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

MONEYVAL(2009)28 ANN REV1

Romania

Progress report[1]

Annexes

22 September 2009

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

Romania is a member of MONEYVAL. This progress report was adopted at MONEYVAL's 30th Plenary meeting (Strasbourg, 21-24 September 2009). For further information on the examination and adoption of this report, please refer to the Meeting Report (ref. MONEYVAL(2009)36) at http://www.coe.int/moneyval

ANNEX LIST

Annex 1. Abbreviation List

Annex 2.1 **NOPCML:** Law No. 656 of December 7th, 2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, consequently amended and completed (consolidated version);

Annex 2.2 **NOPCML:** 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;

Annex 2.3 **NOPCML:** Government Decision no. 594/2008 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 of some measures for prevention and combating terrorism financing acts;

Annex 2.4 **NOPCML:** Government Decision no. 1599/2008 on the approval of the Regulation for Organizing and Functioning of the National Office for Prevention and Control of Money Laundering;

Annex 2.5 **NOPCML:** NOPCML Decision no. 496/2006 on the approval of the 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;

Annex 2.6 **NOPCML:** NOPCML Decision no. 673/2008 on the approval of the work methodology regarding the submission of the cash transaction reports and external transaction reports;

Annex 2.7 **NOPCML:** NOPCML Decision no. 674/2008 on the form and contain of the Suspicious Transaction Report, the Cash Transaction Report and the External Transaction Report;

Annex 2.8 **NOPCML:** Written Disposition no. 43/2008 on the establishment of the working group responsible for the preparation of a normative act draft on the approval of the Norms for the prevention and combat of money laundering and terrorism financing acts, customer due diligence and internal control for the reporting entities that are not the subject of other authorities' prudential supervisions;

Annex 2.9 **MoFA:** Emergency Governmental Ordinance no. 202/2008 on the implementation of the international sanctions, as adopted by the Law no. 217/2009;

Annex 2.10 **NBR:** Regulations no. 9 /2008 on know your customer for prevention of money laundering and terrorism financing;

Annex 2.11 **NSC:** Regulations no. 5/2008 on prevention and control of money laundering and terrorist financing through the capital market;

Annex 2.12 **ISC:** Order no. 24/2008 for applying the Regulations concerning prevention and control of money laundering and terrorism financing through the insurance market;

Annex 2.13 **CSSPP:** Norms no. 5/2008 regarding reporting and transparency in the voluntary pensions system.

Annex 2.14 **CSSPP:** Norms no. 9/2009 on customer due diligence on preventing money laundering and terrorism financing acts, in the private pension system

Annex 3.1 **Minutes** of the meeting between the representatives of NOPCML and of the National Union of Bars from Romania, 07 august 2009, National Office's headquarters;

Annex 3.2 **Minutes** of the meeting between the representatives of NOPCML and of the National Union Public Notaries from Romania, 06 august 2009, Office's headquarters;

Annex 3.3 **Minutes** of the working meeting organized between the representatives of NOPCML and of the National Company "Post Office" SA, 04 August 2009, headquarters of the Office;

Annex 4. **UNNPR:** Decision no. 44/07.04.2006 of the National Union of Public Notaries in Romania for applying the Cooperation Protocol between the NOPCML and UNNPR;

Annex 5. **Programme of the on-site supervision activities**, in accordance with the requirements and recommendations provided for by the Third Round Evaluation Report of Romania;

Annex 6. **Training Plan** for the semester II of 2009 for the reporting entities provided for in article 8 of the Law no. 656 of December 7th, 2002, with subsequent modifications and completions;

Annex 7. **Organizational chart** of the National Office for Prevention and Control of Money Laundering.

Annex 8. **NBR:** Institutional developments within the National Bank of Romania in the anti-money laundering and terrorism financing field.

Annex 9. **ISC:** Order no. 13/30.07.2009 for the implementation of the regulations on supervision, in the insurance field, of the implementation of international sanctions;

Annex 10. **CSSPP:** Norms no. 11/2009 regarding supervision procedure of the implementation of international sanctions in the private pension system

ANNEX 1

ABREVIATION LIST

Abbreviation	Full Name
AML	Anti-Money Laundering
AML/CTF Law	Law 656/2002
Art.	Article
CCOA	Center for Operative Antiterrorism Coordination
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
MoAI	Ministry of Administration and Interior
MJCL	Ministry of Justice and Citizenship's Liberties
MS	Member State
NAD	National Anticorruption Directorate
NATO	North Atlantic Treaty Organization
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 Organisation
NSC	National Securities Commission
NSPCT	National System for Preventing and Combating Terrorism
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
UNNPR	National Union of Public Notaries from Romania

ANNEX 2.1

The Parliament of Romania

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

*) Note:
It contains the changes to the initial document, including the provisions:
G.E.O. No. 53/21.04.2008 published in the "Official Gazette of Romania" no. 53/30.04.2008
(the amendments and completions brought by GEO no. 53/2008 are inserted with in green color)

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) 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.

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 specialised 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 organisation 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 2.2

GOVERNMENT OF ROMANIA

GOVERNMENTAL 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

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. Letters (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 letters (e)-(k), are introduced after letter (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 Justice
Catalin Marian Predoiu

Ministry of Interior and Administrative Reform
Liviu Radu

Department for European Affaires
Adrian Ciocanea

Ministry of Economy and Finance
Catalin Doica

Annex 2.3

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.

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.

Annex

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 specialized entities which perform services regarding money remittance and foreign currency exchange are not considered third parties in accordance with para (1) letter d).

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 2.4

GOVERNMENT OF ROMANIA

GOVERNMENTAL DECISION NO. 1599/2008
for the approval of the Regulations for the Organization and Functioning of the National Office for Prevention and Control of Money Laundering

Published in the Official Gazette of Romania no. 841/15.12.2008, Part I

In accordance with the provisions of art. 108 of the Constitution of Romania, republished, and art. II para (4) of the Government's Emergency Ordinance no. 53/2008 for the modification and completion of the Law no. 656/2002 on the prevention and sanctioning of money laundering, as well as for setting up certain measures for the prevention and combat of terrorism financing acts,

The Government of Romania adopts the present decision.

Art. 1 – The Regulation for the Organization and Functioning of the National Office for Prevention and Control of Money Laundering, provided for in the Annex, which is part of the present decision, is approved.
Art.2 – On the date of coming into force of the present decision, the Government Decision no. 531/2006 on the approval of the Regulations for the Organization and Functioning of the National Office for Prevention and Control of Money Laundering, published in the Official Gazette of Romania, Part I, no. 392 of May 08, 2006, is repealed.

PRIME MINISTER
CALIN POPESCU TARICEANU

COUNTERSIGNED
Chancellor of the Prime-Minister
Marian Marius Dorin

President of the National Office for the
Prevention and Control of Money Laundering
Adriana Luminita Popa

Minister of Labor, Family and Equality of Chances
Mariana Campeanu

Minister of Economy and Finance
Varujan Vosganian

Bucharest, December 4, 2008
No. 1599

ANNEX to GD no. 1599/2008

REGULATIONS
for the Organization and Functioning of the National Office for Prevention and Control of Money Laundering

CHAPTER I
General provisions

Art. 1 – (1) The National Office for Prevention and Control of Money Laundering, hereinafter called "*the Office",* is organized and functions based on the Law no. 656/2002 for the prevention and sanctioning money laundering, as well as for setting up certain measures for the prevention and combat terrorism financing acts, with subsequent modifications and completions, hereinafter called "the Law", as a specialized body having legal

personality, subordinated to the Government, and in coordination of the Prime-Minister, by the Chancellery of the Prime Minister.
(2) The headquarters of the Office is located in Bucharest.

Art. 2 – The Office has, as activity object, the prevention and combating money laundering and terrorism financing acts, in which purpose it receives, analyses and processes information and notifies the authorities having competence granted by the law, or notifies ex officio whenever it finds out, in any way, about a suspicious transaction, in accordance with the law.

Art. 3 – (1) The Office is managed by a President, named by the Government among the members of the Board, which has the capacity of main credit ordinator.
(2) – The Board of the Office is the debating and decisional structure, including one representative from the Ministry of Economy and Finance, Ministry of Justice, Ministry of Interior and Administrative Reform, General Prosecutor's Office by the High Court of Cassation and Justice, National Bank of Romania, Court of Accounts and from the Romanian Banks' Association, named in this position for a 5 year period, by Governmental Decision, subsequent to the proposal of the respective institutions.
(3) The debating and decisional activity provided for by para (2) refers to the specialized cases analyzed by the Office's Board. In respect to the economical-administrative matters, the Office's Board deliberates only by request of the president.
(4) The Members of the Office's Board have public dignity positions, equivalent to the function of State Secretary.
(5) The personnel of the Office comprises specialized personnel represented by the financial analysts, the auxiliary specialized personnel, represented by the assistant analysts, as well as, the contractual personnel, which occupies budgetary sector specific functions, represented by the drivers and unqualified workers.
(6) The maximum number of positions is 120.
(7) Starting with the 01st of January 2009, the maximum number of positions is 130.
(8) The Office constitutes its own structure at central level.
Art. 4 – (1) The organizational chart of the Office is provided for by the Annex, which is integrant part of the present regulations.
(2) Within the directorates, departments, bureaux and compartments may be organized by the order of the President of the Office.

CHAPTER II
The attributions of the Office

Art. 5 – (1) In order to accomplish its activity object, the Office has the following main attributions:
a) receives data and information from natural and legal persons provided for by the art. 3 para (11), art. 8 and art. 17 para (1) let a) – c) of the Law, related to the operations and transactions carried out in lei and/or foreign currency;
b) analyses and processes data and information received in accordance with the law, in order to identify the existence of solid grounds of money laundering or terrorist financing acts;
c) requests to any public authority and institution, as well as to any natural and legal person, the data and information they hold and which are necessary for accomplishing its object of activity. These data and information are processed and used in observance of the legal provisions related to the processing of personal data and of those related to the classified information;
d) cooperates with the public authorities and institutions, as well as, with natural and legal persons that can provide useful data, in order to accomplish its object of activity;
e) performs information exchange, based on reciprocity, with foreign institutions that have similar attributions and which have the obligation to keep the confidentiality in similar conditions, if such communications are made with the purpose of preventing and combat money laundering and terrorist financing acts;
f) issues, in accordance with the law, decisions for suspension of the carrying out the transactions on which exists the suspicion that they have as purpose money laundering and/or the financing of terrorism acts;
g) notifies, immediately, the General Prosecutor's Office by the High Court of Cassation and Justice, in the cases stipulated by the law;
h) notifies, immediately, the Romanian Intelligence Service concerning the operations suspected of terrorist financing acts, if subsequent to the analyses and processing of information solid grounds for the financing of such acts are found;
i) notifies, immediately, the competent body in cases in which solid grounds of committing other offences than that of money laundering or terrorist financing acts were found;
j) notifies ex officio, whenever it finds out, in any way, about a suspicious transaction, in accordance with the law;

k) elaborates and updates the lists which include the natural and legal persons suspected of committing or financing terrorism acts, which are submitted to the Ministry of Economy and Finance, in accordance with the legal provisions into force;
l) verifies and controls the enforcement procedure of the provisions of the law, by the natural or legal persons provided for by art. 8 of the law and which do not have, in accordance with the law, a public prudential supervision authority;
m) can make proposals to the Government and central public administration bodies for the adoption of measures, in order to prevent and combat money laundering and terrorist financing acts, endorses the drafts of the normative acts related to its activity object;
n) organises and realizes the specialized training of its own personnel and may participate to the special training programs of other institutions;
o) establishes the format and the content of the reports provided for by the art. 3 para (1), (6) and (7) of the Law, as well as the working methodology regarding the reporting procedures provided for by the art. 3 para (6) and (7) of the law;
p) elaborates, through the means of its specialized directorates, its working procedures, and elaborates the annual activity report, which shall be presented and submitted for approval to the Board of the Office;
q) elaborates, negotiates and concludes conventions, protocols, agreements with the domestic institutions, which have attributions in the field, and with similar foreign institutions, in accordance with the law; can be member of the international specialized bodies and can participate to the activities of these bodies.

CHAPTER III
The organization and functioning of the Office

Art. 6 – The organization, structure and functioning of the Office shall ensure the accomplishment of the attributions stipulated by the law and by the present regulations;

Art. 7 – (1) In carrying out its attributions, the president of the Office issues orders and instructions.
(2) In respect to the activity of the natural or legal persons, provided for by art. 8 of the law, which do not have, in accordance with the law, a public prudential supervision authority, the President of the Office may issue instructions in respect to the enforcement of the legal provisions in the field.

Art. 8 – The President of the Office has the following main attributions:
a) represents the Office in its relations with the Parliament, judicial and administrative authorities, as well as, with the domestic and foreign natural and legal persons, including the international bodies and organizations;
b) engages, from patrimonial point of view, the Office, by his signature, in relations with third parties;
c) chairs the meetings of the Board and may ask the Board to decide over economical-administrative matters, whenever it considers necessary;
d) can delegate executive and representative powers to other members of the Office's Board, and, in his absence, will designate a member of the Board;
e) applies, in accordance with the law, disciplinary sanctions to the Office's employees when has ascertained the fact that they committed a disciplinary violation;
f) monitors and controls the enforcement of the communitarian normative acts, as well as of the international agreements to which Romania is part of, in the activity field of the Office;
g) initiates, negotiates and concludes, based on the proxy granted by Government, international cooperation documents in the field of prevention and combating money laundering and terrorism financing acts, in accordance with the legal provisions;
h) coordinates and controls, according to its competence, the enforcement of the normative acts, issued according to the law, in the field of money laundering and terrorism financing acts, by respecting the legal provisions;
i) approves the job description for the employees, establishing the attributions, tasks and competency limits for them, the evaluations documents regarding the annual professional activity, as well as the promotion in rank and degree of the personnel;
j) organizes and coordinates the activity of the subordinated advisors, directorates, departments, compartments and bureaux and is responsible for the good functioning of the Office;
k) draws up the annual activity report and the medium and long term strategic objectives of the Office, which are presented and submitted for approval to the Office's Board, in accordance with the law;
l) approves, by order, the internal methodological norms and procedures for accomplishing its object of activity, subsequent to their presentation and approval by the Office's Board, in accordance with the law.

Art. 9 – (1) The Board of the Office has the following main attributions: decides in respect to the:

a) written notes presented by the specialized directorate, in respect to the suspension of carrying out the transactions and the request for the prolongation of suspension, addressed to the General Prosecutor's Office by the High Court of Cassation and Justice, in accordance with the law;
b) written notes presented by the specialized directorate, in respect to the notification of the General Prosecutor's Office by the High Court of Cassation and Justice in cases in which exist solid grounds related to money laundering and terrorism financing acts, in accordance with the law, and in respect to the notification of the Romanian Intelligence Service regarding the suspicious terrorism financing acts operations;
c) written notes presented by the specialized directorate in respect to the notification of the competent bodies, when solid grounds for committing other offences than those of money laundering or terrorist financing acts, are found;
d) written notes presented by the specialized directorate, in respect to the holding into evidence the information received by the Office, in accordance with the law;
e) written notes drawn up by the specialized directorate, subsequent to the request received from the competent authorities, in accordance with the art. 6 para (4) of the Law;
f) written notes drawn up by the specialized directorate subsequent to the request received from the competent authorities, in accordance with the art. 6 para (5) of the Law;
g) economic-administrative matters, in accordance with the provisions of the law and the present regulations.
(2) The decisions of the Office's Board are adopted by the vote of the majority of the members.
(3) The members of the Office's Board ensure and coordinate the cooperation with the institutions they represent.

Art. 10 – Within the Office operate the following structures:
a) the President's counselors;
b) General Operative Directorate, composed of:
   - Analysis and Processing of Information Directorate;
   - Information Technology and Statistics Directorate;
c) Inter-institutional Cooperation and International Relations Directorate;
d) Economic-Financial and Administrative Directorate;
e) Supervision and Control Directorate;
f) Legal and Methodology Directorate;
g) Public Internal Audit Compartment;
h) Human Resources Compartment.

Art. 11 – (1) The General Operative Directorate is managed by a general director.
(2) The General Director may also fulfill other attributions established by the President's order, in accordance with the law, internal order regulations and internal working procedures.
(3) Analysis and Processing of Information Directorate has the following main attributions:
a) receives, analyses and processes the cases suspected of money laundering and terrorist financing acts, in accordance with the internal methodology approved by decision of the Office's Board;
b) requests, according to the provisions of the art. 5 of the law, to any competent institution, as well as, to the persons provided for by the article 8 of the law, data and information necessary in the verification, analysis and processing the cases suspected of money laundering and/or terrorist financing acts;
c) draws up notes on the result of the processing of information, which are submitted to the Office's Board, for debate;
d) notifies, immediately, based on the Board's decision, in accordance with the provisions of art. 6 para (1) of the law, the General Prosecutor's Office by the High Court of Cassation and Justice and the Romanian Intelligence Service;
e) notifies, immediately, the competent bodies, based on the Board's decision, when after the analysis resulted solid grounds of committing only of other of offences than those of money laundering or terrorist financing acts;
f) provides, on a quarterly basis, to the Office's Board, the situation of non-finalized cases, for analysis and disposal of measures;
g) provides to the persons mentioned by article 8 letter a) and b) of the Law, whenever possible, respecting the confidentiality regime, through a secured way of communication, information regarding the customers, natural and/or legal persons exposed to risk of money laundering or terrorism financing acts, according to the internal procedures, in cooperation with the Supervision and Control Directorate;
h) elaborates and implements the directorate's working procedures and may participate in the elaboration of methodologies and analyses connected to the specific activity of the Office, as well as to the rules and international practice in the field, prepared by other specialized directorates within the Office;
i) participates in the elaboration of the annual report regarding the Office's activity;
j) elaborates, based on the cases analyzed within the Office, studies regarding specific typologies on money laundering and/or terrorist financing acts;

k) proposes to the Office's Board in order to be approved a system for performing of the financial analysis, endorsed by the Office's President, which will be updated on regular basis depending on the identified risk indicators;
l) other attributions established by order of the Office's President, according to the law, Regulation of interior order and internal working procedures.
(4) The Information Technology and Statistics Directorate accomplishes the following main attributions:
a) ensures the management of the IT system, the management and updating of the databases;
b) receives and takes over in the own databases the reports on cash transactions and the reports on cross-border transfers sent by the natural and legal persons provided in the art.8 of the Law, as well as the information sent by the National Authority of Customs, according to the law;
c) organizes the registry, secretariat and archive activity;
d) ensures the access of the Office's personnel to the information received according to the law, as well as the good functioning of the on-line connection of the Office with the databases of other institutions with which the Office cooperates;
e) elaborates evidences and statistics analysis in the activity field of the Office;
f) creates and updates the database regarding the politically exposed persons, based on the information received by the public authorities and institutions and puts at the disposal of its own personnel and of the persons provided in the art. 8 of the law the information within this database;
g) draws up and implements the working procedures of the directorate and may participate in the elaboration of methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practice in the field, prepared by other specialized directorates within the Office;
h) participates in the elaboration of the annual report regarding the Office's activity;
i) other attributions established by order of the Office's President, according to the law, Regulation of interior order and internal working procedures.
(5) The Director of the Directorate for Information Technology and Statistics ensures the performing of the security officer of the institution, according to the provisions of the Law no.182/2002, on protection of the classified information, with the subsequent modifications as well as the other legal provisions in the field.

