



On Counteraction of Legitimization (Laundering) of Incomes Received by Illegal Means, and Financing of Terrorism

Unofficial translation

The Law of the Republic of Kazakhstan dated 28 August 2009 No. 191-IV

Note of RCLII!

Order of enforcement of the Law of the Republic of Kazakhstan see Article 21.

This Law determines legal grounds of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, legal relations of subjects of financial monitoring, authorized body and other state bodies of the Republic of Kazakhstan in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Footnote. The Preamble as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 NO. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 1. GENERAL PROVISIONS

Article 1. Basic definitions used in this Law

The following basic definitions are used in this Law:

1) suspicious transaction with money and (or) other property (hereinafter – suspicious transaction) – the operation of a client (including an attempt of committing such transaction, the transaction being in a process of commission or committed transaction), in respect of which there are suspicions that the money and (or) another property used for its commission are the income from a criminal activity, or the operation itself is oriented to legitimization (laundering) of incomes received by illegal means, or financing of terrorism or other criminal activity;

2) transactions with money and (or) other property – actions of individuals and legal entities with money and (or) other property independently from the form and method of their carrying out oriented to establishment, change or termination of civil rights and obligations linked with them;

3) a beneficial owner – an individual to whom more than twenty five percent of partnership shares in a charter capital belong directly or indirectly or allotted (with the deduction of privileged and repurchased by a society) of shares of stock of a client-legal entity, and equally an individual carrying out a control of the client by other methods, or in behalf of whom the client commits transactions with money and (or) other property;

4) a client – an individual or legal entity receiving the services of a subject of financial monitoring;

5) correspondent relations – contractual relations arising upon opening of correspondent accounts by banks, organizations carrying out separate types of banking operations for other banks for the purpose of commission of transactions linked with carrying out of banking servicing;

6) shell-bank – non-resident bank that does not have a physical presence in the state (

territory) in which it is registered as a bank and (or) received a license for carrying out of banking activity with the exception of placement of such bank in direct or indirect possession of banking holding subjected to consolidated supervision in the state (territory) in which it is registered;

7) financial monitoring - set of measures on collection, processing, analysis and use of details and information on transactions with money and (or) other property carrying out by the authorized body and subjects of financial monitoring in accordance with this Law;

8) transactions subjected to financial monitoring - the transactions with money and (or) other property in respect of which the financial monitoring is established in accordance with this Law;

9) cash out of money received by illegal means - the actions committed by individuals or legal entities for the purpose of receipt of cash money by use of documents upon commission of a fictitious transaction oriented to legitimization (laundering) of money;

10) incomes received by illegal means - money and (or) other property received in a result of commission of criminal and (or) administrative infraction;

11) legitimization (laundering) of incomes received by illegal means - involvement of money and (or) other property into legal turnover received by illegal means by commission of transactions, and equally use of mentioned money and (or) other property;

12) financing of terrorism - provision or collection of money and (or) other property, right to property or benefits of property character, as well as donation, exchange, charitable gifts, sponsor and beneficent support, rendering of informational and other services or rendering of financial services to an individual or group of persons, or to a legal entity committed by a person that designedly knew the terroristic character of their activity, or that the provided property, rendered informational, financial and other services will be used for carrying out of terroristic activity or supplying of terrorist group, terrorist organization, illegal paramilitary formation;

13) authorized body - the state body carrying out financial monitoring and taking another measures on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism in accordance with this Law;

14) foreign public civil servant - the person appointed or elected, engaging a position in legislative, executive, administrative or judicial body of a foreign state, as well as any person performing any public function for the foreign state;

15) competent body of a foreign state - the body of a foreign state carrying out the counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism in accordance with its legislation;

16) physical presence - the place of carrying out the activity of a bank located at permanent address (with the exception of the address of a mail box or electronic address) in which there are managing bodies and bank staff, the accounting and storage of documents related to banking activity are maintained, and inspections of the authorized body that issued the license to a bank-non-resident for carrying out of banking activity are conducted;

17) business relations - the relations with clients arising in a process of carrying out of professional activity by a subject of financial monitoring.

Footnote. Article 1 is in the wording of the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (the order of enforcement see Article 2); dated 03.07.2014 No. 227-V (shall be enforced from 01.01.2015); dated 03.11.2014 No. 244-V (shall be enforced from 02.01.2015).

Article 2. Legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism

Footnote. Title of Article 2 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

1. Legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism is based on the Constitution of the Republic of Kazakhstan, consists of this Law and other regulatory legal acts of the Republic of Kazakhstan.

2. If an international treaty ratified by the Republic of Kazakhstan establishes other rules than those contained in this Law, the rules of the international treaty shall be applied.

Footnote. Article 2 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 2. PREVENTION OF LEGITIMIZATION(LAUNDERING) OF INCOMES RECEIVED BY ILLEGAL MEANS, AND FINANCING OF TERRORISM

Footnote. Title of Chapter 2 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 3. Subjects of financial monitoring

1. For the purpose of this Law, the subjects of financial monitoring shall include:

1) banks, organizations carrying out separate types of banking operations, with the exception of an operator of interbank system of money transfers;

2) stock exchange;

3) insurance (reinsurance) organizations, insurance brokers;

4) single pension savings fund and voluntary pension savings funds;

5) professional participants of securities market, central depository;

6) notary offices carrying out notary actions with money and (or) other property;

7) attorneys, other independent specialists on legal issues – in cases when they participate in transactions with money and (or) other property in the name or by order of a client in respect of the following activity:

buy and sell of immovable property;

management of money, securities or other property of a client;

management of banking accounts or securities accounts;

accumulation of funds for creation, ensuring, functioning or management of a company;

creation, buy and sell, functioning of a legal entity or their management;

8) bookkeeping organizations and professional accountants carrying out entrepreneurial activity in the scope of bookkeeping operations, audit organizations;

9) organizers of gambling business and lotteries;

10) postal operators rendering services on money transfer;

11) microfinance organizations;

12) operators of electronic money systems that are not the banks.

2. State bodies of the Republic of Kazakhstan are not the subjects of financial monitoring.

Footnote. Article 3 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official

publication); dated 21.06.2013 No. 106-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (shall be enforced upon expiry of six months after the date of its first official publication).

