area of preventing and combating money laundering and terrorism financing has in view all the means, regulations, and national public authorities and institutions with attributions in the area.

Chapter II - National organizational and institutional framework

1.1 National mechanism of cooperation in the field

National mechanism of cooperation in the area of preventing and combating money laundering and terrorism financing, includes:

A) The Financial Intelligence Unit (FIU) meaning National Office for Prevention and Control of Money Laundering (further known as N.O.P.C.M.L) – specialty body, of administrative type, which has as activity object preventing and combating money laundering and terrorism financing, for which purpose receives, analyses and processes information and further notifies the General Prosecutor's Office by the High Court of Cassation and Justice, in case of solid grounds of money laundering and terrorism financing and also notifies the Romanian Intelligence Service in case of solid grounds of terrorism financing.

N.O.P.C.M.L, according to legal provisions in the area of preventing and sanctioning money laundering and terrorism financing, receives, processes, stores and analyses the information submitted by:

a) Reporting entities provided within art. 8 from the Law no. 656/2002 for prevention and sanctioning money laundering and on setting up of certain measures for preventing and combating terrorism financing, as amended and completed;

b) Prudential supervision authorities, meaning National Bank of Romania, National Commission of Securities, Insurance Supervision Commission and Commission for Supervision of Private Pension System from Romania;

c) Public institutions and structures with attributions of information and/or control on this area: National Agency for Fiscal Administration, including through Financial Guard and National Authority of Customs, General Inspectorate of Romanian Police, General Inspectorate of Border Police, leading structures of independent legal professions,

d) National bodies and other departmental intelligence structures;

e) Partner Financial Intelligence Units.

B) National authority in the area of prevention and combating terrorism: Romanian Intelligence Service (R.I.S) is the state body specialized in the area of information related to the national security of Romania, component of the national system for defense, its activity being organized and coordinated by the Supreme Council of Country Defense.

Based on the provision of the Law no. 535/2004 for preventing and combating terrorism, the Romanian Intelligence Service has the role of **technique coordinator of the National System of Prevention and Combating Terrorism (N.S.P.C.T),** this attribution being performed through the Center of Operative Antiterrorist Coordination (C.O.A.C.).

The Romanian Intelligence Service is notified by N.O.P.C.M.L related to situations in which there are suspicions of developing activities with the purpose of terrorism financing, according to legal provisions, in order to perform specific investigations, according to its competences.

The Romanian Intelligence Service sends to N.O.P.C.M.L, on request, information related to elements that are relevant for antiterrorist profile or suspicions of logistic and financial support for terrorist entities.

In case of solid grounds on constitutive elements of financing terrorism offence, the Romanian Intelligence Service will submit data and information to General Prosecutor's Office by the High Court of Cassation and Justice.

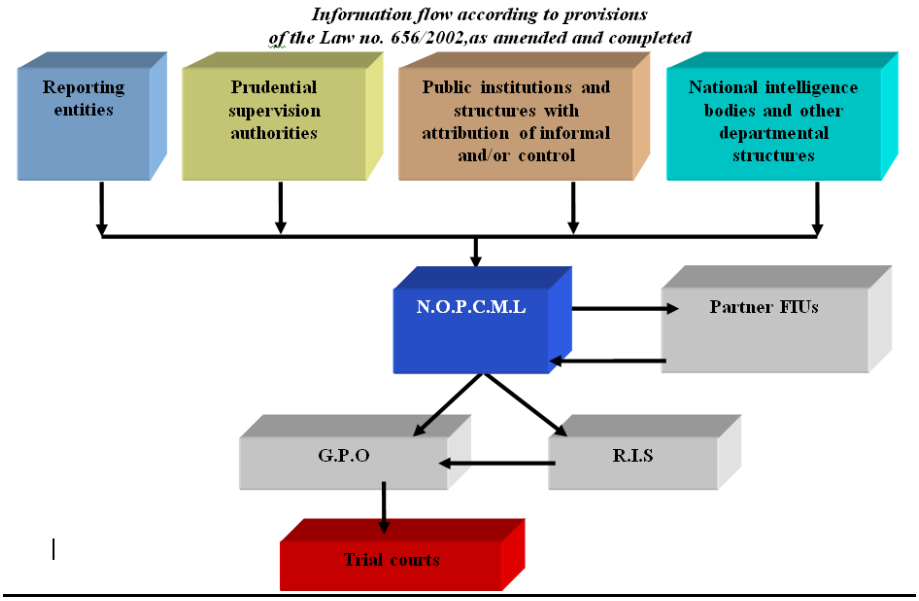
C) The General Prosecutor's Office by the High Court of Cassation and Justice – and, by case, the **Romanian Intelligence Service** – are the main beneficiaries of the information submitted by N.O.P.C.M.L, in case it ascertains solid grounds of money laundering and/or terrorism financing, as it is provided within the art. 6 para (1) of the special law.

In case of additional checking of data and information that are necessary for the criminal procedure, G.P.O. can request to N.O.P.C.M.L additional data.

In the same time, the trial courts solve penal causes on the existence of money laundering and/or terrorism financing offences.

1.2 Information flow, according to provisions of Law no. 656/2002, as amended and completed

Having regard the provisions of the Law no. 656/2002 and also the attributions established by normative acts for each of the institutions, authorities and entities that are component bodies of the national mechanism of cooperation described at point 1.1 within the current chapter, it can be identified a flow of financial information, as presented below.



Chapter III - Objectives and directions of action for developing the capacity of preventing and combating money laundering and terrorism financing

Objective I. Enhancement of the national capacity of prevention and combating of money laundering and terrorism financing

Directions of actions:

1. Analysis of the legal framework in the field of preventing and combating money laundering and terrorism financing and, by case, identification of measures for its improvement;
2. Analysis of the functioning of the cooperation mechanism and the efficiency of the prevention and fight against money laundering and terrorism financing activities;
3. Ensuring a unitary concept, through cooperation between competent authorities, as regards the process of implementation of the policies in the field of preventing and combating money laundering;
4. Establishment – within the framework of the National System of Prevention and Combating of Terrorism – of a national working group in the field of preventing and combating terrorism financing, as a tool for an efficient information exchange between N.O.P.C.M.L., intelligence services and law enforcement authorities;
5. Strengthening the cooperation with the private sector, by enhancing the level of training and awareness of reporting entities, components of the national cooperation mechanism;
6. Strengthening the supervision and control capacity of the competent authorities in the field, including N.O.P.C.M.L., having regard its position of supervision authority for the reporting entities which are not under the supervision of other authorities;
7. Enhancing the level of public information and awareness on the risks related to money laundering and terrorism financing;
8. Intensifying the assessment activities and operative updating of the risk profiles and specific risk indicators, depending on the trends registered in real ground, by a concerted effort of the relevant institutions/authorities in the field.

Objective II. Optimization of the available tools and enhancement of the specialization level of the personnel from relevant institutions in the field

Directions of action:

1. Enhancement of the action capacity of the components of the national cooperation mechanism in the field of money laundering and terrorism financing, by putting in value the acquired expertise, exchange of best practices with international partners and implementation of new available tools at international level;
2. Implementation of training programs for the specialists in the field of preventing and combating money laundering;
3. Strengthening the analysis and investigation capacity in the field of preventing and combating money laundering;
4. Strengthening the analysis and investigation capacity in the field of terrorism financing, focusing on financing sources (legal, illegal and ensuring logistical support), in the format of N.S.P.C.T / C.O.A.C.;
5. Enhancement of possibilities for dissemination of information, in order to strengthen the proactive investigations, based on financial information.

Objective III. Consolidating Romania's role in international mechanisms and bodies in the field of preventing and combating money laundering and terrorism financing

Directions of action:

1. Active participation in the development of the international mechanisms in the field of prevention and combating money laundering and terrorism financing;
2. Enhancement of the national contribution to the initiatives of international bodies regarding the identification, prevention and countering of the activities of entities involved in money laundering and terrorism financing operations.

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In order to implement the provisions of this strategy, a Plan of Action with concrete terms and responsibilities for each component of the national mechanism, shall be elaborated and approved, within 90 days from its approval by the Supreme Council of State Defense.

The Financial Intelligence Unit of Romania shall ensure the technical secretariat for these activities.

June 28, 2010

Annex no. 2 - Law No. 656* of December 7th, 2002 on prevention and sanctioning money laundering, as well as for setting up certain measures for prevention and combating terrorism financing

The Parliament of Romania
Law No. 656*) of December 7th, 2002
on prevention and sanctioning money laundering, as well as for setting up certain measures for prevention and combating terrorism financing

*) Note:
It contains the changes to the initial document, including the provisions:
E.G.O. no. 26/2010 published in the Official Gazette of Romania

The Parliament of Romania adopts the present law.

Chapter I
General Provisions

Art. 1 - This law establishes measures for the prevention and combating of money laundering and certain measures concerning the prevention and combating the terrorism financing.

Art. 2 - For purposes of the present law:

a) **money laundering** means the offence provided for in the Art. 23;

a[1]) **terrorism financing** means the offence referred to in the Art. 36 of the Law no. 535/2004 on the prevention and combating terrorism;

b) **property** means the corporal or non-corporal, movable or immovable assets, as well as the juridical acts or documents that certify a title or a right regarding them;

(c) **suspicious transaction** means the operation which apparently has no economical or legal purpose or the one that, by its nature and/or its unusual character in relation with the activities of the client of one of the persons referred to in Article 8, raises suspicions of money laundering or terrorist financing;

(d) **external transfers in and from accounts** means cross-border transfers, the way they are defined by the national regulations in the field, as well as payment and receipt operations carried out between resident and non-resident persons on the Romanian territory;

(e) **credit institution** means any entity that carries out one of the activities defined by article 7 para (1) point 10 of Government Emergency Ordinance no.99/2006 on credit institutions and capital adequacy, approved with modifications and completions by Law no. 227/2007;

(f) **financial institution** means any entity, with or without legal capacity, other than credit institution, which carries out one or more of the activities referred to in Article 18, para (1), points (b)-(l), (n) and (n[1]) of Government Emergency Ordinance no.99/2006 on credit institutions and capital adequacy, approved with modifications and completions by Law no. 227/2007, including postal offices which provide payment services and other specialized entities that provide currency exchange. Within this category there are also:[1]

1. Insurance and reinsurance companies and insurance/reinsurance brokers, authorized according with the provisions of Law no. 32/2000 on the insurance and insurance supervision activity, with subsequent modifications and completions, as well as the branches on the Romanian territory of the insurance and reinsurance companies and insurance and/or reinsurance intermediaries, which were authorized in other member states.

[1] References to letter (n[1]) included in letter f) of art. 2 will enter into force on April 30, 2011 (art. VII of G.E.O. no. 26/2010)

2. Financial investments service companies, investment consultancy, investment management companies, investment companies, market operators, system operators as they are defined under the provisions of Law no. 297/2004 on capital market, with subsequent modifications and completions, and of the regulations issued for its application;

(g) **business relationship** means the professional or commercial relationship that is connected with the professional activities of the institutions and persons covered by article 8 and which is expected, at the time when the contact is established, to have an element of duration;

(h) **operations that seem to be linked to each other** means the transactions afferent to a single transaction, developed from a single commercial contract or from an agreement of any nature between the same parties, whose value is fragmented in portions smaller than 15.000EURO or equivalent RON, when these operations are carried out during the same banking day for the purpose of avoiding legal requirements;

(i) **shell bank** means a credit institution, or an institution engaged in equivalent activities, incorporated in a jurisdiction in which it has no physical presence, respectively the leadership and management activity and institution's records are not in that jurisdiction, and which is unaffiliated with a regulated financial group.

(j) **service providers for legal persons and other entities or legal arrangements** means any natural or legal person which by way of business, provides any of the following services for third parties:

1. Forming companies or other legal persons;

2.Acting as or arranging for another person to act as a director or manager of a company, or acting as associate in relation with a company with sleeping partners or a similar quality in relation to other legal persons;

3. Providing a registered office, administrative address or any other related services for a company, a company with sleeping partners or any other legal person or arrangement;

4. Acting as or arranging for another person to act as a trustee of an express trust activity or a similar legal operation;

5. Acting as or arranging for another person to act as a shareholder for another person other than a company listed on a regulated market that is subject to disclosure requirements in conformity with Community legislation or subject to equivalent international standards;

(k) **group** means a group of entities, as it is defined by article 2 para (1) point 13 of Governmental Emergency Ordinance no. 98/2006 on enhanced supervision of credit institutions, insurance and/or reinsurance companies, financial investment services companies and of investment management companies all part of a financial mixture, approved with modifications and completions by Law no. 152/2007.

Art. 2[1] - (1) For the purposes of the present law, politically exposed persons are natural persons who are or have been entrusted with prominent public functions, immediate family members as well as persons publicly known to be close associates of natural persons that are entrusted with prominent public functions.

(2) Natural persons, which are entrusted, for the purposes of the present law, with prominent public functions are:

a) Heads of state, heads of government, members of parliament, European commissioners, members of government, presidential councilors, state councilors, state secretaries;

b) Members of constitutional courts, members of supreme courts, as well as members of the courts whose decisions are not subject to further appeal, except in exceptional circumstances;

c)Members of account courts or similar bodies, members of the boards of central banks;

d) Ambassadors, charges d'affaires and high-ranking officers in the armed forces;

e) Managers of the public institutions and authorities;

f) Members of the administrative, supervisory and management bodies of State-owned enterprises.

(3) None of the categories set out in points (a) to (f) of para (2) shall include middle ranking or more junior officials. The categories set out in points (a) to (f) of para (2) shall, where applicable, include positions at Community and international level.

(4) Immediate family members of the politically exposed persons are:

a) The spouse;

b) The children and their spouses;

c) The parents

(5) Persons publicly known to be close associates of the natural persons who are entrusted with prominent public functions, are the natural persons well known for:

a) The fact that together with one of the persons mentioned in para (2), hold or have a joint significant influence over a legal person, legal entity, or legal arrangement or are in any close business relations with these persons

b) Hold or have joint significant influence over a legal person, legal entity or legal arrangement set up for the benefit of one of the persons referred to in paragraph (2)

(6) Without prejudice to the application, on a risk-sensitive basis, of enhanced customer due diligence measures, where a person has ceased to be entrusted with a prominent public function within the meaning of paragraph (2) for a period of at least one year, institutions and persons referred to in Article 8 shall not consider such a person as politically exposed.

Art. 2^2 – (1) For the purposes of the present law, **beneficial owner** means any natural person who ultimately owns or controls the customer and/or the natural person on whose behalf or interest a transaction or activity is being conducted, directly or indirectly.

(2) The beneficial owner shall at least include:

a) in the case of corporate entities:

1. the natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership over a sufficient percentage of the shares or voting rights sufficient to ensure control in that legal entity, including through bearer share holdings, other than a company listed on a regulated market that is subject to disclosure requirements consistent with Community legislation or subject to equivalent international standards. 2. A percentage of 25 % plus one share shall be deemed sufficient to meet this criterion;

2. the natural person(s) who otherwise exercises control over the management of a legal entity;

b) in the case of legal entities, other than those referred to in para (a), and other entities or legal arrangements, which administer and distribute funds:

1. The natural person who is the beneficiary of 25 % or more of the property of a legal person or other entities or legal arrangements, where the future beneficiaries have already been determined;

2. Where the natural persons that benefit from the legal person or entity have yet to be determined, the group of persons in whose main interest the legal person, entity or legal arrangement is set up or operates;

3.The natural person(s) who exercises control over 25 % or more of the property of a legal person, entity or legal arrangement.

Chapter II
Customers Identification Procedures and Processing Procedures of the Information Referring to Money Laundering

Art. 3 – (1) As soon as an employee of a legal or natural person of those stipulated in article 8, has suspicions that a transaction, which is on the way to be performed, has the purpose of money laundering or terrorism financing, he shall inform the person appointed according to art. 14 para (1), which shall notify immediately the National Office for Prevention and Control of Money Laundering, hereinafter referred to as **the Office**. The appointed person shall analyze the received information and shall notify the Office about the reasonably motivated suspicions. The Office shall confirm the receipt of the notification.

(1^1) The National Bank of Romania, National Securities Commission, Insurance Supervision Commission or the Supervision Commission for the Private Pension System shall immediately inform the Office with respect to the authorization or refusal of the transactions referred to in article 28 of the Law no. 535/2004 on the prevention and combating terrorism, also notifying the reason for which such solution was given.

(2) If the Office considers as necessary, it may dispose, based on a reason, the suspension of performing the transaction, for a period of 48 hours. When the 48-hour period ends in a non-working day, the deadline extends for the first working day. The amount, in respect of which instructions of suspension were given, shall remain blocked on the account of the holder until the expiring of the period for which the suspension was ordered or, as appropriate, until the General Prosecutor's Office by the High Court of Cessation and Justice gives new instructions, accordingly with the law.

(3) If the Office that the period mentioned in para (2) is not enough, it may require to the General Prosecutor's Office by the High Court of Cassation and Justice, based on a reason, before the expiring of this period, the extension of the suspension of the operation for another period up to 72 hours. When the 72-hour period ends in a non-working day, the deadline extends for the first working day. The General Prosecutor's Office by the High Court of Cassation and Justice may authorize only once the required prolongation or, as the case may be, may order the cessation of the suspension of the operation. The decision of the General Prosecutor's Office by the High Court of Cassation and Justice is notified immediately to the Office.

(4) The Office must communicate to the persons provided under Art. 8, within 24 hours, the decision of suspending the carrying o of the operation or, as the case may be, the measure of its prolongation, ordered by the General Prosecutor's Office by the High Court of Cassation and Justice.

(5) If the Office did not make the communication within the term provided under para (4), the persons referred to in the Art. 8 shall be allowed to carry out the operation.

(6) The persons provided in the article 8 or the persons designated accordingly to the article 14 para (1) shall report to the Office, within 10 working days, the carrying out of the operations with sums in cash, in RON or foreign currency, whose minimum threshold represents the equivalent in RON of 15,000EUR, indifferent if the transaction is performed through one or more operations that seem to be linked to each other.

(7) The provisions of the para (6) shall apply also to external transfers in and from accounts for amounts of money whose minimum limit is the equivalent in RON of 15,000EUR.

(8) The persons referred to in article 8 para (1) letters e) and f) have no obligation to report to the Office the information they receive or obtain from one of their customers during the process of determining the customer's legal status or during its defending or representation in certain legal procedures or in connection with therewith, including while providing consultancy with respect to the initiation of certain legal procedures, according to the law, regardless of whether such information has been received or obtained before, during, or after the closure of the procedures.

(9) The form and contents of the report for the operations provided for in the para (1), (6) and (7) shall be established by decision of the Office's Board, within 30 days from the date of coming into force of the present law. The reports provided for in articles (6) and (7) are forwarded to the Office once every 10 working days, based on a working methodology set up by the Office.

(10) In the case of persons referred to in article 8 para (e) and (f), the reports are forwarded to person designate by the leading structures of the independent legal profession, which have the obligation to transmit them to the Office within three days from reception, at most. The information is sent to the Office unmodified.

(11) National Customs Authority communicates to the Office, on a monthly basis, all the information it holds, according with the law, in relation with the declarations of natural persons regarding cash in foreign currency and/or national one, which is equal or above the limit set forth by the Regulation (CE) no. 1889/2005 of European Parliament and Council on the controls of cash entering or leaving the Community, held by these persons while entering or leaving the Community. National Customs Authority shall transmit to the Office immediately, but no later than 24 hours, all the information related to suspicions on money laundering or terrorism financing which is identified during its specific activity.

(12) The following operations, carried out in his own behalf, are excluded from the reporting obligations provided by para (6): between credit institution, between credit institutions and the National Bank of Romania, between credit institutions and the state treasury, between National Bank of Romania and state treasury. Other exclusions, from the reporting obligations provided by para (6), may be established for a determined period, by Governmental Decision, subsequent to the Office's Board proposal.

Art. 4 - (1) The persons provided for in the Art. 8, which know that an operation that is to be carried out has as purpose money laundering, may carry out the operation without previously announcing the Office, if the transaction must be carried out immediately or if by not performing it, the efforts to trace the beneficiaries of such money laundering suspect operation could be hampered. These persons shall compulsorily inform the Office immediately, but not later than 24 hours, about the transaction performed, also specifying the reason why they did not inform the Office, according to the Art. 3.

(2) The persons referred to in the Art. 8, which ascertain that a transaction or several transactions carried out on the account of a customer are atypical for the activity of such customer or for the type of the transaction in question, shall immediately notify the Office if there are suspicions that the deviations from normality have as purpose money laundering or terrorist financing.

Art. 5 - (1) The Office may require to the persons mentioned in the Art. 8, as well as to the competent institutions to provide the data and information necessary to fulfil the attributions provided by the law. The information connected to the notifications received under Articles 3 and 4 are processed and used within the Office under confidential regime.

(2) The persons provided for in the Art. 8 shall send to the Office the required data and information, within 30 days after the date of receiving the request.

(3) The professional and banking secrecy where the persons provided for in article 8 are kept is not opposable to the Office.

(4) The Office may exchange information, based on reciprocity, with foreign institutions having similar functions and which are equally obliged to secrecy, if such information exchange is made with the purpose of preventing and combating money laundering and terrorism financing.

Art. 6 - (1) The Office shall analyze and process the information, and if the existence of solid grounds of money laundering or financing of terrorist activities is ascertained, it shall immediately notify the General Prosecution's Office by the High Court of Cassation and Justice. In case in which it is ascertain the terrorism financing, it shall immediately notify the Romanian Intelligence Service with respect to the transactions that are suspected to be terrorism financing.

(1^1) The identity of the natural person which, in accordance with Art. 14 para (1), notified the Office may not be disclosed in the content of the notification.

(2) If following the analyzing and processing of the information received by the Office the existence of solid grounds of money laundering or terrorism financing is not ascertained, the Office shall keep records of such information.

(3) If the information referred to in the para (2) is not completed over a 10-year period, it shall be filed within the Office.

(4) Following the receipt of notifications, based on a reason, General Prosecutor's Office by the High Court of Cassation and Justice or the structures within Public Ministry, competent by law, may require the Office to complete such notifications.

(5) The Office is obliged to put at the disposal of the General Prosecutor's Office by the High Court of Cassation and Justice or the structures within Public Ministry, competent by law, at their request, the data and information obtained according to the provisions of the present law.

(6) The General Prosecutor's Office by the High Court of Cassation and Justice or the structures within Public Ministry, competent by law, that formulated requests in accordance with the provisions of para (4), shall notify to the Office, quarterly, the progress in the settlement of the notifications submitted, as well as the amounts on the accounts of the natural or legal persons for which blocking is ordered following the suspension carried out or the provisional measures imposed.

(7) The Office shall provide to the natural and legal persons referred to in the Art. 8, as well as, to the authorities having financial control attributions and to the prudential supervision authorities, through a procedure considered adequate, with general information concerning the suspected transactions and the typologies of money laundering and terrorism financing.

(7^1) The Office provides the persons referred to in article (8) para (a) and (b), whenever possible, under a confidentiality regime and through a secured way of communication, with information about clients, natural and/or legal persons which are exposed to risk of money laundering and terrorism financing.

(8) Following the receipt of the suspicious transactions reports, if there are found solid grounds of committing other offences than that of money laundering or terrorism financing, the Office shall immediately notify the competent body.

Art. 7 - The application in good faith, by the natural and/or legal persons, of the provisions of articles (3)-(5) may not attract their disciplinary, civil or penal responsibility.

Art. 8 – The provisions of this law shall be applied to the following natural or legal persons:

a) credit institution and branches in Romania of the foreign credit institutions;

b) financial institutions, as well as branches in Romania of the foreign financial institutions;

c) private pension funds administrators, in their own behalf and for the private pension funds they manage, marketing agents authorized for the system of private pensions;

d) casinos;

e) auditors, natural and legal persons providing tax and accounting consultancy;

f) public notaries, lawyers and other persons exercising independent legal profession, when they assist in planning or executing transactions for their customers concerning the purchase or sale of immovable assets, shares or interests or good will elements, managing of financial instruments or other assets of customers, opening or management of bank, savings, accounts or of financial instruments, organization of contributions necessary for the creation, operation, or management of a company, creation, operation, or management of companies, undertakings for collective investments in transferable securities, other trust activities or when they act on behalf of and their clients in any financial or real estate transactions;

g) persons, other than those mentioned in para (e) or (f), providing services for companies or other entities;

h) persons with attributions in the privatization process;

i) real estate agents;

j) associations and foundations;

k) other natural or legal persons that trade goods and/or services, provided that the operations are based on cash transactions, in RON or foreign currency, whose minimum value represents the equivalent in RON of 15000EUR, indifferent if the transaction is performed through one or several linked operations.

Art. 8[1] – In performing their activity, the persons referred to in article 8 are obliged to adopt adequate measures on prevention of money laundering and terrorism financing and, for this purpose, on a risk base, apply standard customer due diligence measures, simplified or enhanced, which allow them to identify, where applicable, the beneficial owner.

Art. 8[2] – Credit institutions shall not enter into or continue a correspondent banking relationship with a shell bank or with a bank that is known to permit its accounts to be used by a shell bank.

Art. 9 – (1) The persons referred to in the article 8 are obliged to apply standard customer due diligence measures in the following situations:

a) when establishing a business relationship;

b) when carrying out occasional transactions amounting to EUR 15 000 or more, whether the transaction is carried out in a single operation or in several operations which appear to be linked;

c) when there are suspicions that the transaction is intended for money laundering or terrorist financing, regardless of the derogation on the obligation to apply standard customer due diligence measures, provided by the present law, and the amount involved in the transaction;

d) when there are doubts about the veracity or adequacy of previously obtained customer identification data.

e) when purchasing or exchanging casino chips with a minimum value, in equivalent RON, of 2000 EUR.

(2) When the sum is not known in the moment of accepting the transaction , the natural or legal person obliged to establish the identity of the customers shall proceed to their rapid

identification, when it is informed about the value of the transaction and when it established that the minimum limit provided for in para (1) (b) was reached.

(3) The persons referred to in the article 8 are obliged to ensure the application of the provisions of the present law to external activities or the ones carried about by agents.

(4) Credit institutions and financial institutions must apply customer due diligence and record keeping measures to all their branches from third countries, and these must be equivalent at least with those provided for in the present law.

Art. 9[1] - The persons referred to in the article 8 shall apply standard customer due diligence measures to all new customers and also, as soon as possible, on a risk base, to the existing clients.

Art. 9[2] – (1) Credit institutions and financial institutions shall not open and operate anonymous accounts, respectively accounts for which the identity of the holder or owner is not known and documented accordingly.

(2) When applying the provisions of article 9 index 1, the persons referred to in the article 8 shall apply standard customer due diligence measures to all the owners and beneficiaries of existing anonymous accounts as soon as possible and in any event before such accounts or are used in any way.

Art. 10 - (1) The identification data of the customers shall contain:

a) in the situation of the natural persons - the data of civil status mentioned in the documents of identity provided by the law;

b) in the situation of the legal persons - the data mentioned in the documents of registration provided by the law, as well as the proof that the natural person who manages the transaction, legally represents the legal person.

(2) In the situation of the foreign legal persons, at the opening of bank accounts those documents shall be required from which to result the identity of the company, the headquarters, the type of the company, the place of registration, the power of attorney who represents the company in the transaction, as well as, a translation in Romanian language of the documents authenticated by an office of the public notary.

Art. 11 - *** Repealed by E.O. No. 135/2005

Art. 12 - The persons referred to in the article 8 shall apply simplified customer due diligence measures for the following situations:

a) for life insurance policies, if the insurance premium or the annual installments are lower or equal to the equivalent in RON of the sum of 1000EUR or if the single insurance premium paid is up to 2500EUR, the equivalent in RON. If the periodic premium installments or the annual sums to pay are or are to be increased in such a way as to be over the limit of the sum of 1000EUR, respectively of 2500EUR, the equivalent in RON, standard customer due diligence measures shall be applied;

b) for the situation of the subscription to pension funds;

c) for the situation of electronic currency defined accordingly with the Law, for the situations and conditions provided by the regulations on the present law;

d) when a customer is a credit or financial institution, according with article 8, from a Member State of European Union or of European Economic Area or, as appropriate, a credit or financial institution in a third country, which has similar requirements with those laid down by the present law and are supervised for their application;

e) for other situations, regarding clients, transactions or products, that pose a low risk for money laundering and terrorism financing, provided by the regulations on the application of the present law.

Art. 12[1] – (1) In addition to the standard customer due diligence measures, the persons referred to in the article 8 shall apply enhanced due diligence measures for the following situations which, by their nature, may pose a higher risk for money laundering and terrorism financing:

a) for the situation of persons that are not physically present when performing the transactions;

b) for the situation of correspondent relationships with credit institutions from states that are not European Union's Member States or do not belong to the European Economic Area;

c) for the transactions or business relationships with politically exposed persons, which are resident in another European Union Member State or European Economic Area member state, or a third country.

(2) The persons referred to in the article 8 shall apply enhanced due diligence measures for other cases than the ones provided by para (1), which, by their nature, pose a higher risk of money laundering or terrorism financing.

Art. 13 - (1) In every situation in which the identity is required according to the provisions of the present law, the legal or natural person provided for in the Art. 8, who has the obligation to identify the customer, shall keep a copy of the document, as an identity proof, or identity references, for a five-year period, starting with the date when the relationship with the client comes to an end.

(2) The persons provided for in the Art. 8 shall keep the secondary or operative records and the registrations of all financial operations that are the object of the present law, for a five-year period after performing each operation, in an adequate form, in order to be used as evidence in justice.

Art. 14 - (1) The legal persons provided for in the Art. 8 shall design one or several persons with responsibilities in applying the present law, whose names shall be communicated to the Office, together with the nature and the limits of the mentioned responsibilities.

(1^1) The persons referred to in the article 8 (a)-(d), (g)-(j), as well as the leading structures of the independent legal professions mentioned by article 8 (e) and (f) shall designate one or several persons with responsibilities in applying the present law, whose names shall be communicated to the Office, together with the nature and the limits of the mentioned responsibilities, and shall establish adequate policies and procedures on customer due diligence, reporting, secondary and operative record keeping, internal control, risk assessment and management, compliance and communication management, in order to prevent and stop money laundering and terrorism financing operations, ensuring the proper training of the employees. Credit institutions and financial institutions are obliged to designate a compliance officer, subordinated to the executive body, who coordinates the implementation of the internal policies and procedures, for the application of the present law.

(2) The persons designated according to para (1) and (1^1) shall be responsible for fulfilling the tasks established for the enforcement of this Law.

(3) The provisions of para (1), (1 index 1) and (2) are not applicable for the natural and legal persons provided by article 8 para (k).

(4) Credit and financial institutions must inform all their branches in third states about the policies and procedures established accordingly with para (1^1).

Art. 15 - The persons designated according to the Art. 14 para (1) and the persons provided for in the Art. 8 shall draw up a written report for each suspicious transaction, in the pattern established by the Office, which shall be immediately sent to it.

Art. 16 – *** Repealed by E.O. No. 53/2008

(1^1) The management bodies of the independent legal professions shall conclude cooperation protocols with the Office, within 60 days of the entry into force of this Law.

(2) The Office may organize training seminars in the field of money laundering and terrorism financing. The Office and the supervision authorities may take part in the special training programs of the representatives of the persons referred to in article 8.

Art. 17 – (1) The implementation modality of the provisions of the present law is verified and controlled, within the professional attributions, by the following authorities and structures:

a) The prudential supervision authorities, for the persons that are subject to this supervision;

b) Financial Guard, as well as any other authorities with tax and financial control attributions, according with the law;

c) The leading structures of the independent legal professions, for the persons referred to in article 8 (e) and (f);

d) The Office, for all the persons mentioned in article 8, except those for which the implementation modality of the provisions of the present Law is verified and controlled by the authorities and structures provided by para (a).

(2) When the data obtained indicates suspicions of money laundering, terrorism financing or other violations of the provisions of this Law, the authorities and structures provided for in para (1) (a) – (c) shall immediately inform the Office.

(3) The Office may perform joint checks and controls, together with the authorities provided for in the para (1) (b) and (c).

Art. 18 - (1) The personnel of the Office must not disseminate the information received during the activity other than under the conditions of the law. This obligation is also valid after the cessation of the function within the Office, for a five-years period.

(2) The persons referred to in the Art. 8 and their employees must not transmit, except as provided by the law, the information related to money laundering and terrorism financing and, must not warn the customers about the notification sent to the Office.

(3) Using the received information in personal interest by the employees of the Office and of the persons provided for in the Art. 8, both during the activity and after ceasing it, is forbidden.

(4) The following deeds performed while exercising job attributions shall not be deemed as breaches of the obligation provided for in para (2):

a) providing information to competent authorities referred to in article 17 and providing information in the situations deliberately provided by the law;

b) providing information between credit and financial institutions from European Union's Member States or European Economic Area or from third states, that belong to the same group and apply customer due diligence and record keeping procedures equivalent with those provided for by the present Law and are supervised for their application in a manner similar with the one regulated by the present law;

c) providing information between persons referred to in article 8 (e) and (f), from European Union's Member States or European Economic Area, or from third states which impose equivalent requirements, similar to those provided for by the present Law, persons that carry on their professional activity within the framework of the same legal entity or the same structure in which the shareholders, management or compliance control are in common.

d) providing information between the persons referred to in article 8 (a), (b), (e) and (f), situated in European Union's Member States or European Economic Area, or from third states which impose equivalent requirements, similar to those provided for by the present Law, in the situations related to the same client and same transaction carried out through two or more of the above mentioned persons, provided that these persons are within the same professional category and are subject to equivalent requirements regarding professional secrecy and the protection of personal data;

(5) When the European Commission adopts a decision stating that a third state do not fulfill the requirements provided for by the para (4) (b) (c) and (d), the persons referred to in article 8 and their employees are obliged not to transmit to this state or to institutions or persons from this state, the information held related to money laundering and terrorism financing.

(6) It is not deemed as a breach of the obligations provided for in para 2, the deed of the persons referred to in article 8 (e) and (f) which, according with the provisions of their statute, tries to prevent a client from engaging in criminal activity.

Chapter III
The National Office for Prevention and Control of Money Laundering

Art. 19 - (1) The National Office for the Prevention and Control of Money Laundering is established as a specialized body and legal entity subordinated to the Government of Romania, having the premises in Bucharest.

(2) The activity object of the Office is the prevention and combating of money laundering and terrorism financing, for which purpose it shall receive, analyse, process information and notify, according to the provisions of the art.6 para (1), the General Prosecutor's Office by the High Court of Cassation and Justice.

(2^1) The Office carries out the analysis of suspicious transactions:

a) when notified by any of the persons referred to in article 8;

b) ex officio, when finds out, in any way, of a suspicious transaction.

(3) In order to exercise its competences, the Office shall establish its own structure at central level, whose organization chart is approved through Government's Decision.

(4) The Office is managed by a President, appointed by the Government, from among the Members of the Board of the Office, who shall also act as credit release Authority.

(5) The Office's Board is the deliberative and decisional structure, being made of one representative of each of the following institutions: the Ministry of Public Finances, the Ministry of Justice, the Ministry of Administration and Interior, the General Prosecutor's Office by the High Court of Cassation and Justice, the National Bank of Romania, the Court of Accounts and the Romanian Banks Association, appointed for a five-year period, by Government decision.

(5^1) The deliberative and decisional activity provided for in para (5) refers to the specific cases analyzed by the Office's Board. The Office's Board decides over the economic and administrative matters, only when requested by the President.

(6) In exercising its attributions, the Office's Board adopts decisions with the vote of the majority of its members.

(7) The members of the Office's Board must fulfill, at the date of the appointment, the following conditions:

a) to have a university degree and to have at least 10 years of experience in a legal or economic position;

b) to have the domicile in Romania;

c) to have only the Romanian citizenship;

d) to have the exercise of the civil and political rights;

e) to have a high professional and an intact moral reputation.

(8) The members of the Office Plenum are forbidden to belong to political parties or to carry out public activities with political character.

(9) The function of member of the Office's Board is incompatible with any other public or private function, except for the didactic positions, in the university learning.

(10) The members of the Office's Board must communicate immediately, in writing, to the Office's president, the occurring of any incompatible situation.

(11) In the period of occupying the function, the members of the Office's Board shall be detached, respectively their work report shall be suspended. At the cessation of the mandate, they shall return to the function held previously.

(12) In case of vacancy of a position in the Office's Board, the leader of the competent authority shall propose to the Government a new person, within 30 days after the date when the position became vacant.

(13) The mandate of member of the Office's Board ceases in the following situations:

a) at the expiration of the term for which he was appointed;

b) by resignation;

c) by death;

d) by the impossibility of exercising the mandate for a period longer than six months;

e) at the appearance of an incompatibility;

f) by revocation by the authority that appointed him.

(14) The employees of the Office may not hold any position or fulfil any other function in any of the institutions provided in the article 8, while working for the Office.

(15) For the functioning of the Office, the Government shall transfer in its administration the necessary real estates – land and buildings – belonging to the public or private domain, within 60 days from the registration date of the application.

(16) The Office may participate in the activities organized by international organizations in the field and may be member of these organization.

Art. 20 - (1) The payment of the Board's members and of the Office's personnel, the functions nomenclature, the seniority and studies requirements for the appointment and promotion of the personnel are laid down in the Annex which is part of this Law.

(2) The Board's members and the personnel of the Office shall have all the rights and obligations laid down in the legal regulations mentioned in the Annex to this Law.

(3) The persons that, according to the law, handle classified information shall benefit from a 25% pay increment in respect of the management of classified data and information.

Chapter IV
Responsibilities and Sanctions

Art. 21 - The violation of the provisions of the present law brings about, as appropriate, the civil, disciplinary, contravention or penal responsibility.

Art. 22 - (1) The following deeds shall be deemed as contraventions (minor offence):

a) failure to comply with the obligations referred to in the Art. 3 para (1), (6), and (7) and Art. 4;

b) failure to comply with the obligations referred to in article 5 para (2), article 9, 9 index 1, 9 index 2, article 12 index 1 para (1), article 13-15 and article 17.

(2) The contraventions provided in para (1) a) shall be sanctioned by a fine ranging from 100,000,000 ROL to 300,000,000 ROL, and the contraventions provided in para (1) b) shall be sanctioned by a fine ranging from 150.000.000 ROL to 500.000.000 ROL.

(3) The sanctions provided under par. (2) are applied to the legal persons, too.

(3^1)Besides the sanctions provided for in the para (3) for the legal person it could be applied one or more of the following additional sanctions:

(a) confiscation of the goods designed, used or resulted from the violation;

(b) suspending the note, license or authorization to carry out an activity or, by case, suspending the economic agent's activity, for a period of one month up to 6 month;

(c) taking away the license or the authorization for some operations or for international commerce activities, for a period of one month up to 6 month or definitively;

(d) blocking the banking account for a period of 10 days up to one month;

(e) cancellation of the note, license or authorization for carrying out an activity;

(f) closing the facility.

(4) The infringements are ascertained and the sanctions, referred to in para (2), are applied by the representatives, authorized by case, by the Office or other authority competent by law to carry out the control. When the supervision authorities carry out the control, the infringements are ascertained and the sanctions are applied by the representatives, authorized and specifically designated by those authorities."

(4^1) In addition to the infringement sanctions, specific sanctioning measures may be applied by the supervision authorities, according with their competencies, for the deeds provided for by para (1).

(5) The provisions of the present law referring to contraventions are completed in accordance with the provisions of the Government Ordinance No. 2/2001 regarding the legal regime of contraventions, approved with changes and completions by the Law No. 180/2002, with the subsequent changes, except the Articles. 28 and 29.

Art. 23 - (1) The following deeds represent offence of money laundering and it is punished with prison from 3 to 12 years:

a) the conversion or transfer of property, knowing that such property is derived from criminal activity, for the purpose of concealing or disguising the illicit origin of property or of assisting any person who is involved in the committing of such activity to evade the prosecution, trial and punishment execution;

b) the concealment or disguise of the true nature, source, location, disposition, movement, rights with respect to, or ownership of property, knowing that such property is derived from criminal activity;

c) the acquisition, possession or use of property, knowing, that such property is derived from any criminal activity;

(2) *** Repealed by L. No. 39/2003

(3) The attempt is punished.

(4) If the deed was committed by a legal person, one or more of the complementary penalties referred to in article 53 index 1, para (3) (a) –(c) of the Criminal Code is applied, by case, in addition to the fine penalty.

(5) Knowledge, intent or purpose required as an element of the activities mentioned in paragraphs (1) may be inferred from objective factual circumstances.

Art. 23[1] – The offender for the crime referred to in article 23, that during the criminal procedure denounces and facilitates the identification and prosecution of other participants in the offence, shall benefit of a half reduction of the penalty limits provided for by law.

Art. 24 - The non-observance of the obligations provided for in the Art. 18 represents offence and it is punished with prison from 2 to 7 years.

Art. 24[1] – The provisional measures shall be mandatory where a money laundering or terrorism financing offence has been committed.

Art. 25 - (1) In the case of the money laundering and terrorism financing offences, the provisions of Art. 118 of the Penal Code shall be applied with respect to the confiscation of the proceeds of crime.

(2) If the proceeds of crime, subject to confiscation, are not found, their equivalent value in money or the property acquired in exchange shall be confiscated.

(3) The income or other valuable benefits obtained from the proceeds of crime referred to in para (2) shall be confiscated.

(4) If the proceeds of crime subject to confiscation cannot be singled out from the licit property, there shall be confiscated the property up to the value of the proceeds of crime subject to confiscation.

(5) The provisions of para (4) shall be also applied to the income or other valuable benefits obtained from the proceeds of crime subject to confiscation, which cannot be singled out from the licit property.

(6) In order to guarantee the carrying out of the confiscation of the property, the provisional measures shall be mandatory as provided by the Criminal Procedure Code.

Art. 26 – In the case of the offences referred to in articles 23 and 24 and the terrorism financing offences, the banking secrecy and professional secrecy shall not be opposable to the prosecution bodies nor to the courts of law. The data and information are transmitted upon written request to the prosecutor or to the criminal investigation bodies, if their request has previously been authorized by the prosecutor, or to the courts of law.

Art. 27 - (1) Where there are solid grounds of committing an offence involving money laundering or terrorism financing, for the purposes of gathering evidence or of identifying the perpetrator, the following measures may be disposed:

a) monitoring of bank account and similar accounts;

b) monitoring, interception or recording of communications;

c) access to information systems.

d) supervised delivery of money amounts.

(2) The measure referred to in para (1) letter a) may be disposed by the prosecutor for no longer than 30 days. For well-founded reasons, such measure may be extended by the prosecutor by reasoned ordinance, provided each extension does not exceed 30 days. The maximum duration of the disposed measure is four months.

(3) The measures referred to in para (1) letters b) and c) may be ordered by the judge, according to the provisions of Articles 91^1 to 91^6 of the Criminal Procedure Code, which shall be applied accordingly.

(4) The prosecutor may dispose that texts, banking, financial, or accounting documents to be communicated to him, under the terms laid down in para (1).

(5) The measure referred to in para (1) (d) may be disposed by the prosecutor and authorized by reasoned ordinance which, in addition to the mentions referred to in article 2003 of Criminal Procedure Code, should comprise the following:

a) the solid ground that justify the measure and the motives for which the measure is necessary;

b) details regarding the money that are subject of the supervision;

c) time and place of the delivery or, upon case, the itinerary that shall be followed in order to carry out the delivery, provided these data are known;

d) the identification data of the persons authorized to supervise the delivery.

Art. 27^1 - Where there are solid and concrete indications that money laundering or terrorism financing offence has been or is to be committed and where other means could not help uncover the offence or identify the authors, undercover investigators may be employed in order to gather evidence concerning the existence of the offence and identification of authors, under the terms of the Criminal Procedure Code.

Art. 27^2 – (1) The General Prosecutor's Office by the High Court of Cassation and Justice transmits to the Office, on a quarterly bases, copies of the definitive court decisions related to the offence provided for in article 23.

(2) The Office holds the statistical account of the persons convicted for the offence provided for in article 23.

Chapter V
Final Provisions

Art. 28 - The customers' identification, according to Art. 9, shall be done after the date of coming into force of the present law.