Art. 12 - Inter-institutional Cooperation and International Relations Directorate has the following main attributions:
a) coordinates the activities regarding the participation of the Office within the national system for coordination of the European affaires for the participation of Romania to the decisional process of the European Union's institutions;
b) ensures the coordination of activities of internal and international cooperation of the Office with national institutions and international bodies in the field;
c) ensures the relationship and cooperation with the international bodies and with the foreign institutions having similar attributions as the Office;
d) elaborates proposals for concluding of bilateral memoranda/ agreements/understandings with foreign institutions having similar attributions and accomplishes the negotiation and signing procedures with foreign institutions having similar attribution, according to the legal provisions;
e) receives, submits and manages the incoming and outgoing requests of information from/to the foreign institutions, which have similar attributions and are equally obliged to keep the confidentiality in similar situations, if such disclosures are made with the purposes of prevention and combating money laundering and terrorist financing acts, according to the working procedures of the directorate;
f) coordinates the activities through which the technical aspects of the programs with external financing are implemented;
g) manages, accordingly to the Law, the activity of the spokesman;
h) organizes training seminars in the field of prevention of money laundering and terrorism financing acts;
i) ensures the collaboration with the prudential supervision authorities, law enforcement authorities, financial control bodies and other institutions with attributions in the field, through the conclusion of cooperation protocols which provide the necessary measures for enforcing the legal provisions;
j) coordinates the elaboration of the Annual Activity Report's draft and presents it to the Office's President;
k) presents to the Office's management the draft of the directorate's working procedures, elaborates and implements these procedures and may participate in the elaboration of the methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practice in the field, prepared by other specialized directorates within the Office;
l) other attributions established by order of the Office's President, according to the law, interior order regulations and internal working procedures.

Art. 13 – The Economic-Financial and Administrative Directorate has the following main attributions:
a) elaborates the draft of the income and costs budget of the Office;
b) draws up the annual and quarterly financial reports provided by law;

c) monitors the efficient spending of the funds, in accordance with the legal provisions, and presents to the Office's management the report on the budget execution;
d) elaborates proposals for the rectification, if necessary, of the income and costs budget;
e) organizes and manages the Office's bookkeeping;
f) ensures the acquisition, management and administration of the fixed assets, inventory objects and consumption materials, as well as the maintenance and the exploitation of the auto stock;
g) organizes the inventory process of material and financial means of the Office;
h) organizes the preventive financial control and administration financial control activity, in accordance with the legal provisions;
i) elaborates and verifies the fulfillment of the plan on the prevention and extinguishing fires, assuring the endowment with the necessary equipments, as well as the training of the personnel in the field;
j) elaborates and implements the working procedures of the directorate and may participate in the elaboration of methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practices in the field, prepared by other specialized directorates within the Office;
k) other attributions established by the order of the Office's President, according to the law, interior order regulations and internal working procedures.

Art. 14 –Supervision and Control Directorate has the following main attributions:
a) elaborates, in accordance with the legal rules into force, norms, methodologies and/or working procedures regarding the risk based supervision and the control of the entities provided for by the art. 8 of the law, which are not under the prudential supervision of any public authority;
b) elaborates written notes on the verification of the risk exposure of the entities provided for by art. 8 of the law, which are not, according to the law, under the prudential supervision of any public authority, based on which control activities may be organized;
c) elaborates the program for the checking and control actions of the entities provided for by the art. 8 of the law, which are not under the prudential supervision of any public authority, and ensures its implementation;
d) may request, according to the law, data and information necessary for performing risk based supervision and control activities, from the competent institutions;
e) performs the operative and unforeseen control of the persons provided for by art. 8 of the law, based on the activity order with permanent character issued by the Office's President, ascertains the contraventions committed and applies the legal sanctions through ascertainment and contravention's sanctioning document (record) according to the legal provisions in the field, attribution realized by the designated persons within the Office, generically called ascertaining agents;
f) elaborates proposals, based on the risk analysis, regarding drawing up the training programs for the persons provided for by the art. 8 of the law and may participate in their performance;
g) elaborates and implements the working procedures of the directorate and may participate in the elaboration of methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practices in the field, prepared by other specialized directorates within the Office;
h) other attributions established by order of the Office's President, according to the law, interior order regulation and internal working procedures.

Art. 15 – The Legal and Methodology Directorate has the following main attributions:
a) ensures specialized legal assistance in the Office's relations with third parties;
b) represents the Office, through the designated persons, in the Courts of Law;
c) ensures the preparation of all necessary procedural acts for solving the cases from courts and compiles the cases records from courts;
d) takes all the necessary measures for ensuring the enforcement, according to law, of the final and irrevocable court decisions, as well as the decisions executory by law of the prime court, according to law;
e) Accomplishes the procedure for endorsement of the normative acts' drafts initiated by the Office;
f) endorses for legality purposes the administrative acts of the Office's President and any other acts which produce legal effects as well as normative acts connected with the Office's object of activity, elaborated by other relevant authorities;
g) endorses for legality purposes the civil and commercial contracts which involve the patrimonial liability of the Office;
h) ensures the notification of the structures within the Office, as regards the normative acts relevant for its activity;
i) elaborates analysis concerning the opportunity for initiation or amendment of normative acts related to the Office's object of activity;
j) participates in the elaboration of normative acts' drafts in the field of prevention an combating money laundering and terrorism financing acts, rules and internal procedures;

k) provides specialized consultancy to the persons provided for by art. 8 of the law and to other authorities and institutions, as regards the modality of enforcement of the legal provisions in the field of prevention and combating money laundering and terrorism financing acts;
l) elaborates and implements the working procedures of the directorate and may participate in the elaboration of methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practices in the field, prepared by other specialized directorates within the Office;
m) participates in the elaboration of the strategy and programs for prevention and combating money laundering and terrorism financing acts;
n) other attributions established by order of the Office's President, according to the law, interior order regulations and internal working procedures.

Art. 16 - Human Resources Compartment has the following main attributions:
a) keeps and fills in the job records, registers and other documents concerning the work activity of the personnel, according to the law;
b) draws up the documents and carries out the activities necessary for employments, modifying and for ceasing the work relationships;
c) proposes, coordinates and monitors the fulfillment of the formation training and specializing programs for the Office's personnel;
d) keeps the records regarding the performance of the leaves as well as the study and without wage vacations;
e) fills in the retirement documents for aging limit, retirement caused by infirmity or for pension for descendant;
f) elaborates and implements the working procedures of the compartment and may participate in the elaboration of methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practices in the field, prepared by other specialized directorates within the Office;
g) ensures the knowledge and the compliance of the Office's personnel with the Regulation for the Organization and Functioning and of the internal order regulations, approved by the Office's President;
h) elaborates the methodology regarding the establishment of the recruitment and hiring conditions, according to the law, which shall be approved by Office's President order;
i) other attributions established by order of the Office's President, according to the law, interior order regulations and internal working procedures.

Art. 17 - Internal Public Audit Compartment has the following main attributions:
a) issues specific methodological audit norms, with the endorsement of the Harmonising Central Unit for Internal Public Audit;
b) issues the draft of the internal public audit annual plan;
c) carries out internal public audit activities in order to evaluate if the financial and control management of the public entity are transparent and in compliance with the legal norms, regularity, economic, efficiency and effectiveness;
d) informs the Harmonising Central Unit for Internal Public Audit about the recommendations non-assimilated by the head of the public entity audited, as well as about their consequences;
e) reports periodically on the findings, conclusions and recommendations resulted from its audit activities;
f) elaborates the annual report of the internal public audit activity;
g) reports immediately to the Office's President the identification of certain violations or possible prejudices;
h) draws up a report in which it is synthetically presented the level of ensuring the management as regards the viability of the accounting system, recommendations made and the stage of their implementation, report that shall be presented to the Office's president in order to be approved;
i) elaborates and implements the working procedures of the compartment and may participate in the elaboration of methodologies, studies and analyses connected to the specific activity of the Office, as well as to the rules and international practices in the field, prepared by other specialized directorates within the Office;
j) other attributions established by order of the Office's President, according to the law, Regulation of interior order and internal working procedures.

Art. 18 – The description in detail of the attributions, tasks and individual responsibilities of the Office's personnel are established by the job description, which is drawn up in accordance with the law and the present regulations, is signed by the employee and the hierarchical superiors and is approved by the President of the Office.

Chapter IV
Recruitment, employment, promotion conditions and disciplinary liability of the personnel

Art.19 - Employment of personnel shall be carried out by contest, according to the law. In the contest may participate persons from inside or outside the institution.
Art.20 - In order to take part in hiring contest within the institution, the candidates shall fulfill the following conditions:

a) to have Romanian citizenship;
b) to have an university degree issued by an economic or legal high educational institute, or school graduate of medium studies, by case, having the minimum length of service according to the Law; in the IT activity can be employed as financial analyst the graduates of high educational institutes with informatics profile and, for the contractual personnel which holds similar positions to those in the budgetary system can be employed graduates of the general and medium education, having the adequate qualification;
c) to have the exercise of the civil and political rights;
d) to have a professional and intact moral reputation;
e) to have no conviction for any offence;
f) to be declared admitted to the medical and psychological test.

Art.21 - (1) The folder for the participation to the contest for employment within the Office shall compulsory include the following documents:

a) candidate's request;

b) university diploma for higher education graduates and for the high schools and professional schools graduates, as appropriate, the high school or professional school graduation certificate, in copy compliance with the original;

c) curriculum vitae;
d) reference – letter of recommendation from the last job, which has to provide contact data of the person who gave the recommendation – phone, position, job;
e) criminal record certificate;
f) medical record;
g) a copy of the job record with the mention "according to the original", signature and/or stamp on all the copy's pages;
h) a copy according to the original of the marriage certificate, if it is the case;
i) a copy according to the original of the birth certificate for each child being in growth of parents, if it is the case;
j) a statement on own responsibility that the candidate has not been judged or convicted in penal cases and he/she is not subject of a current investigation or penal procedure.

(2) For the positions having specific attributions, by order of the Office's President, can be set up other necessary documents.

Art.22 – In 30 days from the date of entering into force of this regulation, it shall be approved, by order of the Office's President, according to the law, the Regulation for organizing and performing the contests for employment within the Office.

Art. 23 - As of the date of employment, the personnel of the Office shall sign an engagement regarding the liability of not disclosing the information received during its activity, but only in case of a judicial procedure including a five years period after ending of the employment period.

Art.24 - The employed personnel of the Office cannot hold any job and cannot fulfill any position within the legal entities provided for in the art.8 of Law, being simultaneously an employee of the Office.

Art.25 – (1) The upgrading of personnel on degrees and functions is done by order of president, according to the law.

(2) The upgrading shall be done in the superior grade/level to the one held, with framing in the budgetary credits allocated.

(3) The upgrading in grade/level criteria are established by order of the Office's President, in 30 days from entering into force of this regulation.

(4) The infringement of the legal obligations by the members of the Board and by the hired personnel of the Office engages, by case, civil, penal, disciplinary and contravention liability, according to the law.

Art.26 – The Office has an endowment of 8 cars, having a maximum consumption of 300 liters/month/car.

Annex 2.5

NORMS no. 496/2006
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 f 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 systems;
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 the 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 latter 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 programme 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 analysing 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 programmes implementation and for the evaluation of their efficiency;
h) training programmes for the personnel in due diligence area.
Article 18 – The due diligence programmes 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 systematised 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.

CAPITOLUL 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.

CAPITOLUL 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[1]	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 Code[2].

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 2.6

Government of Romania
National Office for Prevention and Control of Money Laundering

DECISION No. 673
May 29, 2008

on the approval of the work methodology regarding the submission of the cash transaction reports and external transaction reports

Published in the Official Gazette no. 452 from June 17, 2008

In accordance with the art. 3 para. (9) 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 terrorism financing, with subsequent modifications and completions, and of art. 8 para. (3) letter. a) of the Regulations on the Organisation and Functioning of the National Office for the Prevention and Control of Money Laundering, approved by Government Decision no. 531/2006,

The Board of the National Office for the Prevention and Control of Money Laundering decide:

Art. 1 – It is approved the work methodology regarding the submission of the cash transaction reports and external transaction reports, enclosed in the Annex which is integral part of the present decision.
Art. 2 – The present decision it will be published in the Official Gazette and shall enter into force in 60 days from its publication.

On behalf of the President of the National Office for Prevention and Control of Money Laundering,
Cezar Flavian Patriche

Annex

WORK METHODOLOGY
on the approval of the work methodology regarding the submission of the cash transaction reports and external transaction reports

Art. 1 - (1) In the content of the present work methodology, the cash transaction reports and external transaction reports are generally hereafter referred to as reports.
(2) The sintagme "reporting entity" defines the natural and legal persons provided in the Law no. on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, with subsequent modifications and completions.
Art. 2 - (1) The reports are submitted to the National Office for Prevention and Control of Money Laundering in 10 working days from the performing of the transactions which is subject to the reporting obligation.
(2) The reports can be submitted to the National Office for Prevention and Control of Money Laundering, as follows:
a) daily;
b) cumulative, for a maximum period of 10 working days.
(3) For the situation provided in para. (2) letter. b), the reporting entity shall fulfill an each type of report, which shall contain all the operations performed during the reporting period.
Art. 3 - (1) The reports may be fulfilled into a printing format on paper, or into an electronic device, on magnetic or optic support.
(2) The reports in electronic format shall be named ccccddmmyyyy_N.dbf for cash transactions report, respectively ccccddmmyyyy_T.dbf for the external transaction reports and shall be fulfilled in accordance with the approved format, for each type of file, through the National Office for Prevention and Control of Money Laundering Board's Decision no. 674/2008 on the form and contain of the Suspicious Transaction Report, Cash Transaction Report and External Transaction Report.
Art. 4 - (1) The reports, both in writing and electronic format, shall be submitted to the National Office for Prevention and Control of Money Laundering using the following modalities:
a) handing in to the registration desk of the institution;
b) using the mail and messenger services, with the confirmation of the receiving.
(2) The reports in electronic formats submitted using any modalities describe above shall be accompanied by an address, which template is presented in the annex of the present work methodology. The address, mandatory, shall contain the characteristics of the file: name, date and the hour of creation and the

dimension in KB. Also, in the letter can be made other mentions considered to be necessary by the reporting entity.

(3) It is forbidden the submission of the reports using fax or e-mail.

(4) The credit institutions and the branches in Romania of the foreign credit institutions can submit the reports in electronic form using the inter-banking communication network, in accordance with the protocol concluded by the National Office for Prevention and Control of Money Laundering. In this case, the reports are not accompanied by the address.

Art. 5 – The responsibility of ensuring the confidentiality of the data contained in the reports during the transmission shall be only the responsibility of the reporting entity.

Art. 6 - (1) The reporting entities which notice the existence of some errors into a previous report, shall fulfill, immediately, a correction report which will replace the initial report.

(2) Indifferently if the correction report is fulfilled in a printing or electronic format, this shall contain both the correct data from the initial report and the data which was corrected by the reporting entity.

(3) The reports in the printed form shall contain to the “Observation” column, mentions about the corrected operations, and the reports in the electronic format shall contain the date of the bringing up to date of the corrected data.

(4) For the reports mentioned to para. (1), in electronic format, the correction files shall be named cccddmmyyyyX_N.dbf, respectively cccddmmyyyyX_T.dbf.

(5) If the reporting entity notice that an already submitted report is incomplete, the omission date shall be communicated, immediately, using a new report, which shall contain to the "Observation" column the motives for which is necessary the fulfillment of the new report.

(6) For the reports mentioned to para. (5), fulfilled in an electronic format, the correction reports shall be named cccddmmyyyyY_N.dbf, respectively cccddmmyyyyY_T.dbf.

Annex to the work methodology

ADDRESS
- template-

Reporting entity: Reference no. of the issuer:
Name: Reporting date:
Unique identification code (fiscal code):
Number of registration to the National Trade Registry:
Address and phone/fax number:

To the attention of the National Office for Prevention and Control of Money Laundering

We send you attached, on electronic device (number of floppy disks, number of CD-ROMs) contained:

1. The Cash Transaction Report, named cccddmmyyyy_N.dbf, for the day/period ....., created on ....., at hours....., with the size of..... KB.

2. The External Transaction Report, named cccddmmyyyy_T.dbf, for the day/period ....., created on ....., at hours....., with the size of..... KB.

3. The corrected/in completion Cash Transaction Report, named cccddmmyyyyX_N.dbf/cccddmmyyyyY_N.dbf, for the day/period ....., created on ....., at hours....., with the size of..... KB.

4. The corrected/in completion External Transaction Report, named cccddmmyyyyX_T.dbf/cccddmmyyyyY_T.dbf, for the day/period ....., created on ....., at hours....., with the size of..... KB.

We certify that the data contained in the file are complete, correct and are in accordance with the legal provisions.

Name of the authorized person
.....
(Signature of the authorized person and the seal of the reporting entity)

Annex 2.7

Government of Romania
The National Office for Prevention and Control of Money Laundering

Decision no. 674
May 29, 2008

On the form and contain of the Suspicious Transaction Report, the Cash Transaction Report and the External Transaction Report

Published in the Official Gazette no. 451 from June 17, 2008

In accordance with the provisions of art. 3 para. (9) 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 terrorism financing, with subsequent modifications and completions, and of art. 8 para. (3) letter. a) of the Regulations on the Organisation and Functioning of the National Office for the Prevention and Control of Money Laundering, approved by Government Decision no. 531/2006,

The Board of the National Office for Prevention and Control of Money Laundering decides:

Art. 1 - (1) It is approved:

a) the form and contain of the **Suspicious Transaction Report**, provided in the annex no. 1;

b) the form and contain of the **Cash Transaction Report**, provided in the annex no. 2A, respectively the format of the electronic file equivalent to this report, provided in the annex no. 2B;

c) the form and contain of the **External Transaction Report**, provided in the annex no. 3A, r respectively the format of the electronic file equivalent to this report, provided in the annex no. 3B.

Art. 2 - (1) The annexes no. 1 - 3 are integral part of this decision.

(2) The present decision shall enter into force in 60 days from its publication.