Article 4. Transactions with money and (or) other property subjected to financial monitoring

1. Transactions with money and (or) other property shall be subject to financial monitoring, if in the nature it refers to one of the types of transactions provided by paragraph 2 of this Article and is committed in a cash form, with the exception of transactions provided by subparagraphs 6), 7), 9), 11) and 18) of paragraph 2 of this Article, on a sum that is equal or exceeds:

for the transaction mentioned in subparagraph 1) of paragraph 2 of this Article - in a sum being equal or exceeding 1 000 000 tenge or equal to the sum in a foreign currency, equivalent to 1 000 000 tenge or exceeding it;

for the transactions mentioned in subparagraphs 6) and 7) of paragraph 2 of this Article - in a sum being equal or exceeding 2 000 000 tenge or equal to the sum in a foreign currency equivalent to 2 000 000 tenge or exceeding it;

for the transaction mentioned in subparagraph 9) of paragraph 2 of this Article - in a sum being equal or exceeding 6 000 000 tenge or equal to the sum in a foreign currency equivalent to 6 000 000 tenge or exceeding it;

for the transactions mentioned in subparagraphs 2), 3), 5), 11) - 14), 16) and 17) of paragraph 2 of this Article - in a sum being equal or exceeding 7 000 000 tenge or equal to the sum in a foreign currency equivalent to 7 000 000 tenge or exceeding it;

for the transactions mentioned in subparagraphs 10) and 15) of paragraph 2 of this Article - in a sum being equal or exceeding 30 000 000 tenge or equal to the sum in a foreign currency equivalent to 30 000 000 tenge or exceeding it;

for the transaction mentioned in subparagraph 18) of paragraph 2 of this Article - in a sum being equal or exceeding 150 000 000 tenge or equal to the sum in a foreign currency equivalent to 150 000 000 tenge or exceeding it;

for the transaction mentioned in subparagraph 19) of paragraph 2 of this Article - in a sum being equal or exceeding 45 000 000 tenge or equal to the sum in a foreign currency equivalent to 45 000 000 tenge or exceeding it.

If the transaction with money and (or) other property is carried out in a foreign currency, the equivalent of the sum in tenge shall be calculated according to the market rate of currency exchange for the date of commission of such transaction determined in accordance with the legislation of the Republic of Kazakhstan.

2. Transactions with money and (or) other property subjected to financial monitoring shall include:

1) receipt of winning according to results of conduct of a bet, gambling game in gambling establishments and lottery, as well as in electronic form;

2) purchase, sale and exchange of cash foreign currency through bureaus of exchange;

3) receipt of money by cheque or bill as a single transaction, as the transaction carried out within seven sequential calendar days;

4) is excluded by the Law of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of three months after its first official publication);

5) withdrawal from banking account or crediting on banking account of money of a client as a single transaction, as the transaction carried out within seven sequential calendar days;

6) crediting or transfer of money on a banking account of a client carried out by an individual or legal entity having respectively the registration, residence place or location in an offshore zone, and equally having the account in a bank registered in the offshore zone, or money transfer by the client in favor of the mentioned category of persons as a single transaction, as the transaction carried out within seven sequential calendar days;

7) money transfers abroad on accounts (on deposits), opened for an anonymous owner,

incoming of money from abroad from the account (deposit) opened for the anonymous owner committed as a single transaction, so the transaction carried out within seven sequential calendar days;

8) is excluded by the Law of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of three months after its first official publication);

9) Payments and money transfers carried out by a client in favor of other person on a gratuitous basis;

10) acquisition (sale), coming in to the Republic of Kazakhstan or coming out from the Republic of Kazakhstan of cultural values;

11) transactions committed by legal entities, from the date of registration of which less than three months has passed;

12) coming in to the Republic of Kazakhstan or coming out from the Republic of Kazakhstan of currency in cash, documentary securities for a representative, bills, cheques, with the exception of coming in or coming out carried out by the National Bank of the Republic of Kazakhstan, banks and National Postal Operators;

13) carrying out of insurance payment or receipt of insurance premium;

14) introduction, payment of voluntary pension contributions to the single pension saving fund and (or) voluntary pension saving fund, as well as making pension payments from the single pension saving fund and (or) voluntary pension saving fund on account of voluntary pension contributions;

15) receipt or provision of a property under the contract of financial leasing;

16) transactions on rendering of services, including labour, carriage, freight forwarding, storage, commission, property trust management, with the exception of safe deposit services on a property lease (rent) of safety deposit boxes;

17) buy and sell and other transactions with precious metals, precious stones and products made of them;

18) transactions with immovable and other property subjected to compulsory state registration;

19) transactions with securities.

3. Suspicious transactions shall be subject to financial monitoring independently from the form of their carrying out and sum to which they are committed or may be or could be committed.

The Government of the Republic of Kazakhstan shall approve the signs of determination of suspicious transaction.

4. Compulsory ground for studying the transactions by a subject of financial monitoring, committed by a client and fixing the results of such study in accordance with Article 5 of this Law are:

1) commission of a difficult, unusually major or not having obvious economic substance or visible legal purpose transaction with money and (or) other property;

2) commission of actions by a client oriented to deviation from a proper inspection and (or) financial monitoring provided by this Law;

3) commission of a transaction with money and (or) other property by a client on which there are the grounds to suppose than it is oriented to cash out received by illegal means;

4) commission of a transaction with money and (or) other property, the participant of which is a person registered (residing) in the state (in the territory) that does not perform recommendations of the Financial Action Task Force on Money Laundering (FATF), and equally with use of account in a bank registered in such state (territory).

The list of states (territories) that does not perform and (or) that perform the recommendations of the Financial Action Task Force on Money Laundering (FATF) insufficiently shall be made by the authorized body considering the documents issued by the Financial Action Task Force on Money Laundering (FATF), and shall be directed to the relevant state bodies that shall bring it to the subjects of financial monitoring, with the exception of subjects of financial monitoring provided by subparagraph 12) of paragraph 1 of Article 3 of this Law, to which it shall be brought by the authorized body.

Footnote. Article 4 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of three months after its first official publication); dated 21.06.2013 No. 106-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (shall be enforced upon expiry of six months after the date of its first official publication).