Art. 29 - The minimum limits of the operations referred to in article 9 para (1) (b) and (e) and the maximum limits of the amounts provided for by article 12 (a) may be modified by Government Decision, subsequent to the Office's proposal.

Art. 30 - Within 30 days after the date of coming into force of the present law, the Office shall present its regulations of organization and functioning to the Government for approval.

Art. 31 - The Law No. 21/1999 for the prevention and sanctioning of money laundering, published in the Official Gazette of Romania, Part I, No. 18 of January 21st, 1999, with the subsequent changes, is abrogated.

By the present law, the provisions of articles 1 para (5), article 2 para (1), article 3 points 1,2 and 6-10, article 4, 5, 6, 7, article 8 para 2, article 9 para (1), (5) and (6), article 10 para (1), article 11 para (1)-(3) and (5), article 13, 14, 17, 20, 21, 22, 23, 25, 26, 27, article 28 para (2)-(7), article 29, article 31 para (1) and (3), article 32, article 33 para (1) and (2), article 34, article 35 para (1) and (3), article 37 para (1)-(3) and (5) as well as article 39 of the Directive 2005/60/EC of the European Parliament and of the Council, of 26th October 2005, on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, published in the Official Journal of the European Union, series L no. 309 of 25th November 2005 and article 2 of the Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of "politically exposed person" and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of financial activity conducted on an occasional or very limited basis,

published in the Official Journal of the European Union, series L no. 214 of 04th August 2006, have been transposed.

This law was adopted by the Senate in the session of November 21st, 2002, with the observance of the provisions under Art. 74 para 1 from the Constitution of Romania.

for the President of the Senate,
Doru Ioan Taracila

This law was adopted by the Chamber of Deputies in the session of November 26th, 2002, with observance of the provisions stipulated in the Art. 74 para (1) from the Constitution of Romania.

for the President of the Deputy Chamber
Viorel Hrebenciuc

Annex no. 3 - Government Emergency Ordinance no.53/21st of April 2008

Government of Romania

Government Emergency Ordinance
no.53/21st of April 2008

for the modification and completion of the Law no. 656/2002, on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating of terrorism financing

Published in the Official Gazette no. 333 of April 30, 2008

Having regards to the obligations set out for Romania subsequent to the commitments taken within the Adherence to European Union Treaty and also the necessity for implementing in the internal legislation the Directive 2005/60/EC of the European Parliament and of the Council, of 26th October 2005, on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, published in the Official Journal of the European Union, series L no. 309 of 25th November 2005, and the Directive 2006/70/EC of the European Parliament and of the Council, of 1st August 2006, laying down implementing measures for Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of "politically exposed person" and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of financial activity conducted on an occasional or very limited basis, published in the Official Journal of the European Union, series L no. 214 of 04th August 2006,

Whereas the deadline for the implementation by all member states was 15th of December 2007, without derogations for new member states,

Observing also the necessity for adopting new measures for the application of the Regulation (EC) no. 1781/2006 of the European Parliament and of the Council, of 15th November 2006, on information on the payer accompanying transfers of funds, published in the Official Journal of the European Union, series L no. 345 of 08th December 2006,

The urgent modification of the legal framework is necessary, as it is an extraordinary situation whose regulation cannot be postponed.

According with the provision of art. 115 para (4) of the Romania's Constitution, republished

Romanian Government adopts the following emergency ordinance:

Article I – The Law 656/2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating of terrorism financing, published in the Official Gazette of Romania, Part I, no. 904, of 12 December 2002, with subsequent modifications and completions, is modified and completed as follows:

1. Paragraphs (c) and (d) of Article 2 are modified and shall comprise:

"(c) Suspicious transaction means the operation which apparently has no economical or legal purpose or the one that, by its nature and/or its unusual character in relation with the activities of the client of one of the persons referred to in Article 8, raises suspicions of money laundering or terrorist financing;

(d) External transfers in and from accounts means cross-border transfers, the way they are defined by the national regulations in the field, as well as payment and receipt operations carried out between resident and non-resident persons on the Romanian territory;"

2. Seven new paragraphs, para (e)-(k), are introduced after para (d) of Article 2, with the following content:

"(e) Credit institution means any entity that carries out one of the activities defined by article 7 para (1) point 10 of Government Emergency Ordinance no.99/2006 on credit institutions and capital adequacy, approved with modifications and completions by Law no. 227/2007;

(f) Financial institution means any entity, with or without legal capacity, other than credit institution, which carries out one or more of the activities referred to in Article 18, para (1), points (b)-(l) and (n) of Government Emergency Ordinance no.99/2006 on credit institutions and capital adequacy, approved with modifications and completions by Law no. 227/2007, including postal offices and other specialized entities that provide fund transfer services and those that carry out currency exchange. Within this category there are also:

1. Insurance and reinsurance companies and insurance/reinsurance brokers, authorized according with the provisions of Law no. 32/2000 on the insurance and insurance supervision activity, with subsequent modifications and completions, as well as the branches on the Romanian territory of the insurance and reinsurance companies and insurance and/or reinsurance intermediaries, which were authorized in other member states.
2. Financial investments service companies, investment consultancy, investment management companies, investment companies, market operators, system operators as they are defined under the provisions of Law no. 297/2004 on capital market, with subsequent modifications and completions, and of the regulations issued for its application;

(g) Business relationship means the professional or commercial relationship that is connected with the professional activities of the institutions and persons covered by article 8 and which is expected, at the time when the contact is established, to have an element of duration;

(h) Operations that seem to be linked to each other means the transactions afferent to a single transaction, developed from a single commercial contract or from an agreement of any nature between the same parties, whose value is fragmented in portions smaller than 15.000EURO or equivalent RON, when these operations are carried out during the same banking day for the purpose of avoiding legal requirements;

(i) 'Shell bank' means a credit institution, or an institution engaged in equivalent activities, incorporated in a jurisdiction in which it has no physical presence, respectively the leadership and management activity and institution's records are not in that jurisdiction, and which is unaffiliated with a regulated financial group.

(j) Service providers for legal persons and other entities or legal arrangements means any natural or legal person which by way of business, provides any of the following services for third parties:

1. Forming companies or other legal persons;
2. Acting as or arranging for another person to act as a director or manager of a company, or acting as associate in relation with a company with sleeping partners or a similar quality in relation to other legal persons;
3. Providing a registered office, administrative address or any other related services for a company, a company with sleeping partners or any other legal person or arrangement;
4. Acting as or arranging for another person to act as a trustee of an express trust activity or a similar legal operation;
5. Acting as or arranging for another person to act as a shareholder for another person other than a company listed on a regulated market that is subject to disclosure requirements in conformity with Community legislation or subject to equivalent international standards;

(k) Group means a group of entities, as it is defined by article 2 para (1) point 13 of Governmental Emergency Ordinance no. 98/2006 on enhanced supervision of credit institutions, insurance and/or reinsurance companies, financial investment services companies and of investment management companies all part of a financial mixture, approved with modifications and completions by Law no. 152/2007."

3. Two new articles, article 2 index 1 and article 2 index 2, are introduced subsequent to article 2, with the following content:

"Article 2 index 1 - (1) For the purposes of the present law, politically exposed persons are natural persons who are or have been entrusted with prominent public functions, immediate family members as well as persons publicly known to be close associates of natural persons that are entrusted with prominent public functions.

(2) Natural persons, which are entrusted, for the purposes of the present law, with prominent public functions are:

a) Heads of state, heads of government, members of parliament, European commissioners, members of government, presidential councilors, state councilors, state secretaries;

b) Members of constitutional courts, members of supreme courts, as well as members of the courts whose decisions are not subject to further appeal, except in exceptional circumstances;

c) Members of account courts or similar bodies, members of the boards of central banks;

d) Ambassadors, charges d'affaires and high-ranking officers in the armed forces;

e) Managers of the public institutions and authorities;

f) Members of the administrative, supervisory and management bodies of State-owned enterprises.

(3) None of the categories set out in points (a) to (f) of para (2) shall include middle ranking or more junior officials. The categories set out in points (a) to (f) of para (2) shall, where applicable, include positions at Community and international level.

(4) Immediate family members of the politically exposed persons are:

a) The spouse;
b) The children and their spouses;
c) The parents

(5) Persons publicly known to be close associates of the natural persons who are entrusted with prominent public functions, are the natural persons well known for:

a) The fact that together with one of the persons mentioned in para (2), hold or have a joint significant influence over a legal person, legal entity, or legal arrangement or are in any close business relations with these persons
b) Hold or have joint significant influence over a legal person, legal entity or legal arrangement set up for the benefit of one of the persons referred to in paragraph (2)

(6) Without prejudice to the application, on a risk-sensitive basis, of enhanced customer due diligence measures, where a person has ceased to be entrusted with a prominent public function within the meaning of paragraph (2) for a period of at least one year, institutions and persons referred to in Article 8 shall not consider such a person as politically exposed.

Article 2 index 2 – (1) For the purposes of the present law, beneficial owner means any natural person who ultimately owns or controls the customer and/or the natural person on whose behalf or interest a transaction or activity is being conducted, directly or indirectly.

(2) The beneficial owner shall at least include:

a) in the case of corporate entities:

1. the natural person(s) who ultimately owns or controls a legal entity through direct or indirect ownership over a sufficient percentage of the shares or voting rights sufficient to ensure control in that legal entity, including through bearer share holdings, other than a company listed on a regulated market that is subject to disclosure requirements consistent with Community legislation or subject to equivalent international standards. A percentage of 25 % plus one share shall be deemed sufficient to meet this criterion;
2. the natural person(s) who otherwise exercises control over the management of a legal entity;

b) in the case of legal entities, other than those referred to in para (a), and other entities or legal arrangements, which administer and distribute funds:

1. The natural person who is the beneficiary of 25 % or more of the property of a legal person or other entities or legal arrangements, where the future beneficiaries have already been determined;

2. Where the natural persons that benefit from the legal person or entity have yet to be determined, the group of persons in whose main interest the legal person, entity or legal arrangement is set up or operates;
3. The natural person(s) who exercises control over 25 % or more of the property of a legal person, entity or legal arrangement."

4. Paragraphs (1), (1 index 1), (2) and (3) of Article 3 are modified and shall comprise:

"Article 3 - As soon as an employee of a legal or natural person of those stipulated in article 8, has suspicions that a transaction, which is on the way to be performed, has the purpose of money laundering or terrorism financing, he shall inform the person appointed according to art. 14 para (1), which shall notify immediately the National Office for Prevention and Control of Money Laundering, hereinafter referred to as "the Office". The appointed person shall analyze the received information and shall notify the Office about the reasonably motivated suspicions. The Office shall confirm the receipt of the notification.

(1 index 1) The National Bank of Romania, National Securities Commission, Insurance Supervision Commission or the Supervision Commission for the Private Pension System shall immediately inform the Office with respect to the authorization or refusal of the transactions referred to in article 28 of the Law no. 535/2004 on the prevention and combating terrorism, also notifying the reason for which such solution was given.

(2) If the Office considers as necessary, it may dispose, based on a reason, the suspension of performing the transaction, for a period of 48 hours. When the 48-hour period ends in a non-working day, the deadline extends for the first working day. The amount, in respect of which instructions of suspension were given, shall remain blocked on the account of the holder until the expiring of the period for which the suspension was ordered or, as appropriate, until the General Prosecutor's Office by the High Court of Cessation and Justice gives new instructions, accordingly with the law.

(3) If the Office that the period mentioned in para (2) is not enough, it may require to the General Prosecutor's Office by the High Court of Cassation and Justice, based on a reason, before the expiring of this period, the extension of the suspension of the operation for another period up to 72 hours. When the 72-hour period ends in a non-working day, the deadline extends for the first working day. The General Prosecutor's Office by the High Court of Cassation and Justice may authorize only once the required prolongation or, as the case may be, may order the cessation of the suspension of the operation. The decision of the General Prosecutor's Office by the High Court of Cassation and Justice is notified immediately to the Office."

5. Paragraphs (6)-(9) of Article 3 are modified and shall comprise:

"(6) The persons provided in the article 8 or the persons designated accordingly to the article 14 para (1) shall report to the Office, within 10 working days, the carrying out of the operations with sums in cash, in RON or foreign currency, whose minimum threshold represents the equivalent in RON of 15,000EUR, indifferent if the transaction is performed through one or more operations that seem to be linked to each other.

(7) The provisions of the para (6) shall apply also to external transfers in and from accounts for amounts of money whose minimum limit is the equivalent in RON of 15,000EUR.

(8) The persons referred to in article 8 para (1) letters e) and f) have no obligation to report to the Office the information they receive or obtain from one of their customers during the process of determining the customer's legal status or during its defending or representation in certain legal procedures or in connection with therewith, including while providing consultancy with respect to the initiation of certain legal procedures, according to the law, regardless of whether such information has been received or obtained before, during, or after the closure of the procedures.

(9) The form and contents of the report for the operations provided for in the para (1), (6) and (7) shall be established by decision of the Office's Board, within 30 days from the date of coming into force of the present law. The reports provided for in articles (6) and (7) are forwarded to the Office once every 10 working days, based on a working methodology set up by the Office.

6. Three new paragraphs, (10), (11) and (12), are introduced after the paragraph (9) of article 3, with the following content:

"(10) In the case of persons referred to in article 8 para (e) and (f), the reports are forwarded to person designate by the leading structures of the independent legal profession, which have the obligation to transmit them to the Office within three days from reception, at most. The information is sent to the Office unmodified.
(11) National Customs Authority communicates to the Office, on a monthly basis, all the information it holds, according with the law, in relation with the declarations of natural persons regarding cash in foreign currency and/or national one, which is equal or above the limit set forth by the Regulation (CE) no. 1889/2005 of European Parliament and Council on the controls of cash entering or leaving the Community, held by these persons while entering or leaving the Community. National Customs Authority shall transmit to the Office immediately, but no later than 24 hours, all the information related to suspicions on money laundering or terrorism financing which is identified during its specific activity.
(12) The following operations, carried out in his own behalf, are excluded from the reporting obligations provided by para (6): between credit institution, between credit institutions and the National Bank of Romania, between credit institutions and the state treasury, between National Bank of Romania and state treasury. Other exclusions, from the reporting obligations provided by para (6), may be established for a determined period, by Governmental Decision, subsequent to the Office's Board proposal."

7. Paragraph (3) of article 5 is modified and shall have the following content:
"(3) The professional and banking secrecy where the persons provided for in article 8 are kept is not opposable to the Office"

8. Paragraphs (4)-(6) of article 6 are modified and shall have the following content:
"(4) Following the receipt of notifications, based on a reason, General Prosecutor's Office by the High Court of Cassation and Justice or the structures within Public Ministry, competent by law, may require the Office to complete such notifications.
(5) The Office is obliged to put at the disposal of the General Prosecutor's Office by the High Court of Cassation and Justice or the structures within Public Ministry, competent by law, at their request, the data and information obtained according to the provisions of the present law.
(6) The General Prosecutor's Office by the High Court of Cassation and Justice or the structures within Public Ministry, competent by law, that formulated requests in accordance with the provisions of para (4), shall notify to the Office, quarterly, the progress in the settlement of the notifications submitted, as well as the amounts on the accounts of the natural or legal persons for which blocking is ordered following the suspension carried out or the provisional measures imposed.

9. In article (6), a new para (7 index 1) is introduced following to para (7), and shall have the following content:
"(7 index 1) The Office provides the persons referred to in article (8) para (a) and (b), whenever possible, under a confidentiality regime and through a secured way of communication, with information about clients, natural and/or legal persons which are exposed to risk of money laundering and terrorism financing."

10. Article 7 is modified and shall have the following content:
"(7) Article 7 – The application in good faith, by the natural and/or legal persons, of the provisions of articles (3)-(5) may not attract their disciplinary, civil or penal responsibility."

11. Article 8 is modified and shall have the following content:
"Article 8 – The provisions of this law shall be applied to the following natural or legal persons:
a) credit institution and branches in Romania of the foreign credit institutions;
b) financial institutions, as well as branches in Romania of the foreign financial institutions;

c) private pension funds administrators, in their own behalf and for the private pension funds they manage, marketing agents authorized for the system of private pensions;
d) casinos;
e) auditors, natural and legal persons providing tax and accounting consultancy;
f) public notaries, lawyers and other persons exercising independent legal profession, when they assist in planning or executing transactions for their customers concerning the purchase or sale of immovable assets, shares or interests or good will elements, managing of financial instruments or other assets of customers, opening or management of bank, savings, accounts or of financial instruments, organization of contributions necessary for the creation, operation, or management of a company, creation, operation, or management of companies, undertakings for collective investments in transferable securities, other trust activities or when they act on behalf of and their clients in any financial or real estate transactions;
g) persons, other than those mentioned in para (e) or (f), providing services for companies or other entities;
h) persons with attributions in the privatization process;
i) real estate agents;
j) associations and foundations;
k) other natural or legal persons that trade goods and/or services, provided that the operations are based on cash transactions, in RON or foreign currency, whose minimum value represents the equivalent in RON of 15000EUR, indifferent if the transaction is performed through one or several linked operations."

12. Two new articles (8 index 1) and (8 index 2) are introduced after the article 8 and shall have the following content:
"Article 8 index 1 – In performing their activity, the persons referred to in article 8 are obliged to adopt adequate measures on prevention of money laundering and terrorism financing and, for this purpose, on a risk base, apply standard customer due diligence measures, simplified or enhanced, which allow them to identify, where applicable, the beneficial owner.
Article 8 index 2 – Credit institutions shall not enter into or continue a correspondent banking relationship with a shell bank or with a bank that is known to permit its accounts to be used by a shell bank"

13. Article 9 is modified and shall have the following content:
"Article 9 – (1) The persons referred to in the article 8 are obliged to apply standard customer due diligence measures in the following situations:
a) when establishing a business relationship;
b) when carrying out occasional transactions amounting to EUR 15 000 or more, whether the transaction is carried out in a single operation or in several operations which appear to be linked;
c) when there are suspicions that the transaction is intended for money laundering or terrorist financing, regardless of the derogation on the obligation to apply standard customer due diligence measures, provided by the present law, and the amount involved in the transaction;
d) when there are doubts about the veracity or adequacy of previously obtained customer identification data.
e) when purchasing or exchanging casino chips with a minimum value, in equivalent RON, of 2000 EUR.
(2) When the sum is not known in the moment of accepting the transaction , the natural or legal person obliged to establish the identity of the customers shall proceed to their rapid identification, when it is informed about the value of the transaction and when it established that the minimum limit provided for in para (1) (b) was reached.
(3) The persons referred to in the article 8 are obliged to ensure the application of the provisions of the present law to external activities or the ones carried about by agents.
(4) Credit institutions and financial institutions must apply customer due diligence and record keeping measures to all their branches from third countries, and these must be equivalent at least with those provided for in the present law."

14. Two new articles (9 index 1) and (9 index 2) are introduced following the article 9, with the following content:
“Article 9 index 1 - The persons referred to in the article 8 shall apply standard customer due diligence measures to all new customers and also, as soon as possible, on a risk base, to the existing clients.
Article 9 index 2 – (1) Credit institutions and financial institutions shall not open and operate anonymous accounts, respectively accounts for which the identity of the holder or owner is not known and documented accordingly.
(2) When applying the provisions of article 9 index 1, the persons referred to in the article 8 shall apply standard customer due diligence measures to all the owners and beneficiaries of existing anonymous accounts as soon as possible and in any event before such accounts or are used in any way.”

15. Article 12 is modified and shall have the following content:
“Article 12. - The persons referred to in the article 8 shall apply simplified customer due diligence measures for the following situations:
a) for life insurance policies, if the insurance premium or the annual installments are lower or equal to the equivalent in RON of the sum of 1000EUR or if the single insurance premium paid is up to 2500EUR, the equivalent in RON. If the periodic premium installments or the annual sums to pay are or are to be increased in such a way as to be over the limit of the sum of 1000EUR, respectively of 2500EUR, the equivalent in RON, standard customer due diligence measures shall be applied;
b) for the situation of the subscription to pension funds;
c) for the situation of electronic currency defined accordingly with the Law, for the situations and conditions provided by the regulations on the present law;
d) when a customer is a credit or financial institution, according with article 8, from a Member State of European Union or of European Economic Area or, as appropriate, a credit or financial institution in a third country, which has similar requirements with those laid down by the present law and are supervised for their application;
e) for other situations, regarding clients, transactions or products, that pose a low risk for money laundering and terrorism financing, provided by the regulations on the application of the present law.

16. A new article, Article 12 index 1, is being introduced following article 12, with the following content:
“Article 12 index 1 – (1) In addition to the standard customer due diligence measures, the persons referred to in the article 8 shall apply enhanced due diligence measures for the following situations which, by their nature, may pose a higher risk for money laundering and terrorism financing:
a) for the situation of persons that are not physically present when performing the transactions;
b) for the situation of correspondent relationships with credit institutions from states that are not European Union’s Member States or do not belong to the European Economic Area;
c) for the transactions or business relationships with politically exposed persons, which are resident in another European Union Member State or European Economic Area member state, or a third country.
(2) The persons referred to in the article 8 shall apply enhanced due diligence measures for other cases than the ones provided by para (1), which, by their nature, pose a higher risk of money laundering or terrorism financing.”

17. Paragraph (1) of the article 14 is modified and shall have the following content:
“(1 index 1) The persons referred to in the article 8 (a)-(d), (g)-(j), as well as the leading structures of the independent legal professions mentioned by article 8 (e) and (f) shall designate one or several persons with responsibilities in applying the present law, whose names shall be communicated to the Office, together with the nature and the limits of the mentioned responsibilities, and shall establish adequate policies and procedures on customer due diligence, reporting, secondary and operative record keeping, internal control, risk assessment and management, compliance and communication management, in order to prevent and stop money laundering and terrorism financing operations, ensuring the proper training of the employees. Credit institutions and financial institutions are obliged

to designate a compliance officer, subordinated to the executive body, who coordinates the implementation of the internal policies and procedures, for the application of the present law.

18. Two new paragraphs, (3) and (4), are introduced following the paragraph (2) of article 14, which shall have the following content:
"(3) The provisions of para (1), (1 index 1) and (2) are not applicable for the natural and legal persons provided by article 8 para (k).
(4) Credit and financial institutions must inform all their branches in third states about the policies and procedures established accordingly with para (1 index1)."

19. The paragraph (1) of article 16 is abrogated:

20. The paragraph (2) of article 16 is modified and shall have the following content:
"(2) The Office may organize training seminars in the field of money laundering and terrorism financing. The Office and the supervision authorities may take part in the special training programs of the representatives of the persons referred to in article 8"

21. Article 17 is modified and shall have the following content:
"Article 17 – (1) The implementation modality of the provisions of the present law is verified and controlled, within the professional attributions, by the following authorities and structures:
a) The prudential supervision authorities, for the persons that are subject to this supervision;
b) Financial Guard, as well as any other authorities with tax and financial control attributions, according with the law;
c) The leading structures of the independent legal professions, for the persons referred to in article 8 (e) and (f);
d) The Office, for all the persons mentioned in article 8, except those for which the implementation modality of the provisions of the present Law is verified and controlled by the authorities and structures provided by para (a).
(2) When the data obtained indicates suspicions of money laundering, terrorism financing or other violations of the provisions of this Law, the authorities and structures provided for in para (1) (a) – (c) shall immediately inform the Office.
(3) The Office may perform joint checks and controls, together with the authorities provided for in the para (1) (b) and (c)."

22. Three new paragraphs, (4), (5) and (6) are introduced after paragraph (3) of article 18, with the following content:
"(4) The following deeds performed while exercising job attributions shall not be deemed as breaches of the obligation provided for in para (2):
a) providing information to competent authorities referred to in article 17 and providing information in the situations deliberately provided by the law;
b) providing information between credit and financial institutions from European Union's Member States or European Economic Area or from third states, that belong to the same group and apply customer due diligence and record keeping procedures equivalent with those provided for by the present Law and are supervised for their application in a manner similar with the one regulated by the present law;
c) providing information between persons referred to in article 8 (e) and (f), from European Union's Member States or European Economic Area, or from third states which impose equivalent requirements, similar to those provided for by the present Law, persons that carry on their professional activity within the framework of the same legal entity or the same structure in which the shareholders, management or compliance control are in common.
d) providing information between the persons referred to in article 8 (a), (b), (e) and (f), situated in European Union's Member States or European Economic Area, or from third states which impose equivalent requirements, similar to those provided for by the present Law, in the situations related to the same client and same transaction carried out through two or more of the above mentioned persons,

provided that these persons are within the same professional category and are subject to equivalent requirements regarding professional secrecy and the protection of personal data;
(5) When the European Commission adopts a decision stating that a third state do not fulfill the requirements provided for by the para (4) (b) (c) and (d), the persons referred to in article 8 and their employees are obliged not to transmit to this state or to institutions or persons from this state, the information held related to money laundering and terrorism financing.
(6) It is not deemed as a breach of the obligations provided for in para 2, the deed of the persons referred to in article 8 (e) and (f) which, according with the provisions of their statute, tries to prevent a client from engaging in criminal activity."

23. A new para, para (2 index 1) is introduced following para (2) of article 19, which shall have the following content:
"(2 index 1) The Office carries out the analysis of suspicious transactions:
a) when notified by any of the persons referred to in article 8;
b) ex officio, when finds out, in any way, of a suspicious transaction."

24. A new para, para (5 index 1) is introduced following para (5) of article 19, which shall have the following content:
"(5 index 1) The deliberative and decisional activity provided for in para (5) refers to the specific cases analyzed by the Office's Board. The Office's Board decides over the economic and administrative matters, only when requested by the President.

25. Paragraph (16) of article 19 is modified and shall have the following content:
"(16) The Office may participate in the activities organized by international organizations in the field and may be member of these organization."

26. Paragraph (1) (b) of article 19 is modified and shall have the following content:
"b) failure to comply with the obligations referred to in article 5 para (2), article 9, 9 index 1, 9 index 2, article 12 index 1 para (1), article 13-15 and article 17."

27. Paragraph (4) of article 22 is modified and shall have the following content:
"(4) The infringements are ascertained and the sanctions, referred to in para (2), are applied by the representatives, authorized by case, by the Office or other authority competent by law to carry out the control. When the supervision authorities carry out the control, the infringements are ascertained and the sanctions are applied by the representatives, authorized and specifically designated by those authorities."

28. A new para, para (4 index 1) is introduced following para (4) of article 22, which shall have the following content:
"(4 index 1) In addition to the infringement sanctions, specific sanctioning measures may be applied by the supervision authorities, according with their competencies, for the deeds provided for by para (1)"

29. Two new paragraphs, (4), (5) are introduced after paragraph (3) of article 23, with the following content:
"(4) If the deed was committed by a legal person, one or more of the complementary penalties referred to in article 53 index 1, para (3) (a) –(c) of the Criminal Code is applied, by case, in addition to the fine penalty.
(5) Knowledge, intent or purpose required as an element of the activities mentioned in paragraphs (1) may be inferred from objective factual circumstances."

30. A new article, (23 index 1), is introduced following article 23, which shall have the following content:

"Article 23 index 1 – The offender for the crime referred to in article 23, that during the criminal procedure denounces and facilitates the identification and prosecution of other participants in the offence, shall benefit of a half reduction of the penalty limits provided for by law."

31. Article 26 is modified and shall have the following content:

"Article 26 – In the case of the offences referred to in articles 23 and 24 and the terrorism financing offences, the banking secrecy and professional secrecy shall not be opposable to the prosecution bodies nor to the courts of law. The data and information are transmitted upon written request to the prosecutor or to the criminal investigation bodies, if their request has previously been authorized by the prosecutor, or to the courts of law."

32. A new point (d) is introduced after the point © para (1) of article 27, which shall have the following content:

"d) Supervised delivery of money amounts"

33. A new para, para (5) is introduced following para (4) of article 27, which shall have the following content:

"(5) The measure referred to in para (1) (d) may be disposed by the prosecutor and authorized by reasoned ordinance which, in addition to the mentions referred to in article 2003 of Criminal Procedure Code, should comprise the following:

a) the solid ground that justify the measure and the motives for which the measure is necessary;

b) details regarding the money that are subject of the supervision;

c) time and place of the delivery or, upon case, the itinerary that shall be followed in order to carry out the delivery, provided these data are known;

d) the identification data of the persons authorized to supervise the delivery."

34. A new article, (27 index 2), is introduced following article 27 index 1, which shall have the following content:

"Article 27 index 2 – (1) The General Prosecutor's Office by the High Court of Cassation and Justice transmits to the Office, on a quarterly bases, copies of the definitive court decisions related to the offence provided for in article 23."

The Office holds the statistical account of the persons convicted for the offence provided for in article 23."

35. Article 29 is modified and shall have the following content:

"The minimum limits of the operations referred to in article 9 para (1) (b) and (e) and the maximum limits of the amounts provided for by article 12 (a) may be modified by Government Decision, subsequent to the Office's proposal."

36. Following the article 31 the next mention is introduced:

"By the present law, the provisions of articles 1 para (5), article 2 para (1), article 3 points 1,2 and 6-10, article 4, 5, 6, 7, article 8 para 2, article 9 para (1), (5) and (6), article 10 para (1), article 11 para (1)-(3) and (5), article 13, 14, 17, 20, 21, 22, 23, 25, 26, 27, article 28 para (2)-(7), article 29, article 31 para (1) and (3), article 32, article 33 para (1) and (2), article 34, article 35 para (1) and (3), article 37 para (1)-(3) and (5) as well as article 39 of the Directive 2005/60/EC of the European Parliament and of the Council, of 26th October 2005, on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing, published in the Official Journal of the European Union, series L no. 309 of 25th November 2005 and article 2 of the Directive 2005/60/EC of the European Parliament and of the Council as regards the definition of "politically exposed person" and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of financial activity conducted on an occasional or very limited basis, published in the Official Journal of the European Union, series L no. 214 of 04th August 2006, have been transposed."

Article II – (1) The provisions of points 13-17 of article I enter into force in 45 days from the date of present ordinance's publication in the Official Gazette of Romania, Part I. The legal provisions, in force before this date, shall be applicable until the new ones enter into force.

The Government adopts, by decision, within 15 days from the entering into force of the present ordinance, subsequent to the consultation of prudential supervision authorities, the tax-financial control authorities, the leading structures of independent legal professions and the National Office for Prevention and Control of Money Laundering, a regulation on the application of Law no.656/2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating of terrorism financing, with subsequent modifications and completions, which will detail the standard, simplified or enhanced customer due diligence measures, as well as the content and conditions for applying law no. 656/2002, with subsequent modifications and completions.

(3)The National Office for Prevention and Control of Money Laundering adopts the working methodology provided for by the article 3 para (9) of Law no. 656/2002, with subsequent modifications and completions, within 30 days from the moment of present ordinance's entering into force.

(4) Within 45 days from the moment of present ordinance's entering into force, prudential supervision authorities, the tax-financial control authorities of the persons referred to in article 8 of Law no. 656/2002, with subsequent modifications and completions, as well as the leading structures of independent legal professions issue, according with their competency, standards on customer due diligence.

(5) Within 30 days from the moment of present ordinance's entering into force, the leading structures of independent legal professions shall conclude cooperation protocols with the National Office for Prevention and Control of Money Laundering and the existing protocols shall be updated based on the provisions of the present emergency ordinance.

Article III – (1) For the application of the Regulation (EC) no. 1781/2006 of the European Parliament and of the Council, of 15th November 2006, on information on the payer accompanying transfers of funds, published in the Official Journal of the European Union, series L no. 345 of 08th December 2006, the following authorities are designated, as responsible authorities, for the supervision of compliance with the obligations regarding the information on the payer accompanying transfers of funds:

a) National Bank of Romania, for credit institutions;
b) National Office for Prevention and Control of Money Laundering, for any other legal person that provides fund transfer services.

(2) The fund transfers referred to in article 3 para 6 of the regulations are excluded from the application of the Regulation (EC) no. 1781/2006 of the European Parliament and of the Council, of 15th November 2006

(3) The following deeds shall be deemed as infringements:

a) breaching the obligations referred to by article 9 para (2) final thesis of the Regulation (EC) no. 1781/2006 of the European Parliament and of the Council, of 15th November 2006

b) breaching the obligations referred to by article 4, article 5 para (1), (2), (4) and (5), article (6) para (2), article (7) para (2), article 8, article 9 para (1) and article (2) first thesis, article 11, article 12, article 13 para (3), (4) and (5) and article 14 first thesis of Regulation (EC) no. 1781/2006 of the European Parliament and of the Council, of 15th November 2006.

(4)The infringements referred to in para (3) (a) are sanctioned by fine raging from 10000RON to 30000RON and the infringements referred to in para (3) (b), by fine raging from 15000RON to 50000RON.

(5)The infringements are ascertained and the sanctions are applied by authorized representatives specifically designated by National Bank of Romania and National Office for Prevention and Control of Money Laundering, according with their competencies.

(6)The requirements provided by article 22 of Law no. 656/2002, with subsequent modifications and completions, apply accordingly.

Article IV - The Law no. 656/2002, on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating of terrorism financing, published in the Official Gazette of Romania, Part I, no. 904 from 12 of December 2002, with subsequent modifications and completions, as well as with the modifications and completions set up by the present emergency ordinance, shall be republished, in the Official Gazette of Romania, Part I, after its approval by law, and the texts will receive a new numbering.

PRIME MINISTER
CALIN POPESCU TARICEANU

COUNTERSIGNS	Ministry of Interior and Administrative Reform	Department for European Affaires	Ministry of Economy and Finance
Ministry of Justice			
Catalin Marian Predoiu	Liviu Radu	Adrian Ciocanea	Catalin Doica

Annex no. 4 - Law no. 238 of December 5th, 2011, for the approval of the Governmental Emergency Ordinance no. 53/2008 on amending and completing the Law no. 656/2002 on prevention and sanctioning money laundering, as well as on setting up certain measures for prevention and combating terrorism financing,

PARLIAMENT OF ROMANIA
CHAMBER OF DEPUTIES SENATE

Law no. 238 of December 5th, 2011, for the approval of the Governmental Emergency Ordinance no. 53/2008 on amending and completing the Law no. 656/2002 on prevention and sanctioning money laundering, as well as on setting up certain measures for prevention and combating terrorism financing,

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Parliament of Romania adopts the present law.

Art. I. — It is approved with the following modifications and completions the Governmental Emergency Ordinance no. 53 of April 21, 2008, on amending and completing the Law no. 656/2002 on prevention and sanctioning money laundering, as well as on setting up certain measures for prevention and combating terrorism financing, published in the Official Gazette, Part I, no. 333 of April 30, 2008, consequently amended and completed:

1. **Article I, paragraph 2, letter e) of Article 2 is amended to read as follows:**
„e) **credit institution** means any entity that carries out one of the activities defined by article 7 para (1) point 10 of Government Emergency Ordinance no.99/2006 on credit institutions and capital adequacy, approved with modifications and completions by Law no. 227/2007, as amended and completed".
2. **Article I, point 3 paragraph (1), the introductive part of paragraphs (4) and (5) of Article 2^1 is amended to read as follows:**
„Art. 2^1 — (1) For the purposes of the present law, politically exposed persons are natural persons who exercise or have been entrusted with prominent public functions, their family members as well as persons publicly known to be close associates of natural persons that exercise prominent public functions.
.....
(4) Family members of the persons exercising important public functions are, in accordance with this law:
.....
(5) Persons publicly known to be close associates of the natural persons exercising prominent public functions, are:

a) any natural who is proved to be the beneficial owner of a legal person or legal entity, together with any of the persons mentioned in para (2) or having any other privileged business relationship with this person;

b) any natural person who is the sole beneficial owner of a legal person or of a legal entity known for being set up for the benefit of one of the persons mentioned in para (2)."

3. **Article I point 4 (1) of Article 3 is amended to read as follows:**
„ Art. 3- (1) As soon as a natural person, in working for a legal person referred to in art. 8, or one of the natural persons referred to in art. 8 has suspicions that a transaction to be performed aims to money laundering or terrorism financing, inform the person designated in accordance with art. 14 para. (1), who immediately notifies the National Office for Prevention and Combating Money Laundering, hereinafter referred to as Office. The designated person analyzes the information received and shall notify the Office on suspicions reasonable motivated. The Office confirms the

receiving of the notification. For the natural and legal persons referred to in art. 8 letter k) notification is sent by the person who has suspicions that the operation to be performed aims to money laundering or terrorism financing. ”

4. **Article I point 5 para. (9) of Article 3 is amended to read as follows:**
“(9) The form and contents of the report for the operations provided for in the para (1), (6) and (7) shall be established by decision of the Office’s Board, within 30 days from the date of coming into force of the present law. The reports provided for in articles (6) and (7) are forwarded to the Office in maximum 10 working days, based on a working methodology set up by the Office.”

5. **Article I, after paragraph 6 shall be inserted a new paragraph, paragraph 6^1, as follows:**
„6^1. **In Article 4, after paragraph (2), shall be inserted a new paragraph (3), as follows:**
“(3) The persons referred to in the Art. 8 immediately notifies the Office, when it is ascertained that for one or several operations performed into the account of the customer there are suspicions that the funds aims to money laundering or terrorism financing.”

6. **Article I, after point 7 shall be inserted a new point, point 7^1, as follows:**
„7^1. **In article 6, paragraph (1^1) is amended to read as follows:**
“(1^1) The identity of the natural person who informed the designated natural person in accordance with Art. 14 para. (1) and the identity of the natural person who, in accordance with Art. 14 para (1), notified the Office may not be disclosed in the content of the notification.”

7. **Article I point 10, Article 7 is amended to read as follows:**
„Art. 7. — (1) The application in bona fide of the provisions of art. 3-5, by the natural and/or legal persons, including of those provided at art. 8, may not attract their disciplinary, civil or penal responsibility.

(2) The suspension of transaction and the extension of the suspension performed by non-respecting the legal provisions and in rea fide or performed following the committing an illicit deed, under delictual civil responsibility and by causing a prejudice, by the Office or by the Prosecutor’s Office by the High Court of Cassation and Justice, it may attract the state responsibility for the caused prejudice.

8. **Article I point 11, letter g) of Article 8 is amended to read as follows:**
„g) service providers for companies or other entities, other than those mentioned in para (e) or (f), as defined in art. 2 letter j);”

9. **Article I point 12, Article 8^1 is amended to read as follows:**
„Art. 8^1. — In performing their activity, the persons referred to in article 8 are obliged to adopt adequate measures on prevention of money laundering and terrorism financing and, for this purpose, based on risk, shall apply standard, simplified or enhanced customer due diligence measures, which allow them to identify, where applicable, the beneficial owner.”

10. **Article I point 14, Article 9^1 is amended to read as follows:**
„Art. 9^1. — The persons referred to in the article 8 shall apply standard customer due diligence measures to all new customers. The same measures shall be applied, based on risk, as soon as possible, also to the existing clients.”

11. **Article I, after the point 16 shall be inserted a new point, point 16^1, as follows:**
„16^1. **Article 13 is amended to read as follows:**
«Art. 13. — (1) In each situation in which the identity is required according to the provisions of the present law, the legal or natural person provided for in the Art. 8, who has the obligation to identify the customer, shall keep a copy of the document, as an identity proof or identity references, for a minimum five-year period, starting with the date when the relationship with the customer comes to an end.

(2) The persons provided for in the Art. 8 shall keep the secondary or operative records and the records of all financial operations related to the business relationship or to an occasional transaction, for a minimum five-year period, from the date of closing the business relationship, respectively, from the performance of the occasional transaction, in an adequate form, in order to be used as evidence in justice."

12. **Article I point 18, after paragraph (4) of Article 14 shall be inserted a new paragraph (5), as follows**:
„(5) The persons designated in accordance with para. (1) and (1^1) shall have direct and timely access to the relevant data and information necessary to fulfill their obligations under this law."

13. **Article I point 20, para (2) of Article 16 is amended to read as follows:**
„(2) The Office shall organize, at least once per year, training seminars in the field of money laundering and terrorism financing. By request, the Office and the supervision authorities may take part in the special training programs of the representatives of the persons referred to in article 8."

14. **Article I, after paragraph 20 shall be inserted a new paragraph, paragraph 20^1, as follows:**
„20^1. **After Article 16 shall be inserted a new Article 16^1, as follows:**
«Art. 16^1 — (1) Authorization and/or registration of entities that are performing foreign exchange activities in Romania, other than those who are subject to supervision of the National Bank of Romania under the present law, shall be made by the Ministry of Public Finance, through the Commission of authorization of foreign exchange activity, hereinafter called the Commission.
(2) Legal provisions on the tacit approval procedure do not apply to the authorization and/or registration procedure of entities referred to in paragraph (1).
(3) The Commission referred to in para. (1) shall be determined by joint order of the Minister of Public Finance, the Minister of Administration and Interior and the President of the Office, in its structure being included at least one representative of the Ministry of Public Finance, Ministry of Administration and Interior and the Office.
(4) The procedure of authorization and / or registration of entities referred to in para. (1) is determined by order of the Minister of Public Finances. "

15. **Article I point 21, letters a) and b) of paragraph (1) of Article 17 shall be amended as follows:**
a) Prudential supervisory authorities, for persons subject to this supervision, according to the law, including branches in Romania of foreign legal persons who are subject to similar supervision in their country of origin;
b) Financial Guard and other authorities responsible for financial and fiscal control, by law; the Financial Guard has responsibilities including over entities performing foreign exchange activities, except for those supervised by the authorities referred to in point a). "

16. **Article I point 21, after paragraph (3) of article 17, shall be inserted a new paragraph (4), as follows:**
„(4) In exercising the powers of verification and control, the empowered representatives of the Office may consult the documents drawn up or held by the persons subject to the control and may retain copies of those in order to establish the circumstances regarding suspicions of money laundering and terrorism financing."

17. **Article I point 23, after paragraph (2^1) of Article 19 shall be inserted a new paragraph (2^2), as follows:**
„(2^2) The Office may dispose, by the request of the Romanian judicial authorities or of the foreign institutions with similar attributions and with the obligation of keeping the secrecy in similar conditions, the suspension of performing a transaction, which has as purpose money laundering or terrorism financing acts, art. 3 para. (2) – (5) being applied accordingly, taking into consideration the motivations presented by the requesting institution, as well as the fact that the transaction could have

been suspended if would have been the subject of a suspicious transaction report submitted by one of the natural and legal persons provided at art. 8."

18. **Article I, after paragraph 25 shall be inserted a new point, point 25^1, as follows:**
„25^1. **In Article 22, the introductive part to paragraph (1) is amended to read as follows:**
"Art. 22. — (1) The following deeds shall be deemed as contraventions, if they are not performed in other conditions to constitute an offence:".

19. **Article I point 26, letter b) of paragraph (1) of Article 22 is amended to read as follows:**
„b) failure to comply with the obligations referred to in art. 3 para. (2), third thesis, art. 5 para. (2), art. 8^1, 8^2, 9, 9^1, 9^2, art. 12^1 para. (1), art. 13-15 and art. 17."

20. **Article I point 29 (4) of Article 23 is amended to read as follows:**
„(4) If the deed was committed by a legal person, in addition to the fine penalty, the court shall apply, as appropriate, one or more of complementary penalties provided for in article 53^1, para (3) let. (a) – (c) of the Penal Code."

21. **Article I, point 35 is amended to read as follows:**
„35. **Article 29 is repealed.**"

Art. II. — The provisions of Art. 16^1 of Law no. 656/2002 on prevention and sanctioning money laundering, as well as for setting up certain measures for prevention and combating terrorism financing, with subsequent modifications and completions, shall be applied in 120 days starting with the date of entering into force of the present law.

This law was adopted by the Parliament of Romania, in accordance with provisions of Art. 75 and Art. 76 paragraph. (1) of the Constitution of Romania, republished.

PRESIDENT OF THE CHAMBER OF DEPUTIES
ROBERTA ALMA ANASTASE

PRESIDENT OF THE SENAT
MIRCEA-DAN GEOANĂ
Bucharest, December 5, 2011.
No. 238.