(3) At the date of entering into force of the present decision, the Decision of the Board of the National Office for Prevention and Control of Money Laundering no. 276/2005 on the form and contain of the Suspicious Transaction Report, the Cash Transaction Reports in RON or foreign currency which exceed the threshold of 10.000 euro, indifferently if the transaction are carried out through one or more connected operations, and of the External Transaction Report in and from account, for amounts exceeding the threshold of RON equivalent of 10.000 Euro, published in the Official Gazette of Romania, Part I, no. 558 from June 29, 2005.

Art. 3 – The present decision shall be published in the Official Gazette of Romania, Part I.

On behalf of the President of the National Office
for Prevention and Control of Money Laundering,
Cezar Flavian Patriche

Annex 2.8

ROMANIAN GOVERNMENT
NATIONAL OFFICE FOR PREVENTION
AND CONTROL OF MONEY LAUNDERING

WRITTEN DISPOSITION
on the establishment of the working group responsible for the preparation of a normative act draft on the approval of the Norms for the prevention and combat of money laundering and terrorism financing acts, customer due diligence and internal control for the reporting entities that are not the subject of other authorities' prudential supervisions

Having regard to:

- The provisions of Government Decision no. 254/2006 *on the revocation of some members of the National Office for Prevention and Control of Money Laundering Board, on the appointment, in the vacant positions, of other members, as well as on the appointment of the President of the National Office for Prevention and Control of Money Laundering*;
- The provisions of the Law no. 656/2002 *on the prevention and sanctioning of money laundering, as well as on setting up certain measures for the prevention and combat of terrorism financing acts, with subsequent modifications and completions*;
- The provisions of Governmental Emergency Ordinance no. 53/2008, on the modification and completion of the Law no. 656/2002 on the prevention and sanctioning of money laundering, as well as on setting up certain measures for the prevention and combat of terrorism financing acts;
- The provisions of Government Decision no. 531/2006 on the *Regulation for the organization and functioning of the National Office for Prevention and Control of Money Laundering;*
- The provisions of art. 7 para (1) and (2) of the Government Decision no. 1226/2007 *for the approval of the Regulation on the procedures, at Government level, for the elaboration, endorsement and presentation of the public politics draft documents, the normative acts drafts, as ell as other documents, in order to be adopted/approved*;
- The Note no. 1437/i/22.05.2008, issued by the Legal and Methodology Department, regarding the establishment of a working group at NOPCML level, responsible for the preparation of a normative act draft on the approval of the Norms for the prevention and combat of money laundering and terrorism financing acts, customer due diligence and internal control for the reporting entities that are not the subject of other authorities' prudential supervisions,

THE PRESIDENT OF THE NATIONAL OFFICE FOR PREVENTION AND CONTROL OF MONEY LAUNDERING
issues the following

WRITTEN DISPOZITION

Art. 1 Starting with May 27th, 2008, at NOPCML level, the working group responsible for the preparation of a normative act draft on the approval of the Norms for the prevention and combat of money laundering and terrorism financing acts, customer due diligence and internal control for the reporting entities that are not the subject of other authorities' prudential supervisions, is established, with the following composition:

- Mr. Bogdan Martimof – member of the Office's Board – President;
- Ms. Ioana Ungureanu – financial analyst within Information Technology Directorate – member;
- Mr. Alexandru Codescu – financial analyst within the Supervision and Control Department;
- Ms. Claudia Bonto – financial analyst within the Supervision and Control Department – member;
- Ms. Mihaela Oprea – financial analyst within the Supervision and Control Department – member;
- Mr. Laurentiu Robu – financial analyst within the Legal and Methodology Department – member;
- Ms. Roxana Nitu – financial analyst within the Legal and Methodology Department – member;

Art. 2 The persons nominated in art.1 shall comply to the provisions of the present written disposition.
Art. 3 The Legal and Methodology Department shall make the necessary notifications on the provisions of the present written disposition.

PRESIDENT
ADRIANA LUMINITA POPA

Bucharest: 27.05.2008/No. 43

Annex 2.9

Government of Romania
Emergency Ordinance no. 202
4 December 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 moral 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 can not 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 moral 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 are 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;

h) products and dual-use technologies - those products and technologies defined under Council Regulation (EC) no. 1 334/2000 establishing a Community regime for the control of exports of dual-use products and technologies, published in the Official Journal no. L 159 of 30 June 2000.

i) to have under control - all situations where, without holding a property title, a natural or moral 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 moral 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 moral 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 can not be identified, notification shall be forwarded to the Ministry of Foreign Affairs, in his capacity of coordinator of the Interinstitutional 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 Interinstitutional 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.

(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 Interinstitutional Council

(1) With a view to ensure the general framework of cooperation for the implementation of international sanctions in Romania, the Interinstitutional 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 Combating 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 non-binding 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 moral 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 is done by the public authorities and institutions competent for regulating, authorizing, or prudential supervision of the financial sector, by the management structures of liberal professions, and, respectively, by the National Office for Prevention and Combating Money Laundering, for natural and moral 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 moral 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 are 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 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 moral 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 moral 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 moral 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 moral 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 can not 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 moral 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 moral 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 does 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 moral 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 moral 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 moral 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 can not 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 can not 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 can not be encumbered by the burdens of movable security or real estate securities and can not 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 moral 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 moral 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 moral 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 2.10

BANCA NAȚIONALĂ A ROMÂNIEI

REGULATION
No.9/2008
on know-your-customer for the purpose of money laundering and terrorism financing prevention

Having regard to the provisions of art.8 let.a) and b), of art.17 para.(1) and art 22 para. (4^1) of Law 656 of December 7th, 2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, as modified, art.1 of Government Decision no.594/2008 regarding the approval of Regulation for the application of the provisions of Law 656 of December 7th, 2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, as modified, as well as Financial Action Task Force on Money Laundering recommendations,
In virtue of the provisions of art.II para(5) of Emergency Government Ordinanceno.53/2008 for modification and completion of Law 656 of December 7th, 2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, as modified, and of art. 48 of Law no.312/2004 on the statute of National Bank of Romania,

The National Bank of Romania issues this Regulation.

Chapter I
General provisions

Art.1 – (1) This Regulation is applicable to the credit institutions, Romanian legal entities and to the non-bank financial institutions, Romanian legal entities, registered in the Special Register held by the National Bank of Romania and establishes the minimum standards for drawing up by these entities of their own "know-your-customer" norms, as an essential part of the money laundering and terrorism financing risk management and also aspects regarding their implementation.
(2) This Regulation is correspondingly applicable, for the purpose mentioned at para (1), also to the branches established in Romania by the credit institutions foreign legal entities and to the branches established in Romania by the financial institutions, foreign legal entities, registered in the Special Register held by the National Bank of Romania.
(3) For the purpose of this Regulation the entities mentioned at para (1) and para (2) are further referred to as institutions.
Art.2 - The terms and expressions used in this Regulation have the meaning provided for in Law 656 of December 7th, 2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, as modified and supplemented, and in the Regulation for the application of the provisions of Law 656 of December 7th, 2002 on the prevention and sanctioning of money laundering and on setting up of certain measures for the prevention and combating terrorism financing, approved by Government Decision no.594/2008.

Chapter II
Provisions regarding know-your-customer norms

Art.3 – For the purpose of assuring the performance of their activity in accordance with the requirements of Law 656/2002, Government Decision no.594/2008 and the present regulation, the institutions shall issue internal know-your-customer norms conceived to prevent the misuse of the institution in order to carry out activities with the purpose of money laundering or terrorism financing.
Art.4 – Know-your-customer norms issued by each institution shall be drawn up so as to correspond with the nature, volume, complexity, and the area of its activities and shall be adapted to the risk level related to the customer categories for which the institution provides financial or banking services and to the degree of risk related to the products/services offered.
Art.5 – (1) Institutions establish through their know-your-customer norms, procedures and measures that have to be implemented for the compliance with Law 656/2002, Government Decision no.594/2008 and this regulation,

so as to be able to satisfy the National Bank of Romania that they efficiently administrate the risk of money laundering or terrorism financing.

(2) For the purpose of para.(1), know-your-customer norms shall include, at least, the following elements:

a) a customer acceptance policy, establishing at least the customer categories that the institution is addressing to, the gradual procedures of acceptance and the level of approval for customer acceptance in accordance with the level of risk related to the client category, types of products and services that can be offered to each customer category.

b) customer identification and ongoing monitoring procedures with a view to classifying customers in the relevant category, respectively for passing through another customer category.

c) the details of standard, simplified and enhanced customer due diligence measures, for each category of customer and products or transactions subject to each of these types of measures.

d) procedures for the ongoing monitoring of operations performed by the customers for the purpose of unusual and suspect transactions detection.

e) procedures of conducting the transactions and relation with customers in and/or from the jurisdictions that not impose the enforcement of customer due diligence and record keeping procedures equivalent with those provided for in Law no. 656/2002 and Government Decision 594/2008, and in which the enforcement of these is not supervised in a manner equivalent with that regulated by the Law no. 656/2002 and Government Decision 594/2008.

f) adequate drawing up and record-keeping procedures and regarding the access to these records;

g) procedures and control systems of the know-your-customer program's implementation and of their efficiency assessment, inclusive through the external audit;

h) standards for the employment and training programs of the staff in the know-your-customer field;

i) reporting procedures, internal and to the competent authorities;

Art.6 – (1) Know-your-customer norms shall be approved by the institution's management and shall be reviewed whenever necessary and at least annually.

(2) Know-your-customer norms shall be known by the entire staff with responsibilities in the field of know-your-customer for the purpose of money laundering or terrorism financing prevention.

Art.7 – Know-your-customer norms shall be submitted to National Bank of Romania – Supervision Department in 5 days after their approval, or their modification by the institution's competent bodies.

Chapter III
Provisions regarding standard due diligence measures

Art.8 – (1) Customer identification for ***individuals*** shall pursue obtaining at least the following information:

a) name and surname and, if the case, pseudonym;
b) date and place of birth;
c) unique individual numerical code or, if the case, another similar unique identification element
d) permanent residential address or, if the case, residence;
e) phone number, fax, e-mail, in accordance with the situation;
f) nationality;
g) employment status and, if the case, name of employer or nature of self-employment/business;
h) the important public position held, if the case is;
i) name of the beneficial owner.

(2) The verification of customer identity shall be performed based on documents from the category most difficult to be forged or obtained in an unlawful manner, such as identification documents issued by an official authority, which include photography of the holder.

(3) The verification of the information mentioned at para (1), which can not be proved with the documents mentioned at para (2) shall be performed through any other adequate method, such as, for example, the direct observation of the location at the mentioned address, through an exchange of correspondence and/or dialling the customer telephone number, checking the information supplied by the customer with the ones from various invoices submitted for payment to the client by other entities, fiscal records, account statements or by accessing public available information.

(4) In the case when a customer is represented in the relation with the institution by another person, which act as legal representative, trustee, guardian or any other capacity, the institution shall also obtain and verify the information and the relevant documents regarding the identity of the representative and also, if the case is, regarding the nature and the extent of empowerment.

Art.9 – (1) The legal entities or entities without juridical personality customer identification shall pursue obtaining at least following information:

a) name;
b) incorporation form;
c) registered office and, if it is the case, the office where is located the headquarters;

d) phone number, fax, email, according with the situation;
e) type and nature of the performed activity;
f) 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;
g) name of the beneficial owner or information about the group of persons in whose main interest the legal arrangement or entity is set up or operates according to art.2^2 para.(2) let.b) point 2 from Law no.656/2002;
h) the identity of the person acting on behalf of the customer and information necessary to establish that the person is authorised to act.

(2) The institutions shall verify the legal existence of the entity, respective if the entity is registered to the Commercial Register or, as the case might be, in another public register, and shall check relevant information and documents regarding the identity of the person acting on behalf of the customer and regarding the nature and the extent of its mandate.

(3) The information provided by the customer shall be verified by any adequate means so as the institutions are satisfied with the accuracy of the data, such as obtaining from the customer or/and from a public register of the documents upon which the registration of the entity was based, including an up to date extract from that register, an audit report, by conducting an enquiry by a business information service or a firm of lawyers or auditors, by visiting the entity, through an exchange of correspondence and/or contacting the customer by telephone, by using other independent references.

(4) While there are no registration requirements for an entity, the verification of the information referred to in para.(1) shall be done on the basis of the incorporation documents, including the business license and/or the audit reports, or any other means in the category of those referred to in para.(3).

Art.10 – The procedures established in art.8 and art.9 for the customer identification and identity verification shall be accordingly applicable for the purpose of the beneficial owner identification and risk-based identity verification.

Chapter IV
Provisions regarding enhanced due diligence measures

Art.11 – For the implementation of the provisions of art.12^1 para.(2) from Law no.656/2002, the institutions shall establish the classes of customers and transactions representing high risk, using risk parameters such as the size of the assets and income, the types of services to be provided, the activity field of the customer, the economic background, the reputation of the home country, the veracity of the customer's motivation, value limits on each type of transaction.

Art. 12 –The institutions shall apply more extensive customer due diligence in the case of customers and transactions in and/or from jurisdictions which does not impose implementation of requirements regarding know-your-customers and record keeping equivalent to those laid down in Law no.656/2002, Government Decision no.594/2008 and this regulation and in which their are not supervised for compliance with those requirements.

Art.13 – The credit institutions that provide personalized banking services, known as *private banking*, shall develop policies that require more extensive due diligence for these customers.

Art.14 – In the case of non-nominative accounts for which the identity of the holder, known by the credit institutions, is replaced in records by a numerical code or by a code of another nature, in view of ensuring of a higher level of confidentiality, the documentation regarding the customer identification shall be available for the compliance officer, the persons nominated according to art.14 from Law nr.656/2002 and the supervisory authority.

Art. 15 – In the category of relationships with customers that have not been physically present for the operation required shall be included the business relations initiated through correspondence or modern means of telecommunications – telephone, e-mail, internet, or any technical device that allow the accessing of the banking services out of the credit institutions premises.

Art. 16 – For the customers and transactions representing higher risk, established according to art.11-art.14, in addition to the standard customer due diligence measures, institution will set up additional customer due diligence measures, which might include:

a) the approval at a higher hierarchical level for initiating or continuing the business relation with such customers and/or for performing such transactions;
b) the request for the first transaction to be performed through an account opened with a credit institution 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 Government Decision no.594/2008;
c) ongoing enhanced permanent supervision of the business relation;
d) setting up adequate measures in order to establish/verify the source of funds;
e) implementing of adequate IT systems for the administration of information which should be able to allow the supply in a timely manner of the necessary information for the identification, analysis and effective monitoring of these transactions. The implemented IT systems have to identify at least the lack or the insufficiency of the adequate documentation at the setting up of the business relation, the unusual transactions performed through the customer account and the aggregate situation of all the customer operations with the institution;

f) the necessity that the persons in charge with the coordination of selling and administration activity of services for these customers to be informed about the personal circumstances of those customers and to pay special attention to the information received from third parties about these persons.

g) the approval at a higher hierarchical level for transactions that exceed a certain pre-establish threshold.

Chapter V
Provisions regarding simplified due diligence measures

Art.17 – **(1)** The simplified due diligence measures are established by the institutions on a risk basis, in such a manner to allow them the observation of all the dispositions of Law 656/2002, Government Decision no.594/2008 and of this regulation.

(2) The simplified due diligence measures shall include gathering sufficient information about the customers in order to ensure the institution the rightfulness of framing the customers in the category with low risk of money laundering or terrorism financing, according with the legal framework, monitoring their operations for detecting the suspect transactions and the establishment of a procedure which allow the reviewing the information held about the customers, so as the institution to be able to ensure that these are reasonable maintained in the respective category of customers.

Chapter VI
Procedural dispositions

Art.18 – (1) For all the transactions, irrespective of their framing in a risk category, the institutions shall have set working systems for detection of suspect transactions and of unusual transactions regarding there complexity or regarding the framing in the usual patterns, including regarding their volume or frequency.

(2) The detection systems mentioned at para (1) might be design by establishing certain parameters and typologies for the usual transactions performed, such as: maximum value thresholds for each category of customer, product or transaction, categories of transactions performed in relation with certain categories of customers and, for the case of legal persons and other entities, the field of activity.

Art.19 – Institutions shall assess the new products and services to be offered from the perspective of money laundering and terrorism financing risk associate to them.

Art.20 – In the case of the existing customers that are passing from one category to another, with a higher associated risk it is necessary the application of all the due diligence measures established by the institutions for that category of customers where the customers is to be included.

Art.21 – Institutions provide the National Bank of Romania, at its request, with reports regarding the customers and the operations performed for them, including any analysis performed by the institution for the detection of the suspect transaction or for the evaluation of the risk level associated to a transaction or customer.

Art.22 – (1) For the application of the provisions of art.13 para (1) of Law no. 656/2002, the institutions shall keep at least the copies of the identification documents of the customers natural persons and copies of the incorporation documents for the legal persons or entities without juridical personality, as for example the incorporation act and the proof of incorporation in the public register.

(2) The institutions shall, at the express request from the National Bank of Romania or from other authorities according to the law, keep, in adequate form in order to be used as evidences in court proceedings, the identification data of the customer, the secondary or operational documentation and the records of all the financial operation that occur in a business relationship, for a time longer than five years from the ending of the business relation with the customer. The request of the authority shall clearly indicate the transactions and/or customers and also, the extended amount of time the institution is to keep the relevant information and documents.

Art.23 – The institutions shall ensure the access for the staff with responsibilities in the field of know-your-customer for the purpose of preventing and combating money laundering and terrorism financing, inclusively of the persons appointed according to art.14 para(1) of Law 656/2002, and also for the external auditor, for National Bank of Romania and for other authorities according to the law, at all the records and documents regarding the customers, the operations performed for them, including any analysis made by the institution for the detection of the unusual or suspect transaction or for the evaluation of the risk level associated to a transaction or customer, by providing them in a timely manner the documents/information.

Art.24 – (1) Institutions shall impose high standards for the employment of the staff, inclusively regarding the reputation and honorability and to verify the information supplied by the candidates.

(2) The institutions shall ensure the permanent training of the staff, in such a manner so the persons with responsibilities in the field of know-your-customer for the purpose of preventing and combating money laundering and terrorism financing to be adequately trained. The training program shall include information about the requirements of the legal framework in this field and also practical specific aspects, especially in order to enable the staff to recognize suspect transactions related to the money laundering and terrorism financing operations and also in order to adopt adequate measures.

The staff will be periodically trained and tested in order to ensure the knowledge of its responsibilities and to ensure its up-dating with the latest developments in the field.

Chapter VII
Supervision of compliance and sanctions

Art.25 – For the purpose of eliminating the deficiencies noticed and their causes, National Bank of Romania may impose the following measures:

a) requesting the modification of know-your-customer norms mentioned in Chapter II;

b) imposing the obligation to apply standard due diligence measures for the products, operations and/or customers framed by that institution know-your-customer norms in low risk category and for which it is applicable simplified due diligence measures or/and imposing the obligation to apply enhanced due diligence measures for the products, operations and/or for which it is applicable standard due diligence measures;

c) requesting the replacement of the persons responsible for the occurrence of the deficiencies noticed.