Article 5. Proper inspection by subjects of financial monitoring of clients

1. Subjects of financial monitoring shall take measures on a proper inspection of own clients (their representatives) and beneficiary owners in accordance with the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

2. Subjects of financial monitoring shall carry out proper inspection of clients (their representatives) and beneficiary owners in cases of:

1) establishment of business relations with a client;

2) carrying out of transactions with money and (or) other property subjected to financial monitoring, including the suspicious transactions;

3) existence of grounds for doubt in a credibility in previously received data about a client (their representatives), beneficiary owner.

3. Proper inspection of own clients (their representatives) and beneficiary owners by subjects of financial monitoring and shall include the carrying out of the following measures:

1) fixing the details required for identifying an individual:

data of a document certifying his (her) identity, individual identification number (with the exception of cases when the individual is not assigned by the individual identification number in accordance with the legislation of the Republic of Kazakhstan), as well as legal address;

2) fixing the details required for identification of a legal entity (branch, representative): data of certificate on the state (record) registration (re-registration) of the legal entity (branch, representative), business identification number (with the exception of cases when the legal entity is not assigned by the business identification number in accordance with the legislation of the Republic of Kazakhstan) or the number поd which the legal entity-non-resident is registered in a foreign state, as well as location address;

2-1) detection of a beneficiary owner and fixing the details required for his (her) identification in accordance with subparagraph 1) of this paragraph, with the exception of legal address.

For the purpose of detection of a beneficiary owner of a client - legal entity by a subject of financial monitoring on the basis of the constitutive documents and register of shareholders of such client or details received from other sources, the structure of his (her) ownership and management shall be established.

In case if in result of taking measures provided by this subparagraph, the beneficiary owner of a client - legal entity is not detected, the recognition of an individual executive body or a head of collegial executive body of the client - legal entity as the beneficiary owner.

Fixing the details required for identification of a beneficiary owner shall be carried out on the basis of information and (or) documents provided by a client (his (her) representative) or received from another sources.

3) is excluded by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of six months after the date of its first official publication);

4) establishment of supposed purpose and character of business relations;

5) conduct of inspection of business relations and study of transactions carried out by a client on a permanent basis through this subject of financial monitoring, including receipt and fixing the details on a source of financing of committed transactions when necessary;

6) inspection of credibility and renewal of details on a client (his (her) representative) and a beneficiary owner.

Inspection of credibility of details required for identifying a client (his (her) representative), beneficiary owner shall be carried out by comparison with data of originals or notarized copies of the relevant documents by comparison with data from accessible sources.

In respect of a representative of a client, the powers of such person to act in the name and (or) in behalf of the client shall be supplementary inspected.

Renewal of details shall be carried out in existence of the grounds for doubting in a credibility of previously received details on a client, beneficiary owner, as well as in cases provided by the rules of internal control.

3-1. Measures provided in this Article shall not be taken in the following cases:

1) upon carrying out of transactions by non-identified owners of electronic money-individuals on acquisition and use of electronic money not exceeding the sum provided by paragraph 4 of Article 36-2 of the Law of the Republic of Kazakhstan "On payments and money transfers";

2) upon carrying out of a transaction by a client-individual on crediting of money on a bank account of the individual by equipment (device) intended for acceptance of cash money, if the sum of such transaction does not exceed 500 000 tenge or sum in a foreign currency being equivalent to 500 00 tenge;

3) upon carrying out of a wire payment or money transfer by a client without use of a banking account, if the sum of such payment or money transfer does not exceed 2 000 000 tenge or the sum in a foreign currency being equivalent to 2 000 000, with the exception of cases of commission of suspicious transaction by the client;

4) upon carrying out of a transaction by a client on purchase, sale or exchange of cash foreign currency in a bureau of exchange, if the sum of such transaction does not exceed 2 000 000 tenge or the sum in a foreign currency being equivalent to 2 000 000, with the exception of cases of commission of suspicious transaction by the client;

5) upon carrying out of a transaction by a client-individual with the use of payment card that is not a mean of access to banking account of such client, if the sum of such transaction does not exceed 200 000 tenge or sum in a foreign currency equivalent to 200 000 tenge.

4. Proper inspection by subjects of financial monitoring of own clients (their representatives) and beneficiary owners shall be carried out in accordance with the rules of internal control.

5. Subject of financial monitoring shall have the right to require the representation of details from a client (his (her) representative and documents required for identifying the client (his (her) representative), detection of a beneficiary owner, as well as provision of details on a fiscal residence, profession and source of financing of committed transactions.

Clients (their representatives) shall be obliged to provide information and documents to subjects of financial monitoring required for fulfillment of obligations by them provided by this Law, including the information on beneficiary owners.

6. Subjects of financial monitoring mentioned in subparagraphs 1) - 5), 11) and 12) of paragraph 1 of Article 3 of this Law may rely on measures provided by subparagraphs 1), 2) and 4) of paragraph 3 of this Article, taken in respect of the relevant clients (their representatives) and beneficiary owners by other subjects of financial monitoring, as well as foreign financial organizations upon compliance with the relevant conditions:

1) subject of financial monitoring that relies on the measures on a proper inspection taken by the other subject of financial monitoring or foreign financial organization shall receive immediately data on a client (his (her) representative), beneficiary owner including the copies of confirming documents within the measures provided by subparagraphs 1), 2) and 4) of paragraph 3 of this Article;

2) subject of financial monitoring that relies on measures on a proper inspection taken by a foreign financial organization shall establish that the activity of such foreign financial organization shall be subject to licensing, regulation and supervision in the state in which it is registered, and that such foreign financial organization takes measures on a proper

inspection being similar to requirements of this Article.

Footnote. Article 5 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (the order of enforcement see Article 2).

Article 6. Proper inspection by subjects of financial monitoring of clients in case of establishment of business relations with a client

Subjects of financial monitoring shall take measures provided by subparagraphs 1) – 4) of paragraph 3 of Article 5 of this Law until establishment of business relations with clients, with the exception of cases mentioned in paragraph 3-1 of Article 5 of this Law.