Annex no. 5 – Decree the promulgation of the Law for the approval of the Governmental Emergency Ordinance no. 53/2008 on amending and completing the Law no. 656/2002 on prevention and sanctioning money laundering, as well as on setting up some measures for prevention and combating terrorism financing

PRESIDENT OF ROMANIA
DECREE
the promulgation of the Law for the approval of the Governmental Emergency Ordinance no. 53/2008 on amending and completing the Law no. 656/2002 on prevention and sanctioning money laundering, as well as on setting up some measures for prevention and combating terrorism financing

In accordance with the provisions of Art. 77 para. (1) and Art. 100 par. (1) of the Constitution of Romania, republished,

The President of Romania decrees:

Single article. – It is promulgated the Law for the approval of Governmental Emergency Ordinance no.53/2008 on modification and completion of Law no. 656/2002 on prevention and sanctioning money laundering, as well as for setting up certain measures for the prevention and combating terrorism financing and it shall be published the law in the Official Gazette, Part I.

PRESIDENT OF ROMANIA
TRAIAN BĂSESCU

Bucharest, December 2, 2011.
No. 903.

Annex no. 6 - Governmental Decision no. 594/04.06.2008 on the approval of the Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting some measures for prevention and combating terrorism financing acts

Government of Romania

Governmental Decision no. 594/04.06.2008
on the approval of the Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting some measures for prevention and combating terrorism financing acts

Published in the Official Gazette no. 444 from June 13, 2008
This Decision enters into force at the date provided by Art. II para. 1 of the Governmental Emergency Ordinance no. 53/2008.
Text completed by the Governmental Emergency Ordinance no. 26/2010

In accordance with Article 108 from the Romanian Constitution, republished, and Article II para 2 from the Governmental Emergency Ordinance no. 53/2008 on modification and completion of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting some measures for prevention and combating terrorism financing acts, with subsequent modifications and completions,

The Romanian Government adopts this decision.

ART. 1

It is approved the Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting some measures for prevention and combating terrorism financing acts**,** published in the Official Gazette of Romania, Part I, no. 904 from December 12, 2002, with subsequent modifications and completions, provided for in the annex which is integrant part of this decision.

Art. 2

By this Regulation, provided for in the Article 1, there are transposed the art. 6, art.7, art.8 para (1) and (2), art.9 para (1), para.(5) the second thesis, and para.(6), art.10 para (1), art.11 para (2), (3), (4) and (5), art.12, art.13 para (2), (3) and (4), art.15 para (2) and (3), art. 16 para.(1), art.18, art.19, art.30 letter a) and b), art.31 para (1) and (2) and art.32 from the Directive no. 2005/60/EC of the European Parliament and Council on the prevention of the use of the financial system in the purpose of money laundering and terrorism financing, published in the Official Journal of the European Union, series L, no. 309 from November 25, 2005 and article 3 para (3) of the Directive 2006/70/EC of the European Commission of August 1, 2006 laying down implementing measures for Directive of the European Parliament and of the Council as regards the definition of „politically exposed persons" and the technical criteria for simplified customer due diligence procedures and for exemption on grounds of a financial activity conducted on an occasional or very limited basis, published in the Official Journal of the European Union, series L no. 214 from August 4, 2006.

Appendix

Regulation for application of the provisions
of the Law no. 656/2002 for the prevention and sanctioning money laundering
as well as for instituting some measures for prevention
and combating terrorism financing acts
Chapter I
General Provisions

Art. 1

In application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting of some measures for prevention and combating terrorism financing acts, with subsequent modifications and completions, further called the Law no. 656/2002, this Regulation settles the measures of prevention and combating money laundering and terrorism financing acts.

Art. 2

(1) In the spirit of this Regulation, the terms and expressions below have the following significations:

a) Suspicious Transaction Report – document whose form and content is established by decision of the National Office for Prevention and Control of Money Laundering' Board, further called the Office, through which the persons provided for in the article 8 of the Law no. 656/2002 submit to the Office the information regarding the operations suspected of money laundering and terrorism financing;

b) Cash Transaction Report – document whose form and content is established by decision of the National Office for Prevention and Control of Money Laundering' Board, further called the Office, through which the persons provided for in the article 8 of the Law no. 656/2002 submit to the Office the information regarding the transactions in cash whose minimum limit represents the equivalent in lei of 15.000 de euro;

c) External Transfers Report – document whose form and content is established by decision of the National Office for Prevention and Control of Money Laundering' Board, further called the Office, through which the persons provided for in the article 8 of the Law no. 656/2002 submit to the Office the information regarding the external transfers in or out of the accounts, whose minimum limit represents the equivalent in lei of 15.000 de euro;.

d) Third parties – credit and financial institutions, situated in Member States and the similar ones, situated in third country, who meet the following requirements:

1. they are subject to mandatory professional registration for the performing of the activity, recognized by law;
2. they apply customer due diligence requirements and record keeping requirements as laid down in the Law no. 656/2002 and this Regulation and their compliance with the requirements of these acts is supervised in accordance with the Law no.656/2002.

(2) The following are not considered third parties in the meaning of para. 1 let. d): specialized entities which perform services of foreign currency exchange, payment institutions which provide services in accordance with art. 8 letter f), listed as payment institutions in the Governmental Emergency Ordinance no. 113/2009 on payment services, and postal offices which provide payment services.

Chapter II
Customer Due Diligence and standards for processing of the information on money laundering and terrorism financing

Art.3

The persons provided for in article 8 of the Law no. 656/2002 shall adopt, during the performance of their activity, adequate measures for prevention money laundering and terrorism financing acts, and, in this purpose, based on risk, shall apply standard, simplified or enhanced customer due diligence which shall allow also the identification, by case, of the beneficial owner.

Section 1
Standard customer due diligence

Art. 4

(1) The persons provided for in article 8 of the Law no. 656/2002 shall apply the standard customer due diligence in the following situations:

a) when establishing a business relationship;

b) when carrying out occasional transactions amounting at least EUR 15 000 or its equivalent, whether the transaction is carried out in a single operation or in several operations which appear to be linked;

c) when there are suspicions of money laundering or terrorist financing, regardless the value of transaction or any derogation from the obligation to apply standard customer due diligence provided for in the Law no. 656/2002 and this Regulation;

d) when there are doubts about the veracity or adequacy of previously obtained customer identification data;

e) when purchasing or exchange in casinos gambling chips with a minimum value of the equivalent of EUR 2 000.

(2) When the amount is not known when the transaction is accepted, the natural or legal person obliged to establish the customers identity shall proceed to their identification as soon as possible, when she/he is informed about the value transaction and when it was ascertained that the minimum limit provided for in para (1) letter b) has been reached.

(3) The persons provided for in the art. 8 of the law no. 656/2002 shall apply the standard customer due diligence to all new customers as well as, as soon as possible, based on the risk, to all existent customers.

(4) The credit institutions and financial institutions shall not open and perform anonymous accounts, respectively accounts for which the identity of the holder or of the beneficial owner is not known and highlighted properly.

(5) In the spirit of para 3, the persons provided for in the article 8 of the Law no. 656/2002 shall apply standard customer due diligence to all anonymous account or savings checks holders or beneficial owners, as soon as possible.

(6) The use of any type of existing anonymous accounts and savings checks shall not be allowed unless after the application of standard customer due diligence provided in the para (5).

Art. 5

(1) Standard customer due diligence measures are:

a) identifying the customer and verifying the customer's identity on the basis of documents, and, by case, of information obtained from reliable independent sources;

b) identifying, where applicable, the beneficial owner and taking risk-based checks on customer’s identity so that the information obtained by the person covered by the article 8 of the Law no. 656/2002 are satisfactory and it allows to understand the ownership and control structure of the customer – legal person;

c) obtaining information on the purpose and intended nature of the business relationship;

d) conducting ongoing monitoring of the business relationship including scrutiny of transactions undertaken throughout the course of that relationship to ensure that these transactions are consistent with the information about the customer, his business and risk profile, including, by case, the source of funds and ensuring that the documents, data or information held are kept up-to-date.

(2) The identification data of the customers shall include at least:

a) as regards natural persons - the data of civil status mentioned in the documents of identity provided by the law;

b) as regards legal persons - the data mentioned in the documents of registration provided by the law, as well as the proof that the natural person who manages the transaction, legally represents the legal person.

(3) The persons provided for in the article 8 of the Law no. 656/2002 shall apply all the measures provided for in para (1) letter a) – d), having the possibility to take into the account the circumstances based on the risk, depending on the type of the customer, business relationship, product or transaction, case in which he has to demonstrate to the authorities or to the structures provided for in the article 17 of the Law no. 656/2002 that the customer due diligence measures are adequate in view of the risks of money laundering and terrorism financing.

(4) When the persons provided for in the article 8 of the Law no. 656/2002 are unable to comply with para 1 letter a)-c), it may not carry out the transaction, start the business relationship, or shall terminate the business relationship, and shall report this issue as soon as possible to the Office.

(5) The provisions of para 4 shall not be applied to the persons provided for în the article 8 letters e and f of the Law no. 656/2002 as regards the information obtained from or regarding the customers when it is ascertaining the legal position for that customer or performing task of defending or representing that customer in, or concerning judicial proceedings, including advice on instituting or avoiding proceedings, even this information has been obtained previously, during or after this procedure.

(6) The persons provided for in the article 8 of the Law no. 656/2002 have the obligation to verify the identity of the customer and of the beneficial owner before establishing business relationship or carrying out the occasional transaction.

Art. 6

(1) The persons provided for in the article 8 of the Law no. 656/2002 may use in the purpose of applying standard customer due diligence measures provided for in the art. 5 para (1) letter a) - c) of this Regulation, the information regarding the customer obtained from third parties, even the respective information is obtaining based on documents whose form is different to that used at internal level**.**

(2) In the situation provided for in the para 1 the liability for the compliance with all standard customers due diligence measures is on to the persons who use the information obtained from the third party.

(3) The third party from Romania which intermediates the contact with the customer shall submit to the person who applies standard due diligence measures all the information obtained within own identification procedures, so the requirements provided for in art. 5 para (1) letter a)- c) of this Regulation to be respected.

(4) Copies of the documents based on which the identification and the verification of the customer's identity or, by case, beneficial owner's identity was accomplished, shall immediately be sent by the third party from Romania, by request of the person to whom the customer has been recommended.

(5) The persons provided for in the article 8 of the Law no. 656/2002 have the obligation to ensure the application of the provisions of the Law no. 656/2002 and of this Regulation also in the case of the externalized activities or those performed by agents. The agents and the entities through which the externalized activities are performed by the previously mentioned persons, shall not be considered third parties, in the spirit of article 2 para (1) letter d) of this Regulation

(6) The persons provided for in the article 8 of the Law no. 656/2002 shall not use for accomplishing the customer due diligence requirements provided for in the art. 5 para (1) letter a) – c) of this Regulation the customer due diligence measures applied by a third party from a third country, on which the European Commission adopted a decision in this purpose.

Section 2
Simplified customer due diligence measures
Art. 7

(1) By way of derogation from article 4 para (1) letter a), b) and d), the persons provided for in the article 8 of the Law no. 656/2002 shall apply simplified customer due diligence measures where the customer is a credit or financial institution from a member state or, by case, a credit or financial institution situated in a third country which imposes requirements equivalent to those laid down in the Law no. 656/2002 and supervised for compliance with those requirements.

(2) By way of derogation from article 4 para (1) letter a), b) and d), the persons provided for in the article 8 of the Law no. 656/2002 may apply simplified customer due diligence measures in the following situations:

a) life insurance policies where the insurance premium or the annual installments are lower or equal to the equivalent in lei of the sum of 1,000 EUR or if the single insurance premium paid is up to the equivalent in lei of 2,500 EUR. If the periodic premium installments or the annual sums to pay are or are to be increased in such a way as to be over the limit of the sum of 1,000 EUR, respectively of 2,500 EUR, the equivalent in lei, the standard customer due diligence measures customers' identification shall be required;

(b) in acts for accessing the pension funds;

(c) in electronic money, as defined in Governmental Emergency Ordinance no. 99/2006 on credit institution and capital adequacy, approved with modifications and completions by the Law no. 227/2007 related to the products and transactions which have the following features:

1. the device cannot be recharged, the maximum amount stored in the device is no more than EUR 150 or

2. the electronic device can be recharged, a limit of the equivalent in lei of EUR 2 500 is imposed on the total amount transacted in a calendar year, except when an amount of the equivalent in lei of EUR 1 000 or more is redeemed in that same calendar year by the bearer.

Art.8

By way of derogation from article 4 para (1) letter a), b) and d), the persons provided for in the article 8 of the Law no. 656/2002 may apply simplified customer due diligence measures for the following customers:

a) companies whose securities are admitted to trading on a regulated market within the meaning of Law no. 297/2004 on capital market, with subsequent modifications and completions, in one or more Member States and listed companies from third countries which are subject to disclosure and transparency requirements consistent with Community legislation;

b) beneficial owner of the transactions performed through collective accounts administrated by notaries and other independent legal professions from the member states or from third countries subject to requirements to combat money laundering or terrorist financing consistent with the standards provided in the Law 656/2002 and this Regulation and they supervise them for compliance with those requirements, provided that, by request, the administrators of these collective accounts to disseminate the information on the identity of the beneficial owner to the accounts depository institutions;

c) domestic public authorities;

d) the customers who have a low risk on money laundering or terrorism financing and who fulfill the following criteria:

1. they are public authorities or bodies charged with the relevant competencies based on the communitarian legislation;

2. their identity is publicly available, transparent and certain;

3. their activities and accountable evidences are transparent;

4. the customer is responsible in front of a communitarian institution or an authority within a member state or the customer's activity is under control by specific checking procedures;

Art.9

(1) By way of derogation from the provisions of the art. 4 para. 1 letter a), b) and d), the persons provided for in the art. 8 of the Law no. 656/2002 may apply simplified due diligence measures in case of products and operations connected with these that fulfill the following criteria:

a) the product is offered based on a written contract;

b) the operations related to the product is performed through an account of the customer opened with a credit institutions from member states or third countries which impose similar obligations as the ones provided by the Law no. 656/2002 and this Regulation;

c) the product or the operations connected to the product are nominatives and according to their nature allow a proper application of the provisions of the art. 4 para. 1 letter c) from this Regulation;

d) the value of the product is not over the limit provided at the art. 12 para. 1 letter a) of the Law no. 656/2002 in case of insurance policies and of the similar saving products or over the threshold of 15.000 euro or its equivalent in case of other products;

e) the beneficiary of products or connected operations cannot be a third person, excepting death, invalidity, predetermined ages or other similar situations;

f) in case that the products or connected operations allow investments in financial assets or debts, including any type of insurances or any contingent debts, if the following cumulative criteria are fulfilled:

1. the benefits of the products or of the connected operations are materialized just on a long term;

2. the product or the connected operations cannot be used as guaranty (assurance);

3. during the contractual relation, anticipated payments cannot be made, there are not provided clauses of anticipated cancellation and the contractual obligations cannot be priory cancelled.

Art.10

(1) In the situations provided for in the art. 7 and 8, the persons provided for in the art. 8 from the Law 656/2002 shall obtain adequate information about their customers and shall permanently monitor their activity in order to establish if they are framed within the category for which is provided the respective derogation.

(2) The Office shall inform the authorities with similar attribution from other member states and the European Commission about the cases in which it is considered that a third country fulfills the obligation provided for in the articles 7 and 8 or in the situation provided for in the art. 9.

Art. 11

The persons provided for in the art. 8 of the Law 656/2002 cannot apply the provisions of art. 7 – 9 in case of customers as credit institutions, financial institutions or companies of whose securities are traded on a regulated market from third countries, regarding of which the European Commission adopted a decision on this regard.

Section 3
Enhanced due diligence measures
Art. 12

(1) The persons provided for in the art. 8 from the Law no. 656/2002 shall apply, on a risk-sensitive basis, enhanced customer due diligence measures, in addition to the standard customer due diligence, in all situations which by their nature can present a higher risk of money laundering or terrorist financing. The applying of the enhanced due diligence measures is mandatory at least in the following situations:

a) in case of persons who are not physically present the performance of the operations;

b) in case of correspondent relations with credit institutions within third country;

c) regarding the occasional transactions or business relations with the politically exposed persons who are resident within another member state of European Union or of the European Economic Space or within a foreign state;

(2) In case provided at the para. 1 letter a) the persons provided for in the art. 8 of the Law no. 656/2002 shall apply one or more of the following measures, without that enumeration being limitative one:

a) requesting documents and additional information in order to establish the identity of the customer;

b) taking additional measures for checking and verification of supplied documents or requesting a certification from a credit or financial institution under the obligation of preventing and combating money laundering and terrorism financing equivalent with the standards provided for in the Law 656/2002 and this Regulation;

c) requesting that the first operation to be performed through an account opened on the name of the customer with a credit institution which is subject to the obligations on prevention and combating money laundering and terrorism financing equivalent with the standards provided for in the Law no. 656/2002 and this Regulation.

(3) In case provided in the para. 1 letter b), credit institutions shall apply the following measures:

a) gather sufficient information about the credit institution from a third country for fully understanding the nature of its activity and for establishing, based on the publicly available information, its reputation and the quality of supervision;

b) asses the control mechanisms implemented by the credit institution from a third country in order to prevent and combat money laundering and terrorism financing;

c) obtain the approval from executive management before establishing a new correspondent relation;

d) establish based on documents the liability of each of the two credit institutions;

e) in case of correspondent account directly accessible for the customers of credit institution from third country, it shall ensure that this institution has applied standard customer due diligence measures for all the customer who has access to these accounts and that it is able to provide, upon request, information on the customers, data obtained following the enforcement of the respective measures.

(4) In respect of occasional transactions or business relations with politically exposed persons, the persons provided for in the art. 8 of the Law no. 656/2002 shall apply the following measures:

a) to have in place risk based procedures which allow the identification of the customers within this category;

b) to obtain executive management's approval before starting a business relationship with a customer within this category;

c) to set up adequate measures in order to establish the source of income and the source of funds involved in the business relationship or in the occasional transaction;

d) to carry out an enhanced and permanent supervision of the business relationship.

(5) The persons referred to in article 8 of Law no. 656/2002 shall pay a enhanced attention to the transactions and procedures which, by their nature, may favor anonymity or which may be linked with money laundering or terrorism financing.

Chapter III
Other procedural dispositions and sanctions

Art. 13

(1) Financial and credit institutions shall apply, according to the situation, in their branches and majority subsidiaries from other third country, customer due diligence and record keeping measures, equivalent at least with those provided for by the Law no. 656/2002 and the present Regulation..

(2) When the legislation of the third country does not allow for such equivalent measures to be applied, the credit and financial institutions shall inform the competent Romanian authorities, in accordance with the provisions of article 17 of Law no. 656/2002.

(3) When the legislation of the third country does not allow the application of the customer due diligence mandatory measures, the credit and financial institutions shall apply the necessary customer due diligence measures, in order to efficiently cope with the money laundering or terrorism financing risk.

Art. 14

(1) When the application of the customer due diligence measures is mandatory, the persons provided for in article. 8 of Law 656/2002 shall keep a copy of the document used, as proof of identity or identity reference, for a period of at least 5 years, starting with the termination date of the relationship with the customer.

(2) The persons provided for in article. 8 of Law 656/2002 shall keep, in an adequate format so it can be used as evidence in court, secondary or operative evidence and recordings of all financial transactions within the business relationship or occasional transaction, for a period of at least 5 years starting from the termination of the business relationship, respectively of performing the occasional transaction.

Art. 15

(1) The persons referred to in article 8 para (a)-(d), (g)-(j), as well as the leading structures of the liberal legal professions provided for in article 8 para (e) and (f) of Law no. 656/2002 shall designate, by internal decision act draw up in accordance with the Annex part in the present Regulation, one or more persons with responsibilities in the enforcement of Law no. 656/2002 and the present Regulation, whose name shall be transmitted to the Office, together with the nature and extent

of the mentioned responsibilities. The internal decision act shall be transmitted to the Office either directly or by post with receipt confirmation.

(2) The persons provided for in para (1) shall establish adequate politics and procedures on customer due diligence, reporting and record keeping of secondary and operative evidence, internal control, assessing and managing the risks, conformity management and communication in order to prevent and hamper the money laundering and terrorism financing suspicious transactions, ensuring the proper training of the employees. Credit and financial institutions are obliged to designate a conformity officer, subordinated to the executive management, which coordinates the implementation of the internal politics and procedures for the application of the Law no. 656/2002 and the present Regulation.

(3) The persons designated in accordance with para (1) and (2) are responsible for the carrying out of the responsibilities established for the application of Law no. 656/2002.

(4) The provisions of para (1) -(3) are not applicable to natural and legal persons provided for in article 8 (k) of Law no. 656/2002.

(5) The financial and credit institutions must inform all their branches and subsidiaries from the third countries about the politics and procedures set up in accordance with para (2)..

Art. 16

Credit and financial institutions are obliged to keep in place internal procedures and to have systems which allow the promptly transmission, by Office's or prosecution bodies request, of the information regarding the identity and the nature of the relationship for the customers specified in the request, with which a business relationship is or has been in progress in the last 5 years.

Art.17

(1) The reports provided for in article 3 para (1) of Law no. 656/2002 shall be forwarded to the Office immediately, and those provided for in article 3 para (6) and (7) of Law no. 656/2002, in 10 working days at most, based on a working methodology specially set up for this purpose by the Office.

(2) The Office establishes, by an internal working procedure, a system for carrying out the financial analyses, which shall be periodically adapted, based on the identified risk indicators.

Art. 18

(1) The Office shall inform the authorities with similar attribution from other member states and the European Commission about the cases of third countries which are thought not to fulfill the requirements provided for in article 18 para (4) (b)-(d) of Law no. 656/2002.

(2) The Office shall inform the European Commission about the cases when a third country is in the situation described in article. 13 para (3).

(3) The Office shall inform the authorities with similar attribution from other member states and the European Commission about the case of a third country which is thought to impose the enforcement of customer due diligence and record keeping procedures equivalent with those provided for in article 656/2002 and the present Regulation, and the enforcement of these is supervised in a manner equivalent with that regulated by the Law no. 656/2002 and the present Regulation.

Art. 19

(1) The breaching of the dispositions of article 6 para (3) and (4), article (10) para. 1, article 13 para (2) and (3) and article 16, by the persons referred to in article 8 of Law no. 656/2002, constitutes infringement and is sanctioned by fine between 10,000 lei and 30,000 lei.

(2) The dispositions of art.22 para (3)-(5) of Law nr.656/2002 are applicable in accordance.

Regulation'Annex

The name of the legal person:…….

Unique Identification Code…….

Registration number with the NRT

Main premises…..……
Telephone/fax…..…….

To:

National Office for Prevention and Control of Money Laundering

The legal person…….……. represented by (manager / director / president - name surname, PIN) ……..……., with the main activity object of (name and CAEN)……., in accordance with the provisions of art. 14 of Law nr. 656/2002 for the prevention and sanctioning of money laundering, and for setting up certain measures for the prevention and combat of terrorism financing, with subsequent modifications and completions, empowers (name and surname of one or more persons, holder/holders of ID……, series…….., no.…… PIN……in the relationship with National Office for Prevention and Control of Money Laundering, with responsibilities in the application of the Law mentioned above. In order to fulfill the provisions of Law no. 656/2002, with subsequent modifications and completions, the designated person/persons shall have the following responsibilities:

……..

……..

STAMP
SIGNATURE

*Note:
one sample shall be sent to the Office
one sample shall be kept at the issuer's premises

Annex no. 7 - Governmental Decision no. 1.100 from 2 November 2011 on amending the art. 7 paragraph (2) letter c) of the Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting of some measures for prevention and combating terrorism financing acts, approved by the Government Decision no. 594/2008

Government of Romania

Governmental Decision no. 1.100
from 2 November 2011

on amending the art. 7 paragraph (2) letter c) of the Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting of some measures for prevention and combating terrorism financing acts, approved by the Government Decision no. 594/2008

Published in the Official Gazette No. 795 from 9 November 2011

In the spirit of the art. 108 from the Romanian Constitution, republished,

The Government of Romania adopts this decision.

Unique article. – In the article 7 paragraph (2) of the Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting of some measures for prevention and combating terrorism financing acts, approved by the Government Decision no. 594/2008, published in the Official Gazette of Romania, Part I, no. 444 from 13 June 2008, with subsequent modifications and completions, letter c) shall be modified and shall be read as follows:

"c) in the case of electronic money, as defined by the Law no. 127/2011 on the activity of issuing electronic money, stored on electronic devices that have the following features:

1. are not rechargeable and the maximum amount that can be stored in these devices is no more than the equivalent in lei of EUR 250; or

2. are rechargeable and the total amount of the transactions performed in a calendar year is limited to the equivalent in lei of EUR 2.5000, except when an amount of the equivalent in lei of EUR 1 000 or more is redeemed in that same calendar year by the bearer."

*

This decision is transposing the provisions of the art. 19 item 2 of the Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC, published in the Official Journal of the European Union L 267/10 October 2009.

PRIME-MINISTER
EMIL BOC

Countersign:
General Secretary of the Government,
Daniela Nicoleta Andreescu

President of the National Office for Prevention and Control of Money Laundering,
Adrian Cucu

Minister of European Affairs,
Leonard Orban

Annex no. 8 - Governmental Decision no. 603 from 08 June 2011 for the approval of the Norms regarding supervision by the National Office for Prevention and Control of Money Laundering of the method of application of the international sanctions

Government of Romania

Governmental Decision no. 603
From 08 June 2011
For the approval of the Norms regarding supervision by the National Office for Prevention and Control of Money Laundering of the method of application of the international sanctions

Published in Official Gazette no. 426 from 17 June 2011

*) Important Note:
For entering in force of the current decision, please see the provisions of the art. 4

Based on the provision of the art. 108 from Romanian Constitution, republished,

The Romanian Government adopted this decision

Art. 1. Are approved the Norms on supervision by the National Office for Prevention and Control of Money Laundering of the method of application of international sanctions, hereby named Norms, provided in the annex which is integrant part of the current decision.

Art. 2 – (1) The following deeds represent contraventions:
a) breach of the obligations provided by the art. 5 of the norms;
b) breach of the obligations provided by the art. 6 of the norms.
(2) Contravention provided by the para (1) letter a) is sanctioned with fee from 2.000 lei to 5.000 lei and contravention provided by the art. (1) letter b) is sanctioned with fee from 5.000 lei to 10.000 lei.
(3) Sanctions provided by the art. (2) are applied also to the legal persons, in this situation, the contravention provided by the art. (1) letter a) is sanctioned with fee from 5.000 lei to 10.000 lei, and the contravention provided by the para (10 letter b) is sanctioned with fee from 10.000 lei to 20.000 lei.
Art. 3 – (1) Ascertaining of the contraventions provided by the ar. 2 and applying of the sanctions are done by the empowered representatives of the National Office for Prevention and Control of Money Laundering.
(2) For the contraventions provided by the art. 2, the provisions of the Emergency Ordinance of the Government no. 2/2001 on legal regime of contraventions, approved with amendments and completion through the Law no. 180/2002, with amendments and completions shall be applied.
Art. 4 – This decision is entering into force from the date of its publishing, excepting the provisions of the art. 2 and 3, which are entering into force within 30 days from the date of its publishing.

PRIME-MINISTER
EMIL BOC
Contra signature:
General Secretary of Romanian Government,
Daniela Nicoleta Andreescu
President of the National office for Prevention and Control of Money Laundering,
Adrian Cucu
Minister of Foreign Affairs,
Teodor Baconschi
Minister of Public Finances,
Gheorghe Ialomițianu

NORMS

On supervision performed by the National Office for Prevention and Control of Money Laundering as regards the methods of application of the international sanctions

Chapter. I
General Provisions

Art. 1 – These norms are regulating the way of supervision and control of the application by the entities that are supervised by the National Office for Prevention and Control of Money Laundering, the international sanctions settled up through normative acts provided by the art. 1 from the Emergency Ordinance of the Government no. 202/2008 for application of the international sanctions, approved with amendments by the Law no, 217/2009, with further amendments and completions, further named **emergency ordinance**.

Art. 2 – Under the incidence of these norms the following categories of legal and natural persons are included:

a) financial institutions, excepting non-banking financial institutions registered into Special Register provided at the art. 44 of the Law no. 93/2009 on non-banking financial institutions, as amended and completed;

b) casinos;

c) auditors, legal and natural persons who provide fiscal consultancy or accountability, public notaries, lawyers and other persons who perform independent legal professions;

d) service providers for the commercial companies of other entities, other the ones provided at letter c);

e) persons with attributions in privatization process;

f) real estate agents;

g) associations and foundations;

h) other legal or natural persons who sells goods and/or services, only if these are based on cash transactions in lei or foreign currency, above the threshold of 15.000 euro in equivalent, no matter of the transaction is performed through one or more transactions which seems to be connected.

Chapter. II
Activity of supervision of application of international sanctions

Art. 3 – The National Office for Prevention and Control of Money Laundering fulfils the following attributions regarding supervision of the application of international sanctions:

a) ensures with emergency the publicity of the provisions of the acts which settle international sanctions which are mandatory in Romania, through posting on its own internet page – www.onpcsb.ro.

b) monitors and controls the respecting the provisions of the current norms and of incident legislation, by the persons provided at the art. 2;

c) for the persons provided at the art. 2, establishes the mechanism and way of reporting provided at the art. 18 from the emergency ordinance;

d) biannually or every time is necessary informs the Ministry of Foreign Affairs, about the way in which are applied the international sanctions in its competence area, about their breakings and cases being under solving and also about other application difficulties;

e) in accordance with the legal provisions in the area of protection and processing of data with personal character, organizes its own evidence regarding application of the international sanctions in specific competence area and put this information at the disposal of the Ministry of Public Finances. The information from this evidence, except the classified information, will be kept for a period of 5 years from the date of ending the application of the international sanctions;

f) organizes information and training seminars related to legal provisions on application of international sanctions;

g) cooperates with other competent authorities for an efficient supervision of implementation of international sanctions.

Chapter. III
Obligations of the persons regulated at the art. 2 on application of international sanctions

Art. 4 - (1) Persons provided at the art. 2 have the obligation to immediately submit to the Ministry of Public Finances – National Agency of Tax Administration and to the National Office for Prevention and Control of Money Laundering, for notification, the reports on funds and/or transfers economic resources being under possession or under control of the clients who are subjects of international sanctions or which belongs to are under the control of an appointed person.

(2) The reports provided by the para (1) will be submitted into the form provided within the Norms on submission mechanism to the National Office for Prevention and Control of Money Laundering of the reports provided at the art. 18 from emergency ordinance, which will be approved through decision of the Board of National Office for Prevention and Control of Money Laundering and will be published in Official Gazette Part I.

Art. 5 – For application of the provisions of the art. 20 para (2) from the emergency ordinance, at the motivated request of National Office for Prevention and Control of Money Laundering, as supervision authority, the persons provided at the art. 2 have the obligation to put immediately at the disposal, any additional relevant data and information, according to the received request, the confidentiality obligation couldn't be invoked

Art. 6 – For ensuring the development of the activity, in accordance with the requests from emergency ordinance, the persons provided at the art. 2, applies the know your customer measures, as there are provided within the Government Decision no. 594/2008 for the approval of the Regulation on application of the provisions of the Law no. 656/2002 for prevention and sanctioning money laundering and for setting up measures of prevention and combating terrorism financing, as amended and completed.

_____

FORM[2]

For reporting the designated persons, entities and of the operations which involve goods as those provided for in the Emergency Ordinance of the Government no. 202/2008 on the implementation of the international sanctions, approved with modifications by the Law no. 217/2009

CHAPTER I – General information regarding the identification of the reporting entity

I.1. General information

Date of preparation……..	Registration number of issuer.....
Type of the reporting entity ……..	
The normative act which imposed the sanction.....	

I.2. Reporting entity

Identification data:

Name…..……..
Legal form ……..…….

[2] Filling must be appropriately done

Registration number from the Trade Register ….....
Unique Code of Registration (CUI).....
Code of Fiscal Identification (CIF).....

Social headquarters:

County ……...…….	Locality ……..……...
Street…….……..| No…..……|District……	

The subunit where the reporting transaction took place:

Name …….. ……. …….....	
County …….……	Locality ……..……...

CHAPTER II – Identification data of the designated persons

II.A. Legal person.

Identification data:

Name…..……..
Legal form ……..…….
Registration number from the Trade Register /National Register of the Associations and Foundations..... ...
Unique Code of Registration (CUI).....
Code of Fiscal Identification (CIF).....

Place of registration –for foreign legal persons:

Country..…….....….	Locality…….…….……...

Social headquarters:

Country….……...	County……..| Locality ……..	
Street…….……| No…….| District……		

Identification data of the legal representative:

Surname …….....…	Name …….....…	
ID Type.....	Series.....	No. .....
Issued on ……..	Issuing authority	
Personal Identification Code…… …….……...		

II.B. Natural person

Identification data:

Surname …….....……..	Name …….....…	
Date of birth…….. ….....	Place of birth …… …….....	
Citizenship……| Resident / Non-resident..……...		
ID Type ……..	Series ……..…	No …….…….....…
Issued on ……..	Issuing authority ……..	
Personal Identification Code…… …….……...		

Domicile or residence:

Country…...……...	County……..| Locality ……..
Street…….……| No…….| District……	

CHAPTER III – Information regarding contracts / transactions which are subject to reporting

Type of contract/ transaction.....
Number of registration and the date of contract/transaction conclusion……....

Parts of the contract/transaction..
Total value of the contract/transaction (in figures and letters)....................................... ....
Validity of the contract ....

CHAPTER IV – Information on the accounts and subaccounts which are subject to reporting

Type of the accounts…………………….............................	Total number of accounts……...

Details of the account and subaccounts:

Accounts…………….……. ... ………... ....
Subaccounts………..………………………………...
Currency..

CHAPTER V. Data regarding the originator, intermediary or beneficiary of the transaction performed with the person mentioned within Chapter II

V.1. Legal person

Identification data:

Name ………………………………………………………………………………………………..
Legal form …………………………………………………...…..…………………
Registration number from the Trade Register /National Register of the Associations and Foundations..
Unique Code of Registration (CUI)...
Code of Fiscal Identification (CIF)..

Headquarters:

Country……………….……	County……………………………..| Locality ……………………..	
Street………….………………………………………………| No……………….| District………		

V.2. Natural person

Identification data:

Surname ……………………..........…....……..	Name ……….....................................	
ID Type …………..	Series…………..…	No. …………….……........
Issued on .…………………..	Issuing authority………………………………………	
Personal Identification Code……………………..…………………………………………...		

Domicile:

Country…...……………....	County……………………………..| Locality ……………………..
Street………….………………………………………………| No……………….| District…………	

CHAPTER VI – Information regarding the goods subject to reporting

Type of connection..
The total value of goods ....
Currency ....

CHAPTER VII – Description of the relevant circumstances

Description of any relevant circumstances ……………..…..

CHAPTER VIII – Signatures

Authorized signature …… (name, surname and position) Stamp .....
Done ..... (name, surname and telephone)

NOTE regarding aspects on filling the

Form
for reporting the designated persons, entities and operations which involve goods as those provided for in the Emergency Ordinance of the Government no. 202/2008 on the implementation of the international sanctions, approved with modifications by the Law no. 217/2009

1. Filling by the reporting entities of the columns of the Form for reporting the designated persons, entities and operations which involve goods as those provided for in the Emergency Ordinance of the Government no. 202/2008 on the implementation of the international sanctions, approved with modifications by the Law no. 217/2009 is done appropriately.

2. In chapter II, the phrase „designated persons" is used in the spirit of the provisions of the art. 2 letter b) of the *Emergency Ordinance of the Government no. 202/2008 on the implementation of the international sanctions, approved with modifications by the Law no. 217/2009*, representing the state governments, the non-state entities or the persons subject of international sanctions.

3. In chapter VI:

a) „good" means: any technology or product with an economic value or serving for satisfying a particular purpose, tangible or intangible, which belongs, or is held or under the control of designated persons or entities or which is prohibited to import or export from or to a certain destination; *the funds, economic resources and dual-use products or technologies* are treated as goods, as the concept is defined by the provisions of the art. 2 letter c) of *the Emergency Ordinance of the Government no. 202/2008 on the implementation of the international sanctions, approved with modifications by the Law no. 217/2009;*

b) at the column „type of connection" it has to be mentioned aspects regarding the right of property, possession, use or disposition of property right that is subject to reporting.

4. In chapter VIII, the phrase „authorized signature" means the signature of the person/persons empowered, according to the relevant legislation, with the authority to officially represent the reporting entity in the relationships with third parties.

Annex no. 9 - Order No. 95 of January 31, 2011 on the approval of the Methodological Norms for making notifications and processing requests for authorization to carry out certain financial transactions

National Office for Prevention and Control of Money Laundering

ORDER No. 95
of January 31, 2011

on the approval of the Methodological Norms for making notifications and processing requests for authorization to carry out certain financial transactions

Published in the Official Gazette no. 87 of February 2nd, 2011

Having regard:
- the provisions of Art. II of the Emergency Ordinance of the Government no. 128/2010 amending and completing Emergency Governmental Ordinance no. 202/2008 on the implementation of international sanctions;
- the Board' decision of the National Office for Prevention and Control Money Laundering on approving methodological norms for making notifications and processing requests for authorization to carry out certain financial transactions;
- the provisions of art. 7 para. (1) and art. 8 letter l) of Governmental Decision no. 1599 of December 4, 2008, on the approval of the Regulations for Organization and Functioning of the National Office for Prevention and Control of Money Laundering,

The president of the National Office for Prevention and Control of Money Laundering issues this order**.**

Art. 1 – Approve the methodological norms for making notifications and processing requests for authorization to carry out certain financial transactions, provided in the annex which is an integral part of this order.
Art. 2 – This order shall be published in the Official Gazette of Romania, Part I.

President of the National Office for Prevention and Control of Money Laundering,
Adrian Cucu

Appendix

National Office for Prevention and Control of Money Laundering

METHODOLOGICAL NORMS
for making notifications and processing requests for authorization
to carry out certain financial transactions

Published in: Official Gazette no. 87 of February 2nd, 2011

Chapter I
General Provisions

Art. 1 – The present methodological norms are drafted in accordance with Art. II of the Emergency Governmental Ordinance no. 128/2010 amending and completing Emergency Governmental Ordinance no. 202/2008 on the implementation of international sanctions and regulates the application

of restrictions on certain transfers of funds and financial services to and from Iran, established by Regulation (EU) no. 961/2010 of 25 October 2010 on restrictive measures against Iran and repealing Regulation (EC) no. 423/2007, hereinafter ***Regulation. 961/2010***.

Art. 2 – For the purpose of these methodological norms, the following terms are defined as follows:

a) ***restrictions on certain transfers of funds and financial services to and from Iran, adopted to prevent nuclear proliferation*** - as defined in art. 2 letter. g1) of the Emergency Ordinance no. 202/2008 on the implementation of international sanctions, approved with completions and modifications by Law no. 217/2009;

b) ***payment service provider*** - as defined in art. 2, paragraph 5 of Regulation (EC) no. 1.781/2006 the European Parliament and the Council of 15 November 2006 on information on the payer accompanying transfers of funds, hereinafter referred to as Regulation no. 1.781/2006;

c) ***transfer of funds*** - as defined in art. 1 letter. (r) of Regulation no. 961/2010;

d) transfer funds to and from Iran - any transfer of funds to or from any person, entity or body in Iran, as defined;

e) ***funds*** - as defined in art. 1 letter. (j) of Regulation no. 961/2010;

f) ***payer*** - as defined in art. 2 point 3 of Regulation no. 1.781/2006;

g) ***beneficiary*** - as defined in art. 2 Section 4 of Regulation no. 1.781/2006;

h) ***person, entity or body in Iran*** - as defined in art. 1 letter. (m) of Regulation no. 961/2010;

i) ***prior notice*** - the procedure whereby the National Office for Prevention and Control of Money Laundering, hereinafter ***Office*** is notified in advance, in written, on a transfer of funds to or from Iran, to which Regulation No. 961/2010 establishes the obligation of prior notification;

j) ***request for authorization*** - the document which requires prior authorization from the Office for a transfer of funds to or from Iran, to which Regulation No. 961/2010 establishes the mandatory prior authorization requirement;

k) ***prior authorization*** - the process through which the Office gives its approval to a transfer of funds to or from Iran***;***

l) ***funds transfers that appear to be connected to each other*** - operations to and from Iran carried out simultaneously and / or successively under the same agreement, regardless of its nature;

m) ***third State*** - any State which is not a member of the European Union.

Chapter II
Prior notification of transfers of funds to and from Iran

Art. 3 - (1) The following transfers of funds to and from Iran are subject to the prior notification:

a) those due for transactions on food, medical or humanitarian purposes, if the value exceeds 10,000 EUR transfer of funds or an equivalent amount;
b) any other transfer, if the amount transferred exceeds EUR 10,000 and under EUR 40,000 or an equivalent amount .

(2) The provisions of paragraphs. (1)shall be applied to transfers of funds that appear to be connected to each other.

(3) Prior notification of transfers of funds to and from Iran shall be done with at least 3 working days before the caring out the transfer.

Art. 4 - (1) The prior notices of funds transfers to Iran are sent to the Office by the service provider of the payer if the original order of execution of the transfer of funds was issued in Romania.

(2) The prior notices related to the Iran funds transfers shall be sent to the Office by the payment service provider's beneficiary if the beneficiary of the transfer funds residing in Romania or the payment service provider of the beneficiary is established in Romania.

(3) If the payment service provider of the beneficiary is established in another Member State and the beneficiary of the transfer of funds is a person residing in Romania, the prior notifications regarding the transfers of funds from Iran shall be sent to the Office or to the competent authority of the European Union Member State where the beneficiary of the payment service is established.

(4) The prior notification of transfer of funds to and from Iran shall be transmitted directly to the Office by the beneficiary or by the payer, if one of them resides in Romania and if the payment service provider is registered, incorporated or operating in the territory of a third State.

Art. 5 - (1) The prior notification shall be made electronically or on paper, in the form established by the Office, in accordance with Annex no. 1.

(2) The payment service providers can empower other persons to notify the Office on their behalf, on the performance of fund transfers to and from Iran.
(3)
Introduceți text ori o adresă de site web sau traduceți un document.
Anulați
Traducere din Română în Engleză
In the situation referred to in para. (2), a power granted by the payment service provider to another person shall not relieve him of the legal obligations set by European and national regulations.
(4) The form for empower another person for notifying the Office on behalf of the payment service provider is provided in Annex no. 2.
Art. 6 - (1) The prior notification of transfers of funds to or from Iran shall be submitted on paper, in duplicate form, directly to headquarter of the Office.
(2) The credit institutions and branches in Romania of foreign credit institutions may submit prior notifications electronically through interbank communication network, in accordance with the protocols concluded with the Office.
Art. 7 – The Office acknowledged the receipt of the prior notification as follows:
a) Release to the issuer, on spot, the second copy of the prior notification with registration number from the Office;
b) electronically, in case of situation referred to in art. 6. para. (2).