Art.26 – **(1)** Infringement of the provisions of the present regulation and non-observance of the measures imposed by National Bank of Romania represent contraventions and are sanctioned with fines mentioned by art.22 para (2) last thesis of Law 656/2002.

(2) The provisions of art.22 para(3)-(5) of Law 656/2002 are accordingly applicable.

(3) The measures established according to art 25 are applied distinctly or together with the sanctions mentioned in para1) and para (2) of this article**.**

Chapter VII
Transitory provisions

Art.27 – The institutions operating at the time of entry into force of the present regulation shall remit to National Bank of Romania – Supervision Department there know-your-customer norms mentioned in Chapter II within 90 days from the date of entry into force of the present regulation.

Art.28 – The institutions shall apply the due diligence measures imposed by the Law no. 656/2002, Government Decision no.594/2008 and present regulation to all existing clients as soon as possible, on a risk basis, but not later than one year after the approval of the know-your-customer norms elaborated according to Chapter II of present regulation.

Chapter VIII
Final provisions

Art.29 – At the time of entry in to force of present regulation it is abolished National Bank of Romania Norm no.3 from 26 February 2002 regarding know-your-customer standards, published in the Romanian Official Gazette, first part, no. 154 of 4th March 2002, as modified and completed by National Bank of Romania Norm no 13 from 15 December 2003 for the modification and completion of National Bank of Romania Norm no 3/2002 regarding know-your-customer standards, published in the Romanian Official Gazette, first part, no. 921 of 22nd December 2003 and also National Bank of Romania Regulation no 8/2006 regarding know-your-customer standards for non bank financial institutions, published in Romanian Official Gazette, first part, no. 154 of 4th March 2002, no. 941 of 21 November 2006.

MUGUR ISARESCU
Chairman of the National Bank of Romania Board

Bucharest, 2008, July 3
No.9

Annex no. 2.11

National Securities Commission

Regulation no. 5/2008
on the prevention and control of money laundering and terrorist financing through the capital market

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 training 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. 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. 2.12

Insurance Supervision Commission

Order no. 24 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 no. 12 - 07/01/2009

Published in the Official Gazette, Part I no. 12 of 07/01/2009

This document entered into force as at 07 January 2009

*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

Norms 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

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 a 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 and cash 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.

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 beneficial owners, when appropriate.

(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.

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. - (1) To the purpose of preventing their use in money laundering and terrorism financing operations, entities shall take adequate measures with respect to operations which foster anonymity and client interaction in the absence of the latter.

(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. - (1) Entities shall not be required to identify clients in the case of non-life insurance policies when the insurance premium is less than or equal to the lei equivalent of 2,500 euro.

(2) Entities shall not be required to identify clients in the case of life insurance policies when the insurance premium or the annual instalments are less than or equal to the lei equivalent of 1,000 euro or the single insurance premium paid is less than or equal to the lei equivalent of 2,500 euro.

(3) When multiple insurance premiums or annual instalments are increased so that they exceed the lei equivalent of the 1,000 euro or 2,500 euro threshold, clients shall be identified by applying the standard due diligence measures.

(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) Due diligence measures shall not be applied when payments are made from an account opened in the name of the client with a credit or financial institution based in Romania or in another EU member state or in a non-member state which applies similar due diligence measures.

Art. 14. - (1) Entities shall obtain with the following information, which shall be provided by natural person clients under signature:

a) full family name and first names as well as any other names used (e.g. pseudonym);

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);

g) citizenship, nationality and country of origin;

h) resident/non-resident;

i) telephone/fax;

j) purpose and nature of the business conducted with the entity;

k) name and place where the person conducts business/is employed;

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) form and legal structure;

c) number, series and date of the registration certificate/document of incorporation with the Trade Register Office or similar or equivalent authorities;
d) subscribed and paid-up share capital;
e) VAT code or its equivalent in the case of foreign legal persons;
f) credit institution and IBAN code;
g) the list of authorised signatories, directors, managers or persons which act as legal representatives and their signature specimens;
h) full address of the registered office/head office or branch, as appropriate;
i) shareholder/associate structure;
j) telephone, fax and website, as appropriate;
k) purpose and nature of the business conducted with the entity;
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 or 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 in other cases and circumstances which entail low money laundering and terrorism financing risk, as provided in the law or in the regulations.

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) Entities shall apply enhanced due diligence measures starting from evidence related to the insurance business conducted, 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.

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

Art. 22. - (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.

Art. 23. - (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.

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 whenever relevant legal provisions are amended as well as when new risks are identified.

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. 2.13

SUPERVISION COMMISSION OF THE PRIVATE PENSIONS SYSTEM

Norm no. 5/2008

regarding reporting and transparency in the voluntary pensions system

Published in the Official Gazette, Part I, no. 137 from 21/02/2008
Taking into account the provisions of art. 29, par. (10) and (12), art. 101-104 and art. 108 letter g) Law no. 204/2006 regarding voluntary pensions, with subsequent amendments and supplements
Based on the provisions of art. 23, letter b), g), and g) of Emergency Government Ordinance no. 50/2005 regarding the foundation, organization and functioning of the Private Pensions System Supervisory Commission, approved with modifications and Appendix by Law no.313/2005.
The Private Pensions System Supervisory Commission, referred to as Commission in the following issues the following norm.

CHAPTER I
General provisions

Art. 1 – The present norm sets out the reporting and transfer of information from the voluntary pensions' administrators, the depositary of voluntary pension units and other marketing agencies that carry out the marketing activities of the prospects of the voluntary pensions schemes, referred to as "reporting entities" in the following.
Art. 2 – (1) The participants in the voluntary pension funds, the administrators that carry out their activities in the pension system which is regulated, supervised and controlled by the Commission, as well as these who have been authorized, licensed or have undergone a similar procedure in order to work as voluntary pension scheme administrators in an EU Member State, or in a state belonging to the European Economic Area, who manage voluntary pensions with participants located in Romania will send reports and information to the Commission.
(2) The depositary that have been licensed by the Commission in order to carry out depositary activities for the voluntary pensions units, and the ones authorized, approved or who have undergone a similar procedure in an EU Member State, or a state belonging to the European Economic Area, for the voluntary pension funds authorized in Romania, will send reports and information to the Commission.
(3) The marketing agencies – legal persons – that have been authorized/licensed by the Commission to carry out marketing activities for voluntary pension prospect schemes, will send reports and information to the Commission, will send reports and information to the Commission, will send reports and information to the Commission.
Art. 3. – The terms and expressions used in the present norm have the meaning indicated in art. 2 of Law no 204/2006 regarding voluntary pensions, with its later modifications and Appendix.

CHAPTER II
Requirements of the reporting entities

Art. 4 - (1) The Reporting Entities are bound to respect, during their entire functioning period, the reporting and information requirements, to the Commission and participant, as the case may be, as set by the applicable Law and the present norm.
(2) Following the Commission's request and within the terms set by it, the reporting entities will transmit any information and documents regarding their activity.
Art. 5. – The information sent by the reporting entities must be real, correct and complete.
Art. 6. – (1) For each voluntary pension fund, the administrator will send to the Commission all the information set by the applicable legislation and the present norm, in electronic format, under the electronic signature of their legal representative.
(2) The depository will send to the Commission all the information set by the applicable legislation and the present norm, in electronic format, with the electronic signature of the person with a leading position within the organizational structure of the depositary, empowered to represent the depository in the relationship with the Commission.
(3) The marketing agent, legal person will send to the Commission all the information set by the applicable legislation and the present norm, in electronic format, under the electronic signature of the legal representative.
(4) Following the Commission's request, the reporting entities will send the information set in art (2) and (3) on paper, with the seal and signature of the legal representative, namely the person authorized to represent the depository in relationship with the Commission.
Art. 7. – The Commission can request any documents regarding third parties, from the administrator or depositary, in case the administrator or depository transfers assignments to third parties

Art. 8. – All the information will be sent in Romanian language.

CHAPTER III
Information regarding the Reporting Entities' activity.

Art. 9. – The administrator will yearly send the Commission, for its own activity and for any voluntary pension fund managed, the accounting reports whose content is compiled according to the applicable legislation and the norms of the Commission, regarding accounting regulations applicable to the regulated entities which are authorized, supervised and controlled by the Private Pensions System Supervisory Commission.

Art. 10. - The administrator will half-yearly send the Commission, the accounting reports for his own activity and for each pension fund administered, as set by the norms of the Commission regarding accounting reports on June 30th, for entities authorized, regulated and supervised by the Private Pensions System Supervisory Commission.

Art. 11 The yearly and half- yearly accounting reports sent to the Commission will be accompanied by the proof of the Receipt issued by the Ministry of Economy and Finances, as the case may be. .

Art. 12. – The administrator will quarterly send the Commission, in maximum 10 working days since the date the quarter is ended, the value of the rate of return of the voluntary pension fund, written according to Appendix no. 5.

Art. 13 – (1) The administrator will monthly send the Commission, until the 25th of the following month, for its own voluntary pension funds management activity:

a) The analytic balance sheet, code 14-6-30/a. written according to Accounting Law 82/1991, republished, with subsequent amendments and supplements, and with the Classified List from 14th of December, 2004 issued by the Ministry of Public Finances;

b) The status of the management fee, refer to under Appendix no. 9

c) Starting with January 1st, 2009, the report regarding the Commission paid to marketing intermediaries, legal person, as stipulated in annex no. 7;

(2) The administrator will monthly send the Commission, until the 25th of the following month, for the pension fund:

a) The analytic balance sheet, code 14-6-30/a. written according to Accounting Law 82/1991, republished, with subsequent amendments and supplements, and with the Classified List from 14th of December, 2004 issued by the Ministry of Public Finances; with the monthly balance of the income account and closed expenses;

b) the detailed status of the investments, drawn according to annex no. 4;

c) the information on the participants to the voluntary pension funds, according to annex no.1 – section A and C.

(3) The administrator will send the technical provision for the following year, to the Commission until the last work day of each year.

(4) The depository will send to the Commission, on the first work day of each month, the value of the existent technical provision. The evaluation of the technical provision will be done based on the same principles that are used for the evaluation of the units value of the pension funds.

(5) Starting with January 1st, 2009, the marketing intermediaries, legal persons, will monthly send the Commission, until the 25th of the following month, the report regarding the functioning fee, stipulated in annex 8.

Art. 14 – (1) The administrator will monthly send the Commission information concerning the participants to the voluntary pension's fund, according to annex. 1 – section B, on the second work day of the week following the one in the report.

(2) The administrator will monthly send the Commission the situation of the units and liabilities of the voluntary pension funds, written according to annex no. 2, for each work day of the wok, on the second working day of the working week following the one covered by the report.

Art. 15 – (1) The administrator will daily send the Commission information about the value of the total units, the units value, the unit value of the units value and the number of fund units, according to annex. 3.

(2) The information referred to under par. (1) is sent on the working day basis, following the one for which the report is made.

Art. 16. – (1) The depositary will daily send the Commission information on the value of the total asset, the value of the net asset, the unit value of the units value and the number of fund units, according to annex no. 3.

(2) The information refer to under par. (1) is sent on the working day basis, following the one for which the report is made.

Art. 17 – (1) The administrator will inform the Commission in respect with the name and surname, position and contact information of the person/persons assigned with:

a) Sending the Commission the reports stipulated in the applicable law and in the present norm;

b) Responsibilities regarding operational, investment, internal audit and accounting activities;

c) Responsibilities in applying the provisions of Law 656/2002 for the prevention and sanction of money laundering, and for prevention of the use of the financial system for the purpose of money laundering and terrorist financing, with subsequent amendments and supplements

(2) The marketing agencies, legal persons, will inform the Commission in respect with the name and surname, position and contact information of the person/persons assigned with sending the Commission the reports stipulated in the applicable law and in the present norm.
(3) Any decision to modify the information in line (1) and line (2) will be reported to the Commission at least 5 days before the date of its enforcement, or, if the case, if case be, for its approval.

CHAPTER IV
Information requirements to the participants

Art. 18. – (1) The administrator will submit the information stipulated in annex no. 10 in writing, free of charge, at the last mail address, to each participant, until the date of April 15th of each year.
(2) At the participants' or beneficiaries' request, the administrator will provide them with the information in art. 103, line (2), (3), and (4) Law 204/2006 regarding voluntary pensions, with subsequent amendments and supplements, free of charge.
(3) The fee quantum for the information in art. 103, line (5) Law 204/2006 on voluntary pensions with the later modifications and completions, cannot exceed the actual cost of providing the information
Art. 19 – (1) The administrator must publish the annual and half-annual reports stipulated in art. 11 on its web-site, within 5 days since their submittal to the Commission.
(2) The administrator must quarterly publish on its web-site, the value of the rate of return of the managed voluntary pension fund/funds, within 5 calendar days since their submittal to the Commission.
(3) The administrator must publish monthly on his web-site, the detailed situation of the investments for each voluntary pension fund managed, as stipulated in annex no. 4, within 5 calendar days since their submittal to the Commission.
(4) The administrator must publish weekly on his web-site, on each Wednesday, until 15:00 the elements stipulated in annex 3, namely: total units value, net assets value per unit and the number of units, along with the number of participants for the last work day of the previous week.

CHAPTER V
Final provisions

Art. 20 – The administrator will provide the Commission with access to the information system of the accounting of pension fund operations, at the administrator 's location.
Art. 21 – (1) The reporting entities, if case be, will be responsible for the prejudices created by not fulfilling or faulty fulfilling of their reporting and transparency requirements.
(2) The reports will be sent to the Commission until 15:00 on the reporting date.
Art. 22. Breaching the provisions of the present norm is sanctioned according to the provisions of the applicable law, namely art. 38, letter c), art. 120 line (1), art. 121 line (1) letter j and letter k). art. 122 and art 1221 Law 204/2006 on voluntary pensions, with subsequent amendments and supplements

Art. 24. –Norm no. 15.2007 on reporting and transparency requirements, published in Romania's Gazette no, Part I, no. 488 from August 20th, 2007 approved by the Decision of the Supervising Commission for Private Pension System no. 38/2007, as well as any other contrary provisions, are repealed on the date in which the present norm comes into force.

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 1

Fund administrator : _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Section A – Registry of the participants from _____

No.	Name and surname	Personal ID no.	No. and date for the individual adhesion document	No. of fund units	Personal units value value

Section A – Report regarding the participants from _____

Participants	Participants no.	Net contributions	Value of units value	No. of fund units	Transfer penalties
Contributors			-		
- new enters			-		
- transferred in the fund			-		
- with contributions suspended					
TOTAL					
- Transferred out of the fund					
- death					
-disability					
TOTAL					

Section C – Structure on age and sex groups from: _____

Participants	Men	Women
Under 19		
Between 20-24 years old		
Between 25-29 years old		
Between 30-34 years old		
Between 35-39 years old		
Between 40-44 years old		
Between 45-49 years old		
Between 50-54 years old		
Between 55-59 years old		
Between 60-64 years old		
Over 65 years old		

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 2

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Situation of units and requirements from: _____

No.	Element name	Placed amount	Updated value Lei	Balance value updated in total units
I		**Total units**		
1		Securities and money market instruments of which:		
1.1.		Securities and instruments of the money market admitted or traded on a regulated market in Romania, of which		
1.1		- traded shares		
		- untraded shares in the last 30 days		
		- bonds issued by the local public administration		
		- bonds issued by the central public administration		
		- traded corporative bonds		
		- rights market		
		- other securities, instruments of the money market		
Securities and instruments of the money market admitted or traded on a regulated market located in a EU Member State, of which				
1.2.		- traded shares		
		- untraded shares in the last 30 days		
		- bonds issued by the local public administration		
		- bonds issued by the central public administration		
		- traded corporative bonds		
		- rights market		
		- other securities, instruments of the money market		
Securities and instruments of the money market admitted at the official rate of an exchange house in a non-EU member state or on another unregulated market from a non-member state that operates regularly and is recognized and disclosed to the public, agreed by the Commission, of which				
1.3		- shares		
		- untraded shares in the last 30 days		
		- bonds issued by the local public administration		
		- bonds issued by the central public administration		
		- traded corporative bonds		
		- rights market		
- other securities, instruments of the money				

market	
1.4	Newly issued securities
2	Banks deposits, of which
2.1.	- banks deposits at credit institutions located in Romania
2.2	- banks deposits at credit institution located in a EU Member State
2.3	- banks deposits at credit institutions from a non-member state
3	Derivatives traded on a regulated market of which:
3.1	- located in Romania
3.2	- Located in a EU Member State
3.3	- From a non-member state
4	Current account
5	Participation title at OPCVM1 / AOPC2
Traded on a regulated market	
5.1	- located in Romania
5.2	- located in a EU Member State
5.3	- from a non-member state
6	Other units
6.1	Amounts in transit, of which:
- banks	
- intermediaries	
6.2	Amounts pending
II	**Total requirements**
1	Management fee, of which
1.1	- from gross contributions
1.2	- from units value
2	Deposit fee
3	Trade fee
4	Banks fee
5	Audit fee
6	Other requirements3

1 Institution Collective Placement in Securities
2 Other Collective Placement Institutions
3 Detailed information
4 the values are calculated each work day, using the information available at 18:00, the work day previous to the day the calculation is made, Romania's time, and are valid for the work day previous to the day the calculation is made
5 The values are calculated with 4 decimals
6 The values are calculated with 6 decimals

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 3

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Situation4 of the units value value on _____

Element name	**Present date**	**Previous date**	**Differences**	
	dd-mm-yyyy	**dd-mm-yyyy**	**%**	**lei**
Total units value				
Units value				
Unit value of units value5				
No. of fund units6				

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 4

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Detailed situation of the investments on _____

Chart 1 **Traded securities on a regulated market**										
Country/ market symbol	Issuer	ISIN	Share symbol	Date of the last transaction	No of owned shares	Weighted average purchase price	Acquisition value	Market price per share on reporting date	Percentage in the share of capital of the issuer	Percentage in the total units of the fund
lei		lei		lei		%		%		
Total		X				X				

Chart 2 **Untraded securities on a regulated market**											
Country/ market symbol	Issuer	ISIN	Share symbol	Date of the last transaction	No of owned shares	Weighted average purchase price	Acquisition value	Market price per share on reporting date	Total value	Percentage in the share of capital of the issuer	Percentage in the total units of the fund
lei		lei		lei		lei		%		%	
Total				X				x			

Chart 3 **Newly issued securities**

Country/ market symbol	Issuer	Symbol / instrument series	No. shares	Purchase date	Maturity date	Nominal value/ deed	Daily growth	Cumulated interest/ instrument	Actualized valued	Percentage in the total units of the fund
lei		lei		lei		%		%		
Total			X					X		