Footnote. Article 6 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 7. Proper inspection by subjects of financial monitoring of clients upon carrying out of transactions with money and (or) other property subjected to financial monitoring

1. Subjects of financial monitoring shall take measures provided by subparagraphs 1), 2) and 4) of paragraph 3 of Article 5 of this Law before conduct of transactions with money and (or) other property subjected to financial monitoring in accordance with Article 4 of this Law, with the exception of cases when such measures are taken during establishment of business relations.

2. Upon carrying out of wire payments and money transfers upon instructions of clients, with the exception of payments and money transfers with the use of payment cards, as well as cases provided by subparagraphs 1), 2) and 5) of paragraph 3-1 of Article 5 of this Law, the second-tier banks and organizations carrying out separate types of banking operations shall ensure existence in a payment document and transfer the requisites provided by the legislation of the Republic of Kazakhstan to a participant of payment (transfer) of money, including:

last names, first names, patronymics (when available) or full or abbreviated names (for legal entities) of a sender and recipient of money (beneficiary);

individual identification coders of a sender and recipient of money (beneficiary), if the money transfer is carried out with the use of banking account, or the number of instruction on payment or money transfer, if the money transfer is carried out without the use of a banking account;

identification number or address of a sender of money (for individuals and legal entities) or the number of a document certifying identity of the sender of money (for individual).

The second-tier banks and organizations carrying out separate types of banking operations shall control existence of information in a payment document mentioned in a part one of this paragraph, upon receipt of payment and money transfer from a foreign financial institution, as well as shall fix and keep details required for identifying a recipient on money transfer without the use of banking account.

Footnote. Article 7 is in the wording of the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of six months after the date of its first official publication).

Article 8. Proper inspection by subjects of financial monitoring of foreign public civil servants

Besides the measures provided by paragraph 3 of Article 5 of this Law, in respect of foreign public civil servants, the subjects of financial monitoring additionally shall be obliged to:

- 1) carry out inspection of belonging and (or) involvement of a client to a foreign public civil servant, his (her) family members and close relatives;
- 2) carry out assessment of a reputation of this foreign public civil servant in respect of his (her) involvement to the cases of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;
- 3) obtain permission of a leading employee of organization for establishment, continuation of business relations with such clients;
- 4) take accessible measures for establishment of sources of the funds.

Footnote. Article 8 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 9. Proper inspection upon establishment of correspondent relations with foreign financial organizations

Besides the measures provided by paragraph 3 of Article 5 of this Law, upon establishment of correspondent relations with foreign financial organizations, the subjects of financial monitoring mentioned in subparagraph 1) of paragraph 1 of Article 3 of this Law additionally shall be obliged to:

- 1) carry out collection and fix details documentarily on a reputation and character of activity of a foreign financial organization - respondent, as well as on applying sanctions in respect of it for breach of the legislation of the country of its registration on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism ;
- 2) fix information documentarily on measures of internal control taken by a foreign financial organization-respondent in accordance with the legislation of the country of its registration on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, as well as carry out assessment of effectiveness of taken measures of internal control;
- 3) not to establish and not to maintain correspondent relations with shell-banks;
- 4) certify that the foreign financial organization - respondent refuses from use of own accounts by shell-banks;
- 5) obtain permission of a leading employee of organization for establishment of new correspondent relations.

Existence of correspondent relations of a foreign financial organization - respondent with shell-banks shall be determined on the basis of information provided by foreign financial organization -respondent and (or) received by a subject of financial monitoring from other sources.

Footnote. Article 9 is in the wording of the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 10. Collection of details and documentary confirmation during conduct of proper inspection

1. Upon conduct of proper inspection, the subjects of financial monitoring shall be obliged to fix details documentarily on a client on the basis of the list of documents required for the proper inspection of the client by the types of subjects of financial monitoring that shall be determined by the authorized body in concurrence with the relevant state bodies.

2. Details and information on transactions subjected to financial monitoring shall be provided by subjects of financial monitoring to the authorized body in the form that shall contain the following chapters: introductory information, details on a subject of financial monitoring, details on transaction and participants of transaction, supplementary information on transaction subjected to financial monitoring. This form shall be determined by the rules approved by the Government of the Republic of Kazakhstan.

Details and information on transactions subjected to financial monitoring provided by paragraphs 1 and 2 of Article 4 of this Law shall be fixed documentarily and provided to the authorized body by subjects of financial monitoring in Kazakh or Russian language:

1) mentioned in subparagraphs 1) – 5) and 10) of paragraph 1 of Article 3 of this Law – by electronic method no later than one business day next to the date of commission of a transaction through allocated communication channels, with the exception of legal entities the exclusive type of activity of which is organization of exchange transactions with foreign currency;

2) by legal entities the exclusive type of activity of which is organization of exchange transactions with foreign currency, by electronic method through allocated communication channels or in a hard copy no later than one business day next to the date of commission of a transaction;

3) mentioned in subparagraphs 6) – 9), 11) and 12) of paragraph 1 of Article 3 of this Law – by electronic method through allocated communication channels or in a hard copy no later than one business day next to the date of commission and (or) detection of a transaction.

3. Details and information on a transaction subjected to financial monitoring shall not be provided:

1) by attorneys in case if these details and information are received due to rendering of legal assistance on the issues of representation and protection of individuals and legal entities in the inquiry bodies, bodies of preliminary investigation, courts, as well as upon rendering of legal assistance by them in the form of legal aid, explanations, advices and written conclusions on the issues, the permission of which requires professional legal knowledge, drawing up of statements of claims, complaints and other documents of a legal nature ;

2) notary officers upon rendering of legal assistance by them in the form of legal aid, explanations on the issues the permission of which requires professional legal knowledge.

3-1. For the purpose of receipt of necessary information on transactions represented previously by a subject of financial monitoring, subjects to financial monitoring, including the suspicious transactions, the authorized body shall direct a request to the subject of financial monitoring for provision of necessary information, details and documents.

For the purpose mentioned in subparagraph 1) of paragraph 2 of Article 18 and paragraph 2 of Article 19 of this Law, the authorized body shall direct a request to a subject of financial monitoring for provision of necessary information, details and documents.