Chapter III
The prior authorization to transfer funds to and from Iran

Art. 8 - (1) Shall be subject to the prior authorization of funds transfers to and from Iran over 40,000 Euro or equivalent, other than those referred to in art. 3. Para (1). letter a).
(2) The provisions of para. (1) shall be apply to the transfers of funds that appear to be related to each other, regardless of their value, if the total amount of the transfer of funds is over 40,000 Euros or equivalent.
Art. 9 - (1) Requests for prior authorization for transfers of funds to Iran shall be sent to the Office by the service provider of the payer if the original order of execution of the transfer of funds was issued in Romania.
(2) The requests for prior authorization for transfers of funds from Iran shall be sent to the Office by the payment service provider's beneficiary if the beneficiary of the transfer funds is residing in Romania or the payment service provider of the beneficiary is established in Romania.
(3) If the payment service provider of the beneficiary is established in another EU Member State and the beneficiary of the transfer of funds is a person residing in Romania, the prior authorization requests for transfers of funds from Iran shall be sent to the Office or to the competent authority of the Member State where the beneficiary's payment service is established.
(4) The prior authorization request to transfer funds to or from Iran shall be transmitted directly to the Office by the beneficiary or by the payer, if one of them resides in Romania and if the payment service provider is registered, incorporated or operating in the territory of a third State.
Art. 10 - (1) The prior authorization request shall be made in the form prescribed in Annex no.3.
(2) The payment service providers can empower other persons, to address to the Office, on their behalf, the request prior authorization for carrying out transfers of funds to and from Iran.
(3) The empower form for another person in order to submit to the Office the request for prior authorization on behalf of the of the payment service provider is specified in Annex 4.
Art. 11 - (1) The request for prior authorization of funds transfers to or from Iran shall be made in Romanian, in duplicate, in print, on paper, according to the standard form provided in Annex no. 3, and shall be completed, signed and stamped by the legal representative of the provider payment or by the person authorized by him or by the payer or recipient of funds transfer in the case provided for in Art. 9 para. (4).
(2) The request for prior authorization of funds transfers to or from Iran shall be submitted directly to the registration desk of the Office, accompanied with the justifying documents.
(3) Depending on the type and purpose of funds transfer, the payment service provider or the person authorized by him or, in the case of art. 9 para. (4), the payer or the transferee is required to analyze

and verify the veracity of information submitted to the registration desk of the Office, in order to support the request for prior authorization, the following documents, certified copy "according to the original":

a)In case of transfers of funds to Iran, the prior authorization request shall be accompanied, where appropriate, depending on the specific transfer of funds, by the following documents regarding the payer:

(i) establishing and operating documents, addenda thereto, the payer's constitutional documents and company registration certificate or document of identity for natural persons;

(ii) ascertain certificate issued by the National Trade Register Office, which shall not be older than 3 months;

(iii) supplier's invoice, declaration on their honor or other document which highlights the obligation to pay;

(iv) contract or other document under which funds transfer is made;

(v) customs declaration, licenses issued by the Ministry of Foreign Affairs / Department of Export Controls - ANCEX or other authorizations needed, as appropriate, depending on the specific of the transaction;

(vi) identification data on carrier and the insurer of the imported goods;

(vii) advisory request approved by the Ministry of Foreign Affairs / Department of Export Controls – ANCEX;

(viii) documents approved by the Ministry of Economy, Trade and Business Environment and / or Export Control Department - ANCEX for the products provided for in Annexes III and VI of the Regulation no. 961/2010, in accordance with the law;

b) for transfers of funds from Iran the prior authorization request shall be accompanied, where appropriate, depending on the specific transfer of funds, by the following documents related to the beneficiary:

(i) establishing and operating documents, addenda thereto, the constitutional documents of the beneficiary transfer funds, as well as the company registration certificate or the identity document for natural persons;

(ii) acknowledging certificate of the beneficiary of transfer of funds issued by the National Trade Register Office, which shall not be older than 3 months;

(iii) supplier's invoice, declaration on their honor or other document which highlights the obligation to pay;

(iv) contract or other document under which funds transfer is made;

(v) customs declaration, licenses issued by the Ministry of Foreign Affairs / Department of Export Controls - ANCEX or other authorizations needed, as appropriate, depending on the specific of the transaction;

(vi) identification data on carrier and the insurer of the exported goods;

(vii) advisory request approved by the Ministry of Foreign Affairs / Department of Export Controls – ANCEX;

(viii) documents approved by the Ministry of Economy, Trade and Business Environment and / or Export Control Department - ANCEX for the products provided for in Annexes III of the Regulation no. 961/2010, in accordance with the law.

(4) If the documents referred to in para. (3) are written in a foreign language shall be submitted together with certified translation into Romanian language.

Art. 12 - (1) The Office may request, in writing, to the person who requested the prior authorization, on the moment of submission of the prior authorization file and / or during the prior authorization procedure, depending on the specific transfer of funds, written clarifications and / or documents it deems necessary.

(2) Documents or clarifications provided in para. (1) shall be submitted to the registration desk of the Office within 5 working days in accordance with the provisions of Art. 11.

(3) For the application of the provisions of para. (1) the applicant has the obligation to communicate, in the content of its request for prior authorization, the contacts details to enable prompt communication with the Office.

Art. 13 - (1) The documents required to support the request for prior authorization shall be submitted to the registration desk of the Office filed, numbered, signed and stamped on each page by the applicant.

(2) The Office confirms receipt of the request for prior approval and the file containing the documents required to obtain prior authorization, specifying the number of pages contained therein, by delivering a second copy of the request, with a registration number given by the Office.

(3) The Office receives requests for prior authorization through the registration desk, within working hours, which is available on the website of the institution.

Art. 14 - (1) The prior authorization for the transfer of funds to or from Iran, shall be issued by the Office no later than 28 calendar days from the filing of prior authorization in the form prescribed in Annex no. 5.

(2) The prior authorization for the transfer of funds to or from Iran is deemed granted if the Office has received a request for prior authorization of the transfer of funds and did not make, within the period specified in para. (1) written objections on the respective transfer of funds.

Art. 15 - (1) The Office confirms to the payment service provider transferring the funds, electronically, through interbank communication network, the issuing of the prior authorization for the transfer of funds to or from Iran.

(2) In the situation referred to in art. 9 paragraph. (4), the prior authorization is lifted directly from the Office's headquarter by the applicant, on paper, in original form.

(3) The payment service for transferring funds to and from Iran pick up the prior authorization on paper, in original, from the registration desk of the Office.

Art. 16 - (1) The Office shall not grant prior approval for transfer of funds to and from Iran in the following cases:

a) in situations provided by Regulations no. 961/2010;

b) the prior authorization request and / or documents supporting the application are not complete, not signed / certified "according to the original" or the subscriber cannot be identified;

c) the prior authorization request is not written in Romanian and / or, where appropriate, documents supporting the application shall be accompanied by certified translation into Romanian language;

d) the request of prior authorization has been the subject of a prior authorization;

e) in other justified cases.

(2) If an application for prior authorization is rejected, the Office shall write objections regarding the transfer of funds, according to the notice form provided for in Annex no. 6.

Art. 17 - (1) The Office shall forward written objections regarding the transfer of funds to or from Iran to the payment service provider requesting the transfer of funds, to the applicant referred to in art. 9 para. (4) or to the person authorized to apply or to pick up the prior authorization on behalf of the payment service provider.

(2) Where written objections are communicated to the person entitled to apply for prior authorization, the Office shall submit, in electronic form, a copy of the written objections and to the payment service provider to the address indicated in its request for prior authorization.

(3) In the event of a refusal an application for prior authorization to transfer funds to and from Iran, the Office shall notify the Ministry of Foreign Affairs in order to inform the competent authorities of Member States and the European Commission, through the Office for the Implementation of International Sanctions.

Chapter IV
Final provisions

Art. 18 - The Office may transmit data and information relating to transfers of funds to and from Iran subjected to prior notification, to other authorities / institutions, in accordance with legal provisions.

Art. 19 - The exchange rate considered in determining the value of funds transfer is established by the National Bank of Romania for the day in which the Office receives, as appropriate, the prior notification or the prior authorization request.

Art. 20 – The notifications and the prior authorization for transfers of funds to and from Iran sent / issued by other Member States shall be communicated to the Office by the payment service providers transferring funds or by the applicant referred to in art. 9 para. (4).

Art. 21 – The form provided in Annex no. 6 shall be sent directly to the payment service provider or in case of situation referred to in art. 9 para. (4), directly to the applicant, under the conditions regulated in art. 15 for transmission the prior authorization.
Art. 22 - The forms provided in Annex no. 1-6 can be found on the Office's website: www.onpcsb.ro. **Art. 23** – The Annex nr. 1 - 6 are integral part of the present methodological norms.

Annex. No. 1
To the methodological norms

A. PRIOR NOTIFICATION
on transfer of funds to Iran

Date	
Name, address, identification and contact data of the person notifying the transfer of funds	
The role of the person who notify the transfer of funds	
Payer (name, address, identification and contact data)	
Payment service provider of the payer (name, address, identification and contact data)	
Beneficiary (name, address, data related to the account)	
Payment service provider of the beneficiary (name, address, identification and contact data)	
The flow of the payment (details about other payment service provider intermediaries - name, address, accounts, identification and contact data)	
The transferred amount	
The purpose of the transfer of funds	
Transfer of funds is performed by a single operation or several operations which appear to be related to each other (details of successive transactions, timetable)	
Other authorization / licenses issued by authorities of the Romania or another EU Member State	
Other relevant information to make transfer of funds	

I certify on own responsibility that the data and information entered in this notice are accurate and have been referred with good faith, knowing that any false statement or omission. I'll intentionally make liable to the penalties prescribed by the regulations in force.

Date ..... Stamp .....

First and last name, function and signature of the authorized person

.....

B. PRIOR NOTIFICATION
of transfer of funds from Iran

Date	
Name, address, identification and contact data of the person notifying the transfer of funds	
The role of the person who notify the transfer of funds	
Payer (name, address, identification and contact data)	

Payment service provider of the payer (name, address, identification and contact data)	
Beneficiary (name, address, data related to the account)	
Payment service provider of the beneficiary (name, address, identification and contact data)	
The flow of the payment (details about other payment service provider intermediaries - name, address, accounts, identification and contact data)	
The transferred amount	
The purpose of the transfer of funds	
Transfer of funds is performed by a single operation or several operations which appear to be related to each other (details of successive transactions, timetable)	
Other authorization / licenses issued by authorities of the Romania or another EU Member State	
Other relevant information to make transfer of funds	

I certify on own responsibility that the data and information entered in this notice are accurate and have been referred with good faith, knowing that any false statement or omission. I'll intentionally make liable to the penalties prescribed by the regulations in force.
Date ..... Stamp .....

First and last name, function and signature of the authorized person

.....

Annex No. 2
To the methodological norms

EMPOWERMENT
for prior notification of the National Office for Prevention and Control of Money Laundering

Under this, ……....., (payment service provider)……. legal representative of ……....., empower……..... (first and last name), having the IC series ..... no. ....., PNC……...../....., (name, headquarter, RUC) legal represented by (first and last name) ……..... as, in the name of ……....., (payment service provider) address to the National Office for Prevention and Control of Money Laundering ***(the Office)*** in order to prior notification and to pick up the confirmation of the prior notification of the Office on the next transfer of funds to/from Iran:

.....
.....

The present empowerment shall not confer any rights other than those previous stipulated.

Date

Signature

.....

Legal representative of the payment service provider,

.....

Annex No. 3
To the methodological norms

(page 1)

A. REQUEST FOR PRIOR AUTHORISATION
on transfer of funds to Iran

Date	
Name, address, identification and contact data who request the prior authorization	
The role of the solicitant in the transfer of funds	
The payer (name, address, identification and contact data)	
Payment service provider of the payer (name, address, identification and contact data)	
Beneficiary (name, address, data related to the account)	
Payment service provider of the beneficiary (name, address, identification and contact data)	
The flow of the payment (details about other payment service provider intermediaries - name, address, accounts, identification and contact data)	
The transferred amount	
The purpose of the transfer of funds	
Transfer of funds is performed by a single operation or several operations which appear to be related to each other (details of successive transactions, timetable)	
Other authorization / licenses issued by authorities of the Romania or another EU Member State	
Other relevant information to make transfer of funds	
I certify on own responsibility that the data and information entered in this notice are accurate and have been referred with good faith, knowing that any false statement or omission. I'll intentionally make liable to the penalties prescribed by the regulations in force. Also I declare that I am aware of the conditions of nullity of the prior authorization of special obligations of the person who request and receive prior authorization and exemptions referred to in page 2 of this request. I understand that the National Office for Preventing and Control of Money Laundering has the right to request, in order to carry out specific activities any supporting documentation deemed necessary. Date ..... Stamp ..... First and last name, function and signature of the authorized person	

(page 2)

Conditions for revocation of prior authorization, special obligations of the person requesting and receiving prior approval, exemption

1. The prior authorization is null where certain information requested are not submitted to the Office for Prevention and Control of Money Laundering ***(the Office)***, although the applicant is aware of them, in this case shall be considered as a concealment of the truth.
2. Prior authorization is null if it is found that they were omitted, hidden or concealed certain information, deliberately or not, because of the applicant or not, whose effect are to distort the decision of prior authorization issued by the Office.
3. Prior authorization refers only to the elements and / or information communicated to the Office. The applicant is directly responsible for compliance with legal regulations of the

operations they carried out, if the Office does not receive all the elements and / or information relating to the transfer of funds.

4. The applicant would renounce to any benefit that may arise based on this prior authorization if becomes aware about the elements and / or new information, subsequent reparation prior authorization, which would make transaction to be incompatible with European or national regulations in this area.
5. At any time the applicant cannot rely on prior authorization to provide funds and / or economic resources available to a persons and / or entities subject to international sanctions.
6. The applicant shall declare on his own responsibility that the request for authorizing the transfer of funds, including funds transfer itself is not contrary to the EU legal acts and / or national legal acts into force.
7. If the transfer of funds is carried out by intermediaries, the applicant responds directly to the accuracy and veracity of all data submitted to the Office, as well as that the intermediary complies with all European and national regulations in the field.
8. The applicant is directly responsible for the accuracy and veracity of all data forwarded to the Office.
9. For all cases presented before to the Office shall be exempted from any further liability.
10. This is part of the request for prior authorization.

I have taken note

.....

(first name, last name and the signature of the applicant)

(page 1)

B. REQUEST FOR PRIOR AUTHORISATION
on transfer of funds from Iran

Date	
Name, address, identification and contact data who request the prior authorization	
The role of the solicitant in the transfer of funds	
The payer (name, address, identification and contact data)	
Payment service provider of the payer (name, address, identification and contact data)	
Beneficiary (name, address, data related to the account)	
Beneficiary (name, address, data related to the account)	
Payment service provider of the beneficiary (name, address, identification and contact data)	
The flow of the payment (details about other payment service provider intermediaries - name, address, accounts, identification and contact data)	
The transferred amount	
The purpose of the transfer of funds	
Transfer of funds is performed by a single operation or several operations which appear to be related to each other (details of successive transactions, timetable)	
Other authorization/licenses issued by authorities of the Romania or another EU Member State	
Other relevant information to make transfer of funds	
I certify on own responsibility that the data and information entered in this notice are accurate and have been referred with good faith, knowing that any false statement or omission. I'll intentionally make liable	

to the penalties prescribed by the regulations in force. Also, I declare that I am aware of the conditions of nullity of the prior authorization of special obligations of the person who request and receive prior authorization and exemptions referred to in page 2 of this request. I understand that the National Office for Preventing and Control of Money Laundering has the right to request, in order to carry out specific activities any supporting documentation deemed necessary.
Date ..... Stamp .....

First and last name, function and signature of the authorized person

.....

(page 2)

Conditions for revocation of prior authorization, special obligations of the person requesting and receiving prior approval, exemption

1. The prior authorization is null where certain information requested are not submitted to the Office for Prevention and Control of Money Laundering ***(the Office)***, although the applicant is aware of them, in this case shall be considered as a concealment of the truth.
2. Prior authorization is null if it is found that they were omitted, hidden or concealed certain information, deliberately or not, because of the applicant or not, whose effect are to distort the decision of prior authorization issued by the Office.
3. Prior authorization refers only to the elements and / or information communicated to the Office. The applicant is directly responsible for compliance with legal regulations of the operations they carried out, if the Office does not receive all the elements and / or information relating to the transfer of funds.
4. The applicant would renounce to any benefit that may arise based on this prior authorization if becomes aware about the elements and / or new information, subsequent preparation prior authorization, which would make transaction to be incompatible with European or national regulations in this area.
5. At any time the applicant cannot rely on prior authorization to provide funds and / or economic resources available to a persons and / or entities subject to international sanctions.
6. The applicant shall declare on his own responsibility that the request for authorizing the transfer of funds, including funds transfer itself is not contrary to the EU legal acts and / or national legal acts into force.
7. If the transfer of funds is carried out by intermediaries, the applicant responds directly to the accuracy and veracity of all data submitted to the Office, as well as that the intermediary complies with all European and national regulations in the field.
8. The applicant is directly responsible for the accuracy and veracity of all data forwarded to the Office.
9. For all cases presented before to the Office shall be exempted from any further liability.
10. This is part of the request for prior authorization.

I have taken note

.....

(first name, last name and the signature of the applicant)

Annex No. 4
To the methodological norms

EMPOWERMENT
to apply for prior authorization to
the National Office for Preventing and Control of Money Laundering

Under this, ... (payment service provider), legal representative of …....., empower ..... (first and last name), having the IC series …... no. ……..., PNC ..... / ……..... (name, headquarter, RUC), legal represented by ..... (first and last name)as, in the name of ....., (payment service provider) address to the National Office for Prevention and Control of Money Laundering ***(the Office)*** for application of the request and for pick up the confirmation of receipt of prior authorization of the Office for the following transfer of funds from / to Iran:

.....

The present empowerment shall not confer any rights other than those previous stipulated.

Date Signature

.....

Legal representative of the payment service provider,

.....

Annex No. 5
to the methodological norms
(page 1)

A. PRIOR AUTHORISATION
on transfer of funds to Iran

GOVERNMENT OF ROMANIA
NATIONAL OFFICE FOR PREVENTION
AND CONTROL OF MONEY LAUNDERING
1, Ion Florescu Street, District 3, Bucharest,
Phone: 315.52.80, Fax: 315.52.27
E-mail: onpcsb@onpcsb.ro,
Web-site: www.onpcsb.ro

Prior authorization
on transfer of funds to Iran
No. .....

1. Payment service provider	**2. Payer**	**3. Beneficiary**
……..	…….	…….
Address/Identification data	Address/Identification data	Address/Identification data
……	……	……
……	……	……
……	……	……
Phone./fax	Phone./fax	Phone./fax
……	……	……
Country	Country	Country
……	……	……

4. Name / Description of the transaction under which it is carried out the transfer of funds
5. The amount authorized for the transfer (Shall be completed in figures, letters, currency and euro equivalent.)
THIS AUTHORIZATION SHALL BECOME INVALID UNDER THE CONDITIONS STIPULATED IN PAGE 2.
Space reserved for the National Office for Prevention and Control of Money Laundering
Issuing date..... Stamp.....

President of the National Office for

Prevention and Control of Money Laundering,

.....

(page 2)

Conditions for revocation of prior authorization, special obligations of the person requesting and receiving prior approval, exemption

1. The prior authorization is null where certain information requested are not submitted to the Office for Prevention and Control of Money Laundering ***(the Office)***, although the applicant is aware of them, in this case shall be considered as a concealment of the truth.
2. Prior authorization is null if it is found that they were omitted, hidden or concealed certain information, deliberately or not, because of the applicant or not, whose effect are to distort the decision of prior authorization issued by the Office.
3. The prior authorization refers only to the elements and / or information communicated to the Office. The applicant is directly responsible for compliance with legal regulations of the operations they carried out, if the Office does not receive all the elements and / or information relating to the transfer of funds.
4. The applicant would renounce to any benefit that may arise based on this prior authorization if becomes aware about the elements and / or new information, subsequent preparation prior authorization, which would make transaction to be incompatible with European or national regulations in this area.
5. At any time the applicant cannot rely on prior authorization to provide funds and / or economic resources available to a persons and / or entities subject to international sanctions.
6. If the transfer of funds is carried out by intermediaries, the applicant responds directly to the accuracy and veracity of all data submitted to the Office, as well as that the intermediary complies with all European and national regulations in the field.
7. For all cases presented before to the Office shall be exempted from any further liability.
8. This is part of the request for prior authorization.

I have taken note

.....

(first name, last name and the signature of the applicant)

(page 1)

B. PRIOR AUTHORISATION
on transfer of funds from Iran

GOVERNMENT OF ROMANIA
NATIONAL OFFICE FOR PREVENTION
AND CONTROL OF MONEY LAUNDERING
1, Ion Florescu Street, District 3, Bucharest,
Phone: 315.52.80, Fax: 315.52.27
E-mail: onpcsb@onpcsb.ro,
Web-site: www.onpcsb.ro

Prior authorization
on transfer of funds from Iran
No. .....

1. Payment service provider	**2. Payer**	**3. Beneficiary**
……..	…….	…….
Address/Identification data	Address/Identification data	Address/Identification data
……	……	……
……	……	……
……	……	……
Phone./fax	Phone./fax	Phone./fax

……	……	……
……	……	……
Country	Country	Country
……	……	……

4. Name / Description of the transaction under which it is carried out the transfer of funds
5. The amount authorized for the transfer (Shall be completed in figures, letters, currency and euro equivalent.)
THIS AUTHORIZATION SHALL BECOME INVALID UNDER THE CONDITIONS STIPULATED IN PAGE 2.
Space reserved for the National Office for Prevention and Control of Money Laundering

Issuing date..... Stamp.....

President of the National Office for
Prevention and Control of Money Laundering,
.....

(page 2)

Conditions for revocation of prior authorization, special obligations of the person requesting and receiving prior approval, exemption

1. The prior authorization is null where certain information requested are not submitted to the Office for Prevention and Control of Money Laundering ***(the Office)***, although the applicant is aware of them, in this case shall be considered as a concealment of the truth.
2. Prior authorization is null if it is found that they were omitted, hidden or concealed certain information, deliberately or not, because of the applicant or not, whose effect are to distort the decision of prior authorization issued by the Office.
3. The prior authorization refers only to the elements and / or information communicated to the Office. The applicant is directly responsible for compliance with legal regulations of the operations they carried out, if the Office does not receive all the elements and / or information relating to the transfer of funds.
4. The applicant would renounce to any benefit that may arise based on this prior authorization if becomes aware about the elements and / or new information, subsequent preparation prior authorization, which would make transaction to be incompatible with European or national regulations in this area.
5. At any time the applicant cannot rely on prior authorization to provide funds and / or economic resources available to a persons and / or entities subject to international sanctions.
6. If the transfer of funds is carried out by intermediaries, the applicant responds directly to the accuracy and veracity of all data submitted to the Office, as well as that the intermediary complies with all European and national regulations in the field.
7. For all cases presented before to the Office shall be exempted from any further liability.
8. This is part of the request for prior authorization.

I have taken note
.....
(first name, last name and the signature of the applicant)

Annex No. 6
To the methodological norms

NOTIFICATION
for the refusal of prior approval for transfers of funds to / from Iran

GOVERNMENT OF ROMANIA
NATIONAL OFFICE FOR PREVENTION
AND CONTROL OF MONEY
LAUNDERING
1, Ion Florescu Street, District 3, Bucharest,
Phone: 315.52.80, Fax: 315.52.27
E-mail: onpcsb@onpcsb.ro,
Web-site: www.onpcsb.ro

REFUSAL OF THE REQUEST OF AUTHORISATION
for transfers of funds to / from Iran
No. .....

1. Payment service provider	**2. Payer**	**3. Beneficiary**
……..	…….	…….
Address/Identification data	Address/Identification data	Address/Identification data
……	……	……
……	……	……
……	……	……
Phone./fax	Phone./fax	Phone./fax
……	……	……
……	……	……
Country	Country	Country
……	……	……

4. Name / Description of the transaction under which it is carried out the transfer of funds
5. The amount authorized for the transfer (Shall be completed in figures, letters, currency and euro equivalent.)
THIS AUTHORIZATION SHALL BECOME INVALID UNDER THE CONDITIONS STIPULATED IN PAGE 2.
Space reserved for the National Office for Prevention and Control of Money Laundering

Issuing date..... Stamp.....

President of the National Office for
Prevention and Control of Money Laundering,
.....

Annex no. 10 - Decision no. 496 of July 11, 2006 for the approval of the Norms for Prevention and Combating Money Laundering and terrorism financing, the standards for know your customer and of internal control for the reporting entities which do not have overseeing prudential supervision of authorities

National Office for Prevention and Control of Money Laundering

Decision no. 496 of July 11, 2006
for the approval of the Norms for Prevention and Combating Money Laundering and terrorism financing, the standards for know your customer and of internal control for the reporting entities which do not have overseeing prudential supervision of authorities

Published in the Official Gazette of Romania no. 623 from July 19, 2006
Includes the amendments brought by
NOPCML Decision no. 778/01.09.2009 Published in the Official Gazette no. 686/13.10.2009

Based on the provisions of **art. 9 para. 7** of the Law no. 656/2002 for prevention and sanctioning money laundering, as well as for setting up certain measures for prevention and combating terrorism financing, consequently amended and completed, and of the **art. 8 para** 1 of the Regulations for organizing and functioning of the National Office for Prevention and Control of Money Laundering, approved by Governmental Decision no. 531/2006,
The Board of the National Office for Prevention and Combating Money Laundering decides:
Art. 1 – The Norms for prevention and combating money laundering and terrorism financing, the standards for know your customer and of internal control for the reporting entities, which do not have overseeing prudential supervision of authorities, provided in the Annex, part of this Decision.
Art. 2 – The present decision shall be published in the Official Gazette of Romania, Part I.

Signatories
President of the National Office for Prevention and
Control of Money Laundering
ADRIANA LUMINITA POPA

Appendix

NORMS
on prevention and combating money laundering and terrorism financing, customer due diligence and internal control standards for reporting entities, which do not have overseeing authorities

Chapter I
General provisions

Article 1 – These Norms shall be applied to reporting entities, for which the modalities for implementation of the regulations on prevention and combating money laundering and terrorism financing acts is not verified and controlled by overseeing authorities or by the managing structures of the liberal professions provided by art. 8 under the Law no. 656/2002 for prevention and sanctioning money laundering, as well as for instituting measures for prevention and combating terrorism financing, consequently modified and completed, and it represents the general framework for these entities in the prevention and combating money laundering and terrorism financing field, concerning:
a) elaboration by these entities of their own policies and customer due diligence procedures, as essential part of a prudential risk management and of an efficient internal control system;
b) organizing internal control and audit;
c) management of significant risks;

Article 2 – (1) According to these Norms, the terms and expressions below have the following meaning:
a) *Office* – The National Office for Prevention and Control of Money Laundering;
b) *Law*- Law no. 656/2002 on prevention and sanctioning money laundering, as well as for instituting measures for prevention and combating terrorism financing, as amended and completed;
c) *Cash operations* – operations with cash, in RON or foreign currency, which are not performed through bank accounts;
d) Regulated entities- entities of which activity is supervised, verified and controlled by the National Office for Prevention and Control of Money Laundering, in complying with its legal attributions, according to the provisions of art. 17 Para. 1, letter b) under the Law no. 656/2002. as amended and completed;
e) *Customer* – any natural or legal person or entity without a legal personality, for which the regulated entities initiate business relationships or for which they provide services or with which perform other operations having permanent or occasional character. By these Norms, it is to be understood:
1. the beneficial owner of operation;
2. the correspondent entities from the country or from abroad of the regulated entities;
3. any natural or legal person or entity without legal personality which operates on behalf of in the interest of other person;
4. any natural or legal person or entity without legal personality which uses or receives a service or a product from the regulated entity;
f) *Internal control* – a continuous process which provides a reasonable insurance for achieving the objectives established by these Norms;
g) *Risk of money laundering and terrorism financing* – the risk generated by internal factors, such as inappropriate performance of some internal activities, the existence of inappropriate personnel and systems, or by external factors, such as economic conditions of the regulated entities, as a result of non-implementation or inappropriate implementation of the legal or contractual provisions, or the lack of public trust in the integrity of the entity;
h) *Beneficiary owner* – the natural or legal person or entity without legal personality on whom behalf or interest one or several operations are performed, stipulated by letter e);
Article 3 – In order to ensure the performance of regulated entities, according to the legislation on prevention and sanctioning money laundering and terrorism financing, the regulated entities must adopt efficient internal policies and customer due diligence procedures, further known as due diligence programmes, which shall prevent the misuse of the entities by their customers for performing criminal activities or other activities against the law.

Chapter II
The obligations of regulated entities

Article 4 – 1) The obligations of regulated entities for which are applied these Norms, subsequently to the provision of the law, are:
a) to identify the customer and to draw up customer due diligence procedure;
b) to appoint one or more persons, according to art. 14 of the Law, whose names shall be submitted to the Office, together with the nature and limits of their responsibilities;
c) to elaborate procedures and appropriate methods of internal control, in order to prevent and combat money laundering and terrorism financing and to ensure training of their employees for recognizing the operations, which may be connected to money laundering or terrorism financing and for taking immediate appropriate measures in this kind of situations;
d) to report to the Office, thorough the appointed person, the operations suspected of money laundering and/or terrorism financing and cash deposits/withdrawals, whose minimum limit is over the threshold of 10.000 euro, through reports with a form and content established through Board Decision no. 276/2005 on the form and content of the Suspicious Transaction report, of the Cash Operations Report, in lei or foreign currency, whose minimum limit represents the equivalent in lei of 10.000 Euro, no matter if the transaction/operation is performed through one or more connected operations, and of the cross-border transfers Report in/from accounts for amounts whose minimum limit is the equivalent in lei of 10.000 Euro, published in the Official Gazette no. 558/29.06.2005;

e) to notify immediately the Office, when the employee of a regulated entity has suspicions that an operation, which will be performed, is aimed to money laundering or terrorism financing;
f) to notify immediately the Office, but not later than 24 hours, in case of a suspicious transaction performed in order not to disturb the effort of tracing the beneficial owners of the transaction, according to art. 4 Para. 1 of the law;
g) to notify immediately the Office, when it is established that one or more operations, performed on the name of a customer, present anomalies in comparison with the activity of the customer or from the type of operation, if there are suspicions that these anomalies are aimed to money laundering or terrorism financing;
h) to report to the Office, in maximum 24 hours, the cash operations, in lei or foreign currency, whose minimum limit represents the equivalent in lei of 10.000 euro, no matter if the transaction/operation is performed through one or more connected operations, in accordance with art. 3 Para. 6 of the law;
i) to not perform such transactions/operations, for the period of suspension communicated by the Office and to block the amounts until the ending of the period for which the suspension was disposed or until other measures are disposed by the General Prosecutor's Office by the High Court of Cassation and Justice;
j) to inform the Office, in maximum 30 days, all the information requested for accomplishing its attributions;
k) to keep secondary or operative evidence and the records of all financial operations performed by the customer, for a period of least 5 years, starting from the date of operations performance, in order to be able to be used as proof into justice;
l) to not disclose, beside the conditions provided by the law, the information connected with money laundering or terrorism financing and to not inform the customers on the notifications submitted to the Office.

CHAPTER III
Identification of the customer and customer due diligence procedures

Section 1
Customer Identification

Article 5 – 1) The regulated entities have the obligation to identify their customers if those are or not present to the performing of operations:
a) at initiation of the business relations or offering the services;
b) in case of performing cash operations whose minimum limit represent the equivalent in lei of 10.000 Euro, no matter is the transaction/operation is performed through one or more connected operations;
c) as soon as there is a suspicion that a transaction/operation is aimed for money laundering or terrorism financing, not depending of the amount which is the object if that transaction;
d) when the amount is not known when accepting the transaction/operation, the entity shall proceed to identification of the customers as soon as it is informed about the amount of the transaction/operation and when it is established that it was reached the minimum limit of 10.000 euro;
e) in case there are information or suspicions that a transaction/ operation is not performed on customer's own name, the necessary measures for obtaining identification data of beneficiary owner of the transaction will be taken;
f) in case of all the operations in which are involved persons which are not present or represented when performing these operations;
g) when there are suspicions that data obtained in the process of identification of the customer or of the beneficial owner are not according to the reality.
2) The regulated entities shall obtain all the necessary information for establishing the identity the beneficial owner, at least the following information:
a) a statement on his/her own responsibility, by which he/she shall declare the identity of the beneficial owner, as well as the source of funds, in accordance with the form provided by the present Norms;
b) purpose and the nature of the operations/transactions performed with the entity;
c) title and the place of performing the activity/job;
d) name/naming of the employer or the nature of his/her own activity.

Article 6 – The regulated entities have the obligation to keep all information on the identity of the customer for a minimum period of 5 years, starting with the date where the relationship with the customer is terminated. This evidence shall be available and sufficient in order to allow a reconstruction of a transaction/operation – including the amount and the type of the currency.

Article 7 – (1) The requirements of customers identification are not mandatory if it was established that the payment shall be done by debiting an account opened on the name of the customer to a credit or financial institution from Romania, from a Member State of the European Union or from secondary premises situated in a Member State of the European Union, belonging to a credit or financial institution of a third state.

2) The requirements of the identification of a customer are not mandatory if the customer it is a credit or financial institution from Romania, from a Member State of the European Union, a branch situated in a Member State of the European Union, belonging to a credit or financial institution of a third state, which impose identification requirements similar to those provided by the Romanian law.

Subsection 1

General provisions of identification

Article 8 – (1) The regulated entities shall establish the identity of the customer based on an official document or an identification document and shall register in their records the identity of their customers.

2) The regulated entities will pay a special attention in case of non-resident customers and of customers who are not present when the transaction/ operation is performed.

Article 9 – The regulated entities shall perform all the necessary diligences for checking the information provided by the customer within the identification procedures. The checking can be performed through on-site visits to the location indicated as address, exchange of correspondence and/or accessing the telephone number provided by the customer.

Article 10 – (1) In case of customers being natural persons, the regulated entities shall request and obtain, under signature, at least the following information:

a) name and surname, and, by case, the pseudonym;

b) domicile, residence or address where the person lives effectively (the complete address – street, number, block, entrance, floor, apartment, city, county/district, postal code, country);

c) date and place of birth;

d) the personal identification number or, if necessary, another similar unique element of identification (the equivalent of this one for foreigners);

e) the number and series of the identification document;

f) the date of issuance of the identification document and the entity which issued it;

g) citizenship;

h) the resident/non-resident status;

i) phone/fax numbers.

(2) The regulated entities shall observe that the documents, based on which the customers identity is verified, to fall into the category of most difficult to be forged or to be obtained by illegal means under a false name, such as the original identity documents, issued by an official authority, that shall include a photo of the holder, and eventually a description of the person and his/her signature, such as identity cards, passports.

(3) The regulated entities shall keep a copy of the identification document of the customer.

(4) The regulated entities have the obligation to verify the information received from the customer, on the basis of the primary documents received from this one.

(5) Having in view to get an adequate placement into the customer categories established by the regulated entities and to ensure an appropriate accomplishment of the reporting obligations, according to the law, additional information which can be requested shall refer to the nationality or to the origin country of the customer, the public or political position and others.

Art. 11 – (1) Regarding the legal persons and the entities without legal personality, the regulated entities shall obtain from these ones, at least the following information:

a) the number, series and date of the incorporation certificate/incorporation document at the National Office of Commerce Register or at similar or equivalent authorities;

b) naming;

c) fiscal code (CUI) or its equivalent for foreign persons;

d) the credit institution and IBAN code;
e) the complete address of the headquarters / central headquarters or, if necessary, of the branch;
f) the telephone, fax numbers and, if necessary, e-mail address, website;
g) the goal and the nature of the operations performed with the regulated entity.
(2) The customer, legal person or entity without legal personality, shall present at least the following documents and the regulated entity shall keep, case by case, copies of these:
a) incorporation certificate / incorporation document at the National Office of Commerce Register or at similar or equivalent authorities;
b) the mandate/power of attorney for the person who represents the customer, if this one is not the legal representative;
(3) The regulated entity shall identify the natural persons who intent to act on behalf of the customer, legal person or entity without legal personality, according to the rules on the identification of the natural persons, and shall analyze the documents, based on which the persons are mandated to act on behalf of the legal person.
(4) The documents presented by the customer, legal person or entity without legal personality, shall include the legalized translation into Romanian language, where the original documents are made in another language.

Subsection 2
Specific requirements on identification

Article 12 – (1) There are suspicions in the following situations, but not limited to these:
a) when the customer mandates a person, with which obviously has no close relationship, to perform operations;
b) when the amounts of funds or of the assets involved in an operation ordered by a customer is disproportionate, compared to its financial situation, known by the regulated entity;
2) The provisions of para. 1 shall be applied also when the regulated entity notice other unusual situations during its relationships with a customer.
Article 13 - The regulated entities shall (must) take all the necessary measures to obtain information on the real identity of beneficial owner.
Article 14 - (1) The statement form provided by art. 5 para 2 letter a) may be filled in by the regulated entities in a form in accordance with its own requirement and may be drafted in one or more international foreign language, but it shall include at least the text of the form provided by these Norms.
Article 15 - If, after the filling in the statement, the suspicion on the information provided in written by the customer persist and it cannot be removed through additional clarifications, the regulated entity can refuse to start a relationship with the respective customer or to perform the operation requested.
Article 16 - (1) In the case of relationships started through correspondence or through modern telecommunication means – phone, e-mail, Internet – the regulated entities have to apply to the customers concerned the procedures of identification and the monitoring standards applicable to the customers available to be physically present.
2) The regulated entities have to refuse to start correspondent relationships or to continue this kind of relationships with other entities that are incorporated in other jurisdictions, where these ones have not a physical presence, respectively the activity's management and the records/books of the institution are not located in that jurisdiction, and to pay a special attention when it continues the correspondent relationships with an entity located in another jurisdiction, in which there are not legal requirements on due diligence or the jurisdiction has been identified as non-cooperative in combating money laundering and terrorist financing.

Section 2
Essential elements of the customer due diligence programs

Article 17 – (1) Each regulated entity shall establish its own program of due diligence, which correspond to the nature, size, complexity and limits of its activity and it shall be adapted to the level of risk associated to the categories of customers for which it is performing operations/transactions.
2) The due diligence program must consider all the transactions/operations of the regulated entities and shall include, without a limitation:
a) a policy of accepting the customer;

b) identification procedures and procedures for placing the customer in the corresponding category of customers;
c) modalities of elaboration and keeping the corresponding records;
d) monitoring the operations performed, in order to detect the suspicious transactions and the reporting procedure;
e) the modalities of analyzing the transactions/ operations in and/or from jurisdictions in which there are not adequate rules on preventing and combating money laundering and terrorism financing;
f) modalities of analyzing the transactions/operations which do not fit in the normal patterns or which involve risk factors;
g) procedures and systems for checking the way of programs implementation and for the evaluation of their efficiency;
h) training programs for the personnel in due diligence area.
Article 18 – The due diligence programs shall be elaborated in a written form and approved by the management of the regulated entity. These must be know by the entire personnel and reviewed periodically for their appropriate adjustment.
Article 19 – (1) The regulated entities shall establish a systematized procedure for checking the identity of the new customers and of the persons who act on behalf of in the interest of other persons and for not entering into business relationships until the identity of the new customer is not verified accordingly.
2) The regulated entities shall obtain all information necessary for establishing the identity of each new customer, the purpose and nature of the services or operations which may be performed. The requested information shall depend of the type of the potential customer, the nature and volume of transactions/operations which may be performed through the regulated entity.
Article 20 – The Office can check the procedures and methods applied by the regulated entities in order to prevent and combat money laundering and terrorism financing.

CHAPTER IV - Risk Management
Section 1 -Monitoring of the customers
Article 21 – The monitoring of customers will be made, at least, through the following activities:
a) creation of a database on the identification of customers, that will be permanently updated;
b) permanent updating of the records on customer's identity;
c) the periodical assessment of the quality of the identification procedures applied by the intermediaries and monitoring of the transactions/ operations, in order to detect and report the suspicious transactions, according to the internal procedures of the regulated entity.
Article 22 – (1) The regulated entities shall update the database, which contains the records prepared at the beginning of the relationship; taking into consideration the evolution of the relationship with each customer, the regulated entities will proceed to re-rank them into the appropriate categories of customers.
(2) The further changes on the information provided shall be checked and recorded accordingly.
(3) If frequently substantial changes appear, concerning the structure of the customers-legal persons or other entities without legal personality or its holders, the regulated entities have to make further verifications.
(4) The review may take place when a significant transaction/ operation is performed, when the requirements on the documentation necessary for each customer is significantly modified or when there is a relevant modification concerning the modus operandi of the customer.
(5) Where there are gaps regarding the information available on an existing customer or when there are grounds or the regulated entity suspects that the information provided are not real, this one has to take all the necessary measures in order that all the relevant information to be obtained as soon as possible.
Article 23 – The regulated entities have to ensure the monitoring of the customer's activity through pursuing the transactions/operations performed by them, related to the level of risk associated to different categories of customers.
Article 24 – (1) The monitoring procedure must focus on a classification of the customers in more categories, having in regard the factors, such as:
a) the type of the transactions/operations performed through the regulated entity;

b) the number and the volume of transactions/operations performed through the regulated entity;
c) the risk of an illegal activity, associated to the different types of transactions/operations performed through the regulated entity.
(2) The suspicious transactions/operations may include, without being restrictive:
a) the transactions/operations that are not regular (usual), including due to the unusual frequency of the operations;
b) the complex transactions/operations, with a significant value, which involve big amounts;
c) the involvement of a customer and the circumstances which are connected to his/her status or to other features of the customer;
d) the transactions/operations which do not seem to have an economical, commercial or legal meaning, including the ones which are not corresponding to the statutory activity of the customer or which are ordered by customers who are not involved in the statutory activity.
Article 25 – Regarding the category of the customers with a higher potential risk, it is necessary to be monitored the majority or, if necessary, all the transactions/operations performed through the regulated entity. When establishing the persons who fall into this category, it will take into consideration:
a) the customer's type – natural/legal person;
b) origin country;
c) the public position or the importance of the position held;
d) the specific of the activity performed by the customer;
e) the source of funds;
f) other risk indicators.
Article 26 – For the customers with a higher potential risk of money laundering and terrorism financing:
a) the regulated entities must have appropriate systems for the management of the information, in order to provide to the management and/or control and internal audit staff information in due time, necessary for the identification, analysis and effective monitoring of these customers; the implemented systems shall point out at least the absence or the insufficiency of the appropriate documentation required at the beginning of the business relationship, the unusual transactions/operations performed by the customer and the aggregate situation of all customer's relationships with the regulated entity;
b) the management staff, in charge with the services offered to the respective customers, shall know their personal circumstances and pay an enhanced attention to the information received from the third parties concerning these persons.

Section 2
Organization of the internal control

Article 27 – (1) Each regulated entity shall elaborate appropriate policies and procedures in order to implement an efficient due diligence program.
(2) The management bodies of the regulated entities or, if necessary, the appointed persons have responsibilities regarding the establishing and the maintaining of an adequate and efficient system of internal control.
(3) The objectives of the internal control, taking into consideration the present norms consist, without being restrictive, in the verification and the provision of plausible, relevant complete and opportune information to the structures involved in making decisions within the regulated entity and the external users of information.
(4) In order to achieve the objectives regarding the internal control, the regulated entities shall organize an internal control system formed by the following elements, without being restrictive:
a) the role and the responsibilities of the persons appointed having in view the relationship with the Office;
b) the identification and the assessment of significant risks;
c) the control activities and the separation of responsibilities;
d) the periodical supervision of information, systems and control's management;
e) the information and communication;
f) a strategy for training the personal in the field of due diligence standards and own programs elaborated on their basis.

(5) The regulated entities shall realize a proper distribution of attributions, at all organizational levels and shall assure that the personnel is not charged with responsibilities which can lead to a conflict of interests.
(6) The possible fields, which could be affected by potential conflict of interests, must be identified and monitored independently, by persons non-involved directly in the respective activities.
Article 28 – The regulated entities shall assess the new products and services based on the risks associated to them, including the risk of being used by customers as a mean for conducting certain activities of crime nature.
Article 29 – The regulated entities shall establish explicitly the responsibilities, through internal norms, so that to assure that the policy and procedures are used efficiently. The reporting procedure of the suspicious transactions must be set up clearly, in written and notified to the entire personnel, in accordance with the provisions of art. 16 para (1) of the Law.
Article 30 – (1) The control and/or internal audit procedures of the regulated entity shall include an independent assessment of its own policy and procedures on due diligence, including compliance with the legal requirements and other applicable norms.
(2) The internal control and/or internal audit shall assess periodically the efficiency of procedures and policy established including the professional level of the personnel, proposals for addressing the deficiencies and monitoring the modality of implementing the conclusions and proposals formulated.
(3) The responsibilities of the personnel having attributions of internal control and/or internal audit, must include the permanent monitoring of the personnel's performances, testing, by polls, the compliance with the internal norms and the reviewing of the reports on uncommon cases, in order to notice the management bodies of the regulated entities, in cases in which it is considered that the procedures established concerning the due diligence are not respected.
(4) The management bodies shall assure that the control and/or internal audit department has the corresponding personnel, having experience in such policy and procedures.
Article 31 – (1) The regulated entities shall develop an ongoing training program of the personnel, so that the personnel involved in relations with customers to be trained adequately. The training program and its content shall be adapted to the requirements and specific of each regulated entity.
(2) The training requirements of the personnel shall be focused differently in case of new employees, of the personnel working within the control and/or internal audit department and of the personnel involved in the relation with new customers. The new-employed personnel shall be trained on the importance of the due diligence programs and on the minimum requirements of the regulated entity in the field.
(3) The personnel shall be trained periodically, at least once a year and when it is considered as necessary, assuring that the personnel knows the responsibilities due and for keeping them up to date with the new progress in the field, so that to assure the implementation consistently of the programs set up.