Chart 4 **Rights market**									
Country/ market symbol	Issuer	ISIN	Issuer symbol	Date of the last transaction	No of owned rights	Nominal value	Unit value	Total updated value	Percentage in the share of capital of the issuer
lei		lei			lei			%	
Total			X			x			

Chart 5 **Bonds or other trade proofs of debts issued or granted by the state or by authorities of central/ public administration**

Country/ market symbol	Name	Series and issue no	Symbol	No of titles	Date of coupon start	Date of coupon maturity	Nominal value for coupon period	Daily growth	Cumulated interest	Updated value	Percentage in the share of capital of the issuer
lei		lei		Lei			Lei		%		
Total				x			x				

Chart 6 **financial instruments with fixed income**											
Country/ market symbol	Issuer	Symbol	No. titles	Date of coupon start	Date of coupon maturity	Nominal value for coupon period	Daily growth	Cumulated interest	Updated value	Warranty	Percentage in the share of capital of the issuer
lei		lei		lei		Lei		Lei		%	
Total				x				x			

Chart 7 **Other securities and instruments of money market**												
Country/ market symbol	Name	Issuer	Symbol/ series instrument	Date of the last transaction	No	Purchase date	Maturity date	Nominal value/ instrument	Daily growth	cumulated interest/ instrument	Updated value	Percentage in the share of capital of the issuer

lei	lei	lei	Lei	%
Total		X		X

Chart 8 **Banks deposits**											
Country/market symbol	Banks name	Contact no and date	Interest rate	Institution date	Maturity date	Currency symbol	Initial value equivalent	Daily interest equiv.	Cumulated interest Equiv.	Actualized value, equiv	Percentage in the share of capital of the issuer
%		lei		lei			%		%		
Total		X					X				

Chart 9 **Rights market**								
Country/ market symbol	Contact	No. contacts	Type contact	Maturity	Sell/buy price	Marking	Margin value	Percentage in the share of capital of the issuer
Lei		lei		lei			%	
Total		X				X		

Chart 10 **Rights market**							
Country/ market symbol	Issuer	No fund units	Purchase date	Acquisition value / fund unit	Total acquisition value	Actualized value	Percentage in the share of capital of the issuer
lei	Lei		lei			%	
Total	X					X	

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 5

Fund administrator : _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Rate of return of the pension fund

The calculation method for the Rate of return of the pension fund is done according to the following formula
Where:
= Rate of return of the x fund
= the value of the x und unit in day y
= the value of the x und unit in day 0
Day-y = the last work day of the period calculated
Day 0 = the last work day previous to the period calculated

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 6

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Annual Actuarial Report

Evaluation period: _____

1. Actuary certificate which will include the actuary's opinion regarding the enforcement of the legal provisions applicable and the actuarial principles, regarding the calculation of the technical provision, and to the adequacy of the interest level, technical provision and capitals;
2. Technical description of all the products offered from the prospect of the pension scheme;
3. description of the calculation method of the technical provision, namely the modifications of the provisions that have occurred during that given year, the changes in covered risks, according to the applicable legal provisions;
4. Presentation of guaranteed technical interests and their adequacy according to the investment policy of the fund;
5. Presentation of the mortality/morbidity charts, and of the statistical data/ charts used in the calculation of the technical provision for that given pension fund;
6. The structure on unit type, of the investment program, investment output, cost structure;
7. Description of the calculation method for the benefits received from the investment of units accepted to cover the technical provision and the method that these are used, and of the type of units used to cover the technical provision, associated percentage, their dispersion degree and investment output achieved during the analyzed period.
8. Analysis of the capital adequacy degree.

Written by……

1 fee paid since the beginning of the year, including that owed for the month for which the report is made.

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 7

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Report regarding the fee paid to marketing intermediaries, legal persons,
In month: _____ lei

Name of marketing agent, legal person	Marketing agent's Code, legal person	Cumulated fee7	Fee paid for reported month	Obs.
0	1	2	3	4
TOTAL		-		

1 Cumulated income from the beginning of the year, including that for the month covered by the report

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 8

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____
Report regarding the functioning fee due for the marketing activities of voluntary pensions, month _____

Administrator's name	**Administrator's code**	**Cumulated income 8**	**Income in the reported month**	**Functioning fee owed for the reported month**	**Payment document / date**	**Functioning fee cumulated from the beginning of the year, including that for the month the report is made**	**Observations**
0	**1**	**2**	**3**	**4**	**5**	**6**	**7**
TOTAL				**-**			

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 9

Fund administrator: _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Report regarding the management fee
Month _____

Total gross contributions cashed	Value of the net contributions from the last work day of the previous month	Management fee cashed from contributions	Management fee cashed from the units value	Management fee owed from contributions	Management fee owed from units value	Owed Management fee	Payment document/ date
0	1	2	3	4	5	6=4+5	7

PRIVATE PENSIONS SYSTEM SUPERVISORY COMMISSION

Annex no. 10

Fund administrator : _____
Administrator code: _____
Pension fund: _____
Fund code: _____
Report date: _____

Annual report for the participant
- minimum requirements –

Information regarding the personal units of the participant _____ year_____
a. Name of the voluntary pension's fund, registration code in CSSPP Register.
b. Administrator 's name and Registration code in CSSPP Registry
c. Depositor's name and registration code in CSSPP Register
d. Auditor name and registration code in CSSPP Register
e. Number and date of the adhesion document sent by the participant
f. Table presentation of the evolution of the participant's personal units.

Month	Contribution owes according to the adhesion document	Paid contribution	Contribution converted in fund units	Unit Value at the date when the contribution is converted	No. of units issued/ month	No. cumulated fund unit	Value per unit at the last day of the month	Personal units on the last day of the month
December the previous year*								
January								
February								
……								
……								
December								

* will be completed if needed
II. Information regarding the status of the voluntary pension fund _____ on 31.12.20___

A. Balance elements: thousand lei
Financial immobilized units _____
Flowing units _____
Total units _____
Own capital _____
Total debts _____
Total passive: _____

B. Elements of the Income and Expenses
Thousand lei
Income from current activity: _____
Expenses from current activity: _____
Profit/ losses from current activity: _____
Income from special activity: _____
Expenses from special activity: _____
Profit/ losses from special activity: _____
Total income: _____
Total expenses: _____

Profit/ losses from financial exercise _____

III. Information regarding the situation of the administrator: _____ on 31.12.20___

A. Name and surname/ name of the shareholders that own more than 5% of the total shares of the administrator and their owned percentage from all the shares.

B. Name and surname of the administrator s, directors, members of the supervision council or directorate.

C Balance elements

Thousand lei

Permanent units –total _____

Floating units – total _____

Total units _____

Provisions – total

Social share

Own shares

Debts – total

Total liabilities

D. Elements of Profit/Losses Account

Turnover

Income from exploitations

Expenses from exploitations

Profit/ losses from exploitations

Financial income

Financial expenses

Financial profit/loss

Profit/loss from current activity

Special income

Special expenses

Profit/losses from special activity

Total income

Total expenses

Net profit/loss from financial exercise

ANNEX NO. 2.14

SUPERVISION COMMISSION OF THE PRIVATE PENSION SYSTEM

Norms no. 9/2009 on customer due diligence on preventing money laundering and terrorism financing acts, in the private pension system

Norms no. 9/2009 were approved by the CSSPP Council on April 14th, 2009, and published in the Official Gazette no. 288/May 04, 2009

Having regard to the provisions of art. 16, art. 23 lett. f) and art. 24 lett o) of the Government Emergency Ordinance no. 50/2005 on the setting up, organization and functioning of the Supervision Commission of the Private Pension System, approved with modifications and completions by the Law no. 313/2005,

Having regard to the provisions of art. II para (5) of the Government Emergency Ordinance no. 53/2008 on the modification and completion of the Law no. 656/2002 on the prevention and sanctioning of money laundering, as well as on setting up certain measures for the prevention and combat of terrorism financing acts,

Taking into consideration the provisions of the Law no. 204/2006 on facultative pensions, with subsequent modifications and completions, and of the Law no. 411/2004 on privately administrated pension funds, republished, with subsequent modifications and completions,

The Supervision Commission of the Private Pension System, hereinafter "the Commission", issues the following norms.

CHAPTER I
General provisions

Art. 1. – (1) The present norms apply to private pension funds administrators, on their own behalf and for the private pension funds they administrate, as well as to authorized/licensed marketing agents in the private pension system, hereinafter-named administrators, respectively marketing agents.
(2) Administrators/marketing agents are obliged to adopt adequate measures for the prevention of money laundering and terrorism financing acts, when carrying out their activity, and for this purpose they apply, on a risk base approach, standard, simplified or enhanced customer due diligence measures.

Art. 2. – (1) The terms and expressions used in the present norms have the meaning established by the Law no. 656/2002 on the prevention and sanctioning of money laundering, as well as on setting up certain measures for the prevention and combat of terrorism financing acts, with subsequent modifications and completions, hereinafter-named Law no. 656/2002, by the Government's Decision no. 594/2008 on the approval of the Regulations for the enforcement of the provisions of the Law no. 656/2002, the meaning provided for by art. 2 of the Law no. 204/2006 on facultative pensions, as well as by art. 2 of the Law no. 411/2004 on privately administrated pension funds, republished, with subsequent modifications and completions, hereinafter-named Law no. 411/2004.
(2) Also, for the purpose of the present norms, when the administrators/marketing agents do not act on their own behalf, but on behalf of a pension fund, by client one understands the participant to that pensions fund.

CHAPTER II
Organization of the prevention and combat of money laundering and terrorism financing activity

Art. 3. – For the purpose of performing their activity in compliance with the provisions of the Law. No. 656/2002, of the Government's Decision no. 594/2008 and of the present norms, legal person administrators/marketing agents hold the obligation to set up, establish and enforce policies, procedures, mechanisms and adequate measures on customer due diligence, and on reporting, record keeping, internal control, evaluation and management of risk, for the purpose of preventing and deterring the legal person administrator/marketing agent's involvement in suspicious operations for money laundering and terrorism financing acts.

Art. 4. – (1) The commission holds the right to verify the policies and procedures issued under article 3.
(2) The Commission is entitled to request the modification of the policies and procedures issued by legal person administrators/marketing agents, when these instruments do not reflect the provisions of the present norms and of the legislation in force.

Art. 5. – (1) Customer due diligence policies and procedures, issued by each legal person administrators/marketing agents, must correspond to the nature, volume, complexity and extent of their activity and must be adapted to the risk level associated with the categories of clients they provide services for.
(2) For the purpose of para (1), customer due diligence policies and procedures must include at least the following elements:

a) Procedures for the identification and permanent monitoring of the clients, in order to include them in the appropriate category of clients, respectively for moving them from one category to another;
b) The content of standard, simplified and enhanced customer due diligence measures for each category of clients and products or transactions, that constitute the subject of such measures;
c) Permanent monitoring procedures for the operations carried out by clients in order to detect unusual and suspicious transactions;
d) The modalities for dealing with transactions and clients in and/or from jurisdictions that do not impose customer due diligence and record keeping procedures, equivalent to those provided for by the Law no. 656/2002, with subsequent modifications and completions, and Government's Decision no. 594/2008, when their enforcement is not supervised for in a similar manner with the one regulated by the specified legislation;
e) Modalities for the preparation and keeping of adequate records, as well as for the access to these records;
f) Procedures for the verification of issued policies and procedures implementation and for evaluating their efficiency;
g) Employment and training programs standards for the personnel, in the field of customer due diligence;
h) Internal report procedures, as well as procedures for reporting to competent authorities.

Art. 6. – Legal person administrators/marketing agents are obliged to designate, by an internal document, one or several persons with responsibilities in enforcing the legal provisions on the prevention and combat of money laundering and terrorism financing acts, and their names will be communicated, in accordance with the form established by Government's Decision no. 594/2008, to the Commission and the National Office for Prevention and Control of Money Laundering, hereinafter "*The Office*", together with the nature and limits of the mentioned responsibilities.

Art. 7. – (1) The internal document provided for by art. 6 shall be submitted in copy, to the Commission and Office's headquarters directly, or by the means of postal services, with acknowledgment receipt, within 5 working days from the issuance date.
(2) The name, position and responsibilities established for the persons provided for by art. 6, will be communicated to the Commission and Office within 30 calendar days, from the date of entering into force of the present norms.
(3) Any modification or replacement of the employees mentioned under Art. 6 shall be notified to the Commission and the Office, within 15 calendar days from the date of the respective modification.
(4) The persons designated in accordance with art. 6 are responsible for completing the tasks established in the application of the Law no. 656/2002 and of the present norms. For the purpose of completing their tasks, these persons will have a direct and permanent access to all the records of the administrators/ marketing agents, in accordance with the provisions of the present norms and of the other incidental legal provisions.

Art. 8. – (1) Legal person administrators/marketing agents must ensure the proper training of the personnel regarding the prevention and combat of money laundering and terrorism financing acts.
(2) Legal person administrators/marketing agents shall communicate to all employees the policies and procedures established for the prevention and combat of money laundering and terrorism financing acts.

CHAPTER III
Standard customer due diligence

Art. 9. – (1) For the purpose of art. 9 para (1) lett. b)-d) of the Law no. 656/2002, administrators/marketing agents are obliged to apply standard customer due diligence measures.
(2) Administrators/marketing agents are obliged to review the standard customer due diligence measures, whenever suspicions emerge on the client, during the performing of operations.

Art. 10 – (1) The standard customer due diligence measures for natural persons are aimed at obtaining at least the following information:

a) name and first name;
b) date and place of birth;
c) personal identification number, the series and number of the identification card, or by case, other similar unique element for identification;
d) domicile address and by case the residency address;

e) the phone number, fax number, and by case the e-mail address;
f) the nationality;
g) the occupation and by case, the name of the employer or the nature of its own activity;
h) prominent public function held, by case;

(2) The verification of the client's identity is carried out based on the documents, which are more difficult to be counterfeited or to be illegal obtained under a fake name, as identification documents, issued by an official authority, which shall include a photo of the holder.

Art. 11 – The administrators/marketing agents shall apply standard customer due diligence measures for all new customers, as well as, as soon as possible, to all existing clients, on a risk base approach.

CHAPTER IV
Simplified customer due diligence measures

Art. 12 – (1) The administrators/marketing agents shall apply simplified customer due diligence measures on the acts of adhesion to pension funds, as well as on other cases or conditions, which present a low risk for money laundering and terrorism financing, stipulated as such by the law or by the regulations issued for the enforcement of the law.

(2) For the clients who have been randomly distributed to a private pension fund, simplified customer due diligence measures shall apply, based on the identity references submitted by the evidence institution.

(3) Simplified customer due diligence measures shall include the obtaining of sufficient information on the clients, or by case, the identity references, which shall ensure the administrators/marketing agents of the legality of the clients' inclusion in the low risk for money laundering and terrorism financing category of clients, according to the legislation, of the monitoring of their operations in order to detect the suspicious transactions and of the establishment of a certain procedure that would allow the updating and the adequacy of the information held on the clients, in such a way that administrators/marketing agents rest assure on the fact that these clients are maintained in the respective client category.

CHAPTER V
Enhanced customer due diligence measures

Art. 13 – (1) Administrators/marketing agents are obliged to apply, besides the standard customer due diligence measures, enhanced customer due diligence measures, on a risk base approach, in all the situations that, by nature, may present a high risk to money laundering or terrorism financing acts.

(2) Administrators/marketing agents apply also enhanced customer due diligence measures in other cases than the one stipulated in art. 12^1 para (1) of the Law no. 656/2002, which by nature present a high risk to money laundering and terrorism financing acts.

Art. 14 – Administrators/marketing agents must hold the following information on the clients that present a high risk:
a) the origin country of the client;
b) the public position or the prominent position held;
c) the activity type performed by the client;
d) the origin of the client's funds;
e) other risk indicators.

Art. 15 – Administrators/marketing agents shall pay a special attention to transactions with persons from jurisdictions which don not have adequate systems for the prevention and combat of money laundering and terrorism financing.

CHAPTER VI
Record keeping and reporting obligations

Art. 16 – (1) For the purpose of art. 13 para (1) of the Law no. 656/2002, legal person administrators/marketing agents are obliged to keep at least copies of the clients' identification documents, or identification references, in the case of randomly distribution procedure of the participants.

(2) Legal person administrators/marketing agents are obliged to have internal procedures and systems that would allow the prompt submission, at the Office, Commission and law enforcement bodies' request, of the information on the identity and relationship nature for the clients who are specified in the request and with whom they are involved in a business relationship, or with whom they had a business relationship in the last 5 years prior to the request, information which shall be kept, in an adequate form, for a period of 5 years from the performing of each operation.

Art. 17 (1) Administrators/marketing agents shall identify the transactions or types of suspicious transactions performed on behalf of their clients.

(2) If administrators/marketing agents have suspicions that an operation which is about to be carried out has as a purpose money laundering or terrorist financing, they shall immediately submit to the Office and to the Commission the suspicious transaction reports.
(3) Administrators/marketing agents hold the obligation not to disseminate, outside the conditions stipulated by the law, information held on money laundering or terrorism financing and not to tip off the involved clients or other third parties about the fact that a suspicious transaction or information related to that, were/will be forwarded to the Commission and the Office.

Art. 18 – The confidentiality provisions stipulated by contracts, legislation or the professional secrecy provisions, may not be invoked for restricting the administrators/marketing agents' obligation to report the suspicious transactions.

Art. 19 – Administrators/marketing agents are obliged to use the reporting forms issued by the Office.

CHAPTER VII
Transitory provisions

Art. 20 – (1) Legal person administrators/marketing agents in business on the date of the present norm entering into force shall submit to the Commission the customer due diligence policies and procedures, provided for in chapter II, during 90 days from the date of the entering into force of the present norm.
(2) Legal person administrators/marketing agents hold the obligation to notify the Commission about the modifications brought to the procedures and internal policies for customer due diligence measures, during 10 days from the respective modification.

Art. 21 – Administrators/marketing agents shall apply the customer due diligence measures provided by the Law no. 656/2002, by Government Decision no. 594/2002 and by the present norm to all the existing clients, as soon as possible, on a risk based approach, but no later than an year from the approval at the level of the management bodies of the administrators/marketing agents of the politics and procedures for customer due diligence measures, issued in accordance with Chapter II.

CHAPTER VIII
Final provisions

Art. 22 – The terms stipulated by the present norms, which shall expire in a day of legal holiday or in a non-working day, shall be prolonged until the end of the next working day.

Art. 23 – Failure to comply with the provisions stipulated by the present norm shall be sanctioned in accordance with the legal provisions in force, namely art. 81 (1) letter c), art. 140 para (1), art. 141 para (1), letter g) and art. 141 para (2)-(4) and para (6) –(10) of the Law no. 411/2004 and of art. 38 letter c), art. 120 para (1), art. 121 para (1) letter k) and art. 121 para (2)-(4) and art. (6)-(10) of the Law no. 204/2006, if it is the case, as well as in accordance with the provisions of Law. No. 656/2002.