Subjects of financial monitoring shall be obliged to provide necessary information, details and documents to the authorized body upon its requests on transactions subjected to financial monitoring:

1) in accordance with paragraphs 1 and 2 of Article 4 of this Law within three business days from the date of receipt of the relevant request;

2) in accordance with paragraph 4 of Article 4 of this Law within twenty four hours from the date of receipt of the relevant request.

Authorized body shall not have the right to request details and information on transactions committed before entering of this Law into force, with the exception of the details and information that are provided on the basis of international treaty ratified by the Republic of Kazakhstan.

4. Expenses linked with transfer of details to the authorized body on a transaction subjected to financial monitoring, received upon conduct of proper inspection of a client shall be incurred by subjects of financial monitoring.

Footnote. Article 10 is in the wording of the Law of the Republic of Kazakhstan dated

21.06.2012 No. 19-V (the order of enforcement see Article 2); as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of six months after the date of its official publication).

Article 11. Maintenance of internal control by subjects of financial monitoring

1. Subjects of financial monitoring shall take measures in accordance with which the services rendered by them will not be used by other persons for the purpose of commission or rendering of assistance in legitimization (laundering) of incomes, and financing of terrorism.

2. Subjects of financial monitoring for the purpose of prevention of legitimization (laundering) of incomes received by illegal means, and financing of terrorism shall develop the rules of internal control and programs of its carrying out, as well as bear responsibility for compliance with rules and implementation of programs.

3. Rules of internal control shall be developed, accepted and executed by subjects of financial monitoring, and besides the requirements to the activity of a subject of financial monitoring upon conduct of internal control provided by this Law, shall include:

program of organizing internal control for the purpose of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

program of risk management of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, considering the risks of clients and risks of using the services in criminal purposes, including the risk of using the technological achievements; identification program of clients;

monitoring program and study of transactions of clients including study of difficult, unusual big and other unusual transactions of clients;

program of training and study of servants of subjects of financial monitoring on the issues of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

other programs that may be developed by subjects of financial monitoring in accordance with the rules of internal control.

3-1. Subjects of financial monitoring shall ensure compliance and realization of the rules of internal control by own branches, representatives, branch organizations located as in the Republic of Kazakhstan, so beyond its borders, if it is not inconsistent with the legislation of the state of their location.

Subjects of financial monitoring shall be obliged to inform the authorized body and body of control and supervision about the facts of impossibility of compliance and realization of the rules of internal control by own branches, representatives, branch organizations located beyond the borders of the Republic of Kazakhstan, in view of inconsistency with the legislation of the state of their location.

3-2. Requirements to the rules of internal control for the purpose of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism by the types of subjects of financial monitoring shall be established by joint regulatory legal acts of the authorized body and the relevant state bodies.

4. Documents and details received in view of the results of proper inspection of a client including a profile of the client and correspondence with him (her) shall be subject to storage by subjects of financial monitoring no less than five years from the date of termination of business relations with the client.

Documents and details on transactions with money and (or) other property subjected to financial monitoring and suspicious transactions, as well as results of studying all the difficult, unusual big and other unusual transactions shall be subject to storage by subjects of financial monitoring no less than five years after commission of a transaction.

5. Subjects of financial monitoring and their employees shall not have the right to notify clients and other persons on provision of details and information on such clients to the

authorized body and on transactions committed by them in accordance with this Law.

6. Provision of details and documents by subjects of financial monitoring to the authorized body for the purpose and in the manner provided by this Law is not a divulgence of official, commercial, banking or other secret protected by the Law.

7. In case of provision of information to the authorized body in accordance with this Law, the subjects of financial monitoring, their civil servants shall not bear responsibility provided by the Laws of the Republic of Kazakhstan, as well as civil law contract, independently from results of link.

8. Requirements to subjects of financial monitoring on training and study of employees shall be approved by the authorized body in concurrence with the relevant state bodies.

Footnote. Article 11 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of three months after its first official publication); dated 10.06.2014 No. 206-V (the order of enforcement see Article 2).

Article 12. List of organizations and persons linked with financing of terrorism and extremism

1. Authorized body shall make a list of organizations and persons linked with financing of terrorism and extremism, and direct to the relevant state bodies that shall bring it to subjects of financial monitoring.

List of organizations and persons linked with financing of terrorism and extremism shall be brought to the subjects of financial monitoring provided by subparagraph 12) of paragraph 1 of Article 3 of this Law by the authorized body.

2. State body carrying out statistical activity in the field of legal statistics and special accounts within the competence, as well as other competent state bodies shall direct the list of organizations and (or) individuals mentioned in paragraph 4 of this Article to the authorized body.

3. List of organizations and persons linked with financing of terrorism and extremism shall be renewed in accordance with information provided to the authorized body by the state body carrying out statistics activity within the competence in the field of legal statistics and special accounts, as well as by other competence state bodies.

4. Grounds for inclusion of organization or individual into the list of organizations and persons linked with financing of terrorism and extremism are:

1) court decision of the Republic of Kazakhstan that entered into legal force on liquidation of an organization due to its carrying out of terrorist activity and 9or) extremism ;

2) court decision of the Republic of Kazakhstan that entered into legal force on recognition of the organization carrying out terrorist activity or extremism in the territory of the Republic of Kazakhstan and (or) other state as terrorist or extremist, as well as on establishment of changing its name;

3) court verdict of the Republic of Kazakhstan that entered into legal force on recognition of an individual as a person guilty in commission of extremist and (or) terrorist crimes;

4) court verdicts (decisions) and decisions of other competent bodies of foreign states in respect of organizations or individual carrying out terrorist activity recognized in the Republic of Kazakhstan in accordance with international treaties of the Republic of Kazakhstan and the Laws of the Republic of Kazakhstan;

5) inclusion of an organization or individual into the list of organizations and persons linked with terrorist organizations or terrorists, made by international organizations carrying out counteraction of terrorism, or by bodies authorized by them in accordance with international treaties of the Republic of Kazakhstan;

6) lists of organizations and individuals accessory to terrorist and extremist activity, on the basis of data of law enforcement and special state bodies of the Republic of Kazakhstan,

made by the General Prosecutor's Office of the Republic of Kazakhstan.

5. Exclusion of an organization or individual from the list of organizations and persons linked with financing of terrorism and extremism shall be carried out on the basis of information on termination of validity of circumstances that served as the grounds for their inclusion into the mentioned list.