CHAPTER V - Sanctions
Article 32 – (1) **T**he non-compliance with the provisions of the present norms represents violations of the legal provisions and it is sanctioned in accordance with the provisions of art.22 of the law.
(2) The applying of the sanctions provided in para. 1 by the Office or, by case, by the entities stipulated in the art. 17 of the law do not exclude the penal, civil liability of the regulated entities.
(3) The Office shall publish quarterly on its website, enforceable sanctions imposed to the reporting entities under Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting of some measures for prevention and combating terrorism financing acts, approved by Government Decision no. 594/2008.

CHAPTER VI - Final dispositions
Article 33 – (1) Having regard the art.7 of the law, the information supplied in good faith, in accordance with the provisions of art. 3-5 of the law, by the regulated entities or by the designated persons according to art.4 letter b) of the Norms, may not result in the disciplinary, civil or penal responsibility of these persons.
(2) Having regard the art.18 of the law, it is forbidden to the regulated entities, to their representatives and personnel the warning of the customers involved and not to disclose, in any other modality, the

fact that they sent or are going to send to the Office the information held, related to money laundering and financing of terrorism.
(3) It is forbidden the use for personal purposes of the information received by the personnel of the regulated entities, during the activity and after its ceasing.
(4) Violation of the provisions of para (2) and (3) is considered an offence and it is sanctioned accordingly to the law.
Article 34 – (1) Within 3 months from the entering into force of the present norms, the regulated entities shall adopt and implement programs on customer due diligence, adapted to specific of each activity.
(2) On this purpose, within the indicated date, the regulated entities shall ensure the identification of the existing customers and shall set up the correspondent records.
Article 35 – (1) The present norms shall enter into force on the date of their publication in the Official Gazette of Romania, Part. I.

DECLARATION
on the identity of the beneficial owner

The under-signed customer…….. declares on its own responsibility, under the law's sanction:
a) that the under-signed is the beneficial owner of operation/transaction;
b) that the beneficial owner/ beneficial owners is/are:
c) the origin of funds;
Surname and First name/Naming
Domicile's address/headquarters and country
……
…..……..……
The under-signed customer engages to communicate to the regulated entity any subsequent modifications to the present declarations.
The violation of this disposition is sanctioned in accordance with the provisions of the art.292 of the Criminal Code2.

Place and date Customer's signature
…… ……..

N.B.: The regulated entity has the right to refuse the performing of the transactions ordered by customer/cease the relations with the customer in case of false declarations or if has suspicions concerning the reality of the data declared by the customer.
1 Shall be filled with the surname and first name/name of the customer, domicile's address/headquarters of the company
2 Art.292 of the Criminal Code shall have a new numbering, in accordance with the Law no.301/2004, with the subsequent modifications and completions.

Annex no. 11 - Governmental Decision No. 885 from 31 August 2011 on amending the List of third countries which enforce requirements equivalent to those provided in the Law no. 656/2002 on prevention and sanctioning money laundering, as well as for setting up some measures for prevention and combating terrorism financing, approved by the Governmental Decision no. 1.437/2008

Government of Romania

Governmental Decision No. 885
from 31 August 2011
on amending the List of third countries which enforce requirements equivalent to those provided in the Law no. 656/2002 on prevention and sanctioning money laundering, as well as for setting up some measures for prevention and combating terrorism financing, approved by the Governmental Decision no. 1.437/2008

Published in the Official Gazette No. 645 from 9 September 2011

In accordance with the art. 108 of the Romanian Constitution, republished,

The Government of Romania adopts this decision.

Unique article. – The list including the third countries which enforce requirements equivalent to those provided in the Law no. 656/2002 on prevention and sanctioning money laundering, as well as for setting up some measures for prevention and combating terrorism financing, approved by the Government Decision no. 1.437/2008, published in the Official Gazette of Romania, Part I, no. 778 from 20 November 2008, shall be amended and replaced according to the annex which is integral part of this decision.

PRIME-MINISTER
EMIL BOC

Countersign:
General Secretary of the Government,
Daniela Nicoleta Andreescu

President of the National Office for Prevention and Control of Money Laundering,
Adrian Cucu

Annex
(Annex to the Government Decision no. 1.437/2008)

LIST
including third countries *) which enforce requirements equivalent to those provided in the Law no. 656/2002 on prevention and sanctioning money laundering, as well as for setting up some measures for prevention and combating terrorism financing

*) The list shall not apply to the Member States of the European Union/ European Economic Area which benefit de jure from mutual recognition through the implementation of the 2005/60/EC Directive of the European Parliament and of the Council of 26 October 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing.

The following third countries are currently considered as having equivalent Anti Money Laundering/Combating Financing of Terrorism systems to the European Union. The list may be reviewed, in particular in the light of public evaluation reports adopted by the ***FATF*** (Financial

Action Task Force - FATF), FSRBs, International Monetary Fund (IMF) or the World Bank, according to the revised 2003 FATF Recommendations and Methodology.

- Australia
- Brazil
- Canada
- Hong Kong
- India
- Japan
- Mexico
- The Russian Federation
- Singapore
- Switzerland
- South Africa
- The United States
- Korea
- The French overseas territories (Mayotte, New Caledonia, French Polynesia, Saint Pierre and Miquelon and Wallis and Futuna)
- Aruba, Curacao, Sint Maarten, Bonaire, Sint Eustatius and Saba
- The UK Crown Dependencies (Jersey, Guernsey, Isle of Man)

Annex no. 12 - Governmental Emergency Ordinance no. 202 of December 04, 2008 on the implementation of international sanctions

Government of Romania

Governmental Emergency Ordinance no. 202 of December 04, 2008 on the implementation of international sanctions

Published in Romanian Official Journal Nr. 825 of 8 December 2008
approved by Law no. 217 of 2 June 2009

Given the international commitments assumed by Romania as a member of the United Nations and the European Union bearing in mind that legally binding acts of these organizations compel the Member States to adopt specific legislative measures for the implementation of international sanctions adopted by the Security Council of the United Nations under Article 41 of the Charter of the United Nations and by the European Union under the Common Foreign and Security Policy, given that Romania has not adopted so far certain measures of this type, such as determining the competent authorities to resolve the demands of natural and legal persons of private law for the protection of their rights and legitimate interests affected by international restrictive measures, or the establishment of sanctions for
Non-compliance with obligations set out in binding documents adopted at the international level,
Taking into account the need for speedy elimination of such gaps, and considering that this is an extraordinary situation the regulation of which cannot be postponed and that contributes to the fulfillment of obligations assumed by Romania as a Member State of the European Union and of the United Nations and to avoiding bringing claims against the Romanian State before national courts, before the Court of Justice of the European Communities or before the European Court of Human Rights,
Taking also into account the need to create the legal framework for the implementation at national level of non binding international sanctions, adopted within international organizations or by other states, as well as sanctions adopted by unilateral decisions taken by Romania or other States under art. 115 para. (4) of the Constitution of Romania, republished, the Government of Romania adopts this emergency ordinance.

Chapter I
General provisions

Article 1 – Scope

(1) This emergency ordinance regulates the implementation, at national level, of international sanctions established by:
a) resolutions of the United Nations Security Council or other acts adopted pursuant to art. 41 of the United Nations Charter;
b) regulations, decisions, common positions, joint actions and other legal instruments of the European Union.
(2) This emergency ordinance also regulates the implementation at national level of non binding international sanctions, adopted within international organizations as well as those adopted by unilateral decisions taken by Romania or by other states in fulfillment of the goals set out in art. 2 (a).

Article 2 – Definition of certain terms

For the purposes of this emergency ordinance, the terms and phrases below have the following meaning:
a) international sanctions - restrictions and obligations in connection with the governments of certain States, with non- State entities or natural or legal persons, adopted by the United Nations Security Council, the European Union, other international organizations or by unilateral decision of Romania or other states, in a purpose to maintain international peace and security, prevent and combat

terrorism, ensure respect for human rights and fundamental freedoms, develop and consolidate democracy and the rule of law and achieve other goals in line with the objectives of the international community, international law and the law the European Union.
International sanctions target, in particular, freezing of funds and economic resources, trade restrictions, restrictions on transactions with dual-use products and technology and military products, restrictions on travel, restrictions on transportation and communications, diplomatic sanctions or sanctions in the scientific and technical, cultural or sports field;
b) designated persons and entities – governments of States, non-State entities or persons subject to international sanctions;
c) good - any technology or product with an economic value or serving for satisfying a particular purpose, tangible or intangible, which belongs, or is held or under the control of designated persons or entities or which is prohibited to
import or export from or to a certain destination; the funds, economic resources and dual-use products or technologies is treated as goods;
d) funds - funds and benefits of any kind, including but not limited to:
(i) cash, checks, cash receivables, bills, orders and other payment instruments;
(ii) deposits in financial institutions or other entities, balances on accounts, debts and debt obligations;
(iii) securities negotiated at public and private level, debt securities, including stocks and shares, certificates representing securities, debentures, ticket orders, securities, unwarranted debentures and derivate contracts;
(iv) interests, dividends or other income or asset value charged on assets or generated by them;
(v) credits, compensatory rights, guarantees, performance guarantees or other financial commitments;
(vi) letters of credit, bills of lading, contracts of sale;
(vii) shares of the funds or economic resources and documents attesting to their ownership;
(viii) any other means of financing or document evidencing export financing.
e) blocking of funds - preventing any transfer, access to or use of funds in any manner that would produce a change in the volume, character, location, ownership, possession, destination or other change that would allow the use of funds, including portfolio management;
f) economic resources - assets of any kind, whether tangible or intangible, movable or immovable, which are not funds but can be used to obtain funds, products or services;
g) blocking of economic resources - preventing the use of economic resources to obtain funds, products or services in any way, including through sale, lease or mortgage;
g^1) restrictions on certain funds and financial services transfers, adopted with the purpose of prevention the nuclear proliferation – prior notification and authorization of certain financial transactions with the purpose of prevention providing financial services or transfer of any funds which can contribute to the nuclear activities sensitive to the nuclear proliferation risk performed in certain states which are subjects to the international sanctions;
h) products and dual-use technologies - those products and technologies defined under Council Regulation (EC) no. 428/2009 of 5 May 2009 setting up a Community regime for the control of exports, transfer, brokering and transit of dual-use items, published in the Official Journal of the European Union no. L134 of 29 May 2009;
i) to have under control - all situations where, without holding a property title, a natural or legal person or entity has the possibility to dispose in any way with respect to goods, without obtaining a prior approval from the legal owner or to influence in any way designated persons or entities or other natural or legal persons.

Chapter II
Implementation of international sanctions

Article 3 - Mandatory character
(1) The acts referred to in Article 1 (1) are mandatory in international law for all national authorities and public institutions in Romania and for the natural or legal persons of Romanian citizenship or on the territory of Romania, in terms of rules that define legal regime of each category of acts.
(2) The provisions of domestic legislation cannot be invoked to justify the lack of implementation of international sanctions referred to in Article 1 (1).
Article 4 - National implementation measures

(1) The authorities and public institutions in Romania, according to their field of competence, have the obligation to take the necessary measures to ensure implementation of international sanctions established by the acts referred to in Article 1, in accordance with this emergency ordinance.
(2) In case of international sanctions established by the acts referred to in Article 1 (1), which are directly applicable in Romania, there will be adopted, where necessary, national regulations in order for the sanctions to be directly implemented, and if deemed necessary, in order to criminalize breaches of sanctions.
(3) In case of international sanctions established by the acts referred to in Article 1 (1), which are not directly applicable in Romania, provided they are not detailed at Community or international level by directly applicable acts, the necessary regulations for national implementation shall be adopted, which will also provide for the necessary measures for implementation, indicating the type and content of international sanctions, the designated persons and entities and, if deemed necessary, the criminalization of their infringement.
(4) International sanctions referred to in international Article 1 (2) become binding in domestic law by adoption of a national regulation that will also provide for the necessary measures for implementation, including the criminalization of their violation, as appropriate.
(5) The draft national regulations mentioned in para. (2) - (4) are drawn up at the initiative of the Ministry of Foreign Affairs, together with the authorities and public institutions with attributions in the field. They are adopted by emergency procedures.
(6) The regulations referred to in para. (2), which create the framework for the implementation of international sanctions established by directly applicable Community acts, shall be communicated to the Department for European Affairs immediately after adoption.
(7) The regulations referred to in paras. (2) - (4) take precedence over contracts concluded before or after their entry into force, unless specified otherwise.
Article 5 - Measures for publicity
(1) The authorities and public institutions referred to in art. 12. (1) and art. 17. (1), in their field of competence, ensure immediate public information on the acts establishing international sanctions, mandatory for Romania, by posting them on their website or other forms of publicity.
(2) In order to ensure publicity, by order of the minister of foreign affairs, the free publication in the Romanian Official Journal, Part I, is ensured, for the United Nations Security Council resolutions establishing international sanctions adopted under Article. 41 of the Charter of the United Nations, within 5 days of their adoption.
Article 6 - Information to Parliament and the Supreme Council for State Defense Periodically, but not less than once a year, the Prime Minister shall, according to art. 107 para. (1) of the Constitution of Romania, republished, present detailed reports to the Parliament and the Supreme Council for State Defense on the measures taken by Romania with a view to implementation of international sanctions.
Article 7 - Obligation of notification
(1) Any person who has data or information regarding designated persons or entities, or who holds or controls certain property or any person who has data or information about transactions related to goods or involving designated persons or entities is required to notify the competent authority under this emergency ordinance from the moment when he/she has obtained the information about the situation which requires notification.
(2) The authority or institution notified under para. (1), if it finds that it is not competent under this emergency ordinance, shall transmit the notification within 24 hours to the competent authority. If the competent authority cannot be identified, notification shall be forwarded to the Ministry of Foreign Affairs, in his capacity of coordinator of the Inter-institutional Committee provided for in art. 13.
(3) The notification must include minimum data for identification and contact of the sender.
Article 8 - Authorizing exemptions from the international sanctions
(1) To obtain an exemption from the application of international sanctions, respecting the conditions laid down by the Act referred to in Article 1 (1) or the Act or regulation referred to in art. 4 (4), any person may address, in writing, a request accompanied by all relevant documents to the competent Romanian authority under this emergency ordinance.
(2) The competent authority seized in this manner decides on authorizing the derogation, after obtaining the notice of compliance with international law from the Ministry of Foreign Affairs, which will be transmitted no later than 5 working

days from receipt of the request made by the competent authority.
(3) The response to the request made under para. (1) shall be communicated to the applicant, in writing by the competent authority, within 15 days of the receipt of the request, if not otherwise provided by special legislation. If the exemption is required in order to meet certain basic needs or for humanitarian reasons, the response of the competent authority shall be communicated within 5 days from receipt of the request.
(4) When granting the exemption provided in para. (1), the competent authorities shall take all necessary measures to prevent its use for purposes inconsistent with the reason for its authorization, respecting the conditions provided for in the acts establishing the international sanction.
Article 9 - General rules on decision making for the implementation of international sanctions
(1) In making decisions on the implementation of international sanctions, the competent authorities under this emergency ordinance make all
further inquiries they deem necessary, taking into account the circumstances, including, if necessary, consultations with the competent authorities of any other state.
(2) Persons filing a request under this emergency ordinance, persons who hold the goods subject to investigation under this emergency ordinance and, where appropriate, other public authorities or institutions required, communicate to the competent authority under this emergency ordinance, and upon request, within the specified timeframe, all information they have on goods, including the circumstances relating thereto, or the persons who in any way connected with such property. Upon request of the competent authority all documents regarding goods,
persons or other relevant circumstances will be presented and the access to these documents will be ensured for the empowered representatives.
(3) The decision of a competent authority may be challenged under administrative provisions of the Law no. 554/2004, with subsequent amendments.
(4) In making decisions on the implementation of international sanctions, the competent authority may request the advisory opinion of the Inter-institutional Council under Article 13, if not otherwise provided in this emergency ordinance.
Article 10 - Referral of identification errors
(1) Any person may refer in writing the competent authority under this emergency ordinance, to signal any identification error regarding designated persons, entities or goods.
(2) The competent authority shall communicate its decision on the referral in para. (1) within 15 working days from the receipt of referral, and shall, if deemed necessary dispose the relevant measures.
(3) The provisions of art. 8 and 9 shall apply accordingly.
Article 11 - Coordination of the implementation of international sanctions
(1) The public authorities and institutions in Romania inform the Romanian Ministry of Foreign Affairs, twice a year or whenever necessary, on the manner in which international sanctions are applied in their field of competence, on violations of the sanctions, on pending cases, as well and any other incidents of application.
(2) Ministry of Foreign Affairs, on the basis of information received from the competent authorities under para.(1), informs the international organizations or the Community institutions which adopted the international sanction regarding the measures taken and, if necessary, about the difficulties of their implementation at national level and transmits the information on the outcome to the authorities and institutions concerned.

Chapter III
Attributions of the public authorities and institutions in the implementation of international sanctions

Article 12 - Competent authorities to address certain requests
(1) Depending on the type of international sanction, the competent authorities to receive and resolve requests or notifications made under art. 7. (1), 8, 10, 18, 22 and 23 are the following:
a) for freezing of funds or economic resources, the Ministry of Public Finance, through the National Agency for Fiscal Administration;
b) in case of other international sanctions, the public authorities with legal powers in the field in which the specified type of international sanctions applies.

(1^1) in case of restrictions applied on certain financial services and funds transfers provided by the laws mentioned in art. 1 and which have as purpose the prevention of nuclear proliferation, the competent authority which shall receive notifications and shall solve the requests of authorization is the National Office for Prevention and Control of Money Laundering.

(2) Within 60 days after entry into force of this emergency ordinance, the competent authorities referred to in para. (1) adopt specific methodological rules regarding the procedure of resolving the notices or requests provided for in para. (1).

Article 13 - The Inter-institutional Council

(1) With a view to ensure the general framework of cooperation for the implementation of international sanctions in Romania, the Inter-institutional Council, hereafter referred to as "the Council", is established. It is composed of

representatives of the Chancellery of the Prime-Minister, Ministry of Foreign Affairs, Department for European Affairs, Ministry of Justice and Citizens' Freedoms, Ministry of Interior and Administrative Reform, Ministry of Defense,

Ministry of Public Finance, Department of Foreign Trade of the Ministry for Small and Medium Size Enterprises, Commerce, Tourism and Liberal Professions, Ministry of Communications and Information Technology, Ministry of Transportation and Infrastructure, Romanian Intelligence Service, Foreign Intelligence Service, National Agency for Export Control, National Bank of Romania, Romanian National Securities Commission, Insurance Supervisory Commission, Private Pension System Supervisory Commission, the National Office for Preventing and Control of Money Laundering.

(2) Depending on the nature of international sanctions discussed, the Council may require participation to its meetings of representatives of other authorities or public institutions.

(3) The Council is coordinated by the Ministry of Foreign Affairs, through head of the Office for Implementation of International sanctions, and the representatives of public authorities and institutions referred to in para. (1) and (2), participating in the Council, are appointed by the heads of these institutions and have authorization to access classified information to the appropriate classification level for information used in Council meetings, according to Law no. 182/2002 on the protection of classified information, with subsequent amendments.

(4) The Council shall be convened whenever necessary, by the Ministry of Foreign Affairs, at the request of any of its members.

(5) To develop the advisory opinion under Article 14 (1) c) The Council shall meet within 3 working days from the receipt by the Ministry of Foreign Affairs of the request from the competent authority

(6) The advisory opinion is submitted to the competent authority which requested it, within two working days after the Council meeting.

(7) The Ministry of Foreign Affairs provides the secretariat of the Council.

(8) The expenditure involved for the Secretariat is supported from the annual budget approved by the Ministry of Foreign Affairs.

Article 14 - Duties of Council

(1) The Council has the following tasks:

a) to ensure consultation in order to harmonize the activities of authorities and public institutions in Romania in the field of implementation of international sanctions;

b) to ensure the consultation between the Romanian authorities and public institutions in order to fundament Romania's position regarding the adoption, modification, suspension or termination of international sanctions;

c) to prepare and issue, at the request of the relevant competent authority, advisory opinions on the basis of decisions relating to the application of international sanctions;

d) to submit to the Prime Minister of Romania recommendations on the advisability of adopting at national level nonbinding international sanctions;

e) to present whenever necessary, but at least once a year, information on measures adopted by Romania in the implementation of international sanctions, to fundament the Prime Minister's reports referred to in art. 6;

f) to ensure, whenever possible, the dissemination of information to natural and legal persons that own or control property in connection with the imminent adoption of international sanctions under art. 1, in order to allow their implementation, from the time of the adoption and afterwards, without delay.

(2) The rules of organization and procedure of the Council are approved by the Government, within 60 days from the entry into force of this emergency ordinance.

Article 15 - Database
(1) The Ministry of Public Finance, through the National Agency for Fiscal Administration, creates and manages the centralized database of the frozen funds and economic resources.
(2) The authorities and public institutions referred to in art. 17. (1) keep their own records on the implementation of international sanctions in their field of competence, which they make available to the Ministry of Public Finance.
(3) For other types of international sanctions, the public authorities and institutions responsible with their implementation create and manage their own database on the implementation of international sanctions in their field of activity.
(4) For setting up the databases referred to in paragraph. (1) - (3), the public authorities and institutions will exchange information according to art. 16.
(5) The provisions regarding the protection and processing of personal data shall apply accordingly. With regard to the expression of consent, the exceptions provided in art. 5 (2) c) and d) of *Law no. 677/2001 for the Protection of Individuals with regard to the processing of personal data and the free movement of such data*, with subsequent amendments are applicable.
(6) The information contained in these databases, with the exception of classified information under relevant legislation, will be stored for a period of 5 years from the date of the cessation of application of international sanctions.
Article 16 - Exchange of information and cooperation between authorities
(1) public authorities and institutions shall cooperate with each other and with competent authorities of other states, according to the relevant law, including through the exchange of data and information for the effective implementation of international sanctions.
(2) The cooperation between public authorities and institutions to implement the provisions of this emergency ordinance shall be conducted so as to allow obtaining rapid and efficient data and information.
Article 17 - Supervision of the implementation of international sanctions
(1) Supervision of the implementation of international sanctions of freezing of funds, as well as the supervision of the application of the restrictions applied on certain financial services and funds transfers, adopted with the purpose of prevention nuclear proliferation, are done by prudential supervisory authorities of the financial sector, by the management structures of liberal professions, and, respectively, by the National Office for Prevention and Control of Money Laundering, for natural and legal persons within their area of activity, according to the regulations in force in the field of preventing and combating money laundering and terrorist financing.
(2) Overseeing the implementation of international sanctions of freezing of funds by natural and legal persons that do not fall within the competence of authorities and public institutions referred to in para. (1), as well as the control of the implementation of international sanctions of blocking economic resources is done by the Ministry of Public Finance, the National Agency for Tax Administration.
(3) Overseeing the implementation of international sanctions, other than freezing of funds or financial services, adopted with the purpose of prevention nuclear proliferation, as well as the sanctions of freezing funds or economic resources shall be done by the competent authorities according to art. 12(1) b).
(4) If, during the work referred to in para. (1) - (3), the public authorities or institutions, through the authorized representatives, find violations of international sanctions committed by natural and legal persons, they apply the penalties provided for in art. 26 or they notify the criminal investigation bodies, as appropriate. In case of violations according to art. 26, the public authorities and institutions may apply other specific sanctions.
(5) In case of liberal professions, the sanctions imposed by their structures of management are provided by the rules governing these professions.
(6) The authorities and public institutions referred to in para. (1), as well as the competent authorities provided for in art. 12 (1) b) issue, in accordance with the present emergency ordinance, specific regulations referring to the supervision of implementation of international sanctions, to be published in the Official Journal of Romania.

Part I. Such specific regulations shall be adopted within 180 days from the date of publishing in the Official Journal of Romania, Part I, of the Law of adoption of this emergency ordinance.

Chapter IV
Specific provisions on goods subject to international sanctions

Article 18 - Obligation of identification and reporting of frozen funds and economic resources (1) Natural and legal persons that have the obligation to report suspicious transactions under the anti-money laundering and / or financing of terrorism legislation, must apply the know – your – customer measures, in order to establish if their customers include designated persons or entities or if the operations undertaken with their customers involve goods within the meaning of this emergency ordinance.

(2) Reports made pursuant to para. (1) shall be transmitted to the Ministry of Public Finance – National Agency for Fiscal Administration and the authorities and public institutions referred to in art. 17(1). Reports include data on people, contracts and accounts involved, as well as the total value of the goods.

(3) The mechanism and the reporting model are set out in specific regulations of the authorities and public institutions referred to in art. 17(1) and (2). The Council's advisory opinion shall be requested in order to establish a unitary model of reporting.

Article 19 – The order for blocking of funds or economic resources

(1) After carrying out the necessary investigations, the Ministry of Public Finance, through the National Agency for Fiscal Administration, shall, by order of the Minister of Public Finance, within 5 working days from the receipt of the notification or reporting under art. 7 or 18, block the funds or economic resources that are held, owned by or under the control of natural or legal persons that have been identified as designated persons or entities.

(2) The Order referred to in para. (1) shall be immediately communicated to the natural or legal persons who have done the report, according to art. 7 and 18, as well as to the authorities or institutions referred to in art. 17 (1), responsible for the supervision, the public authorities responsible for recording the blocking, where appropriate, and to the persons or entities covered by the order, if possible.

(3) The Order referred to in para. (1) shall be notified in all cases to the Romanian Intelligence Service and Foreign Intelligence Service.

(4) The Ministry of Public Finance, through the National Agency for Fiscal Administration, shall publish the order referred to in para. (1) in the Romanian Official Journal, Part I, within 3 working days from issuance.

(5) The Order referred to in para. (1) may be appealed under the administrative procedure. The Ministry of Public Finance, through the National Agency for Fiscal Administration, is bound to periodically examine the measures disposed by the order referred to in para. (1) and to cancel ex officio or upon request when it finds that retention is no longer justified. The decision of rejecting the application for revocation may be appealed under the administrative procedure.

Article 20 - Obligation of confidentiality

(1) Information held in connection with designated persons or entities can be transmitted only under conditions provided by law.

(2) The obligation of confidentiality cannot be invoked in the following cases:

a) at the request of the criminal investigation bodies;

b) at the request of the courts;

c) at the request of the competent authorities provided for in this emergency ordinance;

d) at the request of the United Nations, the European Union and other international organizations mentioned in Article 1(2) or of other states, where this is necessary for the implementation of international sanctions mandatory for Romania under this emergency ordinance;

e) upon request by persons interested in applying the right to compensation, but only under conditions expressly prescribed by law;

f) at the request of the Romanian intelligence services.

Article 21 – Recording the blocked economic resources

(1) In case of immovable property block, the Office of Cadastre and Real Estate Advertising in the circumscription of which the immovable property is situated records in the real estate registry the

blocking measure, at the request of the Ministry of Public Finance, based on the order issued under Article 19 (1).
(2) The request for blocking record, submitted pursuant to para.(1) should contain the cadastral or topographic number and the real estate registry number, where the immovable property is enlisted in the real estate registry. If the immovable property is not enlisted in the real estate registry, the request for recording the blocking measure will include the number of land portion, the parcel number and the mailing address, as appropriate.
(3) For immovable property which does not have a real estate registry open, the blocking measure is recorded in the old real estate records.
(4) Requests for recording the blocking measures, as well as for removal are exempt from tariffs.
(5) In the case of movable property block, the record of the measure is made at the request of the Ministry of Public Finance - National Agency for Fiscal Administration, addressed to the legal persons responsible for the registration
or recording such goods.
Article 22 - Authorization of transactions with the view to protect the rights of third parties
(1) Designated persons or entities can invoke the blocking measures to justify the failure to fulfill certain obligations, only if they had requested, according to art. 8, an authorization to that effect and the request have been rejected.
(2) Persons other than those referred to in para. (1), having a right over the goods, within the purposes of this emergency ordinance, as well as the creditors of designated persons and entities may, in accordance with the procedure laid down in art. 8, request an authorization for the use of the goods subject to international sanctions, in order to fulfill their right.
(3) The competent authority under this emergency ordinance shall, wherever possible, inform the designated natural or legal person on the exemptions requests made by interested parties to have access to frozen funds or economic resources in its possession or under its control.
(4) Authorization under art. 8 do not constitute legal recognition of the title claim.
(5) When analyzing the type of applications referred to in para. (1) and (2), the competent authority under this emergency ordinance shall take into account the evidence provided by the creditor and the designated person or entity regarding the existence of an obligation to return the goods in question, in order to check if there is a risk of circumvention of the blocking.
Article 23 - Authorization of transactions to utilize the rights of designated individuals and entities
(1) A person or entity who, for whatever reason, wants to make goods available to a designated person or entity, must request a permit to that effect, according to art. 8, if the act that establishes the international sanction specifies otherwise.
(2) When analyzing such requests, the competent authority under this emergency ordinance shall examine all the evidence provided in support of request and verifies if the links between the applicant and the designated person or entity are not likely to suggest that they work together in order to circumvent the international sanctions.
Article 24 – The regime of the goods subject to international sanctions
(1) Natural or legal persons who are in a legal relationship or are in any other way in connection with any goods subject to international sanctions, and find out about the existence of situations which require notification or reporting under art. 7 and art. 18, are required without delay and prior notification to the competent authorities, not to perform any operation with regard to those goods, except for the operations covered by this emergency ordinance and to notify immediately the competent authorities.
(2) Natural or legal persons, except designated persons or entities who hold the goods subject to international sanctions, have the right to ask the state to cover the necessary expenses for the conservation and management of these goods, in order to prevent impairment or loss of value. Applications for coverage of these costs is addressed to Ministry of Public Finance - National Agency for Fiscal Administration, and the right to compensation for administration costs begins from the moment of notification of the competent authority, according to art. 7 or 18, as appropriate.
(3) If any natural or legal persons, except for designated persons or entities, do not wish to or cannot manage the property in question, upon request, by decision of the Ministry of Public Finance, the property may be transferred to the state administration, through the Ministry of Public Finance - National Agency for Fiscal Administration.

(4) Ministry of Public Finance, through the National Agency for Fiscal Administration, may request the transfer of the good, if it considers it necessary for the proper administration thereof. Property that is not voluntarily handed over to the administration is seized, without consent of the person who owns it.
(5) On the transfer or seizure for management of the frozen asset, a report is drawn up. A copy of the report shall be issued to the person who surrendered the property or from which property has been transferred for administration.
(6) Ministry of Public Finance, through the National Agency for Fiscal Administration, shall immediately transfer the property to the entitled person, as follows:
a) the person who proves that, according to art. 10, is the owner or the holder of asset and is not subject to international sanctions or this fact is established by the Ministry of Public Finance in its investigations according to art. 19;
b) the legal owner or holder, who proves, according to art. 10 that the respective property is not subject to international sanctions, or this fact is established by the Ministry of Public Finance in its investigations according to art. 19;
c) the person determined to be the one that should receive the good, by the act establishing the international sanction mentioned in Article 1;
d) the person determined by the decision of a competent authority of another state or an international organization, which is binding for the Romanian authorities.
(7) In cases referred to in para. (5) and (6), the provisions of Article 19. (2) shall apply accordingly.
Article 25 - Administration of the goods to which international sanctions apply
(1) The Ministry of Public Finance, through the National Agency for Fiscal Administration, decides on how to manage blocked assets subject of international sanctions under the conditions laid down by order of the Minister of Public Finance.
(2) In situations in which, according to the law or due to their characteristics, the goods handed over according to art. 24 cannot be managed by the Ministry of Public Finance, through the National Agency for Fiscal Administration, they will be handed over for administration to the public institution with competencies in the field.
(3) If the goods handed over under Article 24 cannot be administered by the Ministry of Public Finance – National Agency for Fiscal Administration or by any other public institution, according to para. (2), the Ministry of Public Finance, through the National Agency for Fiscal Administration, may conclude written contracts to manage those assets with any person or entity working in the field. Contracts for management must include, under penalty of cancellation, the amount to be paid for administration, the assignment of responsibility for damage caused during administration and the limits of the right to administer.
(4) The administrator has the right to make all acts of administration of goods to which their owner is entitled.
(5) To cover expenses related to administration of goods, the increased value and revenues achieved during their administration are firstly used.
(6) Where increased value or revenues referred to in para.(5) do not exist or are insufficient and no other source to cover the costs of administration can be identified, the Ministry of Public Finance - National Agency for Fiscal Administration may decide to sell goods or parts thereof, made in strict proportion to cover expenses.
(7) Where there is a risk of depreciation of assets, the Ministry of Public Finance - National Agency for Fiscal Administration may decide to block the sale of goods or a part thereof. Funds from such sales represent frozen funds during the validity of the relevant international sanction.
(8) The Ministry of Public Finance keeps inventory of all assets under management, according to this emergency ordinance.
(9) During the administration of property under this emergency ordinance, the manager takes care first of the conservation, the efficient and economical administration, protection against damage, destruction, loss, or abuse, aiming to meet the right to remedy of the owner and to submit the undue gain resulted from unjust enrichment, maintaining the integrity of property by pursuing the debtors to fulfill timely and in full their obligations to the goods subject to international sanctions, including by claim from the owner of his rights at maturity, seeking not to expire the term at which these claims become due and avoid termination of such rights.

(10) During the administration of blocked goods, the goods cannot be encumbered by the burdens of movable security or real estate securities and cannot be concluded:
a) contracts for leasing the use of goods with the clause for the transfer of ownership of assets at the end of the lease;
b) contracts for the sale of the company or its representative;
c) the right of usufruct on such goods.
(11) The value of the goods referred to in para. (6) and (7), and the manner in which the provisions of art. 24 para. (2) and (4) - (6) are implemented is approved by order of the Minister of Public Finance.
(12) In carrying out the tasks specified in para. (1) - (3), (6) and (7), the Ministry of Public Finance requires the advisory opinion of the Council.

Chapter V -Contraventions

Article 26 - Contraventions
(1) The following deeds constitute contraventions and are punished with a fine between 10,000 lei and 30,000 lei and the confiscation of property used or resulted from the contravention:
a) failure to respect the restrictions and obligations under international instruments referred to in art. 1 (1), which are directly applicable, or acts under art. 4 (2) - (4), if the deed does not constitute a criminal offense;
b) non-compliance with the obligation referred to in art. 24 para. (1) if the deed does not constitute a criminal offense;
c) non-compliance with the obligations referred to in art. 9 (2) and art. 18 (2) and (3).
(2) If the deeds set out in para. (1) are committed by a person belonging to the staff of a public authority or institution, besides the fine, specific penalties may also be applied.
(3) The penalties provided in para. (1) also apply to legal persons.
(4) In addition to the penalty provided for in para. (1), one or more of the following contraventional complementary sanctions may be applied:
a) suspension of the advisory opinion, license or authorization for the exercise of an activity or, where appropriate, suspension of the legal person's activity over a period from one month to 6 months;
b) withdrawal of license or advisory opinion for certain transactions or activities for a period from one to 6 months or perpetually.
(5) The provisions of Government Ordinance no. 2 / 2001 on the legal regime of contraventions, approved with amendments and completions by Law no. 180/2002, as amended, except art. 8 (3) and (4) shall apply accordingly.
Article 27 - Exclusion of liability
Application in good faith of the provisions of this emergency ordinance by natural and / or legal persons cannot result in their disciplinary, civil or criminal accountability.

Chapter VI - Transitional and Final Provisions

Article 28 - Nomination of representatives in the Council - Nomination of representatives of public authorities and institutions in the Council is made within 5 days after the entry into force of this emergency ordinance.
Article 29 – Repeal -On the date of entry into force of this Emergency Ordinance, Law no. 206/2005 on the implementation of international sanctions, published in the Romanian Official Journal, Part I, no. 601 of 12 July 2005 is repealed.

PRIME MINISTER
Călin Popescu-Tăriceanu
Countersigned:
p. Minister of Foreign Affairs
Anton Niculescu,
Secretary of State
Minister of Economy and Finance,
Varujan Vosganian

Annex no. 13 – Excerpt from the Minister of Public Finances' Order No. 1856 from 05.04.2011 "The procedure of the issuance of the order for blocking the funds and economic resources in the field of international sanctions or the recalling of the disposed measures."

Ministry of Public Finances
National Agency of Tax Administration

EXCERPT
from the Minister of Public Finances' Order No. 1856 from 05.04.2011
"The procedure of the issuance of the order for blocking the funds and economic resources in the field of international sanctions or the recalling of the disposed measures."

Internal procedures for blocking funds in the respect of international sanctions

This Order stresses the following aspects:

a) monitoring the international documents where international sanctions are provisioned;

The International Cooperation Directorate within NATA will constantly monitoring the web site of the UN, EU and the Romanian Official Journal in order to identify the documents where international sanctions are provisioned, respectively UN resolutions, regulations, decisions, another juridical instruments of EU etc.

b) publicity and communication of the international documents where international sanctions are provisioned;

Once the document identified, The International Cooperation Directorate within NATA will take the appropriate measures to publish the document on NATA web site.

c) the management of the information and/or the communication regarding the persons and/or entities under the regime of international sanctions;

The General Directorate for Tax Information within NATA receives data and information regarding the persons and/or entities under the regime of international sanctions from the International Cooperation Directorate, from the Romanian reporting entities or from NATA's territorial bodies.

d) identification of the persons and/or entities under the regime of international sanctions and the identification of their funds and economic resources;

The General Directorate for Tax Information proceeds to identify the persons and/or entities under the regime of international sanctions searching the Tax Agency's data base or requesting information to the Ministry of Internal Affairs.

e) analyzing the gathered information concerning the persons and/or entities under the regime of international sanctions;

Information about the funds and economic resources are analyzed in order to assess if the Ministry of Public Finances is the competent authority on that specific matter. The information is sent to the competent authority or the internal procedure for identifying the persons/entities is applied. In order to identify the funds and economic resources, The General Directorate for Tax Information will request data to the Ministry of Internal Affairs (for immovable and movable properties), Ministry of Transportation (for ships, yachts, airplanes etc), The National Commission of Movable Assets (for shares in the market, stock exchange), National Trade Register (for company shares), any other entity or body holding information about movable or immovable properties). After gathering this information, other directorates within NATA will identify the bank accounts of the persons/entities, on-spot identification of the goods of the persons/entities, identification from the third parties of the amounts owed to the persons/entities under the regime of international sanctions but also the funds and economic resources of the third parties interacting with these persons/entities, information concerning intra-community acquisitions, business partnerships, custom declarations etc. All this information and data is processed and analyzed by The General Directorate for Tax Information and issues a motivated resolution for blocking the funds and economic resources of the persons/entities under the regime of international sanctions. This resolution is presented to Juridical General Directorate of NATA.

f) issuance of the order for the blocking of the funds and economic resources;

The Juridical General Directorate of NATA is drafting the Order of The Minister of Public Finances for blocking the funds and economic resources held in property or in control of the natural or legal persons identified under the regime of the international sanctions. The Juridical General Directorate of NATA will publish the Order in the Romanian Official Journal within 3 days from its issuance. The Order will also be published on NATA's web site .All other interested bodies will be informed of the provisions of the Order. Any appeal to the provisions of the order will be analyzed by a Commission within NATA and MPF, according with the legal nature of the appeal.

g) application of the above mentioned Order;

The relevant directorate within NATA will take all the appropriate measures in order to block the funds and economic resources – incomes, cash, securities, intangible assets, immovable and movable goods etc. According to the nature of the goods (property), these goods will be superintended by relevant bodies or by a custodian appointed according with legal provisions duly applicable.

h) periodical monitoring of the provisioned measures imposed by the order for the blocking of the funds and economic resources;

The relevant department within NATA will periodically monitor the applied measures for blocking the funds and economic resources. The territorial bodies will quarterly report the effectiveness of the measures, difficulties etc.

Annex no. 14 – Excerpt from the Governmental Emergency Ordinance no.26/31.03.2010 amending and supplementing the Government Emergency Ordinance no.99/2006 regarding credit institutions and capital adequacy and other acts

Government of Romania

EXCERPT

from the Governmental Emergency Ordinance no.26/31.03.2010 amending and supplementing the Government Emergency Ordinance no.99/2006 regarding credit institutions and capital adequacy and other acts

Art.IV- On Article 2 of Law no.656/2002 on the prevention and sanctioning of money laundering and on the initiation of measures for the prevention and fighting against financing terrorist activities, published in the Official Gazette of Romania, Part I, no.904 of 12 December 2002, as further amended and supplemented, the first part of lett.f) shall be amended as follows:
"f) financial institution - an undertaking, with or without legal personality, other than a credit institution, which carries out one or more of the operations included in Art.18 para.(1), lett.b) – l), lett.n) and lett.n1) of the Government Emergency Ordinance no.99/2006, approved with amendments and supplements by Law no.227/2007, with further amends and supplements, including the postal services providers, performing payment services and specialized entities carrying out the activities of currency exchanges. In this category are included also:"

Art.V – On Art.III para.(1) of the Government Emergency Ordinance no.53/2008 on amending and supplementing the Law no.656/2002 on the prevention and sanctioning of money laundering and on the initiation of measures for the prevention and fighting against financing terrorist activities published in Official Gazette of Romania, Part I, no.333 of 30 April 2008, lett.a) and b) shall be amended as follows:
a) the National Bank of Romania, for credit institutions and payment institutions;
b) the National Office on prevention and fighting against money laundering, for postal services providers, performing payment services according to the applicable national legislative framework.

Art.VI – Art.2 para.(2) of the Regulation on applying the provisions of Law no. 656/2002 on the prevention and sanctioning of money laundering and on the initiation of measures for the prevention and fighting against financing terrorist activities, approved by the Government Decision no.594/2008, published in the Official Gazette of Romania, Part I, no.444 of 13 June 2008 shall be amended as follows:
"(2) In the meaning of para.(1) lett.d), specialized entities carrying out the activities of currency exchanges, payment institutions providing only those payment services referred to in Art.8 lett.f) of the Government Emergency Ordinance no.113/2009 on payment services, as well as postal services providers carrying out payment services, shall not be considered third parties."

Art.VII – The provisions of this emergency ordinance shall enter into force on the date of its publication, with the following exceptions:
a) the provisions of Art.I, point 4, points 16-18, points 20-23 and points 25-28 which shall enter into force on 31 October 2010;
b) the provisions of Art.I, points 1-3, points 5, 6, 10, 12, 15 and 38, which shall enter into force on 30 April 2011;
c) the references on lett.n1) of Art.IV which shall enter into force on 30 April 2011

The provisions of Art.I, point 36 are transposing the provisions of Art.3, 4, 6 and 7, of Art.20-33 and of Art.34 para.(2) of Directive 2001/24/EC of the European Parliament and of the Council of 4 April 2001 on the reorganization and winding up of credit institutions, published in the Official Journal of the European Community (JOCE) no.L 125 of 5 Mai 2001.

The provisions of Art.I, points 1-3, 5, 6, 8, 10, 12, 15 and 38 and, respectively those of Art.IV are transposing the provisions of Art.19 para.(1), Art.20, Art.21 para.(1) and Art.22 para.(1) of Directive 2009/110/EC of the European Parliament and of the Council of 16 September 2009 on the taking up, pursuit and prudential supervision of the business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC, published in the Official Journal of the European Community (JOCE) no.L 267 of 10 October 2009.

The provisions of Art.I, points 16-18, points 20-23 and points 25-28 are transposing the provisions of Art.1 para.(2) lett.c), para.(3)-(6) and para.(31)-(33) of Directive 2009/111/EC of the European Parliament and of the Council of 16 September 2009 amending Directives 2006/48/EC, 2006/49/EC and 2007/64/EC as regards banks affiliated to central institutions, certain own funds items, large exposures, supervisory arrangements, and crisis management, published in the Official Journal of the European Community (JOCE) no.L 302 of 17 November 2009.

The provisions of Art.I, points 7 and 39 and those of Art.IV – VI are transposing the provisions of Art.28, 91 and 92 of Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC, published in the Official Journal of the European Community (JOCE) no.L 319 of 5 December 2009.