Annex 3.1

Minutes
Of the meeting with representatives of the National Union of Bars from Romania
07 august 2009, 10.00, National Office's headquarter

Participants:

National Office for Prevention and Control of Money Laundering
Mr. Neculaie Plaiasu – Member of the Board, representative of the Ministry of Administration and Interior
Mrs. Steluta Claudia Oncica – Director, Inter-institutional Cooperation and Internationals Relations Directorate
Mrs. Daciana Dumitru – Director, Analysis and Processing of Information Directorate
Mr. Mircea Pascu – Director, Technology of Information and Statistic Directorate
Mrs. Corina Dragomir – Head of Supervision Department
Mrs. Roxana Nitu – financial analyst, Legal Department
Mrs. Nicoleta Popa – financial analyst, Inter-institutional Cooperation and International Relations Directorate

National Union of Bars from Romania
Mr. Parascho Constantin – Director

Taking into consideration the legislative amendments occurred during 2008 in the area of prevention and combating money laundering and terrorism financing, the Final Report of the Third Round of Evaluation of Romania on combating money laundering and terrorism financing problems, elaborated the Council of Europe – Moneyval Committee, published on 17 October 2008, and also the questionnaire for the Progress Report with additional questions of the evaluators, which must be completed by the Romanian authorities with the measures disposed in the area of prevention and combating money laundering and terrorism financing, in order to implement the recommendations of Council of Europe experts, this questionnaire will be submitted to the Moneyval Secretariat during August 2009 and having regard the quality of the National Union of Bars from Romania as leading structure of the lawyer profession, a representative of the N.U.B, at the invitation of N.O.PC.M.L, participated at a working meeting, which take place on 07 August 2009, at the Office's headquarter this action having as main objectives opening the negotiation procedures in order to actualize the Cooperation Protocol concluded between the National Office for Prevention and control of Money Laundering and National Union of Bras from Romania (no. 8136/07.11.2005).

The meeting was opened by Mr. Neculaie Plaiasu, who thanked to the representative of the National Union of Bars from Romania, for his presence, mentioning that this meeting has as main objective amending the protocol concluded in 2005 in order to actualize it according to the current legislative provisions in the area of prevention and combating money laundering, and this action will be reported to the Moneyval Committee – Council of Europe, within the Questionnaire for Progress Report and asked Mrs. Oncica to present details related to this aspect.

Mrs. Steluta Claudia Oncica mentioned that in case of independent legal professions, within Evaluation Report of Moneyval Committee within Council of Europe was specified the necessity for the non-financial professions to elaborate some secondary regulations for implementing the legislation of prevention and combating money laundering and terrorism financing and also proper procedures of internal control (15th FATF Recommendation) and the identification procedure of the beneficial owner must be strength and proper provisions should be elaborated for the conformity with the Six (6) FATF Recommendation on politically exposed persons.

Mrs. Steluta Claudia Oncica reminded to the representative of the National Union of Bras from Romania the meetings which took place during evaluation mission from 2007 between representatives of the Union and evaluators, mentioning that lawyers were criticized for the low number of suspicious transactions reports submitted to the Office and week awareness as regard the detection of suspicious transactions reports. Mr. Parascho pointed that as regard these reports, lawyers must ensure equilibrium between the reporting obligations and keeping and ensuring the professional secrecy of confidentiality of the lawyer – client relation.

Mr. Parascho Constantin mentioned that is agree with actualization of the Cooperation protocol, but as regards the secondary norms, this problem is for each lawyer in part. He mentioned that the reports between National Union of Bras and lawyers are not the same with the one between National union of Public Notaries and notaries and the National Union of Bars from Romania does not have the necessary logistic for the reporting to be made as in case of National Union of Public Notaries, through Union, Mr. Parascho strengthening the fact that each lawyer is responsible as regard submitting of the reports mentioned by the Law no. 656/2002.

Having regard the obligation of the Union to issue the secondary legislation in the area, Mr. Constantin Parascho saluted the initiative of the Office to actualize the cooperation protocol and on this regard proposed to elaborate a set of good practices in the area of reporting, client identification and internal procedures for this asking the support of the Office for a draft of norms which could be consulted by all bars.

Mrs. Corina Dragomir mentioned that is mandatory to issue secondary legislation in the area of prevention and combating money laundering, and following this Mr Parascho mentioned their support for elaboration of a set of good practices with the support of the National Office for Prevention and Control of Money Laundering, meaning that Office to propose a text and this to be submitted to for analysis of National Union of Bras from Romania.

Mrs. Corina Dragomir mentioned that legislator statue that elaboration and issuing of these norms is in the Union's responsibility, as leading structure of the profession having also the obligation of supervision this sector. Also, after issuing the set of good practices, which could be assimilated to the secondary legislation in the area of prevention and combating money laundering and terrorism financing, this set should be submitted to all bars and published between the members of this liberal profession.

Mr. Parascho agreed with this proposal.

Also, Mrs. Corina Dragomir mentioned that within the actualized form of Cooperation Protocol it is whished to insert the identification data of the responsible persons within National Union of Bras from Romania with application of the Law no. 656/2002, as amended and completed.

Also, Mrs. Corina Dragomir mentioned that having regard the amending the cooperation protocol it is whished exact stipulation of the operations which are the object of reporting to the Office, being added the operations which are certified by lawyers through contracts (contracts under private signature).

Mrs. Steluta Claudia Oncica, mentioned that the Online reporting system will be implemented and this will permit to all reporting entities to electronically submit the reports to the Office, this facilitating fulfillment of the reporting obligations.

As replica, Mr. Parascho, said that an entire profession cannot be obliged ot have the technical means for this kind of reporting.

Mrs. Oncica raised the problems of controls performed at the lawyer offices having regard the differences between the attributions of National Union of Bars from Romania and the ones of National Union of Public Notaries, adding that through Government Emergency Ordinance no. 53/2008 was took into consideration this aspect, being added powers for National Union of Bars from Romania to co-opt bars in order to perform control actions and to supervise the lawyers on the area of prevention and combating mo0ney laundering and terrorism financing.

Mr. Parascho mentioned that as regard the controls, National Union of Bars from Romania is not competent for legal point of view and does not have the legal means to control the portfolio of clients of lawyers and there is not internal audit within this profession but NOPCML has the possibility to perform control actions, for existing legal provisions which permit this.

Mrs. Corina Dragomir mentioned that it is whished that these controls to be performed in common, meaning that ascertaining agents of the Office, to apply sanctions, but from this team to be part also a representative of the National Union of Bras from Romania and this aspect could be inserted within Cooperation Protocol. Mr. Parascho mentioned that this aspect is not possible, National Union of Bars from Romania not whishing that the presence of one of its representatives to cause this kind of actions. Performing these on-site inspections is ensured by the personnel with attributions on supervision and control within the National Office.

Mr. Parascho informed the representatives of the Office that legislation for organization and exercising the lawyer profession is during amending process, on this regard a Government Emergency Ordinance from November 2008 being during approval in Romanian Parliament

After the approval of these amendments of the law on lawyer profession, could be introduced within the Statute of the lawyer profession provisions for application of the Law no. 656/2002, as amended and completed, within a distinct section, Mr. Parascho mentioned. Also, pointed that until the moment of amending the secondary legislation of lawyer profession, the cooperation protocol between NOPCML could be amended and the set of good practices could be elaborated and submitted for the approval of the Permanent Commission and N.U.B Council, the set of good practices following to be annex at the Additional Act for amending the Cooperation Protocol.

Concluding, was agreed that the Office to submit to N.U.B a draft of Additional Act for amending the current Cooperation Protocol between NOPCML and N.U.B.R, and also a draft of good practices elaborated on general lines, which will be adapted to the specific activity of the lawyers.

On this occasion was established that the proposals which will be submitted to the National Union of Bars from Romania to be elaborated by the Supervision and control Directorate together with specialists within Legal Department.

At the ending of this reunion, Mr. Neculaie Plaiasu, thanked to the representative fo the National Union of Bras from Romania for this presence and showed availability in order to actualize the Cooperation protocol between the two institutions and to elaborate the secondary legislation on prevention and combating money laundering and terrorism financing.

This minute was concluded, today, 07 August 2009.

Annex 3.2

Minutes
Of the meeting with representatives of the National Union Public Notaries from Romania
06 august 2009, 10.00, National Office's headquarter

Participants:

National Office for Prevention and Control of Money Laundering
Mr. Neculaie Plaiasu – Senior Member of the Board, representative of the Ministry of Administration and Interiora
Mr. Cezar Flavian Patriche – Senior Member of the Board, representative of the Ministry of Public Finances
Mrs. Steluta Claudia Oncica – Director, Inter-institutional Cooperation and Internationals Relations Directorate
Mrs. Daciana Dumitru – Director, Analysis and Processing of Information Directorate
Mr. Mircea Pascu – Director, Technology of Information and Statistic Directorate
Mrs. Mihaela Oprea – Financial analyst, Supervision Department
Mrs. Roxana Nitu – Financial analyst, Legal Department
Mrs. Nicoleta Popa – financial analyst, Inter-institutional Cooperation and International Relations Directorate

National Union of Public Notaries from Romania

Mr. Nicolae Popa – Director
Mr. Octavian Rogojanu – General Secretary of the UNNPR Council

Taking into consideration the legislative amendments occurred during 2008 in the area of prevention and combating money laundering and terrorism financing, the Final Report of the Third Round of Evaluation of Romania on combating money laundering and terrorism financing problems, elaborated the Council of Europe – Moneyval Committee, published on 17 October 2008, and also the questionnaire for the Progress Report with additional questions of the evaluators, which must be completed by the Romanian authorities with the measures disposed in the area of prevention and combating money laundering and terrorism financing, in order to implement the recommendations of Council of Europe experts, this questionnaire will be submitted to the Moneyval Secretariat during August 2009 and having regard the quality of the National Union of Public Notaries from Romania, as leading structure of the public notary profession, a team of specialist within UNNPR, at the NOPCML invitation, participated at a working meeting, on 06 August 2009, which took place at the Office's headquarter, this action having as main objectives opening the negotiation procedures, in order to actualize the Protocol concluded between the National Office for Prevention and Control of Money Laundering and National Union of Public Notaries from Romania (no. 1944/16.09.2004).

The meeting was opened by Mr. Neculae Plaiasu, who thanked to representatives of the National Union of Public Notaries for their presence, by mentioning that this meeting has as main objective amending the protocol concluded in 2004 in order to actualize it with the current legislation in the area of prevention and combating money laundering, and this action will be reported also to the Moneyval Committee – Council of Europe, within questionnaire for Progress report and asked on Mrs. Oncica to present the details connected to this aspect.

Mrs. Steluta Claudia Oncica, mentioned that in case of the independent legal professions, within the Evaluation Report of Moneyval Committee – Council of Europe, was pointed the necessity for the non-financial professions to elaborate secondary regulations for implementing legislation of prevention and combating money laundering and terrorism financing and also proper procedures of internal control (15 FATF Recommendation) and the procedure on identification of beneficial owner must be strength and proper provisions should be elaborated in order for them to be conform with the 6 FATF Recommendation on politically exposed persons.

Mrs. Steluta Claudia Oncica, remind to the UNNPR representatives the meetings which took place during evaluation mission from 2007 between representatives of the Union and evaluators, mentioning that public notaries from Romania were appreciated for the number of suspicious transactions reports submitted to the Office and for the special cooperation relation existent between the two institutions.

Also, Mrs. Oncica underlined that public notaries has the legal obligation to issue the secondary legislation in the area, internal note which was presented during Plenary Reunion within which was adopted the Report of the third round of evaluation, doesn't fulfill the recommendation of the experts as regard the secondary legislation.

It is known the fact that there is cooperation relation between the UNNPR and Ministry of Administration and Interior, as regard identification of the persons who are using the notary services, this thing representing a very important aspect within the specific procedure imposed by the Law no. 656/2002 as regard client identification. On this regard, it

will be very usefully if the secondary legislation for implementation of the specific provisions in the area of AML/CFT will comprise all the concrete aspects connected to this subject.

Another problem raised by Mrs. Oncica, was the one of controls performed at notary offices as regard application of the provisions of the Law no. 656/2002 as amended and completed. Mr. Nicolae Popa – UNNPR, mentioned that Union performs control actions according to the Law no. 656/2002, following these controls being concluded notes, by this ensuring the Office that a statistical situation with these controls, will be shortly submitted together with the UNNPR contribution at the questionnaire, in order for these to be submitted to Moneyval experts.

Also, Mr. Nicolae Popa was assured by the support of the Office, in drafting the internal norms for prevention and control of money laundering and terrorism financing, by nominalization of a person within the Office, as answer to a written request which will be made by NUPNR.

NUPNR confirmed the existence of a working group which activate at the Union's level which is formed by 15 persons, representing each notary's chamber.

Mr. Mircea Pascu tackle the problem of the submission of the cash transactions report into a format which do not allow the use of these reports in the analyses activity of the Office, having regard that this one can not be viewed.

NUPNR mentioned that it is an undergoing work on this issue but having regard the UNNPR there is a very large number of the reports, being possible for the moment the submission of a database partially up-dated.

The representatives of the Office informed that theirs wish is to have from the NUPNR the uploaded data, even if this database is not daily updated, a such of request being made on the occasion of the meetings which took place in 2007, 2008, 2009. Related to this issue, Mr. Nicolae Popa mentioned that this can be immediately realized.

Regarding the on-line reporting system which will be implemented and which will allow to all reporting entities to sent their reports to the Office into an electronic format, it was disused the possibility of submission the reports by each notary, based on individual digital signature, and following to that the NUPNR will have an interface in order to send the centralized reports to the Office..

In reference to the up-dating of the cooperation protocol it was discussed the inclusion in the content of the protocol of a text which will stipulate the reporting of the documents through which are sent amounts of money, regardless theirs justifications, if we are referred to the CTRs. Related to the STRs (Suspicious Transactions Reports) can not be limited the types of documents which are subject to the reporting, this being a result of the general condition stipulated by the Law no. 656/2002.

Mrs. S. Oncică mentioned that the modifications which will be brought to the content of the existent protocol shall be made related to the modality in which is made the reporting to the Office, to the issuing of the secondary legislation, to the organization of the training seminars, to the internal control activity including the submission of a notification to this Office. Also, it was proposed the insertion of a text which shall stipulate the performing of the periodically controls by NUPNR, and commonly agreed with NOPCML to realize a control plan for the notaries office which present vulnerabilities in this field, as result of the notifications of the NUPNR.

In conclusion, it was agreed that the NUPNR to sent an official address for nominalization of a representative of the Office in order to take part to the activities performed by the working group established at the Union's level in order to drawing up the internal norms for prevention and control the money laundering and terrorism financing, and until August 12, 2009 to submit to the Office the NUPNR's contribution to the questionnaire on Progress Report, as well as a draft of the cooperation protocol in order to be analyzed within the Office.

In conclusion of this meeting, Mr. Neculae Plăiaşu thanks to the guests for theirs presence and theirs availability in solving all the legal aspects included in the Evaluation Report, underlying the fact that only a close cooperation could lead to the prevention of ML/TF through this sector.

The present minutes was concluded today, August, 06, 2009.

Annex 3.3

NATIONAL OFFICE FOR PREVENTION AND CONTROL OF MONEY LAUNDERING
Inter-institutional Cooperation and
International Relations Directorate

MINUTES
Working meeting organized with the representatives of the National Company "Post Office" SA
04 August 2009, h: 10.00, headquarters of the Office

Participants:
National Office for Prevention and Control of Money Laundering
Mr. Neculae Plăiaşu – Senior Member of the Board, representative of the Ministry of Administration and Interior
Mrs. Steluța Oncică – Director of the Inter-institutional Cooperation and International Relations
Mrs. Daciana Dumitru – Director of the Analyses and Processes of the Information Directorate
Mr. Mircea Pascu – Director of the IT and Statistics Directorate
Ms. Corina Dragomir – Head of the Supervision Department no. 1
Mr. Laurențiu Robu – Financial analyst within the Legal Department
Mrs. Nicoleta Popa – Financial analyst within the Inter-institutional and International Relations Directorate

National Company "Post Office" SA
Mr. Manolochi Dionisie – Postal Security Directorate
Mr. Ghețu Marian – Control Department
Mrs. Capdefier Ionela – Control Department
Mrs. Nistor Cornelia – Financial Services Directorate
Mrs. Niculescu Daniela – Financial Services Directorate
Mr. Hărzoiu Petre – Postal Security

Taking into consideration the legislative modifications appears in 2008, in the field of prevention and combating money laundering and terrorism financing, the final evaluations third round detailed assessment report on Romania on anti-money laundering and combating the financing of terrorism, published on 17 October 2008, as well as the questionnaire on progress report which contain supplementary questions of the evaluation experts, which must be fulfilled by the Romanian Authorities with the measures carried out in the filed of prevention and control of money laundering and terrorism financing, in order to implement recommendations of the experts of the Council of Europe, questionnaire which shall be sent to the Moneyval Secretariat in August 2009, and taking into account the role and the importance of the National Company "Post Office" SA, as national operator in the field of postal services, a team of specialists within the National Company Post Office" SA participated, at the invitation of the NOPCML, to a working meeting, which took place today, 04 August 2009, at the headquarters of the Office, action which has as main objective the opening of negotiations procedures, in order to update the existent cooperation Protocol concluded between the National Office for Prevention and Control of Money Laundering and National Company Post Office" SA (no. 101/1046/25.02.2005), as well as the identification of the practical modalities of assuming the responsibilities on supervision of internal framework for supervision (internal control) in order to comply with legal provisions in the field of money laundering and terrorism financing, related to the funds' transfers operated by the national offices of the National Company Post Office" SA.

The meeting was open by Mr. Neculae Plăiaşu, who thank to the representatives of the National Company Post Office" SA for the presence to the meeting, also mentioned that this meeting has as purpose the modification of the cooperation Protocol which was concluded at the beginning of the year 2005, in order to update this document with the legislation in force in the field of prevention and control of money laundering, this set will be reported to the Moneyval Committee – Council of Europe within the Progress Report and ask Mrs. Oncica to present more details on this issue.