6. Is excluded by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Footnote. Article 12 as amended by the Laws of the Republic of Kazakhstan dated 08.04.2010 No. 266 (the order of enforcement see Article 2); dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (the order of enforcement see Article 2); dated 03.07.2014 No. 227-V (shall be enforced from 01.01.2015); dated 03.11.2014 No. 244-V (the order of enforcement see Article 2).

Article 13. Refusal from conduct and suspension of transactions with money and (or) other property

Footnote. Title of Article 13 is in the wording of the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

1. Subjects of financial monitoring shall be obliged to refuse to an individual or legal entity in establishment of business relations, as well as refuse in conduct of a transaction with money and (or) other property in case of impossibility to take measures provided by subparagraphs 1), 2) and 4) of paragraph 3 of Article 5 of this Law.

Subjects of financial monitoring shall have the right to terminate business relations with a client in case of impossibility of taking the measures provided by subparagraph 6) of paragraph 3 of Article 5 of this Law, as well as in case of occurrence of suspicious in the process of studying the transactions committed by the client that the business relations are used by the client for the purpose of legitimization (laundering) of incomes received by illegal means, or financing of terrorism.

1-1. No later than one business day from the date of obtainment of information that the authorized body included an organization or individual into the list of organizations and persons linked with financing of terrorism and extremism provided by paragraph 1 of Article 12 of this Law, the subjects of financial monitoring shall be obliged to:

suspend debit operations on banking account of such organization or individual, as well as on banking accounts of a client, the beneficiary owner of which is such individual;

suspend the execution of instructions on payment or money transfer without the use of the banking account of such individual, as well as instructions of a client, the beneficiary owner of which is such individual;

block securities in a system of registers of securities holders and accounting system of nominal holding of such organization or individual on separate accounts, as well as on separate accounts of the client, the beneficiary owner of which is such individual;

refuse in conduct of other operations with money and (or) other property committed by such organization or individual, or in their favor, and equally by a client, the beneficiary owner of which is such individual, or in his (her) favor.

Debit operations on banking accounts, registration of transactions with securities in a system of registers of securities holders and accounting system of a nominal holding on separate accounts, as well as other operations with money and (or) other property of organizations and individuals included into the list of organizations and persons linked with financing of terrorism and extremism, provided by paragraph 1 of Article 12 of this Law, may be carried out by subjects of financial monitoring on the basis of court decision, collection

orders of the body of state revenues, regulations of the body of state revenues on levy of execution upon the property restricted in disposal, as well as after exclusion of the organization or individual from the list mentioned above in the manner provided by this Law.

2. For the purpose of prevention and suppression of the facts of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, upon recognition of a transaction as suspicious, the subjects of financial monitoring shall be obliged to report on such transaction to the authorized body immediately before its conduct.

For the purpose of carrying out of financial monitoring by the authorized body, the messages on suspicious transactions that may not be suspended shall be provided by the subjects of financial monitoring to the authorized body no later than three hours after their commission or within twenty four hours from the date of detection of such operations.

The message on operation recognized as suspicious after its commission shall be provided by a subject of financial monitoring to the authorized body no later than one business date next to the date of recognition of such operation as suspicious.

Subjects of financial monitoring shall provide messages to the authorized body on the facts of refusal to an individual or legal entity in establishment of business relations, termination of business relations with a client, refusal in conduct of a transaction with money and (or) other property on the grounds provided by paragraph 1 of this Article, as well as on the facts of suspension of transactions in cases provided by paragraph 1-1 of this Article, no later than one business day next to the date of adoption of the relevant decision (commission of action) by the subject of financial monitoring.

3. After receipt of a message provided by a part one of paragraph 2 of this Article, within twenty four hours from the date of its receipt, the authorized body shall adopt decision on suspension of conduct of suspicious transaction for the term up to three business days in case, if the message on suspicious transaction provided by a subject of financial monitoring is recognized reasonable following the results of analysis conducted by the authorized body.

After receipt of a message on suspicious transaction provided by subparagraph 1) of paragraph 2 of Article 18 of this Law, the authorized body shall have the right to suspend such operation in case if it is not committed for the date of receipt of information.

Decision on suspension of a suspicious transaction or on the absence of necessity in suspension of suspicious transaction shall be adopted by the authorized body and brought to the notice of a subject of financial monitoring and the state body that provided a message on suspicious transaction by electronic method or in a hard copy.

4. In case of non-receipt of decision of the authorized body on suspension of a suspicious transaction or on absence of necessity in suspension of such transaction by a subject of financial monitoring within twenty four hours from the date of informing the information, the transaction shall be conducted if there are no the grounds provided by the legislative acts of the Republic of Kazakhstan impeding conduct of this transaction.

5. After adoption of a decision on suspension of conducting suspicious transaction, the authorized body shall transfer information to the General Prosecutor's Office of the Republic of Kazakhstan that shall direct information to the law enforcement and special state bodies within eight hours from the date of receipt of a message from the authorized body on suspension of the suspicious transaction in accordance with their compensation for adoption of decision.

From the date of receipt of information, the relevant law enforcement and special state bodies shall be obliged to adopt the relevant decision and report about it within forty eight hours to the General Prosecutor's Office and the authorized body.

Authorized body shall bring the relevant decision of law enforcement and special state bodies to the notice of a subject of financial monitoring within three hours from the date of receipt.

5-1. In case of receipt of decision from the law enforcement and special state bodies on necessity of suspension of a suspicious transaction transferred in accordance with paragraph 5 of this Article, on which there are the grounds to suppose than this transaction is directed for financing of terrorism, the authorized body shall deliver decision on suspension of debit operations on banking accounts of persons that are participants of such transaction for the

term up to fifteen calendar days.

Decision on suspension of debit operations on banking accounts of the persons that are participants of the operation on which there are grounds to suppose that they are directed for financing of terrorism, shall be adopted by the authorized body and shall be brought to subjects of financial monitoring provided by subparagraph 1) of paragraph 1 of Article 3 of this Law.

Authorized body shall inform the General Prosecutor's Office of the Republic of Kazakhstan, law enforcement and special state bodies on suspension of debit operations on banking accounts that provided such decision.