Annex no. 15 – Excerpt from the Governmental Emergency Ordinance no. 113 of 12/10/2009 on payment services

Government of Romania

EXCERPT
from the Governmental Emergency Ordinance
no. 113 of 12/10/2009 on payment services

Having regard to the fact that the transposition and implementation in the national legislation of Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC must be achieved by 1 November 2009,

The adoption of this emergency ordinance is required in order to allow the providers of payment services to organise their own activity so that the objective of creating the Community internal market which imposes the establishment of a uniform regulation framework at the level of the European Union, subject to the principle of free circulation of payment services, can be achieved.

Taking into account the fact that, in the absence of an immediate regulation of the payment services, technical and administrative barriers would build up which would lead to the incapacity of the domestic providers to fulfil their object of activity as well as to the impossibility for the providers of services registered in another Member State to conduct their activity,

Thus the possibility of initiating the infringement procedure by the Commission against Romania is avoided,

Considering that these elements constitute extraordinary situations the regulation of which cannot be postponed and concern the public interest,

Under the provisions of Article 115 (4) of the Constitution of Romania, republished,

The Government of Romania hereby adopts this Emergency Ordinance.

TITLE I - Object, scope and definitions

Article 1. - This emergency ordinance regulates the conditions of access to the activity of providing payment services and the conditions for sustaining this activity on Romania's territory, the prudential supervision of payment institutions, as well as the system regarding transparency for conditions and requirements of information regarding the payment services, the corresponding rights and obligations of payment services users and of payment services providers in the context of providing payment services professionally.

(...)

Article 8. - Within the meaning of the present emergency ordinance, payment services are understood as any of the following activities:

a) services which allow cash deposits into a payment account, as well as all operations necessary for the functioning of the payments account;

b) services which allow cash withdrawal from a payment account, as well as all operations necessary for the functioning of the payments account;

c) the performance of the following payment operations where funds are not covered by a credit line: direct debits, including singular direct debits, payment operations by a payment card or a similar device, credit-transfer operations, including programmed payment orders operations;

d) performing the following payment operations if the funds are covered by a credit line open for a user of the payment services: direct debits, including single direct debits, payment operations by a payment card or similar device, credit-transfer operations, including programmed payment orders

e) issue of payment instruments and/or their acceptance for payment;

f) remission of money;

g) performing payment operations where payer's consent for conducting a payment operation is given by of any means of telecommunications, digital or informational, and the payment is made by the operator of the system or the information or telecommunications network who acts only as intermediary between the user of the payment services and the provider of goods and services.

Article 9. - It is forbidden to any person who is not a payment services provider within the meaning of Article 2 to perform professionally the payment services provided for in Article 8.

TITLE II - Authorisation and supervision of payment institutions
SECTION 1- Minimal requirements for obtaining access to the activity

Article 10. - **(1)** Any entity intending to provide payment services on the territory of Romania must have an authorisation pursuant to the present Title prior to beginning this activity.

(2) The national Bank of Romania can grant an authorization only to Romanian legal persons constituted pursuant to Law No. 31/1990 on trading companies, republished, as subsequently amended and supplemented.

Article 11. - (1) The National Bank of Romania shall grant authorization to an entity only if the information and the documents accompanying the application comply with all requirements provided for in this title and in the regulations given in its application and the evaluation of the project is favourable.

(2) In order to make a decision regarding the application for authorization, the National Bank of Romania can consult the National Office for Prevention and Control of Money Laundering and other authorities with relevant competences.

Amended by Emergency Ordinance No. 42 of 27/04/2011 Article 1 on 03/05/2011

Supplemented by Emergency Ordinance No. 42 of 27/04/2011 Article 1 on 03/05/2011

Article 12. - The actual head office of the payment institution authorized by the National Bank of Romania must be on Romania’s territory.

Article 13. - The National Bank of Romania shall grant the authorization only if it is satisfied that, from the perspective of the necessity to ensure a prudent and healthy management of the payment institution, the payment institution has a formal framework of administration of the activity of providing payment services rigorously designed, which includes a clear organisational structure with well defined, transparent and coherent lines of responsibility, efficient procedures of identification, administration, monitoring and reporting risks to which it is or it could be exposed and adequate mechanisms of internal control, including rigorous administrative and accounting procedures. The administration framework, procedures and mechanisms must be inclusive and adapted to the nature, scope and complexity of the payment services provided by the payment institution.

Article 14. - If the payment institution is also involved in other business activities than the provision of any of the payment services laid out in Article 8, the National Bank of Romania can order the establishment of a distinct entity for the activity of providing payment services if it appreciates, during the authorisation procedure or during the supervision process, that the other business activities prejudice or could prejudice either the solidity of the financial situation of the payment institution, or the capacity of the National Bank of Romania to supervise the compliance by the payment institution with all obligations imposed by this title and the regulations given in its application.

(...)

Article 17. - If there are close links between the payment institution, Romanian legal person, and other natural or legal persons, the National Bank of Romania grants authorization only if these links or the laws, regulations or administrative provisions of a third state that govern one or more natural or legal persons with which the payment institution has close links or the difficulties involved in the enforcement of those laws, regulations or administrative provisions do not prevent the effective exercise of its supervisory functions.

(...)

Article 23. - **(1)** Besides the provision of the payment services mentioned in Article 8, the payment institutions can carry out the following activities:

a) the provision of operational and related services in connection with the payment services, such as: ensuring the execution of payment operations, foreign exchange services, safe custody activities or stocking and processing of data;
(...)

SECTION 2-Authorisation of the payment institutions

(...)
Article 26. - (1) The National Bank of Romania rejects a request for authorization if, from the assessment achieved in the conditions laid down in this title and in the regulations issued in the implementation, one of the following situations emerges:
(...)
f) close links between the payment institution and other natural or legal persons are likely to prevent the National Bank of Romania in efficiently conducting its supervisory functions;
g) the laws, regulations or administrative provisions of a third state that govern one or more natural or legal persons with which the payment institution has close links or the difficulties involved in the enforcement of those laws, regulations or administrative provisions are likely to prevent the effective exercise by the National Bank of Romania of its supervisory functions;
(...)

SECTION 9- Competent authority and supervision

Article 62. - **(1)** The National Bank of Romania is the authority responsible for supervising the compliance with the provisions of this title and of the regulations issued in the implementation.
(2) The National Bank of Romania ensures the prudential supervision of the authorized payment institutions, Romanian legal persons, inclusively for the payment activity conducted by their branches and agents.
(3) The previous items do not imply the fact that the National Bank of Romania has competencies of supervision of the business activities of the payment institution, others than the provision of payment services mentioned at Article 8 and the activities listed in Article 23 (1) (a).
Article 63. - **(1)** The supervision activity of the payment institutions by the National Bank of Romania, in view of verifying the compliance with the requirements imposed by this title and the regulations issued in its implementation, must be proportional, adequate and adjusted to the risks to which payment institutions are exposed.
(2) Verifications at the supervised entities head office are performed by the staff of the National Bank of Romania empowered to this effect or by third persons empowered by the National Bank of Romania.
(3) In order to exercise the supervisory function, the National Bank of Romania is entitled to:
-{}- **a)** request the payment institution to provide any information necessary for the verification of the compliance with the requirements imposed by this title and the regulations issued in its application.
b) proceed to verifications at the head office of the payment institution, Romanian legal person, of its branches and of any of its agents or of any entity to which it outsourced activities;
c) issue recommendations and instructions and to order measures;
d) suspend or withdraw the authorisation.
(4) Payment institutions will allow the empowered staff of the National Bank of Romania and the third persons empowered by the National Bank of Romania to examine their registers, accounts and operations, supplying for this purpose all the documents and information concerning the management, internal control and operations of the payment institutions, as they are requested by them.
(5) The payment institutions must transmit to the National Bank of Romania any information requested by it in view of the supervision.
Supplemented by Emergency Ordinance No. 42 of 27/04/2011 Article 1 on 03/05/2011
(...)
Article 65. - **(1)** The National Bank of Romania can order, with regard to a payment institution, Romanian legal person, or with regard to persons who exercise responsibilities of administration and/or management of the activity of payment services provision of the payment institution and which violate the provisions of this title and those of the regulations issued in its application, the necessary measures in order to eliminate the deficiencies and their causes and/or apply sanctions.

(2) If, during the process of supervision, it finds circumstances which could affect the activity of the payment institution, the National Bank of Romania can order measures with a view to conducting the activity prudently.

(...)

Article 76. - **(1)** In order to exercise its supervisory function, the National Bank of Romania collaborates with the competent authorities of the host Member State or, where appropriate, of the Member State of origin, as concerns the activity pursued by payment institutions directly, through the branches or agents, or as concerns the entities to which the payment institutions outsourced activities.

2) For the purposes of item (1), the National Bank of Romania:

a) informs the competent authorities of the host Member State each time it intends to proceed to verifications at the head office of the branch or agent of the payment institution or of the entity to which the payment institution outsourced activities, located on the territory of the host Member State;

b) communicates to the competent authority of the host Member State or, as appropriate, of the Member State of origin, upon request, all relevant information and, on its own initiative, all essential information, especially if it is found or suspected that an agent, a branch or an entity to which activities are being outsourced violates the relevant legislation.

(3) The National Bank of Romania can delegate the task to perform verifications at the head offices of the payment institutions' branches, of their agents or of entities to which the payment institutions outsourced activities, located on the territory of the host Member State, to the competent authority of the host Member State.

Article 77. - **(1)** In the case of payment institutions of another Member State performing an activity or having outsourced activities in Romania, the National Bank of Romania collaborates with the competent authorities of the Member State of origin and of other Member States where the payment institutions are active or where the entities to which the payment institutions outsourced activities are located.

(2) In order to exercise the supervisory function, the competent authority in the Member State of origin of a payment institution can perform verifications on the territory of Romania at the head offices of the payment institutions' branches, of their agents or of the entities to which the payment institutions outsourced activities. The verification can be performed directly or through third persons empowered for this purpose and informing in advance the National Bank of Romania.

(3) The competent authority in the Member State of origin can request the National Bank of Romania to perform verifications at the head offices of the branches of payment institutions, of their agents or of entities to which the payment institutions outsourced activities, located on the territory of Romania, in which case the National Bank of Romania proceeds to the performance of these verifications directly or through a third person empowered for this purpose. The competent requesting authority can participate to the performance of that verification.

Article 78. – The provisions of Articles 76 and 77 are without prejudice to the obligations incumbent on the competent authorities to supervise or control the compliance with the requirements established by the legislation in prevention and combating money laundering and financing terrorism and by the Regulation (EC) No. 1781/2006 of the European Parliament and of the Council of 15 November 2006 on information on the payer accompanying transfers of funds.

SECTION 10- Professional secret and information exchange

(...)

Article 80. - **(1)** The National Bank of Romania collaborates with the relevant authorities of other Member States with attributions concerning the providers of payment services, as well as with the European Central Bank and the central banks of other Member States.

(2) The National Bank of Romania can exchange information with:

a) the competent authorities of other member states responsible of the authorisation and supervision of the payment institutions;

b) The European Central Bank and the national central banks of the Member States, as monetary and supervision authorities and, if appropriate, other public authorities responsible for the supervision of the payments and settlement systems;

c) other relevant authorities designated according to this emergency ordinance, to the legislation in the field of protection of the personal data, to the legislation in the field of prevention and combating

money laundering and financing terrorism or to other regulatory acts applicable to providers of payment services.
Amended by Law No. 197 of 22/10/2010 on 01/11/2010.
(...)

This Emergency Ordinance transposes the provisions of Articles 1-4, 6-7, 9-27, 29-88 and of Article 93 of Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market amending Directives 97/7/EC, 2002/65/EC, 2005/60/EC and 2006/48/EC and repealing Directive 97/5/EC published in the Official Journal of the European Union, L 319 of 5 December 2007.

PRIME MINISTER
EMIL BOC

Countersigned by:

Minister of Public Finances
Gheorghe Pogea
Head of Department for European Affairs
Bogdan Mănoiu

Bucharest, 12 October 2009.
No. 113.

Annex no. 16 – Excerpt Law no 127 of 20/06.2011 on the taking up of the electronic money issuance business

EXCERPT

Law no 127 of 20/06.2011 on the taking up of the electronic money issuance business

The Parliament of Romania adopts this law.

CHAPTER I- Object, scope and definitions

Article 1. – This law regulates the conditions for taking up and pursuit of the electronic money issuance business, the conditions for providing payment services by electronic money institutions, prudential supervision of electronic money institutions, as well as the redeemability of electronic money regime.

Article 2. - (1) The business of electronic money issuance may be pursued by the following categories of electronic money issuers:

a) credit institutions, within the meaning of Article 7 (1) § 10 of the Government Emergency Ordinance no 99/2006 on credit institutions and capital adequacy, approved as amended and completed by Law no 227/2007, as subsequently amended and completed;

b) electronic money institutions, within the meaning of Article 4 (1) e);

c) post office institutions that issue electronic money according to the applicable national legislative framework;

d) the European Central Bank and national central banks, when not acting in their capacity as monetary authorities or in another capacity which implies the exercise of public authority;

e) Member States and their regional or local authorities, when acting in their capacity as public authorities.

(2) Chapter II applies only to the electronic money institutions.

(...)

Article 4. - (1) Within the meaning of this law, the below terms and expressions have the following meanings:

(...)

e) electronic money institutions – legal person authorized according to the provisions of Chapter II to issue electronic money;

(...)

CHAPTER II- Authorization and prudential supervision of electronic money institutions

SECTION 1-Minimum requirements for the taking up of the business

Article 7. - (1) Any entity intending to issue electronic money on the territory of Romania must have an authorization, according to this chapter, before commencing this business.

(2) The National Bank of Romania may grant authorization only to a Romanian legal person incorporated according to Law no 31/1990 on trading companies, republished, as subsequently amended and completed.

Article 8. - (1) The National Bank of Romania shall grant authorization to an entity only if, according to the information and documents accompanying the application, there are met all requirements laid down by this chapter and by its implementing regulations and if the assessment of the submitted project is favourable.

(2) For the purpose of implementing paragraph (1), the National Office for Prevention and Control of Money Laundering provides the National Bank of Romania, at its request, information on persons and entities exposed to the risk of money laundering and terrorism financing.

(3) In order to take a decision concerning the request for authorization, the National Bank of Romania may also consult other authorities with relevant competencies.

Article 9. – The actual office of the electronic money institution authorized by the National Bank of Romania must be on the territory of Romania.

(...)

Article 13. - If there are close links between the electronic money institution, Romanian legal person, and other natural or legal persons, the National Bank of Romania grants authorization only if these links or the laws, regulations or administrative provisions of a third state that govern one or more natural or legal persons with whom the electronic money institution has close links or the difficulties involved in the enforcement of those laws, regulations or administrative provisions do not prevent the effective exercise of its supervisory functions.

(...)

Article 15. - If the electronic money institution is also implied in other business activities, others than the issuance of electronic money and provision of payment services, the National Bank of Romania may require the establishment of a distinct entity for the issuance of electronic money and provision of payment services if it appreciates, during the authorization procedure or the supervision process, that the other business activities prejudice or might prejudice either the soundness of the financial situation of the electronic money institution or the capacity of the National Bank of Romania to supervise the compliance by the electronic money institution with all the obligations imposed by this chapter and by the regulations given in its implementation.

(...)

Article 21. - (1) Besides the issuance of electronic money, electronic money institutions may pursue the following businesses:

(…)

b) supplying some operational and related services concerning the issuance of electronic money and provision of payment services, to wit: ensuring the execution of payment transactions, foreign exchange services, activities for keeping in custody or storing and processing data;

(…)

SECTION 2-Authorization of electronic money institutions

(…)

Article 25. - (1) The National Bank of Romania rejects a request for authorization if, from the assessment realized in the conditions laid down by this chapter and by implementing regulations, one of the following situations results:

(…)

f) the close links between the electronic money institution and other natural or legal persons may prevent the effective exercise by the National Bank of Romania of its supervisory functions;

g) the laws, regulations or administrative provisions of a third state that govern one or more natural or legal persons with whom the electronic money institution has close links or the difficulties involved in the enforcement of those laws, regulations or administrative provisions may prevent the effective exercise by the National Bank of Romania of its supervisory functions;

(…)

SECTION 7-Notification procedure to pursue the business on the territory of Romania by electronic money institutions of other Member States

Article 57. - (1) An electronic money institution authorized in another Member State may issue electronic money on the territory of Romania by establishing a branch or directly, based on the notification sent to the National Bank of Romania by the competent authority in the Member State of origin.

(2) The notification provided for in paragraph (1) must contain information concerning the denomination and registered office of the electronic money institution, the type of services it intends to render on the territory of Romania and, where appropriate, the name of the persons responsible for the management of the branch and its organizational structure.

(3) After the notification concerning the opening of a branch realized according to paragraph (1), at the request of the National Bank of Romania, the National Office for Prevention and Control of Money Laundering and other relevant authorities supply these pieces of information on the risk of

money laundering or terrorism financing contained in the project which makes the object of the notification.

(4) If from the consultation realized according to paragraph (3) there result well-founded reasons in order to suspect that the opening of the branch could increase the risk for money laundering or terrorism financing or, as to the project of opening the branch, there are being performed, were performed or there were attempts to perform some operations of money laundering or terrorism financing, the National Bank of Romania consequently informs the competent authority in the Member State of origin.

(…)

SECTION 9-Competent supervisory authority

Article 61. - (1) The National Bank of Romania is the authority responsible for supervising the compliance with the provisions of this chapter and of the regulations issued within the implementation.

(2) The National Bank of Romania ensures the prudential supervision of the authorized electronic money institutions, Romanian legal persons, including for the electronic money issuance businessand of providing payment services pursued by their branches and agents.

(3) Paragraphs (1) and (2) do not imply the fact that the National Bank of Romania has competencies in the supervision of the business activities of the electronic money institution other than issuance of electronic money, provision of payment services and the activities mentioned at Article 21 (1) b).**

Article 62. - (1) The supervision of the electronic money institutions by the National Bank of Romania, in view of verifying the compliance with the requirements imposed by this chapter and the regulations issued in its implementation, must be proportional, adequate and adjusted to the risks to which electronic money institutions are exposed.

(2) The verifications at the registered office of entities provided for in paragraph (3) b) are performed by the staff of the National Bank of Romania empowered to this effect or by the financial auditors or experts appointed by the National Bank of Romania.

(3) In order to exercise the supervisory function, the National Bank of Romania is entitled to:

a) require the electronic money institution to supply any information necessary for the verification of the compliance with the requirements imposed by this chapter and the regulations issued in its implementation;

b) perform verifications at the registered office of the electronic money institution, Romanian legal person, of its branches and agents or of any entity to which it outsourced activities, inclusively distributors;

c) issue recommendations, directions and order measures;

d) suspend or withdraw the authorization.

(4) Electronic money institutions will allow the empowered staff of the National Bank of Romania and financial auditors and experts appointed by the National Bank of Romania to examine their registers, accounts and operations, supplying for this purpose all the documents and information concerning the management, internal control and operations of electronic money institutions, as they will solicit them.

(5) Electronic money institutions are obliged to transmit to the National Bank of Romania any information required by this one in view of the supervision.

(...)

Article 79. - (1) In order to exercise its supervisory function, the National Bank of Romania shall cooperate with the competent authorities of the host Member State or, where appropriate, of the Member State of origin, as concerns the business pursued by electronic money institutions, directly, through branches or agents, distributors, or as concerns other entities to which electronic money institutions have outsourced activities.

(2) For the purpose of implementing the provisions of paragraph (1), the National Bank of Romania shall:

a) inform the competent authorities in the host Member State whenever it intends to perform verifications at the registered office of the branch, agent or distributor of electronic money institutions

or of another entity to which electronic money institution has outsourced activities, located on the territory of the host Member State;

b) communicate to the competent authority in the host Member State or, where appropriate, in the Member State of origin, at request, all the relevant information and, on its own initiative, all the essential information, especially if it is found out or suspected that an agent, branch, distributor or another entity to which activities have been outsourced infringes the relevant legislation.

(3) The National Bank of Romania may delegate to the competent authority of the host Member State the task of performing verifications at the registered office of electronic money institutions, of their agents and distributors or of other entities to which electronic money institutions have outsourced activities, located on the territory of the host Member State.

Article 80 – (1) In the case of electronic money institutions from another Member State pursuing the business or which have outsourced activities in Romania, the National Bank of Romania shall cooperate with the competent authorities of the Member State of origin or of other Member States in which electronic money institutions have outsourced activities.

(2) In order to exercise the supervisory function, the competent authority in the Member State of origin of an electronic money institution may perform verifications on the territory of Romania at the registered office of electronic money institutions, of their agents or distributors or of any entities to which electronic money institutions have outsourced activities. The verification may be performed directly or through some third persons empowered for this purpose and by informing in advance the National Bank of Romania.

(3) The competent authority in the Member State of origin may require the National Bank of Romania to perform verifications at the registered office of the branches of electronic money institutions, of their agents or distributors or of any other entities to which electronic money institutions have outsourced activities, located on the territory of Romania, in which case the National Bank of Romania proceeds at the performance of these verifications, directly or through some third persons empowered for this purpose. The competent requesting authority may participate at the performance of that verification.

Article 81. – The provisions of Articles 79 and 80 do not affect the obligations of the competent authorities to supervise or control the compliance with the requirements established by the legislation in the field of preventing and fighting against money laundering and terrorism financing and by the Regulation (EC) No 1.781/2006 of the European Parliament and Council of 15 November 2006 with regard to the information on the payer that accompanies the fund transfers.

(…)

SECTION 10-Professional secrecy and information exchange

(…)

Article 83. - (1) The National Bank of Romania shall cooperate with the relevant authorities of other Member States with attributions concerning electronic money issuers, as well as with the European Central Bank and the central banks of other Member States.

(2) The National Bank of Romania may exchange information with:

a) the competent authorities of other Member States responsible for the authorization and supervision of electronic money institutions;

b) the European Central Bank and the national central banks of Member States, in their capacity as monetary and supervisory authorities and, if appropriate, with other public authorities responsible for the supervision of payment and settlement systems;

c) other relevant authorities appointed according to this law, to the legislation in the field of information and communication technology, of protection of personal data, to the legislation in the field of the prevention and fight against money laundering and terrorism financing or to other regulatory acts applicable to electronic money issuers.

(…)

This Law transposes the provisions of Article 1, Article 2 (1) – (3), Article 3 (1) and (3) – (5), Article 4, Article 5 (1) and (2) and (5) – (7), Article 6, Article 7 (1) and (3) – (4), Articles 8-13, Article 18 and Article 22 of the Directive 2009/110/EC of the European Parliament and of the Council of 16

September 2009 on the taking up, pursuit and prudential supervision of business of electronic money institutions amending Directives 2005/60/EC and 2006/48/EC and repealing Directive 2000/46/EC, published in the Official Journal of the European Union series L No 267 of 10 October 2009.

This law was adopted by the Parliament of Romania with the observance of the provisions of Articles 75 and 76 (1) of the Constitution of Romania, republished,

FOR THE CHAIRMAN OF THE CHAMBER OF DEPUTIES,
IOAN OLTEAN

CHAIRMAN OF THE SENATE
MIRCEA-DAN GEOANĂ

Bucharest, 20 June 2011.
No 127.

Annex no. 17 - Regulation no. 27 of 15/12/2009 amending Regulation No. 9/2008 on customer knowledge for the purpose of preventing money laundering and terrorism financing

National Bank of Romania

Regulation no. 27 of 15/12/2009 amending Regulation No. 9/2008 on customer knowledge for the purpose of preventing money laundering and terrorism financing

Having regard to the provisions of Article 8 (a) (b) of Article 8^1, 9^1, Article 17 (1) (a) and Article 22 (4^1) of Law No. 656/2002 on preventing and sanctioning money laundering, as well as for setting up measures for preventing and combating terrorism financing, as subsequently amended and supplemented, of Article 1 of Government Decision No. 594/2008 on the approval of the Regulation for the implementation of the provisions of Law No. 656/2002 on preventing and sanctioning money laundering, as well as for setting up measures for preventing and combating terrorism financing, as well as to the recommendations issued by Financial Action Task Force on Money Laundering,

under Article II (5) of Emergency Government Ordinance No. 53/2008 amending and completing Law No. 656/2002 on preventing and sanctioning money laundering, as well as for setting up measures for preventing and combating terrorism financing, and Article 48 of Law No. 312/2004 on the Statute of the National Bank of Romania,

the National Bank of Romania hereby issues this regulation.

Sole article. - Items (1) and (2) of Article 1 of Regulation No. 9/2008 of the National Bank of Romania on customer knowledge for the purpose of preventing money laundering and terrorism financing, published in the Official Gazette, Part I, No. 527 of 14 July 2008, as subsequently amended, shall be amended as follows:

"Article 1. - (1) This regulation shall apply to credit institutions that are Romanian legal persons, payment institutions that are Romanian legal persons and non-banking financial institutions that are Romanian legal persons registered in the Special Register of the National Bank of Romania and shall regulate the minimum standards for the elaboration by them of rules on customer knowledge as an essential part of managing the risk of money laundering and terrorism financing and aspects related to their implementation.

(2) This regulation shall apply accordingly, for the purposes laid down in Item (1), also to branches located in Romania of credit institutions that are foreign legal persons, to branches located in Romania of payment institutions that are foreign legal persons and to branches located in Romania of financial institutions that are foreign legal persons, registered in the Special Register of the National Bank of Romania."

The President of the Board of Directors of the National Bank of Romania,
Mugur Constantin Isărescu

Bucharest, 15 December 2009.
No. 27.

Annex no. 18 – Excerpt Regulation No. 7 of 6/07/2011 on amending, supplementing, and abrogation of various regulatory acts

National Bank of Romania

EXCERPT

Regulation No. 7 of 6/07/2011 on amending, supplementing, and abrogation of various regulatory acts

Having regard to the provisions of:
– Article 22 (1) and Article 36 (1) of Law No 127/2011 on the taking up of the electronic money issuance business;
– Article 8 (b), Article 17 (1) (a) and Article 22 (41) of Law No 656/2002 **on prevention and sanctioning of money laundering, as well as for setting up some measures for prevention and combating of terrorism financing** as subsequently amended and supplemented, and the recommendations issued by Financial Action Task Force on Money Laundering;
– Article 17 paragraphs (1) and (4) of Government Emergency Ordinance No 202/2008 on the implementation of international sanctions, approved with amendments by Law No 217/2009, as subsequently modified and supplemented, the recommendations of the Council of the European Union, in "The EU Best Practices for the effective implementation of restrictive measures" paper, the 2008 version, as well as the recommendations issued by Financial Action Task Force on Money Laundering in the document "The best international practices on the freezing of terrorist assets", the 2009 version;
– Article I points 1-3, 5, 6, 10, 12 and 38 of Government Emergency Ordinance No 26/2010 amending and supplementing Government Emergency Ordinance No 99/2006 on Credit Institutions and Capital Adequacy and other regulatory acts, approved with supplements by Law No 231/2010,

Under Article 61 (1) of Law No 127/2011 on the taking up of the electronic money issuance business,

under Article II (5) of Emergency Government Ordinance No 53/2008 amending and completing Law No 656/2002 **on prevention and sanctioning of money laundering, as well as for setting up some measures for prevention and combating of terrorism financing**, *as subsequently amended, Article 17 (6) and Article 18 (3) of Emergency Government Ordinance No 202/2008, approved with amendments by Law No 217/2009, as subsequently amended; Article II of Law No 217/2009, Article 107 (1) of Law No 127/2011 and Article 48 of Law No 312/2004 on the National Bank of Romania Act,*

The National Bank of Romania hereby issues this regulation.

(...)
Article II. – Paragraphs (1) and (2) of Article 1 of Regulation No 9/2008 of the National Bank of Romania on customer knowledge for the purpose of money laundering and terrorism financing prevention, published in the Official Gazette, Part I, No 527 of 14 July 2008, as subsequently amended, shall be amended as follows:

"Article 1 - (1) This regulation shall apply to credit institutions that are Romanian legal persons, to payment institutions that are Romanian legal persons, to electronic money institutions that are Romanian legal persons and to non-bank financial institutions that are Romanian legal persons enlisted in the Special Register of the National Bank of Romania and shall regulate the minimum standards for their elaboration of rules on customer knowledge, as an essential part of managing the risk of money laundering and terrorist financing, and aspects related to their implementation.

(2) This regulation shall apply accordingly, for the purposes laid down under paragraph (1), and to Romanian branches of credit institutions that are foreign legal persons, to Romanian branches of

payment institutions that are foreign legal persons, to Romanian branches of electronic money institutions that are foreign legal persons and to Romanian branches of financial institutions that are foreign legal persons enlisted in the Special Register of the National Bank of Romania."

Article III. – Paragraphs (1) and (2) of Article 1 of Regulation No 28/2009 on the supervision of the implementation of international sanctions of freezing of assets, published in the Official Gazette, Part I, No 891 of 18 December 2009, shall be amended as follows:

"Article 1 - (1) This regulation shall apply to credit institutions that are Romanian legal persons, to payment institutions that are Romanian legal persons, to electronic money institutions that are Romanian legal persons and to non-bank financial institutions that are Romanian legal persons enlisted in the Special Register of the National Bank of Romania and shall regulate the minimum standards on the implementation of international sanctions of freezing of assets, under the provisions of Government Emergency Ordinance No 202/2008 on the implementation of international sanctions, approved with amendments by Law No 217/2009, as subsequently amended and supplemented.

(2) This regulation shall apply accordingly, for the purposes laid down under paragraph (1), and to Romanian branches of credit institutions that are foreign legal persons, to Romanian branches of payment institutions that are foreign legal persons, to Romanian branches of electronic money institutions that are foreign legal persons and to Romanian branches of financial institutions that are foreign legal persons enlisted in the Special Register of the National Bank of Romania."

(...)

The Governor of the Board of Directors of the National Bank of Romania,
Mugur Constantin Isărescu

Bucharest, 6 July 2011.
No 7

Annex no. 19 - Regulation No. 9 From 03 July 2008 on know your customer on scope of prevention money laundering and terrorism financing

National Bank of Romania

Regulation No. 9
From 03 July 2008
on know your customer on scope of prevention money laundering and terrorism financing

With all the modifications and completions brought to the normative act by:
Regulation no. 7/06.07.2011 published in the Official Gazette no. 510/19.07.2011
Regulation no. 27/15.12.2009 published in the Official Gazette no. 892/21.12.2009
Regulation no. 16/17.09.2009 published in the Official Gazette no. 626/21.09.2009

Having regard the provisions of the art. 8 letter a) and b), art. 8^1 , art. 17 Para. 1 letter a) and art. 22 Para. 4^1 from the Law no. 656/2002 for prevention and sanctioning money laundering and for instituting measures of prevention and combating terrorism financing, as amended and completed, of the art. 1 from the Government Decision no. 594/2008 for approval of the Regulation for applying the provisions of the Law no. 656/2002 for prevention and sanctioning money laundering and for instituting measures of prevention and combating terrorism financing and also the recommendations issued by the FATF on Money Laundering,

Based on the provisions of the art. II Para. 5 from the Government Emergency Ordinance no. 53/2008 am amending and completion of the Law no. 656/2002 for prevention and sanctioning money laundering and for instituting measures of prevention and combating terrorism financing, as amended and completed and of the art. 48 from the Law no. 312/2004 on National Bank of Romania statute,

National Bank of Romania issues the following regulation.

Chapter I
General provisions

Art. 1 *- (1) This Regulation applies to credit institutions Romanian legal entities, Romanian legal entities for payment institutions, institutions who issue electronic money, Romanian legal entities and non-banking financial institutions Romanian legal entities entered in the Special Register kept by the National Bank of Romania and regulates the minimum standards for drawing up the norms for customer due diligence as an essential part of the risk's management of money laundering and terrorist financing and aspects for their implementation.*
(2) This Regulation shall apply accordingly, in accordance with the provisions of para. (1), also to the branches of credit institutions in Romania of foreign legal entities, branches in Romania of foreign corporate payment institutions, branches in Romania of institutions who issue electronic money and branches of foreign legal entities in Romania of foreign financial institutions legal entities registered in the special register kept by the National Bank of Romania.
(3) In scope of the present regulation, the entities provided at the Para (1) and (2) are known below as institutions.
Art. 2 – Terms and expressions used during this regulations has the meaning provided within the Law no. 656/2002 for prevention and sanctioning money laundering and for instituting measures of prevention and combating terrorism financing, as amended and completed and also within Regulation for application of the provisions of the Law no. 656/2002 for prevention and sanctioning money laundering and for instituting measures of prevention and combating terrorism financing, approved by the Government Decision no. 594/2008.

Chapter II
Provisions on know your customer norms

Art. 3 – In scope of ensuring developing the activity according to the provisions of the Law no. 656/2002, as amended and completed, of the Government Decision no. 594/2008 and of the present Regulation, institutions must adopt internal norms on know your customer which must prevent misusing the institution in scope of developing some activities which has as scope money laundering or terrorism financing.
Art. 4 – Know your customer norms, elaborated by each institution, must correspond to the nature, volume, complexity and development of the institutions activity and must be adapted to the level of risk associated to the category of clients for which the institutions develops financial – banking services and to the level of risk of the offered products / services.
Art. 5 – (1) Institutions establishes through know your customer norms, mechanisms and measures which must be implemented for respecting the provisions of the Law no. 656/2002, as amended and completed, of the Government Decision no. 594/2008 and of the present Regulation, thus being the possibility to prove to the National Bank of Romania that the institution administrates in an efficient way the risk of money laundering and terrorism financing.
(2) In scope of Para. (1), know your customer norms must include at least the following elements:
a) an acceptance policy for the client, through which should be established at least the categories of clients on which the institutions propose itself to attract them, the gradual procedures of acceptance and the hierarchic level of approval the acceptance of the clients, depending on the level of risk associated to the category in which are framed, type of products and services which can be supplied to each category of clients;
b) identification and permanent monitoring procedures for framing the clients in the corresponding category of clients, respectively for passing from a category into another;
c) content of the standard measures, simplified due diligence and strength due diligence measures on know your customer for each of the categories of clients and products or transactions under these measures;
d) procedures on permanent monitoring of the transactions performed by the clients in scope of detection of unusual transactions and suspicious transactions;
e) way of approaching of transactions and clients in and/or from jurisdictions which are impose application of procedures on know your customer and keeping the evidences referring to these, equivalent with the ones provided in the Law no. 656/2002 as amended and completed and in Government Decision no. 594/2008 and in which their application is not supervised in a equivalent manner with the ones regulated through the legislation provided;
f) modalities of concluding and keeping the evidences and also establishing the access at these;
g) procedures and measures for checking the way of implementing the norms elaborated and for evaluation of their efficiency, including through external audit;
h) standards for employing and training program for personnel in the area of know your customer;
i) internal reporting procedures and also reporting to competent authorities.

Art. 6 – (1) Know your customer norms must be approved at the level of leading structures of the institution and revised every time is necessary, but at least annually.
(2) Know your customer norms must be known by the entire personnel with attri9butions in the area in scope of prevention money laundering and terrorism financing.
Art. 7 – Know your customer norms will be submitted to the National Bank of Romania – Supervision Directorate, within 5 days from their approval, or their amending by the competent bodies.

Chapter III
Provisions on standard know your customer measures

Art. 8 - (1) The identification of individual customers is considering getting at least the following information:

a) name and surname, and, if it is the case, the alias;
b) date and place of birth;
c) personal identification number or, if case, other identification element similar with first;
d) address, and if it is case, residence;
e) phone number, fax, electronic postal address;
f) citizenship;

g) position and, by case, name of the employee or nature of its own activity;
h) held important public function, for customers who are resident abroad, if it is applicable;
i) name of the real beneficiary, if it is applicable.

(2) Verification of the identity of the client is performed based on the documents from the category of the ones which are to falsify them or to be obtained on licit way under a false name, as are identification documents, issued by an official authority, which must includes of photo of the owner.
(3) Verification of information provided at the Para (1), which cannot be proved with documents provided at the Para (2), will be performed through any corresponding means, as for example, through direct observation of the location at the pointed address, through exchange of correspondence and/or accessing of the phone number supplied by the client, through verification of the supplied information by the client, with the ones mentioned on various invoices issued for payment by the client, fiscal fiches of account balances or through accessing public information.
(4) In case in which a client is represented in relation with institution, by other person, who acts as mandated, curator or tutor or in any other quality, institution must obtain and check information and respectively documents as regard identity of the representative, and also, by cases, the documents which are referring to the nature and limits of the mandate.
Art. 9 – (1) Identification of the clients, legal persons, with or without legal personality, having regard obtaining of the least following information:

a) name;
b) legal form;
c) social headquarter or, if it is the case, the headquarter in which is leading structure of the client and managements of the statutory activity;
d) phone and fax number, electronic postal address, by case;
e) type and nature of the developed activity;
f) identity of the persons, which, according to the constitutive acts and/or decisions of the statutory bodies, are mandated with leading competence and with competence to represent the entity, and also, their powers to engage the entity;
g) name of the beneficial owner or, in case provided at the art. 2^2 para (2) letter b) point 2 from the Law no. 656/2002, as amended and completed, information about the group of persons which constitute the beneficial owner;
h) Identity of the persons who acts in the name of the client, and also information for establishing if this is authorized / mandated on this regard.

(2) Institutions has the obligation to check the legal existence of the entity, meaning, if this is registered within commerce registry or, by case, in another public registry, and also the information and documents related to identity of the person who acts in the name of the client and the ones related(to the nature and limits of mandate.
(3) Verification of information supplied by the client will be performed through any means, thus the institution to be ensure itself about the reality of these information, as for example, through obtaining from the client, or from a public registry or from both sources, of the documents which are the base of registration of these and of a current extras from that register, through obtaining of a copy of the last financial situation which was audited, through consultation of some specialized public sources or lawyer offices or audit companies, through direct observation of the location at the pointed address, through exchange of correspondence and/or accessing the phone number supplied by the client, through obtaining the reference from another institution.
(4) In case of absence of a registration request, verification of the information provided at the Para (1) will be performed based on documents of constitution and, by case, of functioning authorization and/or reports of audit, and also, by any other methods of the same nature as the ones provide at the Para (3).
Art. 10 – Identification procedure of client, and verification of his identity, established in accordance with the provisions of the art. 8 and 9 are accordingly applied in scope of detecting beneficial owner and for risk based approach verification of his identity.

Chapter IV
Provisions on strength due diligence measures on know your customer

Art. 11 – In the application of the provisions of art. 12^1 para. (2) of the Law no. 656/2002, with subsequent modifications and completions, the institutions shall establish the clients' category and the transactions which represent a potential higher risk, based on the risks indicators which can take into account, as the actives or incomes volume, types of the requested services, the type of the activities performed by the client, the economic circumstances, the origin country reputation, plausible justifications offered by the client, established value level on transactions' categories.

Art. 12 – The institutions shall pay a special attention to the clients and transactions in and/or from jurisdictions which do not impose customer due diligence measures and keeping of the records related to this, equivalent to those stipulated in the Law no. 656/2002, with subsequent modifications and completions, in Government Decision no. 594/2008 and in the present Regulation, and to which theirs application is not supervised into an equivalent manner to the above mentioned legislation.

Art. 13 – the credit institutions which offers personalized banking services, named in the international level as ***private banking,*** must show an enhanced vigilance regarding the client's category to which are offered such services.

Art. 14 – In case of the un-nominative accounts for which, in order to unsure a high level of confidentiality, the identity of the client, which is known to the credit institution, is replaced in the subsequently documentation through a numeric other type code, the documentation related to the identity of the client must be available to the compliance officer and to the designated persons in accordance with the provisions of art. 14 of the Law no. 656/2002, with subsequent modifications and completions, as well to the supervisory authority.

Art. 15 – In the category of the relations with persons which are not physically present to the performing of the operations are included the relationships started by correspondence or using the telecommunication modalities – phone, electronic mail, Internet, as well any other relations initiated using the technologies which allow the accessing of the services outside of the headquarters of the institutions.

Art. 16 – For the clients and transactions with a potential higher risk established in accordance with the provisions of art. 11 - 14, additionally to the standard customer due diligence, the institutions shall establish supplementary measures of customer due-diligence, which can include:

a) approval at a hierarchically superior level of the starting or continuing of the business relations with such type of clients and/or for carrying out these transactions;

b) requesting to first transaction to be realized through an account opened with a credit institution liable to the some request of prevention and combating money laundering and terrorism financing, equivalents to the standards imposed by Law no., with subsequent modifications and completions and of the Government Decision no. 594/2008;

c) enhanced permanent supervision of the business relation;

d) adopting adequate measures for establishing/verifying the source of the funds;

e) implementing adequate IT systems for information administration, which should allow in due time the providing of the necessary information in order to effective identify, analyze and monitor this type of transactions. The implemented IT systems must underline at least the lack or the insufficiency of the adequate documentation at the beginning of the relationship, unusual transactions performed through the client's account and the aggregated situation with all the operations of the client with institution;

f) the necessity of the responsible persons with the coordination of the activity of selling and administration of the services for the respective clients to know about their personal circumstances and to pay a special attention to the information obtained from third parties, in relation with these persons;

g) the approval to a hierarchically superior level of the transactions which exceed a pre-established value level.

Cap. V
Dispositions regarding the simplified customer due diligence

Art. 17 - (1) The simplified customer due diligence are established by the institutions based on risk approach, in this way to allow them to respect the all provisions of the Law no. 656/2002, with subsequent modifications and completions, of Government Decision no. 594/2008 and of the present Regulation.

(2) The simplified customer due diligence shall include the obtaining of sufficient information on the client, which shall ensure to the institution the legality of include the clients in the low risk ML/FT category of clients in accordance with the legislation, monitoring of the operations performed by these clients in order to detect the suspect transactions and to establish procedures which shall allow the updating and the adequacy of the information related to the clients, in this way the institution shall ensure that they are maintain in this client's category.

Cap. VI
Procedural dispositions

Art. 18 - (1) For all the transactions, regardless the risk category, the institutions shall have in place systems for detecting the unusual transactions from the point of view of the complexity or their inclusion in the usual patterns, including theirs volume or theirs frequency.

(2) The systems for detection provided for in para. (1) can be conceived by establish some parameters or typologies inside there are the custom transactions, such as: value limits on client's category, product or transaction, transactions' categories performed in the relations with different type of clients, and in case of the legal person and other entities, the activity object.

Art. 19 – The institutions shall evaluate the new products and services from the perspective of the risk to money laundering and terrorism financing associate to those.

Art. 20 – In case of the existent clients which are passing to a higher level of risk category, in order to continuing the business relations necessary the application of all measures for customer due diligence established for the category in which shall be included the respective clients.

Art. 21 – The institutions provide to the National Bank of Romania, on request, reports related to the clients and theirs performed operations; including any analyze carried out by the institutions in order to detect the unusual or suspect transactions or in order to measure the risk associated to a transaction or to a client.

Art. 22 - (1) In applying the provisions of the art. 13 para. (1) of the Law no. 656/2002, with subsequent modifications and completions, the institutions has the obligations to keep at least copies of the identification documents of the clients which are natural person and copies of the establishment documents for the clients which are legal person or entities without legal personality, i.e. constitutive act and the license or registering certificate.

(2) The institution has the obligation to the express request of the National Bank of Romania or other authorities in accordance with legal provisions to keep, into an adequate form which can be used as evidences in justice, the client's identification data, the secondary or operative evidences and the registrations of all the financial operations carried out into a business relation, for a period which shall exceed 5 years from the conclusion of the business relation with the client. The request of the authority shall indicate, clearly, the transactions and/or clients, as well as the supplementary period for which has the obligation to keep the information and the necessary documents.

Art. 23 – The institutions shall ensure the access of the personnel with responsibilities in the field of customer due diligence in the prevention of money laundering and terrorism financing, including of the designated persons in accordance with the provisions of art. 14 para. (1) of the Law no. 656/2002, with subsequent modifications and completions, as well as to the external auditor, of National Bank of Romania or of other authorities in accordance with the provisions of the law, to all the evidences and documents related to the clients and the operations performed for them, including any analyses performed by the institution for detecting the unusual or suspect transactions or for determining the level of the associated risk to a transaction or a client, by putting at the their disposal the necessary documents/information in due time.