Mrs. Steluța Oncică mentioned that within the Evaluation Report of the Moneyval Committee was recommended the enhancing of the supervision in the field of money laundering and terrorism financing of the *MVT service providers, including those that operate through postal offices*, having regard the limited number of the supervisory personnel of the National Office for Prevention and Control of Money Laundering*, taking into account the number of the MVT service providers* (Recommendation no. 23 FATF). Also, the Council of Europe's experts mentioned that should exists an exact delimitation in the legislation, related to the responsibilities for supervising a large number of entities, including the one considered as having a high risk – as there are MVT service providers (Recommendation no. 23 FATF). *Also, within the Special Recommendation no. VI FATF – it was mentioned that should be carried out on-site controls to the postal offices.*

Mrs. Steluța Oncică remember to the representative of the National Company Post Office" SA about the meetings which took place within the evaluation on-site meeting, in 2007, mentioned that the rating of the experts on the implementation of the Special Recommendation no. VI FATF was "non-compliance", the sector of the MVT service provider not being adequately supervised.

Also, Mrs. Steluța Oncică mentioned that by up-dating the cooperation protocol should be solved more problems related to the control of the postal offices and the internal norms for prevention and control of money laundering and terrorism financing, having regard that the situation within this sector is critical, not being any reports (STRs) during the period 2007-2009.

The representatives of the National Company Post Office" SA mentioned the fact that the offices' postal network is very large, but related to the reporting issue it was underline the fact that the transactions which will be performed are sent by the directors of the postal offices to the Financial Service Directorate within the National Company Post Office" SA in order to be approved, and this directorate is taking care about the reporting to the Office.

Ms. Corina Dragomir mentioned that should exist an internal procedure for prevention and control of money laundering and terrorism financing, an organizational chart in which should be identified the persons with attributions in applying the provisions of the Law no. 656/2002, which shall have internal control obligations stipulated in the description of the position, and to be detailed mentioned who is responsible with the approval of the money transfers, who collecting the reports which will be sent to the Office, etc.

The representatives of the National Company Post Office" SA affirmed that within the company, the activity of combating money laundering and terrorism financing is coordinated by the Postal Security Directorate which has as attributions also in prevention of terrorism financing, and in the Measures Plans for money laundering being included as a distinctive activity. Also, there is no strict procedure which must be approved by the management of the National Company Post Office" SA, but this will be elaborated in due time, but the Financial Service Directorate has the attribution to report to the Office.

Mrs. Steluța Oncică ask haw could be made available this procedure and the representatives of the National Company Post Office" SA response that this it will be order by the company, being distributed as Internal Order, and the responsibility shall be in accordance with the Regulation for Interior Order.

Ms. Corina Dragomir mentioned that having regard the large number of postal offices and the reduce number of the supervisory Office's personnel, it is whishes to department/compliance structure within the National Company Post Office" SA to performs controls on prevention and control of money laundering and terrorism financing, and then the results of these controls to be sent to the Office, which will perform on-site controls only to level of central structure. Within the situation in which could be deficiencies in the reports received from a postal office, responsible person on AML/CFT shall respond on noncompliance with the law.

The representatives of the National Company Post Office" SA mentioned that the Financial Service Directorate submits the situation of the control actions to the Postal Security Directorate, the control activities being ceritified in the Activity Plan of the Postal Security Directorate.

Mr. Neculae Plăiaşu mentioned that it is not the wish to superposition of the controls performed by the Office with the internal controls disposed by the National Company Post Office" SA, in this sense being offered the support of our institution in drawing up the internal procedures of the National Company, which shall be viable and shall reflect internal supervisory and control framework of this company.

Mrs. Steluța Oncică use the occasion of this meeting to inform the guests about the on-line reporting system which will be implemented and which will allow to all the reporting entities to sent in electronic format all the reports to the Office, and mentioned that, if the National Company Post Office" SA shall enforce this internal reporting system at the company's level, the representatives of the compliance structure who are in charged with reporting to the Office will be invited to participate to the training sessions dedicated to the utilization of this system.

Mrs. Steluța Oncică concluded that is necessary to update the concluded cooperation Protocol between the NOPCML and the National Company Post Office" SA, in this sense we are wishing to establish an working group formed by specialist from the Office and from the National Company Post Office" SA.NOPCML shall be represented by two specialists from the Legal Department and also from the Supervisory and Control Department, namely Mr. Robu Laurențiu within the Legal Department and Ms. Corina Dragomir within the Supervisory and Control Department.

This working group shall have as objectives the modification of the protocol and the drawing up of the procedures for prevention and control of money laundering and terrorism financing which shall be attached to the Protocol, as well as an implementation plan of these procedures. Also, the Protocol shall have in the annex the list with the Postal Offices and their representatives, with their contact data, functions, and responsibilities. This List shall periodically up-dated by the National Company Post Office" SA.

Also, Mrs. S. Oncică considered as useful the convocation of the representatives of the postal offices after the conclusion of the up-dated protocol in order to inform they about the content of this document and training in order to efficient compliance with the provisions of the Law no. 656/2002.

The representatives of the National Company Post Office" SA mentioned that the number of the regional postal offices is very large, roughly 1.800 of locations, and such type of meting it will be difficult to the realized,

proposed to take place regional meetings, in accordance with the professional training program of the National Company Post Office" SA.

Ms. Daciana Dumitru asked about the modality in which is realized the identification of the clients, underlined the fact that there is a problem with identification of real beneficiary. The representatives of the National Company Post Office" SA mentioned that the identification is made indifferently the amount, but exists problems in implementing this requirement imposed by Decision no. 496/2006 and that should be implemented a type of money order for inserting the identification data.

Ms. Corina Dragomir mentioned that to the drafting of the drawing up the internal procedures must have in regard the provisions of the EC Regulation no. 1781/2006 on information on the payer accompanying transfers of funds.

The representatives of the National Company Post Office" SA agree with the establishment of an working group in order to up-date the protocol and drawing up the internal procedures, ensuring the representatives of the Office that will put at the disposal of the NOPCML also a list with the responsible persons of each postal office. To that end, it will be issue a decision on the composition of the working group at the level of the National Company Post Office" SA, which will be approved by the general director of the company. The internal Norms which will be issued at the level of this working group shall be approved by Decision of the General Director of the National Company Post Office" SA.

Having regard the conclusions of this meeting, the representatives of the two institutions agreed that first meeting of this working group to take place on Thursday, August 06, 2009, to the headquarters of the Financial Services Directorate, 64-66 Calea Grivitei, Bucharest.

In conclusion of this meeting Mr. Neculae Plăiaşu addressed thanks to the guest for theirs presence, mentioned that subsequently to the signature of the updated cooperation protocol, between the two institutions, it will be commonly agreed a date for training the responsible persons for compliance with the Law no. 656/2002 within the postal offices, as step forward in raising the awareness of the reporting entities made by NOPCML as a action to the Moneyval recommendation.

The representatives of National Company Post Office" SA agree with this proposal, mentioned that theirs wish is to have this training session in the field of money laundering and terrorism financing with the representatives of the postal offices representatives to take place on the same date with the training session performed by the central structure of the National Company Post Office" SA.

The present minutes was concluded today, August, 04, 2009.

Annex 4

NATIONAL UNION OF PUBLIC NOTARIES IN ROMANIA

DECISION no. 44/07.04.2006

Having regarded the provisions of the Laws no. 230/2005 and no. 36/2006 on the amendment and completion of the Law no. 656/2002 on prevention and sanctioning money laundering, the article 16 para 1 was amended as follows "the legal persons provided for in the article 8, as well as the leading structures of the independent legal persons shall establish appropriate internal control procedures and methods in order to prevent and to hamper money laundering and terrorist financing";

Having regarded the statement presented by Mr. Musat Margarit, the Vice-President of the National Union of the Public Notaries in Romania;

Having regard the need for adoption of a decision in order to establish measures and work procedures to improve the modalities to enforce the provisions of the Law no. 656/2002 with subsequent amendments;

Based on the provisions of **art. 16 para 1, art. 17 and art. 22 of Law no. 656/2002 (AML/CFT Law), with subsequent modifications**

In accordance with the provisions of the article 20 para 2 of the National Union of Public Notaries in Romania Statute and of the Union Board Decision no. 54/2005 according to which the Executive Office is mandated by the Union's Board to adopt decisions having as subject solving the imperious issues emerged between two meetings of the Council;

According to the art. 23 para. 3 of the National Union of Public Notaries in Romania's Statute,

The Executive Bureau of the Council of the National Union of Public Notaries in Romania adopted the present

DECISION

Art. 1 (1) The Public notaries have the legal obligation to report, in 24 hours, to the National Office for Prevention and Control of Money Laundering through the National Union of Public Notaries in Romania, the following transactions:

a) Suspicious transactions defined as operations which, by their nature and unusual character accountable to the client activity, raise the suspicion of money laundering or terrorist financing. The suspicious transaction shall be reported by filling out the Annex no. 4 to the Protocol and by sending it to the Union.
b) Transactions which consist in performing operations in cash, in lei or foreign currency, whose minimum limit is 10.000 Euro, regardless if the operation is performed through one or more operations interconnected. The cash transaction provided for in point b) shall be reported by filling out the Annex no. 2 to the Protocol and by sending it to the Union.

Art. 2. There is no obligation to report the transactions within which it has been ascertained that the payment will be debited from an account opened in the customer's name with a credit or financial institution in Romania, a Member State of the European Union or if the transaction has been performed through banking transfer proved with banking payment documents.

Art. 3 (1). The copies of the Annexes mentioned in the art. 1 para (1) which were sent to the Union are recorded (archived) in a separate file which will be kept by the public notary himself.

(2) Only the control bodies established by the Directory Board of the Chamber and of the Union have access to the file.

Art. 4. (1). Each acting public notary has a number of Personal Code which is used for sending the reports provided for in the Law no. 656/2002.

(2) Each new appointed public notary is obliged to request from the National Union of Public Notaries the number of Personal Code provided for in the para (1).

(3) The personal Code is unique and it is not subject to changes regardless the association, suspension, changing the headquarters etc.

Art. 5. (1) The Annexes no. 2 and 4 to the Protocol concluded between NOPCML and UNNPR is amended by deleting from the collocation "Name", "Address", "Fiscal Code/Identification Number", as these are provided for in the Annexes which are part of this Decision.

(2) To the heading "Reporting entity" from the Annexes no. 2 and 4 it shall be mentioned, exclusively, the number of Personal Code provided for in the art. 3, being prohibited the writing of the name and surname of the public notary, its signature and seal.

(3) The amendments mentioned at para 1) and 2) will be sent to the National Office for Prevention and Control of Money Laundering.

Art. 6. Public notaries shall establish by disposal (measure) the employee which shall have as duty completion of Annexes no. 2 and 4 corresponding to the reports and after that will submit them to the National Union of Public Notaries within 24 hours.

Art. 7. Public notaries and their employees have no obligation to submit, beyond the conditions provided by law and protocol, the information held connected with money laundering and terrorism financing and to not warn the clients regarding the notification sent to the Office, not mentioning this aspect in notary documents.

Art. 8. (1) The President of the National Union of Public Notaries will appoint by decision, the persons within administrative body of the National Union of Public Notaries who will centralize the data reported by the public notaries.
(2) The persons provided by the art. 10) will collect the reports and submit them within 24 hours at least to the National Office for Prevention and Control of Money Laundering.
(3). The persons provided for in para. 10) have the obligation to keep the professional secret above the confidential information to which have or had access in accomplish their professional duties, including after ending the professional reports, unlimited, with the exceptions provided by the law. Within individual work contract of those persons this obligation will be expressly mentioned.

Art. 9. On each semester, all public notaries will communicate to the Union a distinct statistical situation containing the total amount of real estate selling and securities selling, total number of reported transactions from which suspicious transactions reported, as it is provided within Annex at present act.

Art. 10. (1) The administrative professional control, provided for in the art. 101 from the Law no. 36/1995, will have a distinct point within thematic, the modality of fulfilling the obligation provided for in the Law no. 656/2002 as amended and completed, being taken, also, the measures which are compulsory for compliance with the law.

(2) The control mentioned at the Para. (1) is disposed by the President of the Union and also by the Directory Board of the Chambers of the Public Notaries.

Art. 11. The thematic control will exclusively follow the modality of fulfilling the obligations provided by the Law no. 656/2002, as amended and completed.
(2) The control mentioned at the Para. 1 can be disposed and performed by the Directory Board of the Chambers of Public Notaries and also by the Executive Office of the Union Council and also by the appointed person to verify the enforcement of the Law no. 656/2002 provisions, meaning Mr. Public notary Musat Margarit, Vice-President of the Union.

Art. 12. Annually, the National Union of Public Notaries in Romania in cooperation with the National Office for Prevention and Control of Money Laundering will organize, by regional centers, trainings with public notaries regarding the enforcement of the Law no. 656/2002 as amended and completed.

Art. 13. Non appliance of the dispositions of this decision is considered disciplinary deviation and is sanctioned according to the provision of the Law no. 36/1995.

Art. 14. This decision will be submitted to the Chambers of the Public Notaries and to the National Office for Prevention and Control of Money Laundering, being registered as restricted.

Art. 15. The specialty departments of the Union and Chambers of the Public Notaries will verify the fulfillment of the provision of this decision.

Public Notary,
Dumitru Viorel Manescu

President of the National Union of the Public
Notaries from Romania

NORMS

For enforcing the Protocol concluded between the National Office for Prevention and Control of Money Laundering and the National Union of Public Notaries from Romania

I. The data and the information sent by the public notaries shall be charged in the data base of the National Union of the Public Notaries from Romania. These data shall be submitted by the National union of Public Notaries from Romania to the National Office for Prevention and Control of Money Laundering in the conditions provided by the point III of the Protocol.

II. a) The public notaries shall sent by fax or e-mail (secured)[3] data and information regarding the real estate or movable transactions, represented by selling-purchasing or exchange of goods contracts, if these exceed the value of 10.000 Euro and the payment of the price is done in cash.

b) In case of transactions under the value of 10.000 Euro, the public notaries shall submit the data and information related to these transactions only if they have the suspicion that the contracting parties pursued to perform operations of money laundering. The assessment of this kind of operations as being suspected of money laundering is made according to the extras from the "New Guide of Suspicious Transactions" elaborated by the National Office for Prevention and Control of Money Laundering which provides in the Chapter VI – Anomaly clues for the notaries activity. The above mentioned extras is integrant part of these norms and it will be the Annex no. 1 to these.

c) It is excepted from the obligation to submit by the public notaries of the transactions provided by the letter a and b, if the value of these transactions (price) is transferred by bank. In order to avoid the submission of data and information regarding this kind of transactions, the public notaries will have the possibility to recommend to the parties that the payment of price to be made by banking transfer, being mentioned within the document this modality of payment.

The public notary shall register in the document that the parties acknowledge the dispositions of the Law no. 656/2002 for the prevention and sanctioning money laundering.

III. The procedure for submission by the public notaries of data and information related to the transactions provided by the point II, letters a and b of these norms, shall be performed as follows:

The public notaries shall send the data within the Annex (2) by fax or by secured e-mail, at latest on the second day from the data of performing this kind of transactions.

The fax numbers from which these transactions shall be sent are those provided by the Annex no. 3.

In case in which the data submission will be made by secured e-mail, the public notaries or their empowered persons will contact the specialized service of the National Union of Public Notaries from Romania, in order to establish common working procedures, as soon as they will receive these norms.

IV. 1). The report provided by the Annex no.2 of these norms, for the cash transactions which exceed the equivalent of 10.000 Euro, has a series of columns which shall be filled out as follows:

- Column 1: - cod of public notary (at the Union level all public notaries and all notary bureaus will be coded, on each Chamber). The code will be personally submitted, in closed envelope, to each public notary, being secret service;
- Column 2 – "F" – for natural persons or "J" – for legal persons;

All persons involved in the transaction, on their own behalf or as legal representatives will be mentioned in the report, at the columns from the Chapter "Information about the client".

If in the same cash transaction between two parties, many persons (natural or legal persons) are involved, the report shall include all the persons if each contribution to the transaction performance cannot be ascertained and the hid purposes cannot be pursued.

In this case, the columns 3-12 will be distinctly filled in, at "Information about the client", for each present person which is part of the document, for the seller as for the purchaser.

- Column 3 and 4 – name and surname – for natural persons; and for legal persons the column 3 will include its name (the column 4 will not be filled in, in this case);
- Columns 5, 6, 7, 8, 9, 10: - data regarding the domicile of the present persons, parties within the documents (for natural persons) and the headquarters of the legal persons;
- Column 11: - the series and the number of the identification document – for natural persons or, by case, the number of registration at the Registry of Trade – for legal persons;
- Column 12: - the personal number code – for natural persons or, by case, fiscal code/unique code – for legal persons;
- Column 13: - date of birth in the format day/month/year; - shall be filled in with o;
- Column 14 and 15: - "O", shall be filled in only by the natural persons;

If one or more persons empower other person to perform the transaction on their behalf, the identification data of the empowered person shall be filled in at the chapter "Information about the person who performs the transaction" (columns 16-25)

[3] The operation for ensuring the security consists in application of IT procedures which shall assure the coding submission of the e-mail messages.

- Column 26: - the number of the selling-purchasing contract;
- Column 27: - date of authentication in format day/month/year;
- Column 28: - “D” for the seller and “R” for the buyer;
- Column 29: - type of operation in numbers, according to the code from the Office’s grade list, as:

Code of operation	Name of operation
• 201	Selling of securities
• 202	Purchasing of securities
• 203	Selling of real estates
• 204	Purchasing of real estates
• 205	Exchange of goods

- Column 30: it shall filled in with “O” (value zero);

If in a transaction many persons for the same party are involved, the columns “The amount transacted” (31) and “Observations” (32) shall be filled in as follows:

- for the first person mentioned within the contract the total amount transacted shall be filled in, with the observation “performed in common”;
- for the other persons (which are on the same contracting party with the person above mentioned within the transaction) the operation’s amount shall be filled in conventionally with the value 1 and at observations the total amount of the transaction shall be mentioned in equivalent of Euro.

2) The Suspicious Transaction Report under the value of 10.000 Euro, as indicated in point I letter b, shall be filled in like model from annex no. 4 and only in case of suspicious transactions.

Annex 5

NATIONAL OFFICE FOR PREVENTION
AND CONTROL OF MONEY LAUNDERING

SUPERVISION AND CONTROL DIRECTORATE
Sample ½

PROGRAM
of the on-site supervision activities,
in accordance with the requirements and recommendations
provided for by the Third Round Evaluation Report of Romania

Having regard to the approval of the Report no. 2060/i/28.07.2009, on the implementation of certain measures for compliance with the recommendations and requirements provided for by the 3rd Round Evaluation Report of Romania, as well as to the inclusion in the on-site supervision activity of certain evaluated domains that present a high risk towards ML/TF, we present to you the following program for performing certain verification and control actions, by the Supervision and Control Directorate (SCD):

In this respect, during the second semester of 2009, on-site supervision activities will be carried out on the following activity domains:

- *Liberal legal professions*
- *Money remittance services*
- *Other activity domains identified as presenting high risks.*

The verification and control actions are about to start in the near future, depending on the budgetary resources of the Office.

Taking into consideration the afore-mentioned Report, SCD shall immediately embark on a series of controls over the activity carried out by the money remittance service providers, according to the mentioned companies.