5-2. After expiration of the term for suspension of a suspicious transaction under decision of the authorized body, the transaction shall be conducted in the absence of other grounds provided by legislative acts of the Republic of Kazakhstan impeding conduct of such transaction.

6. Refusal from conduct, as well as suspension of transactions with money and (or) other property in accordance with this Law are not the grounds for civil responsibility of subjects of financial monitoring for violation of conditions of the relevant contracts (obligations).

Suspension of transactions with money and (or) other property is not the ground for occurrence of civil or another responsibility of the authorized body for harm, as well as lost income occurred due to such suspension.

Footnote. Article 13 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (the order of enforcement see Article 2); dated 07.11.2014 No. 248-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 14. Control of compliance with the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism

Control of execution of the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism by subjects of financial monitoring in a part of fixing, storage and provision of information on transactions with money and (or) other property subjected to financing monitoring, proper inspection of clients (their representatives) and beneficiary owners, suspension and refusal from conduct of transactions subjected to financial monitoring, protection of documents received in a process of own activity, as well as of organization and execution of internal control shall be carried out by the relevant state bodies in accordance with their competence and in the manner established by the legislation of the Republic of Kazakhstan.

Footnote. Article 14 is in the wording of the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of six months after the date of its first official publication).

Chapter 3. COMPETENCE OF THE AUTHORIZED BODY

Article 15. Tasks of the authorized body

Tasks of the authorized body are:

- 1) implementation of single state policy in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;
- 2) counteraction of legitimization (laundering) of incomes received by illegal means, and

financing of terrorism, coordination of work of the state bodies in this direction of activity;

3) creation of single informational system and maintenance of republican data base in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

4) carrying out of interaction and information exchange with competent bodies of foreign states in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

5) representation of interests of the Republic of Kazakhstan in international organizations on the issues of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Footnote. Article 15 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 16. Functions of the authorized body

For the purpose of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, the authorized body shall:

1) carry out collection and processing of information on transactions with money and (or) other property subjected to financial monitoring, in accordance with this Law;

2) carry out analysis of received information in established manner;

3) coordinate activity of state bodies in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

4) direct necessary information on transactions with money and (or) other property upon request of the court on criminal cases subjected to financial monitoring, for solution of materials being in proceeding;

4-1) provide details and information on a transaction subjected to financial monitoring in the manner established by the legislation of the Republic of Kazakhstan upon requests of the law enforcement and special state bodies;

5) transfer information to the General Prosecutor's Office of the Republic of Kazakhstan for directing to law enforcement and special state bodies in accordance with their competence for adoption of procedural decision in existence to suppose that the transaction with money and (or) other property is linked with legitimization (laundering) of incomes received by illegal means, and (or) financing of terrorism;

6) participate in development and carrying out of programs of international cooperation on the issues of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

7) organize formation and maintenance of republican database, as well as ensure methodological unity and coordinated functioning of informational systems in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

8) develop and conduct measures on prevention of breaches of the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

9) generalize a practice of applying the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism on the basis of information received from the state bodies and other organizations, as well as develop and make proposals on its development;

10) study international experience and practice of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

11) conduct measures on retraining and raising of qualification of a personnel in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

12) participate in activity of international organizations, associations and other working groups in established manner in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

13) determine the list of offshore zones for the purposes of this Law in concurrence with the National Bank of the Republic of Kazakhstan;

14) exercise other powers provided by this Law, other Laws of the Republic of Kazakhstan, acts of the President of the Republic of Kazakhstan and the Government of the Republic of Kazakhstan.

Footnote. Article 16 as amended by the Laws of the Republic of Kazakhstan dated 05.07.2011 No. 452-IV (shall be enforced from 13.10.2011); dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 05.07.2012 No. 30-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 17. Rights and obligations of the authorized body

1. Authorized body shall:

1) request necessary information on a transaction subjected to financial monitoring from subjects of financial monitoring, as well as from the state bodies of the Republic of Kazakhstan;

2) issue decision on suspension of transactions with money and (or) other property in case of detection of signs of a suspicious transaction satisfying one or several criteria established by paragraph 4 of Article 4 of this Law for the term up to three calendar days;

3) participate in development of drafts of regulatory legal acts and international treaties of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

4) exchange information upon request or in an independent basis with a competent body of foreign state in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

5) involve to work, as well as on a contractual basis, scientific research and other organizations, as well as separate specialists for conduct of examinations, development of educational programs, methodic materials, program and informational support, creation of informational systems in the scope of financial monitoring in compliance with requirements on protection of the state, service, commercial, banking and other secret protected by the Law;

6) direct a notification on a breach of the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism to the relevant state bodies;

7) determine procedure for interaction on exchange and transfer of details and information linked with legitimization (laundering) of incomes received by illegal means, and financing of terrorism jointly with the law enforcement and special state bodies.

2. Authorized body shall:

1) take measures on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

2) ensure the relevant regime of storage, protection and preservation of information that is official, commercial, banking or another secret protected by the Law, received in a process of own activity;

3) ensure compliance with rights and legal interests of a human and a citizen, legal entities and the state in a process of carrying out of financial monitoring.

Footnote. Article 17 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first

official publication); dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 18. Interaction of the authorized body with the state bodies of the Republic of Kazakhstan

1. State bodies of the Republic of Kazakhstan carrying out control of compliance with the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism by subjects of financial monitoring within the competence shall be obliged to:

1) provide information required to the authorized body for carrying out of financial monitoring and counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

2) consider a notification of the authorized body on a breach of the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism and report on taken measures to the authorized body within the term established by the legislation of the Republic of Kazakhstan;

3) ensure the relevant regime of storage, protection and preservation of information that is official, commercial, banking and other secret protected by the Law, received in a process of own activity;

4) ensure compliance with rights and legal interests of a human and citizen, legal entities and the state in a process of carrying out of control functions.

2. State bodies of the Republic of Kazakhstan shall be obliged to:

1) inform the authorized body upon detection on an individual basis on suspicious transactions, including the transactions on export (import) of commodities (works, services) with process obviously differing from market prices;

2) inform the authorized body on breaches of the rules of this Law by subjects of financial monitoring upon detection on an individual basis;

3) provide details from own informational systems and resources upon request of the authorized body in the manner determined by the Government of the Republic of Kazakhstan;

4) ensure the relevant regime of storage, protection and preservation of information that is official, commercial, banking or another secret protected by the Law in a process of own activity.