Art. 24 - (1) The institutions shall impose higher standards on the employment of the personnel, including related to the reputation and honor and to check the information put at their disposal by the candidate persons.

(2) The institutions shall ensure the continuing training of the personnel, thuds the persons with the responsibilities in the field of due diligence and with the purpose of prevention money laundering and terrorism financing shall be prepared adequately. The training program shall include information related to the requirements established by the legislation in this field, as well as distinctive practical aspects, specially for allowing the personnel the recognizing of the suspicious transactions connected to money laundering or terrorism financing, as well as undertaking the adequate measures. The

personnel shall be trained and periodically verified in order to ensure the fact that he knows its responsibilities and in order to be informed with the novelties in these fields.

Cap. VII
Supervisory measures and sanctions

Art. 25 – In order to be removed the findings and theirs causes, the National Bank of Romania can dispose the following measures:

a) requesting the modification of the know your customer norms provided for in Chapter II;

b) imposing the application of the standard customer due diligence measures for products, operations and/or clients in which cases the internal norms of the institutions establish the application of simplified and/or imposing the application of the obligation for applying the supplementary measures for operations or clients in which cases the internal norms of the institutions establishes the application of the standard customer due diligence measures;

c) requesting the replacement of the responsible persons for the findings deficiencies.

Art. 26 - (1) The infringements of the provisions of the present Regulation and noncompliance to the measures disposed by the National Bank of Romania represent infringement and it is sanctioned with fines provided for in art. 22 para. (2) last thesis of the Law no. 656/2002, with subsequent modifications and completions.

(2) The provisions of art. 22 para. (3) - (5) of the Law no. 656/2002, with subsequent modifications and completions are applied accordingly.

(3) The measures provided in art. 25 can be applied separately or simultaneously with the sanctions provided for in para (1) and (2).

Cap. VIII
Transitory provisions

Art. 27 – The institutions which are function on the date of entering into force of the present Regulation shall submit to the National Bank of Romania – the Supervisory Directorate the Internal Norms for Customer Due Diligence provided for in Chapter II in 90 days from the entering into force of the present Regulation.

Art. 28 – The institutions shall apply the customer due diligence measures provided for in Law no. 656/2002, with subsequent modifications and completions, in Government Decision no. 594/2008 and this Regulation to all the existent clients, as soon as possible, on risk based approach, but no later than 18 months from the approval of the management of the institutions of the norms on customer due diligence, issued in accordance with Chapter II of the present Regulation.

Cap. IX
The final provisions

Art. 29 – On date of entering into force of the present Regulation the Norm of the National Bank of Romania no. 3/2002 on know your customer standards, published in the Official Gazette, Part I, no. 154/ 4 March 2002, with subsequent modifications and completions shall be repealed and also shall be repealed the Regulation of the National Bank of Romania no. 8/2006 on know your customer standards for non-banking financial institutions, published in the Official Gazette, Part I, no. 941/ 21 November 2006.

The President of the Board of Directors of National Bank of Romania,
Mugur Constantin Isărescu

Annex no. 20 - Regulation No. 28 of 15/12/2009 on the supervision of the implementation of international sanctions of freezing of assets

National Bank of Romania

Regulation No. 28 of 15/12/2009 on the supervision of the implementation of international sanctions of freezing of assets

Having regard to the provisions of Article 5 (1), Article 15 (2), Article 17 (1) and (4), and Article 18 of Government Emergency Ordinance No 202/2008 on the implementation of international sanctions, approved with amendments by Law No 217/2009, of Article 17 (1) of Law No 656/2002 on prevention and sanctioning of money laundering, as well as for setting up some measures for prevention and combating of terrorism financing, as subsequently amended and supplemented, of Article 4 (1) of Government Emergency Ordinance No 99/2006 on Credit Institutions and Capital Adequacy, approved with amendments and supplements by Law No 227/2007, as subsequently amended and supplemented, of Article 62 of Government Emergency Ordinance No 113/2009 on payment services, of Article 44 of Law No 93//2009 on non-bank financial institutions, the recommendations of the Council of the European Union, drawn up in "The EU Best Practices for the effective implementation of restrictive measures" paper, the 2008 version, as well as the recommendations issued by Financial Action Task Force on Money Laundering in the document "The best international practices on the freezing of terrorist assets", the 2009 version,

under Article 17 (6) and Article 18 (3) of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009, Article II of Law No 217/2009 and Article 48 of Law No 312/2004 on the National Bank of Romania Act,

The National Bank of Romania hereby issues this regulation.

CHAPTER I-General provisions

Article 1. - (1) This regulation shall apply to credit institutions that are Romanian legal persons, to payment institutions that are Romanian legal persons and to non-bank financial institutions that are Romanian legal persons enlisted in the Special Register of the National Bank of Romania, and shall regulate the minimum standards on the implementation of international sanctions of freezing of assets, under the provisions of Government Emergency Ordinance No 202/2008 on the implementation of international sanctions, approved with amendments by Law No 217/2009.

(2) This regulation shall apply accordingly, for the purposes laid down under paragraph (1), and to Romanian branches of credit institutions that are foreign legal persons, to Romanian branches of payment institutions that are foreign legal persons and to Romanian branches of financial institutions that are foreign legal persons enlisted in the Special Register of the National Bank of Romania.

(3) For the purposes of this regulation, the entities provided for in paragraphs (1) and (2) are hereinafter called "the institutions".

Amended by Article 3 of Regulation No 7 of 6/07/2011 on 19/07/2011.

Article 2. - The terms and phrases used throughout this regulation shall have the meaning defined in Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009.

CHAPTER II-Provisions on the implementation of international sanctions of freezing of assets

Article 3. - In order to ensure that the activity is carried out according to the requirements of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009, the institutions shall adopt internal rules for the implementation of international sanctions of freezing of assets.

Article 4. - The internal rules for the implementation of international sanctions of freezing of assets shall include at least the following elements:

(a) procedures for identifying the designated persons or entities and the transactions involving assets, within the meaning of Emergency Government Ordinance No 202/2008, approved with amendments by Law No 217/2009, applicable to potential customers and to applicants for occasional transactions;

(b) a policy concerning customer acceptance and the regime of occasional transactions for the designated persons or entities or for the persons and entities that request the performance of transactions involving assets, within the meaning of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009;

(c) procedures for identifying the designated persons or entities and the transactions involving assets, within the meaning of Emergency Government Ordinance No 202/2008, approved with amendments by Law No 217/2009, applicable to existing customers, in the context of the amendment and/or the completion of the regimes of international sanctions of freezing of assets;

(d) the regime for the customers identified as designated persons or entities, applicable from the date on which they are no longer subject to international sanctions of freezing of assets, and the regime applicable to persons or entities that requested the performance of transactions involving assets, within the meaning of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009;

(e) methods of keeping the records of the designated persons or entities and the persons or entities that requested the performance of transactions involving assets, within the meaning of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009;

(f) providing the access to the records of the institution to the persons in charge, in order to review the transactions performed with persons or entities identified as designated persons or entities;

(g) the competencies of the persons responsible with the implementation of the internal rules in order to enforce the international sanctions of freezing of assets, in compliance with Article 6;

(h) reporting procedures, internally and to the competent authorities.

Article 5. - (1) Internal rules laid down in Article 3 shall be approved by the management bodies of the institution and shall be subject to review whenever necessary.

(2) The internal rules for the enforcement of international sanctions of freezing of assets must be known by all members of the staff with responsibilities in the field.

(3) The internal rules for the enforcement of international sanctions of freezing of assets shall be sent to the National Bank of Romania – the Supervision Department – within 5 days from their approval and their amendment, respectively, by the competent bodies.

Article 6. - (1) The institutions shall appoint one or more persons in charge with coordinating the implementation of the internal rules designed for the enforcement of international sanctions of freezing of assets, including the constant updating of the information held by the institution on the regimes in force for international sanctions of freezing of assets, the management of the notifications received from the National Bank of Romania – the Supervision Department – on updating the information published on the website of the Central Bank, according to Article 5 (1) of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009, and the fulfilment of reporting obligations.

(2) The name and the function of the persons referred to in paragraph (1) shall be communicated to the National Bank of Romania – the Supervision Department – within 5 days from their appointment.

Article 7. - In order to identify the designated persons or entities, the institutions shall use the data, including the data on the real beneficiary, obtained by applying the measures for customer knowledge laid down by the internal rules drawn up for the prevention of money laundering and terrorist financing.

Article 8. - For the cases where the internal rules developed for preventing money laundering and terrorist financing do not provide for the application of measures for customer knowledge, the institutions shall apply the procedures laid down by the internal rules for the enforcement of international sanctions of freezing of assets provided for in Article 3.

Article 9. - Reports to the National Bank of Romania shall be sent to the Supervision Department, both in electronic and paper formats, by using the unitary reporting model, elaborated according to the provisions of Article 18 of Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009, and approved by order of the Governor.

Article 10. - The institutions shall provide to the National Bank of Romania – the Supervision Department – on request, any additional relevant data and information, according to the received request.

CHAPTER III -Supervision measures and sanctions

Article 11. - In the process of supervising the enforcement of international sanctions of freezing of assets, the National Bank of Romania can order the following specific measures:

(a) request for amending the internal rules for the enforcement of international sanctions of freezing of assets, according to Article 3;

(b) request for correcting the inadequacies identified.

Article 12. - **(1)** The breach of the provisions of this regulation and the failure to comply with the measures ordered by the National Bank of Romania shall be sanctioned according to Article 57 of Law No 312/2004 on the National Bank of Romania Act.

(2) The measures laid down in Article 11 can be applied separately or together with the sanctions provided for in paragraph (1).

CHAPTER IV -Transitional provisions

Article 13. - Without prejudice to the compliance of the obligations incumbent on them under Government Emergency Ordinance No 202/2008, approved with amendments by Law No 217/2009, the institutions operating on the date of the entry into force of this regulation shall ensure that the internal rules for the enforcement of international sanctions of freezing of assets laid down in Article 3, as well as the information on the persons referred to in Article 6, are sent to the National bank of Romania – the Supervision Department – within 180 days, at the latest, from the date of the entry into force of this regulation.

The Governor of the Board of Directors
of the National Bank of Romania,
Mugur Constantin Isărescu

Bucharest, 15 December 2009.
No 28.

Annex no. 21 - Order no. 24/2008 of 22/12/2008 to apply the Regulations concerning the prevention and control of money laundering and terrorism financing through the insurance market

Insurance Supervision Commission

Order no. 24/2008 of 22/12/2008 to apply the Regulations concerning the prevention and control of money laundering and terrorism financing through the insurance market

Published in the Official Gazette, Part I no. 12 of 07/01/2009
This document entered into force as at 07 January 2009

Note:
It contains the changes to the initial document, including the provisions of Insurance Supervisory Commission ' Order no.5/2011 for amending and completion of Order no.24/2008 (published in the "Official Gazette of Romania" no.185 of 16/03/2011)

Having regard to the provisions laid down in art. 4 paragraph (26) and (27) of Law no. 32/2000 on insurance undertakings and insurance supervision, with subsequent amendments and completions,
whereas the Decision issued by the Insurance Supervisory Commission Council on 16 December 2008 adopted the Regulations concerning the prevention and control of money laundering and terrorism financing though the insurance market,

the President of the Insurance Supervisory Commission hereby issues the following order:

Art. 1. – The Regulations concerning the prevention and control of money laundering and terrorism financing through the insurance market, included in the annex which shall be an integral part of this order shall be applied.
Art. 2. – As of the date when this order enters into force, the Regulations concerning the prevention and control of money laudenring and terrorism financing through the insurance market approved by Order no. 3.128/2005 of the President of the Insurance Supervisory Commission, published in the Official Gazette of Romania, Part I, no. 1.165 of 22 December 2005 shall be repealed.
Art. 3. – The specialised departments of the Insurance Supervisory Commission shall ensure application of the provisions of this order.

President of the Insurance Supervisory Commission,
Angela Toncescu

Bucharest, 22 December 2008.
No. 24.

ANNEX

Norm of 22/12/2008 concerning the prevention and control of money laundering and terrorism financing through the insurance market

Published in the Official Gazette of Romania, Part I no. 12 of 07/01/2009
Note:
It contains the changes to the initial document, including the provisions of Insurance Supervisory Commission ' Order no.5/2011 for amending and completion of Order no.24/2008 (published in the "Official Gazette of Romania" no.185 of 16/03/2011)

CHAPTER I
General provisions

Art. 1. – The present Regulations govern the prevention and control of money laundering and terrorism financing through the insurance market.

Art. 2. – Insurance undertakings, reinsurance undertakings, Romanian legal person insurance and/or reinsurance brokers, as well as the branches in Romania of insurance undertakings, reinsurance undertakings and insurance/reinsurance intermediaries based in the European Economic Area, hereinafter referred to as entities shall be subject to the provisions of the present Regulations.

Art. 3. - (1) For the purposes of these Regulations, the terms and expressions below shall have the following meanings:

a) money laundering – notion defined under art. 2 point a) of Law no. 656/2002 for the prevention and control of money laundering and terrorism financing, with amendments and completions;

b) terrorism financing – crime defined under art. 36 of Law no. 535/2004 on the prevention and control of terrorism;

c) suspicious transaction – operation with no apparent economic or legal purpose and which by its nature and/or unusual character by comparison with the usual operations conducted by the client of one of the entities referred to under art. 2 raises suspicions of money laundering or terrorism financing;

d) external transfers in and from accounts – cross-border transfers, as defined in the relevant national regulations, as well as payments and collections performed by residents and non-residents on the territory of Romania;

e) client – natural or legal person policyholder/potential policyholder/party to the contract or insurance/reinsurance contract beneficiary;

f) CSA – Insurance Supervisory Commission;

g) Office – the National Office for the Prevention and Control of Money Laundering;

h) politically exposed persons – natural persons who hold or held high level public positions, members of their families, as well as persons publicly known as persons with close links with the natural persons who hold high level public positions. This definition shall be supplemented with the provisions of art. I point. 3, art. 2^1 of Government Emergency Ordinance no. 53/2008 to amend and supplemented Law no. 656/2002 on the prevention and control of money laundering and terrorism financing;

i) beneficial owner – any natural person who holds or ultimately controls the client and/or the natural person in whose name or in whose behalf a transaction or operation is directly or indirectly performed. This definition shall be supplemented with the provisions of art. I point 3, art. 2^2 of Government Emergency Ordinance no. 53/2008;

j) business relationship – the business or commercial relationship associated with the business conducted by the entities and which are deemed to be relationships of certain duration at the time of inception.

(2) The terms and expressions above shall be supplemented with the provisions laid down in the relevant legislation concerning the prevention and control of money laundering and terrorism financing.

Art. 4. - (1) CSA shall supervise and control the entities referred to under art. 2 in order to ensure that the said entities shall apply and observe the legal provisions in force concerning the identification, verification and recording of clients and transactions, the reporting of suspicious transactions, cash transactions and external transactions, as well as the preparation and implementation of procedures to observe all the aforementioned requirements as well as the training of the personnel in this respect.

(2) CSA shall be entitled to verify the internal procedures/Regulations concerning the prevention and control of money laundering and terrorism financing issued by the entities.

(3) CSA shall be entitled to request the amendment of the internal procedures/Regulations issued by the entities when these are not in line with the prudential requirements laid down in these Regulations.

(4) CSA shall be entitled to monitor the financial instruments operations conducted by the entities to the purpose of identifying suspicious transactions.

(5) CSA shall immediately inform the Office when the data received raise suspicions of money laundering, terrorism financing or infringements of the provisions laid down in Law no. 656/2002, with subsequent amendments and completions.

(6) In the supervision and control process, CSA may request any relevant information or documents.

Paragraph (1) was amended by section 1 of the Order no.5/2011 starting with 16.03.2011.

CHAPTER II
Obligations pertaining to the entities

Art. 5. - (1) Entities shall develop and implement adequate policies, procedures and mechanisms for due diligence purposes, as well as in order to report, keep records, ensure adequate internal control, assess and manage risks, and to prevent their involvement in operations which raise suspicions of money laundering and terrorism financing, at the same time ensuring the adequate training of its own personnel as well as of the personnel which provides services on a contract basis.

(2) Mechanisms as well as implementation measures shall allow the identification of the categories of clients, products and services, of operations and transactions which entail potential higher risks, on the basis of certain risk indicators.

(3) Entities shall prepare their own risk-based review procedures and shall subsequently classify clients into at least 3 classes of risk.

(4) For existing clients, this classification shall be performed within 18 months as of the date when these Regulations become effective.

(5) Entities shall apply the standard due diligence procedure to all new clients.

(6) The risk profile of clients, products and services provided, as well as of operations and transactions shall be established based on the data obtained in the identification process, as well as by ongoing supervision of the business relationships.

(7) Entities shall issue a written procedure concerning the process of accepting new clients.

(8) Entities shall establish, verify and record the identity of clients and beneficial owners before entering into any business relationship or performing any transactions in the name of the client/beneficial owner.

(9) Internal policies and procedures shall be applied at the other operating offices of the entities, including those based in the European Economic Area or in non-member states as well as at the headquarters and other operating offices of legal person insurance agents.

(10) Internal procedures shall be submitted to CSA by electronic means, i.e. CD, within 90 days as of the date when these Regulations become effective and subsequently, within 10 days as of the date of relevant amendment.

Art. 6. - (1) Entities shall appoint one or several persons among their own personnel who shall have responsibilities in the application and observance of the legal provisions in force concerning money laundering and terrorism financing.

(2) The persons appointed following the entry into force of these Regulations shall be adequately trained in the field of the prevention and control of money laundering and terrorism financing.

(3) The persons referred to under paragraph (1) shall have direct and permanent access to the management of the relevant entity as well as to all relevant records prepared in line with the provisions laid down in these Regulations and in the relevant legislation.

(4) The names, position and responsibilities of the persons appointed under paragraph (1) shall be communicated to the Office and CSA within 30 days as of the date when these Regulations become effective.

(5) Entities shall notify the Office and CSA with respect to the replacement of the persons referred to in paragraph (1) within 10 days as of the date of the relevant change.

(6) The persons appointed under paragraph (1) shall be liable for the carrying out of the duties set out in these Regulations and in the relevant legislation concerning the prevention and control of money laundering and terrorism financing.

Art. 7. - (1) Entities shall ensure the training of their own personnel as well as of the personnel which provide services on a contract basis with respect to the prevention and control of money laundering and terrorism financing.

(2) Training programmes shall ensure that the relevant persons:

a) are aware of the laws, rules, regulations and procedures concerning the prevention and control of money laundering and terrorism financing;

b) are competent enough to review in an adequate manner all transactions to the purpose of identifying money laundering and terrorism financing operations;

c) are fully aware of reporting requirements.

(3) Entities shall communicate to all the persons referred to in paragraph (1) the procedure concerning the prevention and control of money laundering and terrorism financing.

Art. 8. – Entities shall implement screening procedures to the purpose of ensuring high standards for their own personnel and for the natural/legal persons empowered to act on their behalf, when appropriate.

CHAPTER III
Standard due diligence measures

Art. 9. - (1) In the performance of their duties, entities shall take adequate measures to prevent and control money laundering and terrorism financing and to this purpose to apply risk-based standard, simplified or enhanced due diligence measures which shall allow the identification of clients or, where applicable, of beneficial owners.

(2) When suspicions arise with respect to clients in the course of conducting business, entities shall reclassify clients to another risk category.

(3) Entities shall ensure that all standard due diligence measures are applied in other operating offices, including those based in the European Economic Area or in non-member states, as well as at headquarters and other operating offices of legal person insurance agents.

Paragraph (1) was amended by section 2 of the Order no.5/2011 starting with 16.03.2011

Art. 10. - (1) Entities shall apply all standard due diligence measures in the following situations:

a) upon inception of a business relationship;

b) upon performance of one-off transactions which amount to at least 15,000 euro or the RON equivalent, irrespective whether the transactions are conducted as single operations or through several operations which seem linked;

c) when suspicions arise with respect to the fact that the relevant operations have as purpose money laundering or terrorism financing, irrespective of the value of the operations or of the exemptions from the application of standard due diligence measures which may apply;

d) when doubts arise with respect to the accuracy or adequacy of the identification data already obtained; when suspicions arise with respect to the fact that the client does not act in his own name or the client is certain to act in the name of another person, entities shall apply standard due diligence measures in order to obtain information concerning the true identity of the person in whose name or in whose behalf the client acts.

(2) Entities shall revise the information concerning the identity of the client whenever suspicions arise in the course of business.

Art. 11. - *Repealed by section 3 of the Order no.5/2011 starting with 16.03.2011*

(2) Entities shall implement mechanisms and measures to monitor business relationships on an ongoing basis, including: the review of transactions concluded in the course of the business relationship to ensure that such transactions are in line with the information provided by the client, the operations and the risk profile, the analysis of the sources of funds and the permanent updating of documents, data and information, when appropriate.

(3) When the identification of clients in accordance with the provisions laid down in these Regulations is not feasible, entities shall not initiate operations, conduct transactions or shall prohibit any operations or shall terminate business relationships and report such termination to the Office and CSA.

(4) An entity may refuse to conduct operations with clients when suspicions arise in respect of money laundering or terrorism financing.

Art. 12. - (1) The identification data with respect to the client shall be verified, updated or completed, as appropriate, in the case of transactions which involve an amount which is the lei equivalent of minimum 15,000 euro, irrespective whether such transactions are conducted in a single operations or through several operations which seem linked.

(2) Under art. 3 paragraph (1) and art. 9 paragraph (3) of Law no. 656/2002, with subsequent amendments and completions, when relevant information points out to money laundering or terrorism financing operations, clients shall be identified and reported, even in cases when the value of the relevant operation is less than 15,000 euro.

(3) Entities shall verify whether the persons who conclude insurance policies and the beneficiaries of such insurance policies are present on the list of suspicious persons defined by Government Decision no. 784/2004 to approve the List of natural and legal persons who are under suspicion of conducting money laundering operations and by Government Decision no. 1.272/2005 to approve the list of natural and legal persons who are under suspicion of conducting financing operations.

Art. 13. - *Repealed by section 4 of the Order no.5/2011 starting with 16.03.2011*

Art. 14. - (1) Entities shall obtain with the following information, which shall be provided by natural person clients under signature:

a) family name and first names as well as any other names used (e.g. pseudonym);

Letter a) was amended by section 5 of the Order no.5/2011 starting with 16.03.2011

b) date and place of birth;
c) personal numeric code or the equivalent in the case of foreign natural persons;
d) number and series of the identity document;
e) the date when the identity document was issued and the issuing authority;
f) domicile/residence (full address – street, number, block, entrance, floor, apartment, city/town, county/sector, postal code, country);

Letter f) was amended by section 5 of the Order no.5/2011 starting with 16.03.2011

g) citizenship and nationality;

Letter g) was amended by section 5 of the Order no.5/2011 starting with 16.03.2011

h) resident/non-resident;
i) telephone/fax number, e-mail address, where applicable ;

Letter i) was amended by section 5 of the Order no.5/2011 starting with 16.03.2011

j) - *Repealed by section 6 of the Order no.5/2011 starting with 16.03.2011*
k) occupation and, where appropriate, the name of the employer or the nature of personal activity;

Letter k) was amended by section 5 of the Order no.5/2011 starting with 16.03.2011

l) public position held, when appropriate;
m) name of the beneficial owner, when appropriate.
(2) The entity shall keep a copy of the identity document of the client. The client shall present an identity document with a picture, issued by the relevant authorities under the law.
(3) The entity shall verify the information provided by the client on the basis of the documents provided by the latter.
Art. 15. - (1) Entities shall record the following information with respect to legal person clients or clients without legal personality, as appropriate:
a) full company name/name recorded with the Register of associations and foundations;
b) the legal form;

Letter b) was amended by section 7 of the Order no.5/2011 starting with 16.03.2011

c) number, series and date of the registration certificate/document of incorporation with the Trade Register Office or similar or equivalent authorities;
d) - *Repealed by section 8 of the Order no.5/2011 starting with 16.03.2011*
e) VAT code or its equivalent in the case of foreign legal persons;
f) - *Repealed by section 8 of the Order no.5/2011 starting with 16.03.2011*
g) the identity of the persons empowered, according to the status and/or decision of statutory board, with the competence to manage and represent the entity and also the extent of their powers in engaging the entity

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Letter g) was amended by section 7 of the Order no.5/2011 starting with 16.03.2011

h) full address of the registered office/head office or branch, as appropriate;
i) shareholder/associate structure;
j) telephone/fax number, e-mail address, where applicable;

Letter j) was amended by section 7 of the Order no.5/2011 starting with 16.03.2011

k) type and nature of the business conducted;

Letter k) was amended by section 7 of the Order no.5/2011 starting with 16.03.2011

l) name of the beneficial owner.

(2) The legal person client or the entity without legal personality shall submit the following documents and the entity shall keep true copies of such documents, as appropriate:

a) the memorandum and articles of association;

b) the power of attorney for the person who acts as representative of the client, when the said person is nor the client's legal representative;

c) the certificate issued by the Trade Register Office (in the case of companies) or by similar authorities in the home state and equivalent documents for other types of legal persons or entities without legal personality, which shall support the identification data provided by clients;

d) a statement signed by the legal representatives with respect to the business conducted by the client and the legal status of the latter.

(3) Entities shall take measures to identify the natural persons who seek to act in the name of the legal person client or entity without legal personality in accordance with due diligence policies and procedures and shall review the documents on the basis of which persons are empowered to act in the name of the legal person or entity without legal personality.

(4) The documents submitted by the legal person client or entity without legal personality shall include the legalised translation into Romanian of the original documents prepared in a foreign language.

Art. 16. - (1) To the purpose of applying standard due diligence measures, entities may use information provided by third parties.

(2) When the third party acts as an intermediary, the said third party shall provide the entity which applies standard due diligence measures with all the information which would have been derived in the direct identification process, so that to observe the requirements set out in these Regulations.

(3) The copies of the documents on the basis of which the identity of the client or of the beneficial owner, as appropriate, was established and verified shall be immediately submitted by the third party at the request of the person to whom the client was recommended.

(4) Ultimate responsibility for the application of all standard due diligence measures shall lie with the persons who use the information provided by the third party.

CHAPTER IV
Simplified and enhanced due diligence measures

Art. 17. – Entities may apply simplified due diligence measures in the cases referred to in art. 12 of Law no. 656/2002, with subsequent amendments and completions, as well as the cases referred to in art.7-9 of Regulation for application of the provisions of the Law no. 656/2002 for the prevention and sanctioning money laundering as well as for instituting of some measures for prevention and combating terrorism financing acts, with subsequent amendments and completions, approved by Government Decision no. 594/2008.

Article 17 was amended by section 10 of the Order no.5/2011 starting with 16.03.2011

Art.17[1]. – (1) Entities shall apply simplified due diligence measures in the cases of non-life insurance policies when the insurance premium is lower or equal to the equivalent in lei of the sum of 2,500 EUR .

(2) Entities shall apply simplified due diligence measures in the cases of life insurance policies where the insurance premium or the annual installments are lower or equal to the equivalent in lei of the sum of 1,000 EUR or if the single insurance premium paid is up to 2,500 EUR, the equivalent in lei.

(3) If the periodic premium installments or the annual sums to pay are or are to be increased in such a way as to be over the limit of the sum of 1,000 EUR, respectively of 2,500 EUR, the equivalent in lei, the standard customer due diligence measures customers' identification shall be required;

(4) In the case of life insurance business, the identity of the beneficiary of the life insurance policy shall be verified whenever such beneficiaries change during the term of the insurance contract.

(5) The entities which applies simplified due diligence measures shall obtain adequate information about their clients and shall permanently monitor their activity in order to establish if they are framed within the category for which is apply simplified due diligence measures.

Article 17[1] was inserted by section 11 of the Order no.5/2011 starting with 16.03.2011

Art. 18. - (1) Entities shall apply besides standard risk-based due diligence measures some enhanced due diligence measures in all cases which by their nature entail higher money laundering and terrorism financing risk.

(2) - *Repealed by section 12 of the Order no.5/2011 starting with 16.03.2011*

(3) Enhanced due diligence measures are mandatory at least in the following situations:

a) in case of persons who are not physically present at the performance of the operations, case of entities shall apply one of the following measures, without that enumeration being limitative ones:

1. request documents and additional information in order to establish the identity of the client and beneficial owner;

2. fulfill additional measures for checking and verification of supplied documents or will request a certification from a credit institutions or financial one which is under the obligation of preventing and combating money laundering and terrorism financing equivalent with the standards provided for in the Law 656/2002 and this Regulation;

3. request that the first operation to be performed through an account opened on the name of the client with a credit institution which is subject to the obligations on prevention and combating money laundering and terrorism financing equivalent with the standards provided for in the Law no. 656/2002 and this Regulation;

b) in case of occasional transactions or business relations with politically exposed persons who are resident within another Member State of European Union or of the European Economic Space or within a foreign state, situation in which the entities shall apply the following:

1. to have in place risk based procedures this allowed the identification of the clients within this category;

2. to obtain executive management's approval before starting a business relationship with a client within this category; When clients are accepted and are subsequently classified as politically exposed persons, the written approval of the management of the entity is also mandatory in order to continue the business relationship with the same clients.

3. to set up adequate measures in order to establish the source of income and the source of funds involved in the business relationship or the occasional transaction;

4. to carry out an enhanced and permanent monitoring of the business relationship.

Paragraph (3) was inserted by section 13 of the Order no.5/2011 starting with 16.03.2011

Art.18[1]. – (1) The entities which ascertain that a transaction or several transactions carried out on the account of a customer are atypical for the activity of such customer or for the type of the transaction in question, shall immediately notify the Office if there are suspicions that the deviations from normality have as purpose money laundering or terrorist financing.

(2) Entities could use at least one of the following anomaly indicators in the insurance business, including without being limited to:

a) the purchasing of life insurance policies which entail the payment of high premiums and which seem to be in contradiction with the economic profile of the client or with the latter's capacity to derive incomes;

b) the frequent payment of premiums in cash or foreign currency in the form of large amounts of money which seem to be in contradiction with the financial capacity of the client or his business;

c) frequent payments of premiums in cash made in the form of recurrent payments, whose total would exceed the minimum amounts referred to in art. 12 paragraph (1);

d) the establishment of several beneficiaries for the life insurance policies, so that the amounts estimated to be paid to each of them on the basis of the insurance contract would exceed on aggregate the minimum amounts referred to in art. 12 paragraph (1), when the relationship between the policyholder and the beneficiary does not justify such arrangements;

e) the signing of insurance policies which include the payment of premiums by cheques issued by third parties, especially when there is no apparent link between the said third parties and the client;

f) the signing of the same policyholder of several life insurance policies with different beneficiaries;

g) the replacement of the insurance policy beneficiary with a third party who is not a member of the policyholder's family or who has no justified relationship with the same policyholder;

h) the client refuses or is reluctant to provide the information required to conclude the insurance contract or the client provides inaccurate information;

i) the legal person client submits financial statements which are not prepared by an accountant;

j) the client submits title documents for the goods which shall be insured which are not accurate or which seem forged;

k) the client refuses to allow the representative of the entity to verify the existence of the good which shall be insured;

l) the client avoids direct contact with the employees or collaborators of the entity by frequently issuing proxies or powers of attorney in an unjustified manner;

m) the client repeatedly avoids direct contact with the entity and communication is mainly conducted by means of fax or by other means;

n) the opening by the client of a significant number of accounts with several branches of a/various credit institutions and the performance of repeated transfers of significant amounts of money, which shall be used to pay for insurance premiums;

o) the payment of insurance premiums using the accounts of a company which show reduced business volumes and would not justify the conclusion of insurance contracts for significant amounts;

p) the request to conduct the first operation through an account opened in the name of the client with a credit institution which is not subject to similar requirements concerning the prevention and control of money laundering and terrorism financing

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Article 18[1] was inserted by section 14 of the Order no.5/2011 starting with 16.03.2011

Art.18[2]. – To the purpose of preventing their use in money laundering and terrorism financing operations, entities shall take adequate measures with respect to operations and products which, by their nature, may foster anonymity and client interaction in the absence of the latter.

Article 18[2] was inserted by section 14 of the Order no.5/2011 starting with 16.03.2011

Art.18[3]. – Entities shall apply enhanced due diligence measures, besides those provided to art.18, in cases which by their nature entail higher money laundering and terrorism financing risk.

Article 18[3] was inserted by section 14 of the Order no.5/2011 starting with 16.03.2011

Art.18[4]. – (1) Entities shall supervise all the operations conducted by their clients, having as priority the category of high risk clients.

(2) The following information shall be considered when deciding on classifying clients in the high risk category:

a) the type of client – natural/legal person or entity without legal personality;

b) home country;

c) public position or high level position held;

d) the type of business conducted by the client;

e) the source of the client funds;

f) other risk indicators.

Article 18[4] was inserted by section 14 of the Order no.5/2011 starting with 16.03.2011

Art.18[5]. – (1)Entities shall monitor more closely the business relationships and the transactions with persons based in jurisdictions which do not have in place adequate systems to prevent and control money laundering and terrorism financing.

(2) Entities shall monitor more closely all complex or unusually large transactions, as well as all transactions which do not observe the usual business pattern, including operations which seem to have no economic, commercial or legal meaning.

(3) The circumstances and purpose of such transactions shall be examined as soon as possible by the entity on the basis of additional documents required so that the client may justify the transaction.

(4) The findings of the reviews conducted under paragraph (3) shall be listed in writing and shall be available for subsequent verification by competent authorities and auditors for a period of time of at least 5 years.

Article 18^5 was inserted by section 14 of the Order no.5/2011 starting with 16.03.2011

Chapter IV was amended by section 9 of the Order no.5/2011 starting with 16.03.2011

CHAPTER V
Politically exposed persons

Art. 19. – In the case of one-off transactions or of business relationships with politically exposed persons, entities shall have in place risk-based rules and procedures which shall allow the identification of clients/beneficial owners classified as politically exposed persons.

Art. 20. - (1) The management of the entity shall give its written approval before establishing a business relationship with clients in this category. When clients are accepted and are subsequently classified as politically exposed persons, the written approval of the management of the entity is also mandatory in order to continue the business relationship with the same clients.

(2) Entities shall also have in place adequate measures and procedures in order to establish the source of incomes as well as of other funds used in the business relationship or one-off transaction.

(3) Entities shall supervise and monitor on an ongoing basis the way in which business is conducted with this particular category of clients.

Art. 21. – Entities shall also apply enhanced due diligence measures in cases other than those referred to in art. 18, which by their nature entail higher money laundering or terrorism financing risk.

CHAPTER VI
High risk clients

Repealed by section 15 of the Order no.5/2011 starting with 16.03.2011

CHAPTER VII
Record maintenance and reporting requirements

Art. 24. - (1) Entities shall maintain all the information concerning client identification for a period of time of at least 5 years, as of the date when the relationship with the client was terminated.

(2) Entities shall maintain appropriate secondary or operational records of all the financial operations conducted by the client for a period of time of at least 5 years or even more, at the request of the Office or of other authorities, as of the date when each operation was conducted, irrespective whether the insurance contract expired, or the insured event took place, or the insurance contract was revoked, terminated or cancelled. Evidence shall be sufficient to allow tracing each individual transaction, including the amount and type of currency, in order to be used as evidence in court, when appropriate.

(3) Entities shall have in place internal procedures and systems which shall allow the immediate transmission at the request of the Office or CSA and/or judicial bodies of the information concerning the identity and the nature of the business relationships which are currently conducted or have been conducted in the past 5 years.

Art. 25. - (1) Entities shall have in place procedures to identify the suspicious transactions or the types of suspicious transactions conducted in the name of their clients.

(2) When suspicions arise that an operation is sought for money laundering or terrorism financing purposes, the entity shall provide the Office and CSA with a suspicious transaction report within no more than 24 hours.

(3) The directors/members of the supervisory board, managers, representatives and personnel of the entity shall not provide the information concerning money laundering or terrorism financing operations in the absence of the conditions set out in the law and shall not warn the clients involved or the third parties with respect to the issuing or foreseen issuing of a suspicious transaction report to the Office and CSA.

Art. 26. - (1) Entities shall report within no more than 10 business days both to the Office and CSA all cash operations denominated either in lei or in foreign currency whose minimum limit is equal to the lei equivalent of 15,000 euro, irrespective whether the transaction is conducted in one or several operations which seem linked.

(2) The provisions laid down in paragraph (1) shall also apply to external transfers.

Art. 27. – Confidentiality agreements as well as legal provisions concerning professional secrecy shall not be used to limit the capacity of entities to report suspicious transactions.

Art. 28. – The entities referred to in art. 2 shall use solely the reporting forms prepared by the Office.

CHAPTER VIII
Sanctions and other provisions

Art. 29. – Entities shall revise their internal procedures and/or Regulations concerning money laundering and terrorism financing within 60 days to the date on which a legal provisions are amended as well as when new risks are identified.

Article 29 was amended by section 16 of the Order no.5/2011 starting with 16.03.2011

Art. 30. – Breaching of the provisions laid down in these Regulations shall be deemed contravention and shall be sanctioned in accordance with the provisions set out in art. 39 of Law no. 32/2000 on insurance undertakings and insurance supervision, with subsequent amendments and completions.

Art. 31. – These Regulations shall be rightfully supplemented with the other provisions laid down in the legislation concerning money laundering and terrorism financing.

Annex no. 22 - Order no. 13/2009 from 30.07.2009 for the implementation of the Regulations on supervision, in the insurance field, of the implementation of international sanctions

Insurance Supervision Commission

Order no. 13/2009 from 30.07.2009 for the implementation of the Regulations on supervision, in the insurance field, of the implementation of international sanctions

(Published in the Official Gazette, Part I no.555 of 10.08.2009)

Pursuant to art. 4. (26) and (27) of Law no. 32/2000 on insurance activity and insurance supervision, with subsequent modifications,
Having regard to art. 12 para. (2) and art. 17 para. (6) of Government Emergency Ordinance no. 202/2008 on the implementation of international sanctions, approved with modifications by Law no. 217/2009, according to the decision of the Insurance Supervisory Commission Council dated July 21, 2009, by which it adopted Regulations on supervision, in the insurance field, of the implementation of international sanctions,
President of the Insurance Supervisory Commission issued the following order:

Art. 1. - (1) The enforcement of the Regulations on supervision, in the insurance field, of the implementation of international sanctions.
(2) The Regulations mentioned in para. (1) enter into force upon their publication in the Official Gazette of Romania, Part I.
Art. 2. - The departments of the Insurance Supervisory Commission will ensure the enforcement of the provisions of this Order.

Insurance Supervisory Commission
President Angela Toncescu

Bucharest, July 30, 2009.
Nr. 13.

Appendix

Regulations on supervision, in the insurance field, of the implementation of international sanctions

CHAPTER I
General Provisions

Art. 1. - These Regulations regulate the supervision of the implementation by entities authorized by the Insurance Supervisory Commission of the international sanctions imposed by the acts provided for in art. 1 of Government Emergency Ordinance no. 202/2008 on the implementation of international sanctions, approved with modifications by Law no. 217/2009.
Art. 2. - Depending on the type of international sanction, the Insurance Supervisory Commission is competent in solving notices or requests provided for in art. 12, para. (1). b) of Government Emergency Ordinance no. 202/2008, approved with modifications by Law no. 217/2009.
Art. 3. - Subject to these Regulations are insurers, reinsurers, insurance brokers and / or reinsurance Romanian legal persons, and branches in Romania of insurers, reinsurers and insurance and / or reinsurance intermediaries established in the European Economic Area, hereinafter referred to as entities.
Art. 4. - The terms and expressions used in these Regulations have the meanings provided for in art. 2 of Government Emergency Ordinance no. 202/2008, approved with modifications by Law no. 217/2009, and in art. 2 of Law no. 32/2000 on insurance activity and insurance supervision, with subsequent modifications.

CHAPTER II
Supervision of the implementation of international sanctions

Art. 5. - Insurance Supervisory Commission:
a) ensures the publication of the provisions imposing international sanctions mandatory in Romania, by posting on its website (www.csa-isc.ro);
b) informs the Ministry of Foreign Affairs, every six months or whenever needed, on how international sanctions are applied in their field of competence, about their violations and pending cases, and any other difficulties of the implementation;
c) organizes its own record on implementation of international sanctions in the insurance field and informs, on request, the Ministry of Finance.
Art. 6. - (1) Following the adoption of an act by which international sanctions are imposed, any of the entities referred to in art. 3, with data and information on nominated persons or entities that own or control the goods or that data and information about them, about transactions relating to goods or involving persons or entities nominated are required to notify the Insurance Supervisory Commission where becoming aware of the circumstances requiring the notification.
(2) Insurance Supervisory Commission will consider only those notifications which contain at least minimal contact and personal information to identify its author.
(3) If it finds that the notifications received is not subject to its field of competence, the Insurance Supervisory Commission sends within 24 hours notification to the competent authority. If the competent authority cannot be identified, notification is sent to the Ministry of Foreign Affairs as the coordinator of the Interinstitutional Committee.
Art. 7. - Insurance Supervisory Commission is entitled:
a) to monitor the activities of entities referred to in art. 3;
b) to verify the compliance by entities listed in art. 3 with the measures ordered by the acts that establish international sanctions;
c) to impose measures to ensure implementation of international sanctions;
d) to request additional information and documents or to carry out investigations on its own or with the assistance of other competent authorities or may use information from other sources.
Art. 8. - The entities referred to in art. 3 have the obligation to develop and implement policies, procedures and appropriate internal mechanisms for their customer identification, reporting, record keeping, internal control assessment and risk management in order to prevent and stop their involvement in suspicious transactions of money laundering and terrorism financing, ensuring proper training for its own staff and persons under the mandate.
Art. 9. - (1) The entities referred to in art. 3 have the obligation to designate one or more persons from their staff with responsibilities in the implementation and compliance with international sanctions.
(2) Name, position and responsibilities established for the persons mentioned in para. (1) shall be communicated to the Insurance Supervisory Commission within 30 days of the entry into force of these Regulations.
(3) The entities referred to in art. 3 are required to notify the Insurance Supervisory Commission of the change or replacement of persons mentioned in para. (1) within 10 days from the date of such changes.
Art. 10. - (1) The entities referred to in art. 3 have the obligation to report to the Insurance Supervisory Commission transactions presumed as suspicious transactions, since they acknowledge about the existence of circumstances requiring notification.
(2) Reports shall include all relevant data related to contracts and accounts involved, and the total value.
Art. 11. - Insurers are liable for insurance agents, legal and natural persons, as well as to inform them of the international sanctions imposed by the acts provided for in Art. 1 of Government Emergency Ordinance no. 202/2008, approved with modifications by Law no. 217/2009.

CHAPTER III
Sanctions

Art.12. - When the Insurance Supervisory Commission observes the breaching of the provisions of these Regulations, of the international sanctions by entities listed in art. 3, it is entitled to apply sanctions in accordance with the provisions of art. 39 of Law no. 32/2000, with subsequent modifications, and art. 26 of Government Emergency Ordinance no. 202/2008, approved with modifications by Law no. 217/2009, or to notify the criminal prosecution bodies, if the case will be.

CHAPTER IV
Final Provisions

Art. 13. - The terms provided in these Regulations, which expire on a public holiday or a weekend day will be extended to the end of the following working day.

Art.14. - These rules are to be completed with the specific legislation in force.

Annex no. 23 - Regulation no. 5/2008 on the prevention and control of money laundering and terrorist financing through the capital market National Securities Commission

Regulation no. 5/2008
on the prevention and control of money laundering and terrorist financing through the capital market
Published in the Official Gazette of Romania no. 525/11.07.2008

Chapter I
General provisions

Art. 1 This regulation sets out measures on the prevention and control of money laundering and terrorist financing through the capital market.

Art.2 (1) Terms, abbreviations and expressions used in this Regulation have the meaning as provided by Law no. 656/2002, Government Decision nr.594/2008 on the approval of Regulation implementing Law nr.656/2002 on the prevention and sanctioning of money laundering and Law nr.297/2004.
(2) For the purposes of this regulation, the terms and expressions below bear the following meanings:
a.) *N.S.C.* – National Securities Commission;
b.) *Regulated entities* – Entities whose activity is regulated and supervised by N.S.C. in the fulfilment of its legal duties, in accordance with art. 2 paragraph (1) point 5 of Law no. 297/2004 on the capital market and which perform the activities referred to in art. 8 of Law no. 656/2002
c.) *Law nr.297/2004* - Law on the capital market, with subsequent modifications and amendments;
d.) *Law no. 656/2002* - Law on the prevention and sanctioning money laundering as well as for the establishment of appropriate measures for the prevention of and fight against terrorism financing, with subsequent modifications and amendments;
e.) *Office* - National Office for Prevention and Control of Money Laundering.