Also, the Office's on-site supervision activity will be followed by verification and control actions over the activity sectors represented by notaries and lawyers, in accordance with the aspects presented in the Report.

Provided this Program is approved, later specific programs for carrying out verification and control actions over each specific domain, together with the substantiation elements, the presentation of the entities proposed for control, of the designated teams and the timeframe available, will be presented.

** This program was approved, most of the requirements included being already put in practice by the Supervision and Control Directorate or drafted into specific programs of upcoming supervision and control activities*

1. Liberal legal professions

Having regard to the request of the Supervision and Control Directorate, the elaboration and enforcement of a Program for carrying out the on-site supervision activity over public notaries and lawyers was approved.

The verification and control actions performed by the Office will be carried out in accordance with the provisions of art. 17 para (1) let d) of the Law no. 656/2002, corroborated with the provisions of art. 17 para 3 of the same normative act.

Also, taking into consideration the findings of the Operative Meetings within SCD, proposals for carrying out controls will be forwarded, especially if it is considered that these are appropriate to be performed together with the leading structures of the liberal legal professions.

Having regard also to the reiteration of the procedures for setting up a meeting with the leading structures of the liberal legal professions, as well as the updating of the protocols concluded with these structures, SCD will proceed with the on-site supervision activity.

Based on the presented aspects, we highlight the fact that in the near future an approval request for the program of verification and control activities that are to be carried out by SCD, will be presented, together with the specification of the entities and the specific elements of on-site supervision activity.

***SCD has already drafted programs for supervision activities into upcoming period (starting in September 2009), delayed only by some upcoming meetings between NOPCML and the leading structures of the liberal legal professions (some aspects that must be re-discussed regarding protocols).*

2. Money remittance service providers

SCD will urgently start verification and control actions over the money remittance service providers, provided for by the Report no. 2060/i/28.07.2009.

In this respect, we highlight the fact that the on-site supervision activity will be carried out in correlation with the identification of the compliance degree with the provisions and requirements provided for by:

- Law no. 656/2002, with subsequent modifications and completions,
- Regulation (CE) of the European Parliament and of the Council no. 1781/2006 of 15th November 2006, *on information on the payer accompanying transfers of funds*.

The on-site supervision activity will be carried out both, on the transfers operated under their own scheme, as well as on those operated in specialized systems (franchise), like Western Union and Money Gram.

Also, the findings of the upcoming debates between the representatives of the Office and those of the Romanian Post will be taken into consideration, and a report will be presented in this respect.

In this context, we highlight the fact that the SCD's on-site supervision activity is postponed, based on the findings of these debates, on the answer received from the representatives of the Romanian Post in respect of updating the protocol signed with the Office, as well as on the establishment of a CML/CTF supervision framework of the money remittance services operated by the national post offices.

*** SCD has already finished the controlling activities regarding the compliance with the AML obligations in this sector, applying sanctions and recommendations.

Furthermore, a specific protocol was signed between the NOPCML and CN Posta Romana SA (Romanian National Post Office), which stipulates that the national post office is assuming the supervision activities and obligations regarding the money transfers performed by the offices in theirs authority (initially with the help of the NOPCML).

3. Other activity domains identified as presenting high risk

CASINOS

SCD carried out, during 2008, a considerable amount of control actions over the activity carried out by casinos, which resulted in numerous sanctions.

Having regard at the amendments brought to the Law no. 656/2002, by the coming into force of the GEO no. 53/2008, we highlight the fact that a series of obligations with direct or indirect specification in this activity domain have been introduced and completed.

Also, during this period of time, the legislation for the authorization and functioning of casinos came into force, and the specific control tools of the Office have been assigned and/or strengthened, in order to correlate the normative acts with the CML/CTF supervision framework of this domain.

At the same time, the Office's position within the Commission for the Authorization of Gambling Operators was strengthened, by assigning the competence to suspend or repeal the gambling license, based on NOPCML's request, in cases when, by administrative acts, the noncompliance with the provisions of the legislation on preventing and combating money laundering and the financing of terrorism acts is ascertained (acts that are considered final in the system of administrative appeal or stipulated as such by definitive and irrevocable court rulings).

In correlation with the previous aspects we would like to draw your attention on the fact that, following the Executive's meeting of 29.07.2009, the Enforcement Norms of the GEO no. 77/2009 on the organization and operation of gambling activities have been approved by Governmental Decision. This act stipulates direct attributes for the controls carried out by the Office, as well as direct specifications over the legal CML/CTF obligations.

Having regard to these aspects, we mention the fact that, in the upcoming period, the program of the verification and control actions scheduled to be carried out by SCD will be presented for approval, together with the specification of the entities and the specific elements of the on-site supervision activity.

REAL ESTATE TRANSACTIONS

SCD carried out, during 2008, a considerable amount of actions in respect of the activities performed by the real estate agents.

Also, during 2009, SCD started verification actions on the activity domain represented by the real estate developers, which resulted in sanctions and the submission, to the specialized directorate, of notifications regarding money-laundering suspicions.

Based on the off-site supervision results, SCD performed controls on the activity carried out by the commercial companies that have as line of business:

- Buying and selling of owned real estate goods,
- Letting and sub-letting of owned real estate goods or the rented ones.

Having regard to these aspects, we would like to inform you that SCD carries out at the moment, actions on the afore-mentioned activity domains, and in the next period of time reports on the results of this actions will be presented, as well as the proposal to continue them (if this would be the case).

NON-BANKING FINANCIAL INSTITUTIONS

Having regard to the debates between the representatives of the Office and those of the National Bank of Romania, non-banking financial institutions, which are registered in the General and in the Evidence Registers (N.B.R.), are now supervised for by NOPCML. In this respect, NBR submitted an official letter to the Office for certifying and highlighting this fact.

Taking into consideration these aspects, SCD started the off-site supervision activity on these activity domains, and all the entities ascertained as presenting high risk towards ML/TF vulnerabilities, by not complying with the CML/CTF legal obligations, have been the subject of verification and control actions.

The verification and control actions of SCD resulted in a very big number of sanctions, and unveiled a considerable level of non-compliance with the CML/CTF legal obligations and provisions.

The on-site supervision activity of the SCD is characterized by verification and control actions on the following activity categories, in the field of non-banking financial institutions (the General and the Evidence Register):

- Consumer credit
- Mortgages and/or property loans
- Micro-crediting
- Financing the commercial transactions
- Factoring
- Financial leasing
- Issuance of guarantees and assumption of liabilities
- Multiple crediting activities
- Pawn houses

To the date of this report, the vast majority of the non-banking financial institutions, which are supervised for by the Office, have already been controlled, and during the next period of time, verification and control actions are scheduled to be carried out, concomitantly with the rest of the controls mentioned above.

Annex 6

Training Plan
For the reporting entities provided for in article 8 of the Law No. 656 of December 7th, 2002, with subsequent modifications and completions

Year of 2009

Period of progress	Participants	Other institution involved	Lecturers	Location	Theme
July 13, 2009	***Credit institutions***, Reporting entities provided under art. 8, letter a)	**Romanian Banking Association (RBA)**	Lecturers ONPCSB	**RBA headquarters**	Typologies and money laundering study cases
14 to 16 July 2009	***Insurance and reinsurance companies***, entities provided for in art. 8 letter b)	**The Institute for Insurance Management**	Lecturers ONPCSB and ISC	**IIM headquarters**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing. Typologies and money laundering study cases
September 09, 2009	***Non-banking financial institutions***, reporting entities provided for in art. 8, let. B)	**Financial Companies Association in Romania– ALB**	Lecturers ONPCSB	**ALB headquarters**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing. Typologies and money laundering study cases
September 16, 2009	***Non-banking financial institutions,*** reporting entities provided for in art. 8, let. b)	**Financial Companies Association in Romania– ALB**	Lecturers ONPCSB	**ALB headquarters**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing. Typologies and money laundering study cases
September 18, 2009	***Casinos representatives***, reporting entities provided for in art. 8 let. b)	**Association of Casinos in Romania**	Lecturers ONPCSB	**ACR headquarters**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing. Typologies and money laundering study cases
September 22, 2009	***Experts' accountants and authorized accountants***, reporting entities provided for in art. 8, letter e)	**The Body of Expert and Licensed Accountants of Romania (CECCAR)**	Lecturers ONPCSB		Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
September 23, 2009	***Non-banking financial institutions***, reporting entities	**Financial Companies Association in Romania– ALB**	Lecturers ONPCSB	**ALB headquarters**	Legislative modifications in the field of prevention and control of money

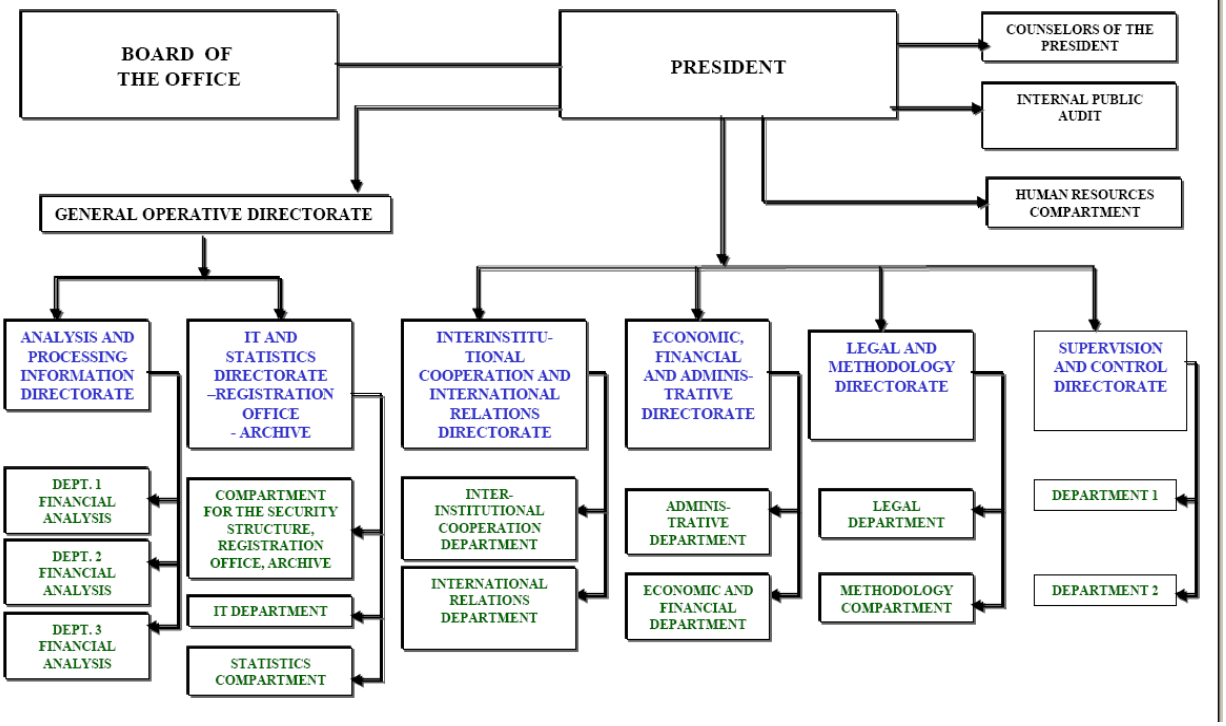
	provided for in art. 8, let. b)				laundering and terrorism financing. Typologies and money laundering study cases
October 06, 2009	***Private pension funds***, reporting entities provided for in art. 8, let. c)	**Private Pension System Supervision Commission - PPSSC**	Lecturers ONPCSB	**PPSSC headquarters**	Typologies and money laundering study cases
October 13, 2009	***Currency exchange houses***, reporting entities provided for in art. 8, let. b)		Lecturers ONPCSB	**NOPCML headquarters (1, Ion Florescu Stret, District 3, Bucharest)**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
October 20, 2009	***MVT service providers***, reporting entities provided for in art. 8, let. b)		Lecturers ONPCSB		Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
November 03, 2009	***Association and foundations***, reporting entities provided for in art. 8, let. j)		Lecturers ONPCSB		Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
The last decade of November *	***Securities companies***, reporting entities provided for in art. 8, let. b)	**National Securities Commission**	Lecturers ONPCSB		Typologies and money laundering study cases
*	***Tax advisors***, reporting entities provided for in art. 8, let. b)	**Tax Advisors' Chamber**	Lecturers ONPCSB		Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
*	***Lawyers***, reporting entities provided for in art. 8, let. f)	**National Union of Bars from Romania, National Institute**	Lecturers ONPCSB		Legislative modifications in the field of prevention and control of money

		for Proffesional Training of Lawyers			laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
*	***Public notaries***, reporting entities provided for in art. 8, let. f)	**National Union of Public Notaries**	Lecturers ONPCSB	**NOPCML headquarters (1, Ion Florescu Stret, District 3, Bucharest)**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases
*	***Real estate agents***, reporting entities provided for in art. 8, let. i)	**Romanian Association of Real Estate Agents and National Union of Real Estate Agents**	Lecturers ONPCSB	**NOPCML headquarters (1, Ion Florescu Street, District 3, Bucharest)**	Legislative modifications in the field of prevention and control of money laundering and terrorism financing and of the legislation on applying international sanctions. Typologies and money laundering study cases

* Data will subsequently be established with the supervisory authorities/professional associations of the respective category of reporting entity.

ANNEX no. 7

ORGANISATIONAL CHART



Annex 8

INSTITUTIONAL DEVELOPMENTS WITHIN THE NATIONAL BANK OF ROMANIA IN THE ANTI-MONEY LAUNDERING AND TERRORISM FINANCING FIELD

The Governor Council of the National Bank of Romania approved the setting up starting with May 01, 2009, of a new specialised structure whose responsibility is monitoring and supervising credit institutions in the AML/CTF field, as well as supervising the applying of international sanctions for blocking funds.

This structure is an independent department within the Supervision Directorate, called *Department for Monitoring the Application of International Sanctions, Prevention of Money Laundering and Terrorism Financing)*, leaded by a head of department and formed by 6 inspectors, 1 general inspector and 1 expert.

The activity of this department consists in exercising the attributions of the National Bank of Romania conferred by the in force legislation on aplying international sanctions, prevention of money laundering and terrorism financing.

In accordance with the provisions of the Regulation for Organising and Functioning, the activity of this department is based mainly by on-site inspection actions performed independently of prudential supervision of the other inspection deparments within the Supervision Directorate. The new department is current under organisation, respectively for filling-in the vacancies (3 position of inspectors, 1 of general inspector and 1 expert) and is drafting the own norms and working procedures.

During the fourth quarter 2009 it is envisaged that this department shall perform its first on-site actions.

Annex no. 9

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.

ANNEX

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 observe 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. 10

SUPERVISION COMMISION OF THE PRIVATE PENSIONS SYSTEM

Norm no. 11/2009
regarding supervision procedure of the implementation of international sanctions in the private pension system

Published in the Official Gazette, Part I, nr. 328 from 18/05/2009

Having regard to the provisions of art. 16, art. 23 lett. f) and art. 24 lett. o) of the Government Emergency Ordinance no. 50/2005 regarding the foundation, organization and functioning of the Private Pensions System Supervisory Commission, approved with modifications and completions by Law no.313/2005.

Taking into account the provisions of the Law no. 204/2006 regarding voluntary pensions, with subsequent amendments and completions and of the Law no. 411/2004 on privately administrated pension funds, republished, with modifications and completions,

Based on the provisions of the art. 12 para. (2) and art. 17 para. (6) of the Government Emergency Ordinance no. 202/2008 oh the implementation of international sanctions,

The Private Pensions System Supervisory Commission referred to as Commission in the following issues the following norm.

CHAPTER I
General provisions

Art. 1. – The present norm set methodology regarding the implementation of international sanctions of the entities authorized by the Commission of international sanctions imposed by the acts referred to Art. 1 of Government Emergency Ordinance no. 202/2008 on the implementation of international sanctions.
Art. 2. – The terms and expressions used in the present norm have the meaning indicated in the Government Emergency Ordinance no. 202/2008, in the Law no. 204/2006 regarding voluntary pensions, with subsequent amendments and completions, hereinafter referred to as "*the Law nr. 204/2006*" and of the Law no. 411/2004 on privately administrated pension funds, republished, with modifications and completions, hereinafter referred to as "*the Law nr. 411/2004*".

CHAPTER II
The activity of supervision regarding the implementation of international sanctions

Art. 3. – The Commission shall establish the advertising of the provisions law of international sanctions mandatory in Romania, by posting on its website.
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 on persons or entities designated which owns or has control of property or who has data and information about them, about related transactions involving goods or persons or entities designated must notify the Commission as soon as becomes aware of circumstances requiring disclaimer.
(2) The Commission will consider only those notices which contain at least the personal and minimum contact information to identify its author.
(3) When it finds that the notification received is not subject to its scope jurisdiction, the Commission sent within 24 hours notice to the competent authority. In where the competent authority can not be identified, the notice shall be sent Ministry of Foreign Affairs as the coordinator of the Interinstitutional Committee.
Art. 5 – In its supervision, the Commission shall verify compliance by entities provided in art. 1 measures ordered by the acts that establish international sanctions.
Art. 6 – (1) Entities referred to in art. 1 are required to prepare, set and implement appropriate internal procedures and mechanisms, under legislation relating to money money and / or financing of terrorist acts.
(2) Entities referred to in art. 1 are required to send the Commission copies of internal procedures under par. (1) within 90 days of the date of entry into force of this rules.
(3) Any modification of internal procedures to notify the Commission within 5 days working the date of such change.
Art. 7 – (1) Entities referred to in Art. 1 are required to report transactions suspected to be suspicious transactions, according to legislation relating to money laundering and / or funding of acts of terrorism and to send Ministry Public Finance reports made by National Tax Administration Agency and the Commission.
(2) Reports should include all relevant data relating to contracts and accounts involved and the total value of goods.

Art. 8. - Committee held its own records on the implementation of sanctions international private pension system and transmits this information upon request, the Ministry Public Finance.

CHAPTER II
Final provisions

Art. 9. – The terms stipulated by the present norm, which shall expire in a day of legal holiday or in a non-working day, shall be prolonged until the end of the next working day.
Art. 10. – Failure to comply with the provisions stipulated by the present norm shall be sanctioned in accordance with the legal provisions in force, namely art. 16, art. 81 para (1) letter c), art. 140 para (1), art.141 para (1) letter g), para (2), (3), (4), (6), (7), (9), (10) of the Law no. 411/2004 and of art. 38 letter c), art. 120 para (1), art. 121 para (1) letter k) and para (2), (3), (4), (6), (7), (9) and (10) of the Law no. 204/2006, and in accordance with art. 26 of the Government Emergency Ordinance no. 202/2008.
Art. 11. – This norm is completed as with other legal provisions incidents.

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* *