3. Direction of requests to the authorized body on representation of details and information on a transaction subjected to financial monitoring shall be carried out by the law enforcement and special state bodies with the approval of the General Prosecutor of the Republic of Kazakhstan and his (her) deputies.

Law enforcement and special state bodies shall direct requests on cases and materials, registered in the manner established by the legislation of the Republic of Kazakhstan linked with counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Execution of requests of the law enforcement and special state bodies shall be carried out by the authorized body within the details and information on transactions subjected to financial monitoring being in republican database in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, as well as within the details and information received from competent bodies of foreign states in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Details and information on transactions subjected to financial monitoring shall be provided to the authorized body in the scope of foreign intelligence in the manner determined by joint regulatory legal act of the authorized body in the scope of foreign intelligence, the General Prosecutor's Office of the Republic of Kazakhstan and the authorized body.

4. Provision of details and information on suspicious transaction to the authorized body

in the manner provided by this Law is not a divulgence of official, commercial, banking or another secret protected by the Law.

5. Transfer of details and information on a transaction subjected to financial monitoring , as well as on suspicious transaction by the authorized body to the General Prosecutor's Office of the Republic of Kazakhstan, special state and law enforcement bodies in the manner provided by this Law is not a divulgence of official, commercial, banking or another secret protected by the Law.

5-1. Details and information on transactions subjected to financial monitoring, as well as on clients of subjects of financial monitoring in the manner not provided by this Law shall not be provided by the authorized body.

6. Collection of information on coming in to the Republic of Kazakhstan or coming out from the Republic of Kazakhstan of declared cultural values, currency in cash, documentary securities for a presented, bills, checks, with the exception of coming in or coming out carried out from the territory that is a component part of the customs territory of the Customs Union to the territory that is a component part of the customs territory of the Customs Union shall be carried out by the body of state revenues of the Republic of Kazakhstan with the following its compulsory provision to the authorized body in established terms provided by the legislation of the Republic of Kazakhstan.

Footnote. Article 18 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (the order of enforcement see Article 2); dated 10.06.2014 No. 206-V (the order of enforcement see Article 2); dated 07.11.2014 No. 248-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 19. International cooperation in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism

Footnote. Title of Article 19 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

1. Cooperation of the authorized body and other state bodies of the Republic of Kazakhstan with their competent bodies of foreign states in the scope of prevention, detection, suppression and investigation of actions linked with legitimization (laundering) of incomes received by illegal means, and financing of terrorism, as well as confiscation of mentioned incomes shall be carried out in accordance with the Laws of the Republic of Kazakhstan and international treaties of the Republic of Kazakhstan.

2. International cooperation in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism between the authorized body and competent body of a foreign state may be carried out by request and exchange of information

Transfer of information on legitimization (laundering) of incomes received by illegal means, and financing of terrorism shall be carried out upon request of a competent body of foreign state upon condition that it will not be used for the purposes not mentioned in the request, or transferred to third parties without preliminary consent of the authorized body.

Transfer of information to competent bodies of a foreign state on legitimization (laundering) of incomes received by illegal means, and financing of terrorism shall be carried out in case if it does not concern the constitutional rights and freedoms of a human and citizen and does not inflict harm to interests of the national security of the Republic of Kazakhstan.

3. For the purpose of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism, the authorized body shall have the right to request

information and documents from competent bodies of a foreign state being liable for counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Authorized body shall have the right to use information and documents received upon request exclusively for the purpose of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Authorized body shall not have the right to transfer to a third party or use information and documents with the violation of conditions and restrictions established by competent bodies of a foreign state from which they were requested without preliminary consent of the competent bodies of the foreign state being liable for counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

Authorized body shall have the right to conclude agreements with competent bodies of foreign states on the issues of cooperation in the scope of counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism in accordance with the manner established by the legislation of the Republic of Kazakhstan.

4. Authorized body shall have the right to refuse in satisfying the request from competent bodies of a foreign state in the following cases:

1) if the authorized body considers the facts and circumstances of necessity of providing information brought in a request insufficient for suspicion in legitimization (laundering) of incomes received by illegal means, and financing of terrorism;

2) if provision of information has the influence on a course of criminal proceeding in the Republic of Kazakhstan.

Authorized body shall notify requesting competent body of a foreign state on refusal with specification of the grounds for refusal.

Authorized body shall have the right to establish additional conditions and restrictions of using information provided to competent bodies of a foreign state being liable for counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism.

5. Provisions of this Article shall be applied in respect of international cooperation, unless otherwise provided by international treaties ratified by the Republic of Kazakhstan.

Footnote. Article 19 as amended by the Laws of the Republic of Kazakhstan dated 21.06.2012 No. 19-V (shall be enforced upon expiry of ten calendar days after its first official publication); dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Chapter 4. FINAL PROVISIONS

Article 20. Responsibility for breach of the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism

Footnote. Title of Article 20 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

1. Breach of the legislation of the Republic of Kazakhstan on counteraction of legitimization (laundering) of incomes received by illegal means, and financing of terrorism shall entail responsibility established by the Laws of the Republic of Kazakhstan.

2. Employees of the authorized body and other state bodies, as well as the persons that in virtue of carrying out of own official duties have an access to information that is official, commercial, banking or another secret protected by the Law, shall bear responsibility for

their divulgence established by the Laws of the Republic of Kazakhstan.

3. Harm inflicted to individuals and legal entities by illegal actions of the authorized body or its employees due to performance of own functions by the authorized body shall be subject to compensation in the manner established by the legislation of the Republic of Kazakhstan.

Footnote. Article 20 as amended by the Law of the Republic of Kazakhstan dated 10.06.2014 No. 206-V (shall be enforced upon expiry of ten calendar days after the date of its first official publication).

Article 21. Entering of this Law into force

This Law enters into force upon expiry of six months after its first official publication

*The President
of the Republic of Kazakhstan*

N. Nazarbayev