Art.3 (1) N.S.C. shall monitor regulated entities to ensure that they comply with the legal provisions in force regarding the identification, verification and record of clients and transactions, reporting suspicious transactions and cash transactions as well as the implementation of a programme to comply with all these requirements and the employees' training in this respect.
(2) N.S.C. shall monitor operations with financial instruments performed by regulated entities to the purpose of identifying suspicious transactions.
(3) N.S.C. has the right to examine the policies and procedures issued by regulated entities regarding the prevention and sanctioning of money laundering and terrorist financing.
(4) N.S.C. is entitled to seek modification of policies and procedures issued by regulated entities when it does not reflect the prudential measures under this Regulation.
(5) N.S.C. shall immediately inform the Office when the data received raises suspicions of money laundering, terrorist financing or breaches of the provisions of Law no. 656/2002 as modified and completed by Law no. 230/2005.
(6) During the monitoring process, the N.S.C. may request regulated entities to provide any relevant information or documents.

Chapter II
Obligations of regulated entities
Section 1- Preventive Measures

Art. 4(1) Regulated entities are required to prepare, establish and implement adequate policies, procedures and mechanisms in terms of customer's due diligence, reporting, record keeping, internal control, assessing and managing the risks, compliance and communication management, to prevent and hamper the involvement of regulated entities in suspicious activities of money laundering and terrorist financing , to ensure adequate trening of the employees.
(2) Regulated entities must draft a written procedure with respect to client approval.
(3) Regulated entities shall identify, verify and record the identity of the clients and beneficial owners before concluding any business relationship or performing transactions on behalf of their client / beneficial owner.

(4) Regulated entities shall ensure that policies and internal procedures are applied by secondary premises, including those located abroad.
(5) Regulated entities are required to inform all their branches and subsidiaries located in third countries on the policies and procedures issued in accordance with Law no.656/2002.

Art. 5 (1) Regulated entities are required to designate by an internal act, one or more persons who have responsibilities in implementing the legal provisions on preventing and sanctioning money laundering and terrorist financing, whose names will be transmitted to the Office and the N.S.C., together with their above mentioned responsibilities limits and extents. The internal act will be submitted directly to the Office and the N.S.C. or via mail services with confirmation of receipt.
(2) Regulated entities are required to appoint a compliance officer subordinated to the executive management, which coordinates the implementation of policies and internal procedures referred to in Article 4.
(3) If the regulated entity is required to set up an internal control department for monitoring the compliance with the legislation in force the persons designated in accordance with paragraph (1) may be placed in the internal control department.
(4) The names, together with the function and responsibilities set out for the persons referred to in Para. (1) and (2) shall be transmitted to the Office and the N.S.C. within 30 days from the date of the entry into force of this Regulation.
(5) The regulated entity shall notify the Office and the N.S.C. on any replacement of the employees referred to in paragraph (1) and (2), within 15 days from the date of such changes.
(6) Persons designated pursuant to paragraph (1) and (2) are responsible for carrying tasks set out in the Law no. 656/2002 and this Regulation. In fulfilling their tasks, these persons have permanent and direct access to all records of the regulated entity drafted in compliance with this Regulation and other legal provisions.

Art.6 (1) Regulated entities have the obligation to implement procedures for verification (screening) to ensure high standards when persons are hired.
(2) Regulated entities must ensure proper training for employees on the prevention and combating money laundering and terrorist financing.
(3) Training programs should ensure that employees:
a) have adequate knowledge on the laws, regulations, rules, policies and procedures on preventing and combating money laundering and terrorist financing;
b) have the necessary competencies to adequately analyze the transactions in order to identify money laundering and financing of terrorism operations;
c) fully meet reporting requirements.
(4) Regulated entities will communicate to all employees the policies and procedures to prevent and combat money laundering and the financing of terrorism.

Section II - Standard customer due diligence measures

Art.7(1) Regulated entities are required to adopt adequate measures to prevent money laundering and terrorist financing during the performance of their activity, adequate measures to prevent money laundering and terrorism financing acts, and, for this purpose, based on risk, shall apply standard, simplified or enhanced customer due diligence measures which shall allow identification, where applicable, of the beneficial owner.
(2) Regulated entities are required to revise the standard customer due diligence measures when suspicions appear on the customer during the performance of operations.
(3) Regulated entities are required to ensure that all standard customers due diligence measures for identifying the client are applied to their secondary offices, including those located abroad.

Art.8 (1) Regulated entities are required to apply the entire standard customer due diligence measures in the following situations:
a.) when establishing a business relationship;
b.) when carrying out occasional transactions amounting to 15,000 Euro or more or the equivalent, irrespective the transaction is carried out in a single operation or in several operations which appear to be a linked;

c.) when there are suspicions of money laundering or terrorist financing, regardless of the operation value or the incidence of the derogations provisions from the obligation to apply standard customer due diligence measures;
d.) when there are doubts about the veracity or the adequacy of previously obtained customer identification data; when there are doubts with respect to the fact that the customer acts on his/her own, or when the customer is certain to act on behalf of another person, the regulated entity shall apply standard customer due diligence measures to obtain information about the real identity of the person in whose interest or on whose behalf the customer acts.
(2) Regulated entities shall apply the standard customer due diligence measures to all new customers as well as to all existent clients, based on the risk, as soon as possible.

Art.9 When the amount is not known while the transaction is accepted, the regulated entity obliged to establish the customers identity shall proceed to their identification as soon as possible, when it is informed about the transaction value and when it ascertained that the minimum limit provided for in article 8 paragraph (1) b.) has been reached.

Art.10 (1) The regulated entity shall not keep anonymous accounts, respectively accounts for which the identity of the holder or of the beneficial owner is not known and highlighted properly.
(2) The regulated entities shall take adequate measures in case of operations which encourage the anonymity or which allow the interaction with the client in its absence in order to prevent their use in money laundering or terrorist financing operations.
(3) The regulated entity shall not open accounts, initiate operations or perform transactions and shall terminate any operation provided that it is not able to perform client identification in accordance with the provisions of this regulation and of the legal norms in force.
(4) The regulated entity can refuse to open accounts or perform operations provided that:
a.) the customer does not comply with the procedure provided for in art. 4 paragraph (2);
b.) suspicions are raised with respect to the fact that the customer might be involved in money laundering or terrorist financing operations.
(5) The regulated entities are required to continuously monitor the business relationship, including reviewing the transactions concluded during this relationship, in order to ensure that these transactions are consistent with the information held about the customer, the business and risk profile, including, where appropriate, the source of funds and updating the documents, data and information held.

Art.11 (1) The regulated entities shall record the following identification data of any customer natural person, who shall provide them under signature:
a.) the complete surname and name of the customer, as well as any other names used (ex.pseudonym);
b.) the date and place of birth;
c.) the personal numeric code or its equivalent in the case of foreign persons;
d.) the number and series of the identity document;
e.) the date when the identity document has been issued and the issuing entity;
f.) the domicile/residence (complete address – street, number, block, entrance, floor, apartment, city, county/sector, postal code, country);
g.) the citizenship, nationality and country of origin;
h.) the residency/non-residency;
i.) the telephone number/fax;
j.) the scope and the nature of the operations performed through the regulated entity;
k.) the name and the venue where the activity is performed.
l.) the public position if necessary;
m.) the name of the beneficial owner, if applicable.
(2) The regulated entity shall keep a copy of the identity document of the client. The client shall submit the identity documents with a photo, issued under the conditions of the law by the legally competent bodies.
(3) The regulated entity shall verify the information provided by the customer, on the basis of the documents submitted by the latter.

Art. 12 (1) The regulated entities shall record, as appropriate, the following information about the customer, legal person or entity without legal personality that shall provide:
a.) the name;
b.) the legal form and structure;

c.) the number, series and the date of the registration certificate/the document of registration with the National Trade Register Office or with similar or equivalent authorities;
d.) the subscribed and paid up share capital;
e.) the single registration code or its equivalent in the case of foreign persons;
f.) the credit institution and the IBAN code;
g.) the list of the persons authorised to sign account operations, of the directors, managers, or persons to represent the client and their signature specimen;
h.) the complete address of the registered office/head office or, as appropriate, of the branch;
i.) the shareholder/associates structure;
j.) the telephone number fax, and, as appropriate, the e-mail address, the website;
k.) the purpose and the nature of the operations performed through the regulated entity.
l.) the name of the beneficial owner.
(2) The customer, legal person or entity without legal personality shall submit the following documents and the regulated entity shall keep their certified copies, as appropriate:
a.) the document of incorporation, and the statute;
b.) the mandate of the person authorised to represent the customer, when the latter is not legally represented;
c.) the proving certificate issued by the National Trade Register Office (in the case of joint stock companies) or by similar authorities from the home state and the equivalent documents in the case of other types of legal persons or entities without legal personality, which shall certify the information which refer to client identification;
d.) a statement signed by the legal representatives related to the activity conducted by the customer and to its legal functioning.
(3) The regulated entity shall take measures of identification the natural persons who intend to act on behalf of the customer, legal person or entity without legal personality, in accordance with the policy and procedures related to the natural person identification and shall review the documents by which the persons are authorised to act on behalf of the legal person.
(4) The documents submitted by the customer, legal person or entity without legal personality shall include the legalised translation into Romanian language when the original documents have been drafted in another language.

Art.13 (1) During the activity performed, a regulated entity may use the information about the customer, obtained from a third party in order to apply the standard customer due diligence measures.
(2) The third party who intermediates the contact with the customer shall submit all the information obtained within its own identification procedures to the person who applies the standard customer due diligence measures, in order to be met the requirements in Section II of this Regulation.
(3) Copies of the documents based on which the identification and the verification of the identity of the client or of the beneficial owner, as the case, was accomplished, will be immediately submitted by the third party, upon the request of the person to whom the client has been recommended.
(4) The final responsibility for fulfilling all standard customers due diligence measures belongs to persons who use the third party.

Section III – Simplified customer due diligence measures

Art.14 Regulated entities may apply the simplified customer due diligence measures under the circumstances mentioned in art. 12 of Law nr.656/2002 as well as in other cases and conditions, which have low risk as regards money laundering and terrorist financing, provided for in the law or regulations issued in the application of the law.

Section IV - Enhanced customer due diligence measures

Art.15 (1) Regulated entities are required to apply, beyond the standard customer due diligence measures, on a risk base, enhanced customer due diligence measures, in all the situations which by their nature can present a higher risk of money laundering or terrorist financing. The appliance of the enhanced due diligence measures is mandatory at least in the following situations:
a) when the persons who are not physically present to perform operations, in which case one or more of the following measures, without limiting to them, shall apply:

1. the request of documents and additional information in order to establish the identity of the client and of the beneficial owner;
2. the performance of additional measures in order to verify or certify the documents supplied or the request of a certification from a credit or financial institutions which is under the obligation of preventing and combating money laundering and terrorist financing, equivalent to the standards provided for in the Law 656/2002 and in the regulations issued in accordance with the Law nr.656/2002;
3. the request that the first operation to be performed through an account opened on the name of the client to a credit institution which is subject to the obligations related to the prevention and combating money laundering and terrorist financing, equivalent to the standards provided for in the Law no. 656/2002 and regulations issued in the appliance of the Law nr.656/2002.
b) when the occasional transactions or the business relationships with the politically exposed persons who are resident in another Member State of the European Union or of the European Economic Area or in a third state, in which case the regulated entities must:
1. have in place risk based rules and procedures which shall allow the identification of the customers that fall into this category;
2. obtain the written approval from the executive management of the regulated entity before establishing a business relationship with a customer from this category. When a client was accepted and subsequently was identified / became customer in this category, is also required written approval from the executive management of the entity in order to continue business relationship with the respective client.
3. adopt adequate procedures and measures in order to establish the source of incomes and the funds involved in the business relationship or the occasional transaction.
4. carry out an enhanced and permanent monitoring and surveillance of the business relationship with the persons in this category.
(2) The regulated entities are required to also apply enhanced due diligence measures of customers in other cases than those specified in paragraph (1), which, by their nature, pose a high risk of money laundering or terrorist financing.

Art.16 (1) The regulated entities shall monitor all the operations performed by their clients, and by priority the operations performed by the customers from the high risk category.
(2) When deciding on the clients who shall be included in this category, the following information shall be considered:
a.) the type of client – natural/legal person or entity without legal personality;
b.) the home state;
c.) the public or high-profile position held;
d.) the type of activity performed by the client;
e.) the source of client funds;
f.) other risk indicators.

Art.17 (1) The regulated entities shall pay increased attention to business relationships and transactions which persons from jurisdictions which do not benefit from adequate systems for the prevention and control of money laundering and terrorist financing.
(2) The regulated entities will pay special attention to all complex, unusual large transactions or unusual patterns of transactions, including those that do not seem to have an economic, commercial or legal purpose.
(3) The backgrounds and the scope of such transactions should be examined as soon as possible by the regulated entity, including on the basis of customer additional documents requested to justify the transaction.
(4) The findings of the verifications carried out under paragraph (3) must be set forth in writing and shall be available for subsequent verification or for the competent authorities and auditors for a period of at least 5 years.

Section V – Record keeping and reporting obligation

Art.18 (1) The regulated entities are required to keep all information about the customer due diligence measures for at least 5 years, starting with the date when the relationship with the client is concluded.
(2) The regulated entities must keep all the documents and records related to the customer transactions and
operations for at least 5 years or even more since the transaction has been concluded, to be available at the request of the Office or other authorities, irrespective whether the account has been closed or the client

relationship has been terminated**.** These records shall be sufficient to allow a reconstruction of the the individual transaction, including the amount and type of currency, to provide evidence in court, if necessary.
(3) The regulated entities are required to have internal procedures and dispose of systems which enable the prompt submission of the information about the identity and the nature of the relationship for the customers specified in the request with whom they are in business relationship or have had a business relationship for the last 5 years, at the request of the Office, respectively N.S.C. and / or criminal investigation bodies.

Art.19 (1) The regulated entities shall identify the suspicious transactions or types of suspicious transactions performed on behalf of their clients.
(2) When a regulated entity suspects that an operation shall be performed to the purpose of money laundering or terrorist financing, it shall immediately submit a suspicious transaction report to the Office and N.S.C.
(3) The regulated entities, directors, administrators, representatives and their staff have the obligation not to transmit, out of the legal conditions, the information held about the money laundering and terrorist financing and not to warn the involved customers or other third parties about the fact that a reporting about a suspicious transaction or the related information were / will be submitted to the Office and N.S.C.

Art.20 (1) The regulated entities shall report, within maximum 10 working days to the Office and N.S.C., the cash transactions denominated in lei or foreign currency, whose minimum limit is equal to the equivalent of 15.000 euro, irrespective whether the transaction is performed through one or more operations which seem to be linked.
(2) The provisions of the paragraph (1) shall apply also to foreign transactions.

Art.21 The contracts of confidentiality, the legislation or the provisions concerning the professional secrecy shall not be invoked in order to restrict the ability of the regulated entity to report the suspicious transactions.

Art.22 The regulated entities are required to use the reporting forms developed by the Office.

Chapter III
Sanctions

Art.23 (1) The breaching of this regulation provisions represents a contravention.
(2) Finding of the contraventions and the application of sanctions shall be in accordance with the provisions of the Title X of Law no. 297/2004 on the capital market and of the NSC Statute, approved by the Government Emergency Ordinance no. 25/2002, approved and modified by the Law no. 514/2002, with all subsequent modifications and completions.

Art.24 The present regulation shall be right fully completed with all related legal provisions.

Art. 25 (1) This regulation shall come into force on the date of its publishing and the publishing of the Ordinance for approval in the Official Gazette of Romania and shall be published in the N.S.C. Bulletin and on the N.S.C. website (www.cnvmr.ro).
(2) On the date when this regulation comes into force, the N.S.C. Regulation no. 11/2005 on the prevention and control of money laundering and terrorist financing through capital market, approved by N.S.C. Ordinance no. 52/28.09.2005, published in the Official Gazette no. 885/03.10.2005 repeals.

Annex no. 24 - Order for the approval of the Regulation no. 9/2009 on the supervision of the enforcement of international sanctions on the capital market

National Securities Commission

ORDER
for the approval of the Regulation no. 9/2009 on the supervision of the enforcement of international sanctions on the capital market

Published in the Official Gazette of Romania no. 916/28.12.2009

In accordance with the provisions provided for in Article 1, 2 and 7, paragraphs (1), (3), (10) and (15) of the Statute of the Romanian National Securities Commission adopted by Government Emergency Ordinance no 25/2002 as approved and amended by the Law no 514/2002, and amended and completed by Law no 297/2004 on the capital market, as further amended,

According to the provisions of Article 17, paragraph (6) of the Government Emergency Ordinance no. 202/2008, as further amended, and the provisions of Article II of the Law no. 217/2009

In its meeting of 16.12.2009, the Romanian National Securities Commission decided upon the issue of the following

ORDER

Art. 1. The Regulation no. 9/2009 on the supervision of the enforcement of international sanctions on the capital market, provided for in the appendix that is an integral part of this Order, shall be approved.

Art. 2. – The Regulation specified in Article 1 shall come into force on the date of publishing the said Regulation and this Order in the Official Journal of Romania, Part I and it shall be also published in the Romanian National Securities Commission Newsletter and on CNVM website (www.cnvmr.ro).

President of the Romanian National Securities Commission
PhD. Gabriela ANGHELACHE

Bucharest,
No. 70/16.12.2009

Appendix

Regulation no. 9/2009
on the supervision of the enforcement of international sanctions on the capital market

Chapter I
General Provisions

Art. 1. This Regulation shall establish standards for the supervision by the Romanian National Securities Commission, hereinafter referred to as C.N.V.M., of the observance of the rules concerning enforcement of the international sanctions established by the United Nations Security Council and European Union acts, as well as by the acts of other international organizations or adopted by unilateral decisions of Romania or other States, as they are regulated by the provisions of the Government Emergency Ordinance no. 202/2008 on to the enforcement of the international sanctions, approved as amended by the Law no. 217/2009, hereinafter referred to as the G.E.O. no 202/2008.

Art. 2. (1) The terms, abbreviations and wordings used in this Regulation shall have the meaning provided for in the Law no. 656/2002 *for prevention and sanctioning money laundering, as well as for prevention and combating terrorism financing acts, as further amended*, in the Law no. 297/2004 on the

capital market, as further amended, hereinafter referred to as the Law no. 297/2004 and in the G.E.O. no 202/2008.
(2) To the purposes of this Regulation, the terms, abbreviations and wordings below shall have the following meaning:

a) *regulated entities* –the entities whose activity is authorized, regulated and supervised by C.N.V.M. for the fulfillment of its legal duties and which fall under the provisions of G.E.O. no. 202/2008;

b) *financial instruments* – the financial instruments defined according to Article 7, paragraph (1), sub-paragraph 14^1 of the Government Emergency Ordinance no. 99/2006 on credit institutions and capital adequacy, approved, as amended, by the Law no. 227/2007, as further amended, which belong to or are held by or are under the control of persons who are subject to the international sanctions provided for in the G.E.O. no. 202/2008.

Art. 3. – C.N.V.M. shall ensure the publicity for the acts establishing international sanctions mandatory in Romania, by posting under emergency regime, some warnings on its own Web page, with links to the Web pages of the organizations establishing the international sanctions.

Art. 4. (1) C.N.V.M. shall supervise the compliance of the regulated entities acting on the capital market with the rules for enforcing the international sanctions.
(2) In the supervision process, C.N.V.M. may request the regulated entities to provide any relevant information or document.
(3) When it finds breaches of the international sanctions, C.N.V.M. shall apply the sanctions provided for in Article 26 of G.E.O. no. 202/2008 to the responsible natural or legal persons or shall notify the criminal prosecution bodies, as applicable.

Art. 5. (1) C.N.V.M. shall develop and manage its own records with regard to the compliance with the rules for enforcing the international sanctions in the capital market field.
(2) The documentation referring to the international sanctions enforced in the capital market field shall be kept with the C.N.V.M. own records provided for in paragraph (1), according to the law, for a period of five years since the date of cessation of the application of the relevant sanctions and such documentation shall be submitted to the Ministry of Public Finance, upon its request, in compliance with the legal regime applicable to information obtained during or following the exercise of its legal duties by C.N.V.M and which are not public.
(3) C.N.V.M. shall cooperate with the other authorities and public institutions in Romania or in other States, having competences to enforce the international sanctions, including by data exchange and information communication only as provided for by law.
(4) The confidentiality obligation may not be claimed when C.N.V.M. requests information.

Chapter II
Obligations of regulated entities

Art. 6. – (1) If a regulated entity holds data and information about persons and/or entities designated as subject of international sanctions, holds or controls financial instruments or has data and information about them, about transactions involving financial instruments or appointed persons or entities, it shall notify C.N.V.M. as soon as it acknowledges a circumstance imposing the notification.
(2) The provisions of paragraph (1) shall also apply to the staff employed by the regulated entities, including their seniors, as well as to shareholders, auditors, members in the Supervision Council and other persons who, by the nature of their activity, receive data and information provided for in paragraph (1).
(3) C.N.V.M. shall take into account only those notices which include at least personal and contact data allowing the identification of their authors.
(4) After receiving the notices provided for in paragraph (1), C.N.V.M. shall inform the Ministry of Foreign Affairs on the international sanctions enforcement methods in those particular cases, as well as on any breach or difficulty in their application.

Art. 7. – (1) The regulated entities shall notify C.N.V.M. in writing, attaching all the relevant documents, if they find an identification error regarding the persons or entities designated as subject of international sanctions, as well as the financial instruments. The C.N.V.M. decision in relation to the notice, as adopted after its verification or after consultation with other authorities, as applicable, shall be communicated to

the Ministry of Foreign Affairs, the Ministry of Public Finance and to the regulated entity in question within maximum 15 working days.
(2) The C.N.V.M. decision provided for in paragraph (1) may be contested according to the provisions of the Law no. 554/2004 administrative disputed claims, as further amended.

Art. 8. – (1) The regulated entities shall identify the clients holding or controlling financial instruments or belonging or being controlled by persons or entities designated as subject of international sanctions and shall immediately report them to the Ministry of Public Finance – National Agency for Fiscal Administration and to C.N.V.M. For such purpose, the regulated entities shall apply the standard actions for knowing their clients, provided for in the C.N.V.M. Regulation no. 5/2008 on the prevention and control of money laundering and terrorist financing through the capital market, as further amended, hereinafter referred to as the C.N.V.M. Regulation no. 5/2008. The reporting to the Ministry of Public Finance and C.N.V.M. shall be made in writing, according to the provisions of Article 22 of the said Regulation.
(2) C.N.V.M. shall register in its own records provided for in Article 5, paragraph (1), every frozen fund that is owned, held or controlled by the clients of the regulated entities identified as persons or entities designated as subject of international sanctions, after the freezing was decided by an Order issued by the Minister of Public Finance and was applied and notified to C.N.V.M. by the authorized Central Depository where the financial instruments and other categories of frozen funds are deposited.

Chapter III
Internal procedures of the regulated entities on the international sanctions management

Art. 9. (1) The regulated entities shall keep all the information held on the international sanctions, including in their secondary offices, according to the law, for a period of five years since the date of cessation of enforcement of the relevant international sanctions.
(2) The regulated entities shall develop and submit to C.N.V.M., within 45 days since the date of coming into force of this Regulation, the internal procedures on international sanctions, approved by their Internal Audit Department, as applicable.
(3) The regulated entities shall appoint by an internal act, at least one employee to be in charge with the proper management of the international sanctions and shall notify such appointment to C.N.V.M. within the term provided for in paragraph (2). In order to carry out this activity, the compliance officer, who coordinates the implementation of internal policies and procedures for the prevention and combating of money laundering and terrorist financing acts, appointed according to the provisions provided for in Article 5 of the C.N.V.M. Regulation no. 5/2008, may be appointed.
(4) The regulated entities shall notify C.N.V.M. within maximum 5 working days on any change occurred in their internal procedures provided for in paragraph (2), as well as in the appointment of the person provided for in paragraph (3).
(5) The regulated entities shall constantly ensure the training of their own staff in the international sanctions enforcement field.

Chapter IV
Contraventions and Final Provisions

Art. 10. (1) Breaching the provisions of this Regulation shall constitute contravention and it shall be sanctioned according to the Title X in the Law no. 297/2004 corroborated with the provisions of Article 26 of the G.E.O. no. 202/2008.
(2) Contract confidentiality clauses or the professional secret may not be claimed by the regulated entities in order not to comply with the provisions of this Regulation.
Art. 11. For the reporting provided for in Article 8, the regulated entities shall only use the standard reporting form developed according to the provisions of the G.E.O. no. 202/2008.
Art. 12. This Regulation shall be lawfully completed with the other legal provisions applicable to the enforcement of the international sanctions at national level.

Annex no. 25 – Executive order No 8/ 11.03.2010

National Securities Commission

EXECUTIVE ORDER No 8/ 11.03.2010

Published in the C.N.V.M. Newsletter no. 10/2010

According to the provisions of Article 2 and Article 7, paragraphs (1) and (10) of the Statute of the Romanian National Securities Commission adopted by Government Emergency Ordinance no 25/2002 as approved and amended by the Law no 514/2002, and amended and completed by Law no 297/2004 on the capital market, as further amended,

According to the Decisions of the Parliament of Romania no. 37/27.06.2005, no. 69/12.09.2007, no. 71/03.10.2007 and no. 2/14.01.2010,

Taking into account the public Statements / Recommendations issued by MONEYVAL Committee (Committee of Experts on the Evaluation of Anti-Money Laundering Measures and the Financing of Terrorism) and the public Statements / Recommendations issued by the Financial Action Task Force,

In compliance with the provisions of Law no. 656/2002 for prevention and sanctioning money laundering, as well as for prevention and combating terrorism financing acts, as further amended, and the provisions of the Government Emergency Ordinance no. 202/2008 on the enforcement of the international sanctions, as further amended,

According to the review conducted by the directorates of specialty and the debates during the meeting of 10.03.2010, the Romanian National Securities Commission hereby

DECIDES

Art. 1. The entities authorized, regulated and supervised by C.N.V.M. shall have and update a Web page.

Art. 2. In order to ensure clients are informed with regard to the prevention and combating of money laundering and financing of terrorism acts, the entities provided for in Article 1 and which fall under the provisions of the *Law no. 656/2002 for prevention and sanctioning money laundering, as well as for prevention and combating terrorism financing acts, as further amended,* shall create on their own Web page a section which shall include at least:
a) Public Statements issued by MONEYVAL Committee;
b) Public Statements issued by the Financial Action Task Force (GAFI/F.A.T.F.);
c) Warnings referring to any news appeared in the field of the prevention and combating of money laundering and terrorism financing acts;
d) Links to the Web pages of the Financial Action Task Force (GAFI/F.A.T.F.) - (www.fatf-gafi.org), the MONEYVAL Committee – (www.coe.int/moneyval) and the National Office for Prevention and Control of Money Laundering (O.N.P.C.S.B.) – (www.onpcsb.ro);

Art. 3. The entities provided for in Article 1 and which fall under the provisions of the Government Emergency Ordinance no. 202/2008 on the enforcement of the international sanctions, as further amended, shall create on their own Web pages a separate section regarding the international sanctions, which shall include at least one link to the "*international sanctions"* section in the Web page of C.N.V.M.

Art. 4. The entities provided for in Article 1 and which fall under the provisions of the *Law no. 656/2002, as further amended,* shall acknowledge the documents provided for in letters a), b) and c) of Article 2, published by C.N.V.M. on its own Web page, and they shall identify and take special care of the business relationships and the transactions with persons and financial institutions in the jurisdictions specified in the relevant documents.

Art. 5. Within 30 working days since the date of coming into force of this Executive Order, the entities provided for in Article 1 shall implement the provisions of this Executive Order.

Art. 6. The failure to comply with the provisions of this Executive Order shall be sanctioned in accordance with Title X of the Law no. 297/2004 on the capital market, as further amended.

Art. 7. This Executive Order shall come into force at the date of its publishing in the C.N.V.M. Electronic Newsletter on the website www.cnvmr.ro.

Art. 8. The General Supervision Directorate, the Information Technology Department and the CEO shall monitor the putting into execution of this Executive Order.

PRESIDENT
PhD. Gabriela ANGHELACHE

Annex no. 26 - Executive order NO 2/09.02.2011

National Securities Commission

EXECUTIVE ORDER NO 2/09.02.2011

Published in the C.N.V.M. Newsletter no. 6/2011

According to the provisions of Article 2, Article 7, paragraphs (1) and (10), as well as Article 9, paragraph (1) of the Statute of the Romanian National Securities Commission adopted by the Government Emergency Ordinance no 25/2002, approved and amended by the Law no 514/2002,
Taking into account the provisions of Articles 11 and 12 of the C.N.V.M. Regulation no. 5/2008 for setting up measures for prevention and combating money laundering and terrorism financing acts through capital market,
According to the Decisions of the Parliament of Romania no. 69/12.09.2007, no. 71/03.10.2007 and no. 2/14.01.2010,
On the basis of the debates in the meeting of 09.02.2011, the National Securities Commission hereby disposes as follows:
Art. 1. The enforcement of the provisions of Article 2, paragraph (2), letter m) of the C.N.V.M. Regulation no. 32/2006 regarding financial investment services shall be suspended until the amendment of this Regulation.
Art. 2. During the suspension period provided for in Article 1, the following provisions shall apply:
For the purposes of the C.N.V.M. Regulation no. 32/2006, the wording "***identification data"*** shall have the following meaning:
a) for natural persons: the data set out in Article 11, paragraph (1) of the C.N.V.M. Regulation no. 5/2008;
b) for legal persons: the data set out in Article 12, paragraph (1) of the C.N.V.M. Regulation no. 5/2008.
Art. 3. For the purposes of Article 11, paragraph (2) of the C.N.V.M. Regulation no. 5/2008, identity document, in case of the S.S.I.F. clients who are natural persons, shall mean:
a) the identity document for the Romanian citizens;
b) the national identity document or passport for citizens of the European Union Member States or of the European Economic Area (EEA);
c) the passport or, by mutual agreement or unilaterally, for the citizens belonging to the States established by Decision of the Government of Romania according to Article 10, paragraph (1), letter b) of the Government Emergency Ordinance no. 194/2002 on the status of foreigners in Romania, republished, the identity card or other similar document, for the citizens of third countries.
Art. 4. (1) Within 6 months since the date of coming into force of this Executive Order, the clients' identification data defined according to the C.N.V.M. Regulation no. 32/2006 shall be updated by the intermediaries.
(2) Within 6 months since the date of coming into force of this Executive Order, the data provided for in Article 11, paragraph (1), respectively, Article 12, paragraph (1) of the C.N.V.M. Regulation no. 5/2008 shall be updated by the asset management companies.
(3) Within 7 months since the date of coming into force of this Executive Order, the fulfillment of the obligation provided for in paragraph (1) or paragraph (2) shall be reported to C.N.V.M. by the intermediaries or by the asset management companies, as the case may be.
Art. 5. At the date of coming into force of this Executive Order, the Executive Order no. 4/19.03.2009 shall be repealed.
Art. 6. On the date of its publishing in the C.N.V.M. Newsletter and on its websit**e** (www.cnvmr.ro), this Executive Order shall come into force.

For PRESIDENT,
Eugenia Carmen NEGOITA
(On the basis of Decision no. 123/03.02.2011)

Annex no. 27 - Norms no. 11/2009 regarding the procedure for monitoring the implementation of international sanctions in the private pension system

Private Pension System Supervisory Commission

Norms no. 11/2009 regarding the procedure for monitoring the implementation of international sanctions in the private pension system

Art.1. This rule regulates the supervision of the implementation by the entities authorized by the Commission of international sanctions imposed by the acts referred to in art. 1 of Governmental Emergency Ordinance no. 202/2008 on the implementation of international sanctions.
Art.2. Terms and expressions used in this regulation have the meanings set out in Governmental Emergency Ordinance no. 202/2008, the meanings set out in art. 2 of Law no. 204/2006 on pensions, as amended and supplemented, hereinafter Law 204/2006 and art. 2 of Law no. 411/2004 on privately managed pension funds, republished, with subsequent amendments, hereinafter Law no. 411/2004.
Art.3 Commission shall establish penalties advertising provisions of binding international instruments in Romania, by displaying the web page.
Art.4 (1) Following the adoption of an act by which international sanctions are imposed, any entity authorized by the Commission, which has data and information about persons or entities designated owning or controlling property or who has data and information about them, about the transactions related of goods or involving persons or entities designated, is required to notify the Commission once the situation becomes aware which requires notification.
(2) The Commission will consider only those notifications that include at least the minimum personal contact information to identify its author.
(3) If it finds that the notice received is not subject to its area of competence, the Commission shall notice within 24 hours to the competent authority. If the competent authority cannot be identified, the notice shall be sent to the Ministry of Foreign Affairs as the coordinator of the Inter-institutional Committee.
Art 5. - In its surveillance, the Commission verifies that the entities referred to in art. 1 of the measures taken by the international sanctions established.
Art 6. - (1) The entities referred to in art. 1 are required to prepare, establish and implement appropriate internal procedures and mechanisms under legislation relating to money laundering and / or financing of terrorism.
(2) The entities referred to in art. 1 are required to provide the Commission with copies of internal procedures set out in paragraph. (1) within 90 calendar days from the date of entry into force of this rule.
(3) Any modification of internal procedures to notify the Commission within 5 working days from the date of the change.
Art 7. - (1) The entities referred to in art. 1 are required to report transactions suspected to be suspicious transactions, the laws in force on money laundering and / or financing of terrorism and to submit reports carried Ministry of Public Finance, National Tax Administration Agency and the Commission.
(2) Reports should include all relevant data on persons, contracts or accounts involved and the total value of goods.
Art 8. - The Commission held its own records on the implementation of international sanctions in the private pension system and transmits this information, upon request, the Ministry of Public Finance.
Art 9. - Legal deadlines laid down by this norm, which expires on a public holiday or a business day will be extended until the end of next business day.
Art 10. - Failure to comply with the provisions of this rule shall be sanctioned in accordance with applicable law and art. 16, art. 81. (1). c), Art. 140 par. (1), art. 141 par. (1). g), par. (2), (3), (4), (6), (7), (9), (10) of Law no. 411/2004 and art. 38 letter. c), Art. 120 par. (1), art. 121 par. (1). k) and paragraph. (2), (3), (4), (6), (7), (9) and (10) of Law no. 204/2006 and in accordance with Art. 26 of Government Emergency Ordinance no. 202/2008.
Art. 11. - This Norm is filled in with other incident legal provisions.

Annex no. 28 - Norms no. 4/2010 for completion of the Norms no. 11/2009 regarding the procedure for monitoring the implementation of international sanctions in the private pension system

Private Pension System Supervisory Commission

Norms no. 4/2010 for completion of the Norms no. 11/2009 regarding the procedure for monitoring the implementation of international sanctions in the private pension system

Supervisory Commission of the Private Pension System, hereinafter referred to as the Commission issues this Norm.

Single Article - Norm no. 11/2009 on the procedure for monitoring the implementation of international sanctions in the private pension system, approved by the Commission's determination of Private Pensions System Supervisory no. 14/2009 published in the Official Gazette, Part I, no. 328 of May 18, 2009, shall be completed as follows:
1. Article 7 Paragraph (2), insert a new paragraph (3), as follows:
"(3) The entities referred to in art. 1 are required to report to the Commission, both in electronic and paper format, relevant data on persons, entities and transactions involving designated property by completing Form for reporting persons and entities designated operations involving goods for the purposes of Government Emergency Ordinance no. 202/2008 on the implementation of international sanctions, approved by Law nr.217/2009, according to annex part of the present Norm.
2. After Article 11, it is inserted an attachment with the content provided in the Annex which forms part of this regulation.

FORM [1]
for reporting persons and entities designated operations involving goods meaning of the Emergency Ordinance no. 202/2008 on the implementation of international sanctions, approved by Law no. 217/2009

CHAPTER I – General information regarding the identification of the reporting entity

I.1. General information

Date of preparation……..	Registration number of issuer.....
Type of the reporting entity ……..	
The normative act which imposed the sanction.....	

I.2. Reporting entity
Identification data:

Name…..……..
Legal form ……..…….
Registration number from the Trade Register ….....
Unique Code of Registration (CUI).....
Code of Fiscal Identification (CIF).....

Social headquarters:

County ……...…….	Locality ……..……...
Street……..……..| No…..…….|District……	

The subunit where the reporting transaction took place:

Name …….. ……. …….....	
County ……..……	Locality ……..……...

CHAPTER II – Identification data of the designated persons

II.A. Legal person.

Identification data:

Name…..……..
Legal form ……..…….
Registration number from the Trade Register /National Register of the Associations and Foundations..... ...
Unique Code of Registration (CUI).....
Code of Fiscal Identification (CIF).....

Place of registration –for foreign legal persons:

Country..……..……..	Locality…….……......

Social headquarters:

Country…..……...	County……..| Locality ……..	
Street…….……| No…….| District……		

Identification data of the legal representative:

Surname ……..……	Name …….....	
ID Type.....	Series.....	No. .....
Issued on ……..	Issuing authority	
Personal Identification Code…… …….……...		

II.B. Natural person

Identification data:

Surname ……..…….	Name …….....	
Date of birth…….. ….....	Place of birth …… …….....	
Citizenship……| Resident / Non-resident..……...		
ID Type ……..	Series ……..…	No …….…….....
Issued on ……..	Issuing authority ……..	
Personal Identification Code…… …….……...		

Domicile or residence:

Country…...……...	County……..| Locality ……..
Street…….……| No…….| District……	

CHAPTER III – Information regarding contracts / transactions which are subject to reporting

Type of contract/ transaction.....
Number of registration and the date of contract/transaction conclusion…….....
Parts of the contract/transaction.....
Total value of the contract/transaction (in figures and letters)..... .....
Validity of the contract .....

CHAPTER IV – Information on the accounts and subaccounts which are subject to reporting

Type of the accounts…….....	Total number of accounts……...

Details of the account and subaccounts:

Accounts…….…… ... ……..... ....
Subaccounts……..…….....
Currency.....

CHAPTER V. Norm no. 4 / 2010
Commission of the Private Pension System Supervisory
Data originator, intermediary or beneficiary of the transaction
made with the person indicated in Chapter II

V.1. Legal person
Identification data:

Name ……..
Legal form ……..…..……
Registration number from the Trade Register /National Register of the Associations and Foundations.....
Unique Code of Registration (CUI).....
Code of Fiscal Identification (CIF).....

Headquarters:

Country…….……	County……..| Locality ……..
Street…….……| No…….| District……	

V.2. Natural person
Identification data:

Surname …….....……..	Name …….....	
ID Type ……..	Series……..…	No. …….…….....
Issued on ……..	Issuing authority…….	
Personal Identification Code…….……...		

Domicile:

Country…...……....	County……..| Locality ……..
Street…….……| No…….| District……	

CHAPTER VI – Information regarding the goods subject to reporting

Type of connection.....
The total value of goods ....
Currency .....

CHAPTER VII – Description of the relevant circumstances

Description of any relevant circumstances ……..….....

CHAPTER VIII – Signatures

(Full name and position) Norm no. 4 / 2010 Page 4 of 6 Commission of the Private Pension System Supervisory Stamp .....
Done .... (Name and phone) Norm no.

Note on some aspects of completing the form for reporting persons and entities designated, operations involving goods within the meaning of the Emergency Governmental Ordinance no. 202/2008 on the implementation of international sanctions, approved by Law no. 217/2009

1. Completing the fields in the form of reporting entities for reporting persons and entities designated, operations involving goods within the meaning of the Emergency Governmental Ordinance no. 202/2008 on the implementation of international sanctions, approved by Law no. 217/2009 is appropriate.

2. In Chapter II, the phrase designated persons is used within the meaning of art. 2 letter. b) of the Emergency Governmental Ordinance no. 202/2008 on the implementation of international sanctions, approved by Law no. 217/2009, representing governments, non-state entities or persons subject to international sanctions.

3. Chapter VI: a) the good means any technology or product bearing economic value or for meeting a particular purpose, tangible or intangible, which belongs to or is owned or under the control of persons or entities designated or which is prohibited to import or export from and to a particular destination, are treated as property defined funds, economic resources and dual-use goods and technologies, as the term is defined by the provisions of art. 2 letter. c) of the Emergency Governmental Ordinance no. 202/2008, approved by Law no. 217/2009;
b) at "type of connection" are explanations regarding the ownership, possession, use or disposition of property right subject to reporting.

4. In Chapter VIII, the phrase means the signature of authorized signature person / persons invested under the law of incidents, with the authority to officially represent the reporting entity in relations with third parties.

Annex no. 29 – Excerpt from the Norms no.13/2010 regarding set up a pension company and licensing of voluntary pension administration companies published in the Official Gazette of Romania no. 691/14.10.2010

Private Pension System Supervisory Commission

EXCERPT

from the Norms no.13/2010 regarding set up a pension company and licensing of voluntary pension administration companies published in the Official Gazette of Romania no. 691/14.10.2010.

Art 8 (2) Persons named in the list drawn up in accordance with Art. 27 of Law no. 535/2004 on preventing and combating terrorism, as amended, and natural or legal persons subject to international sanctions, as defined by Government Emergency Ordinance no. 202/2008 on the international sanctions, approved by Law no. 217/2009 cannot hold the status of founders.

Art 8 (3) Persons who were convicted by a final sentence for crimes of corruption, money laundering, crimes against property, abuse of office, making or bribery, forgery and forgery, embezzlement, tax evasion, receiving undue benefits, influence peddling, perjury or other offenses likely to lead to the conclusion that the premises are not required to ensure sound and prudent management of the pension company cannot hold the status of founders.

Art 33 - The provisions of art. 8 paragraphs (2) and (3) are applicable also to the members of the board, supervisory board, managers or internal auditor of an administrator.

Art 35 (1) For individual authorization, persons nominated to provide the function of the internal control and risk management must have no criminal record entries of the kind referred to in art. 8 paragraph (2) or tax record

Annex no. 30 – Abbreviation List

ABREVIATION LIST

Abbreviation	Full Name
AML	Anti-Money Laundering
AML/CTF Law	Law 656/2002
Art.	Article
CTF	Combating Terrorism Financing
CTR	Cash Transaction Report
CSSPP	Supervision Commission of Private Pension System
DIOCT	Directorate for Investigating Organized Crime and Terrorism
DNFBP	Designated Non-financial Businesses and Professions
EU	European Union
ETR	External Transfers Report
FG	Financial Guard
FIU	Financial Intelligence Unit
GD	Governmental Decision
GEO	Governmental Emergency Ordinance
GO	Governmental Ordinance
GPOHCCJ	General Prosecutor's Office by the High Court of Cassation and Justice
ISC	Insurance Supervision Commission
IT	Information Technology
KYC	Know Your Customer
Let.	Letter
Lei/RON	Romanian Currency
MoFA	Ministry of Foreign Affairs
ML	Money Laundering
MPF	Ministry of Public Finances
MAI	Ministry of Administration and Interior
MoJ	Ministry of Justice
MS	Member State
NAD	National Anticorruption Directorate
NATA	National Agency for Tax Administration
NBR	National Bank of Romania
NCA	National Customs Authority
NFI	Non –banking Financial Institution
NIM	National Institute of Magistracy
NOPCML	Office National Office for Prevention and Control of Money Laundering
NOTR	National Office of Trade Register
NPO	Non-profit Organization
NSC	National Securities Commission
NSPCT	National System for Preventing and Combating Terrorism
NUPNR	National Union of Public Notaries from Romania
Para.	Paragraph
PCC	Procedure Criminal Code
RIS	Romanian Intelligence Service
SCM	Superior Council of Magistracy
STR	Suspicious Transaction Report
TF	Terrorism Financing
UNBR	National Union of Bars from Romania
UNSC	United Nation Security Council